

Town of Sedgwick, Colorado

Financial Statements

For the Year ended December 31, 2023

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-9
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	12
Statement of Activities	14-15
Fund Financial Statements	
Balance Sheet – Governmental Funds	16
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Net Position – Proprietary Funds	20
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	21
Statement of Cash Flows – Proprietary Funds	22-23
Notes to Financial Statements	24-38
Required Supplementary Information	
General Fund – Budgetary Comparison Schedule	40
Notes to the Required Supplementary Information	41
Other Supplementary Information	
General Fund	
Budgetary Comparison Schedule – Revenues	46
Budgetary Comparison Schedule – Expenditures	48-49
Nonmajor Governmental Fund	
Conservation Trust Fund – Budgetary Comparison Schedule	52

Table of Contents

	<u>Page</u>
Enterprise Funds	
Water and Sewer Fund – Budgetary Comparison Schedule	54
Sanitation Fund – Budgetary Comparison Schedule	55
Colorado Department of Highways Local Highway Finance Report	58-59

Independent Auditors' Report

To the Honorable Mayor and Members of Town Council
Town of Sedgwick
Sedgwick, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Sedgwick (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 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 as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing the audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods

of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The other supplementary information and the local highway finance report 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 information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
September 21, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

This section of the Town of Sedgwick, Colorado's annual financial report presents the discussion and analysis of the financial performance for the fiscal year that ended December 31, 2023.

FINANCIAL HIGHLIGHTS

- The Town of Sedgwick remains in good financial condition.
- The assets of the Town of Sedgwick exceeded its liabilities and deferred inflows of resources at the close of 2023 by \$5,790,317 (net position). Of this amount \$4,889,864 or 84% is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.
- During the year, the Town's total revenues exceeded expenses by \$1,100,193.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town of Sedgwick's basic financial statements. The Town of Sedgwick's basic financial statements are comprised of three components:

- Government-wide financial statements
- Fund financial statements.
- 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 statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies.

The **statement of net position** presents information on all of the Town of Sedgwick's assets and liabilities and deferred inflows of resources, 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 of Sedgwick is improving or deteriorating.

The **statement of activities** presents information showing how the Town of Sedgwick'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. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes.)

The government-wide financial statements of the Town are divided into two categories:

- **Governmental activities.** Most of the Town's basic services are included here, such as public works, parks, recreation, and general administration. Property and other taxes, as well as intergovernmental revenue finance most of these activities.
- **Business-type activities.** The Town charges fees to customers to recover most of the costs of certain services provided. The Town's water, sewer and sanitation systems are included here.

The government-wide financial statements can be found starting on page 12 of this report.

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. Some funds are required to be established by State law, however, the Town Council has established other funds to help control and manage money for particular purposes or to show that it is properly using certain revenue (the Conservation Trust Fund). All of the funds of the Town of Sedgwick can be divided into two categories: governmental and proprietary funds.

Governmental funds. Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end are available for spending. The funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statement provides a detailed, short-term view to cash, the governmental fund operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statement is provided, on the subsequent page, that explains the relationship (or differences) between them.

The basic governmental fund financial statements can be found starting on page 16 of this report.

Proprietary funds. When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The basic proprietary fund financial statements can be found starting on page 20 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

The Town has no fiduciary funds to report.

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 starting on page 24 of this report.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Sedgwick, assets exceed liabilities and deferred inflows of resources by \$5,790,317 at the close of 2023.

Net Position

Combined net position of the Town of Sedgwick as of December 31, 2023 and 2022 are shown in Table 1 below.

Table 1
NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 4,575,789	\$ 3,500,891	\$ 460,838	\$ 481,748	\$ 5,036,627	\$ 3,982,639
Capital assets	381,324	373,907	622,696	594,770	1,004,020	968,677
Total assets	<u>\$ 4,957,113</u>	<u>\$ 3,874,798</u>	<u>\$ 1,083,534</u>	<u>\$ 1,076,518</u>	<u>\$ 6,040,647</u>	<u>\$ 4,951,316</u>
Long-term debt outstanding	\$ -	\$ -	\$ 174,583	\$ 188,550	\$ 174,583	\$ 188,550
Other liabilities	48,035	46,443	15,960	10,800	63,995	57,243
Total liabilities	48,035	46,443	190,543	199,350	238,578	245,793
Deferred inflows of resources	11,752	15,399	-	-	11,752	15,399
Net position:						
Net investment in capital assets	381,324	373,907	448,113	406,221	829,437	780,128
Restricted	50,314	49,900	20,702	22,038	71,016	71,938
Unrestricted	<u>4,465,688</u>	<u>3,389,149</u>	<u>424,176</u>	<u>448,909</u>	<u>4,889,864</u>	<u>3,838,058</u>
Total net position	<u>4,897,326</u>	<u>3,812,956</u>	<u>892,991</u>	<u>877,168</u>	<u>5,790,317</u>	<u>4,690,124</u>
Total liabilities and net position	<u>\$ 4,957,113</u>	<u>\$ 3,874,798</u>	<u>\$ 1,083,534</u>	<u>\$ 1,076,518</u>	<u>\$ 6,040,647</u>	<u>\$ 4,951,316</u>

The second largest portion of the Town of Sedgwick's net position, 14%, reflects its investment in capital assets (land, buildings and equipment). The Town of Sedgwick uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. In addition, a portion of the Town of Sedgwick's net position, 1%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, 85%, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of 2023, the Town of Sedgwick is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Changes in net position

The Town's total revenue of \$1,463,807 was more than program expenses of \$363,614 for an increase in net position of \$1,100,193.

Table 2 shows the summarized revenues and expenses for 2023 and 2022.

Table 2
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program revenues						
Charges for services	\$ 3,077	\$ 2,994	\$ 141,850	\$ 131,622	\$ 144,927	\$ 134,616
Operating grants and contributions	19,472	19,994	-	-	19,472	19,994
Capital grants and contributions	-	-	-	-	-	-
General revenues						
Property taxes	15,831	15,787	-	-	15,831	15,787
Other taxes	1,078,935	1,280,843	-	-	1,078,935	1,280,843
Interest earnings	200,402	50,656	1,949	200	202,351	50,856
Miscellaneous	2,291	9,359	-	-	2,291	9,359
Transfers	-	-	-	-	-	-
Total revenues	1,320,008	1,379,633	143,799	131,822	1,463,807	1,511,455
Program expenses						
General government	124,453	114,026	-	-	124,453	114,026
Health and welfare	14,780	4,122	-	-	14,780	4,122
Public works	35,108	54,143	-	-	35,108	54,143
Culture and recreation	61,297	54,873	-	-	61,297	54,873
Water and sewer services	-	-	106,144	111,101	106,144	111,101
Sanitation services	-	-	21,832	22,641	21,832	22,641
Total expenses	235,638	227,164	127,976	133,742	363,614	360,906
Change in net position	1,084,370	1,152,469	15,823	(1,920)	1,100,193	1,150,549
Net position at beginning of year	3,812,956	2,660,487	877,168	879,088	4,690,124	3,539,575
Net position at end of year	\$ 4,897,326	\$ 3,812,956	\$ 892,991	\$ 877,168	\$ 5,790,317	\$ 4,690,124

Governmental Activities

Revenue for the Town's governmental activities totaled \$1,320,008 for 2023. Tax revenue produced 83% of these revenues. Tax revenue includes property taxes, sales and other taxes.

Table 3
GOVERNMENTAL ACTIVITIES

	Total Cost of Services	Net Cost of Services
General government	\$ 124,453	\$ 121,376
Health and welfare	14,780	14,780
Public works	35,108	17,984
Culture and recreation	61,297	58,949

Table 3 presents the cost and revenue of each of the Town's largest programs – general government, health and welfare, public works, and culture recreation – as well as each program's *net* cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

Business-type Activities

Net position in business-type activities increased by \$15,823 in 2023. Business-type activities include water and sewer services, as well as sanitation services.

Table 4

BUSINESS-TYPE ACTIVITIES

	Total Cost of Services	Net Cost of Services
Water and sewer services	\$ 106,144	\$ (7,234)
Sanitation services	21,832	(6,640)

Table 4, above, presents the cost and revenue of each of the Town's business-type activities – water, sewer and sanitation – as well as the program *net* cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

THE TOWN'S FUNDS

As the Town completed the year, its governmental funds (as presented in the balance sheet on page 16) reported a combined fund balance of \$4,516,002. The general fund and other governmental fund reported fund balances of \$4,505,688 and \$10,314, respectively.

General Fund Budgetary Highlights

The actual charges to appropriations (expenditures) were \$497,294 below the final budget amounts due to capital outlay expenditures and transfers out that came in less than anticipated in the original budget.

Additionally, resources available for appropriation (revenues) were \$6,905 less than the final budgeted amount. Revenues collected through taxes, licenses and fees and charges for services were much lower than anticipated, while interest came in much higher than anticipated.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The Town of Sedgwick's investment in capital assets for its governmental and business-type activities as of December 31, 2023, amounts to \$1,004,020 (net of accumulated depreciation). This amount includes a broad range of capital assets, including public works equipment, water, sewer and other infrastructure.

The Town remains committed to the upkeep and maintenance of the Town's largest assets. More detailed information about the Town's capital assets is presented in Table 5.

Table 5
CAPITAL ASSETS ON DECEMBER 31, 2023

	Governmental Activities	Business-type Activities	Total Primary Government
Land and improvements	\$ 6,100	\$ 25,220	\$ 31,320
Buildings and improvements	210,397	-	210,397
Equipment	164,827	1,517	166,344
Systems	-	595,959	595,959
Total	<u>\$ 381,324</u>	<u>\$ 622,696</u>	<u>\$ 1,004,020</u>

Long-term debt. The Town had \$174,583 in debt outstanding at year-end. More detailed information about the Town's long-term debt is presented in Table 6 and Note F to the financial statements.

Table 6
LONG-TERM DEBT ON DECEMBER 31, 2023

	Governmental Activities	Business-type Activities	Total Primary Government
Notes payable	<u>\$ -</u>	<u>\$ 174,583</u>	<u>\$ 174,583</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The 2025 Budget will show funding and expenses for the Sewer System project in the form of matching expenses and grant funds revenue. The Town sewer project has secured funding and will be reviewing bids for construction. In 2024 a Resolution was adopted and implemented to increase the base water rate by \$2 with a 3% increase to the overage usages and the trash base rate increased by \$2. Sales Tax Revenues are expected to decline for 2024 and years to come with other states adopting marijuana licensing, there are no new business expected. Should there be any unanticipated construction costs, there may be a need to increase water rates. The Town's employees, the Clerk and Utility Operator, continue to perform satisfactorily and provide stability in the day to day operations of the Town. In 2024 the Town gave the employees a 3% cost of living pay increase, same to be expected for 2025. The Town now has 3 full-time employees and one part-time employee.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds and assets it receives. If you have questions about this report, or should you need additional financial information, contact Town of Sedgwick, 29 Main Ave., P.O. Box 27, Sedgwick, Colorado 80749.

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Basic Financial Statements

The basic financial statements of the Town include the following:

Government-wide financial statements. The government-wide statements display information about the reporting government as a whole.

Fund financial statements. The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental and proprietary funds.

Notes to the financial statements. The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

TOWN OF SEDGWICK, COLORADO
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 112,604	\$ 361,889	\$ 474,493
Cash with county treasurer	239		239
Certificates of deposit		67,118	67,118
Investments	4,339,623		4,339,623
Receivables	123,323	11,129	134,452
Capital assets, net of depreciation	381,324	622,696	1,004,020
Restricted cash		20,702	20,702
Total assets	\$ 4,957,113	\$ 1,083,534	\$ 6,040,647
Liabilities			
Current liabilities			
Accounts payable	\$ 4,687	\$ 5,718	\$ 10,405
Accrued salaries and benefits	8,913	5,942	14,855
Unearned grant revenue	34,435		34,435
Refundable deposits		4,300	4,300
Noncurrent liabilities			
Due within one year		13,967	13,967
Due in more than one year		160,616	160,616
Total liabilities	48,035	190,543	238,578
Deferred inflows of resources			
Deferred property tax revenues	11,752		11,752
Total deferred inflows of resources	11,752	-	11,752
Net position			
Net investment in capital assets	381,324	448,113	829,437
Restricted for:			
Emergencies	40,000		40,000
Culture and recreation	10,314		10,314
Debt service		20,702	20,702
Unrestricted	4,465,688	424,176	4,889,864
Total net position	4,897,326	892,991	5,790,317
Total liabilities, deferred inflows of resources and net position	\$ 4,957,113	\$ 1,083,534	\$ 6,040,647

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

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TOWN OF SEDGWICK, COLORADO
Statement of Activities
For the Year Ended December 31, 2023

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 124,453	\$ 3,077		
Health and welfare	14,780			
Public works	35,108		\$ 17,124	
Culture and recreation	61,297		2,348	
Total governmental activities	235,638	3,077	19,472	\$ -
Business-type activities				
Water and sewer	106,144	113,378		
Sanitation	21,832	28,472		
Total business-type activities	127,976	141,850	-	-
Total	\$ 363,614	\$ 144,927	\$ 19,472	\$ -
General revenues				
Taxes				
Property taxes, levied for general purposes				
Other taxes				
Unrestricted earnings on investments				
Miscellaneous				
Total general revenues				
Change in net position				
Net position at beginning of year				
Net position at end of year				

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

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (121,376)		\$ (121,376)
(14,780)		(14,780)
(17,984)		(17,984)
<u>(58,949)</u>		<u>(58,949)</u>
(213,089)	\$ -	(213,089)
	7,234	7,234
	<u>6,640</u>	<u>6,640</u>
-	13,874	13,874
(213,089)	13,874	(199,215)
15,831		15,831
1,078,935		1,078,935
200,402	1,949	202,351
<u>2,291</u>		<u>2,291</u>
1,297,459	1,949	1,299,408
1,084,370	15,823	1,100,193
<u>3,812,956</u>	<u>877,168</u>	<u>4,690,124</u>
<u>\$ 4,897,326</u>	<u>\$ 892,991</u>	<u>\$ 5,790,317</u>

TOWN OF SEDGWICK, COLORADO
Balance Sheet
Governmental Funds
December 31, 2023

	General Fund	Other Governmental Fund	Total Governmental Funds
Assets			
Cash	\$ 102,290	\$ 10,314	\$ 112,604
Cash with county treasurer	239		239
Investments	4,339,623		4,339,623
Accounts receivable	111,571		111,571
Property taxes receivable	11,752		11,752
Total assets	<u>\$ 4,565,475</u>	<u>\$ 10,314</u>	<u>\$ 4,575,789</u>
Liabilities			
Accounts payable	\$ 4,687		\$ 4,687
Accrued salaries and benefits	8,913		8,913
Unearned grant revenue	34,435		34,435
Total liabilities	48,035	\$ -	48,035
Deferred inflows of resources			
Deferred property tax revenues	11,752		11,752
Total deferred inflows of resources	11,752	-	11,752
Fund balance			
Restricted for emergencies	40,000		40,000
Restricted for culture and recreation		10,314	10,314
Unassigned	4,465,688		4,465,688
Total fund balance	<u>4,505,688</u>	<u>10,314</u>	<u>4,516,002</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 4,565,475</u>	<u>\$ 10,314</u>	<u>\$ 4,575,789</u>

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

TOWN OF SEDGWICK, COLORADO

**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2023**

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

Total fund balances - governmental funds	\$ 4,516,002
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	<u>381,324</u>
Net position of governmental activities	<u><u>\$ 4,897,326</u></u>

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

TOWN OF SEDGWICK, COLORADO
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023

	General Fund	Other Governmental Fund	Total Governmental Funds
Revenues			
Taxes	\$ 1,094,553		\$ 1,094,553
Licenses and fees	3,077		3,077
Intergovernmental revenue	17,337	\$ 2,348	19,685
Miscellaneous revenue	202,627	66	202,693
Total revenues	1,317,594	2,414	1,320,008
Expenditures			
Current			
General government	122,779		122,779
Health and welfare	4,598		4,598
Public works	35,108		35,108
Culture and recreation	28,971		28,971
Capital outlay	51,599		51,599
Total expenditures	243,055	-	243,055
Net change in fund balances	1,074,539	2,414	1,076,953
Fund balance at beginning of year	3,431,149	7,900	3,439,049
Fund balance at end of year	<u>\$ 4,505,688</u>	<u>\$ 10,314</u>	<u>\$ 4,516,002</u>

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

TOWN OF SEDGWICK, COLORADO
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023

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

Net change in fund balances - governmental funds	\$ 1,076,953
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Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation exceeded capital outlays in the current period.

7,417

Change in net position of governmental activities

<u>\$ 1,084,370</u>

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

TOWN OF SEDGWICK, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2023

	Business-type Activities Enterprise Funds		
	Water and Sewer Fund	Sanitation Fund	Total
Assets			
Current assets			
Cash	\$ 297,891	\$ 63,998	\$ 361,889
Certificates of deposit	67,118		67,118
Accounts receivable	8,843	2,286	11,129
Total current assets	373,852	66,284	440,136
Restricted assets			
Cash	20,702		20,702
Noncurrent assets			
Land	25,220		25,220
Systems	1,126,203		1,126,203
Vehicles and equipment	3,758	27,585	31,343
Accumulated depreciation	(534,002)	(26,068)	(560,070)
Total noncurrent assets	621,179	1,517	622,696
Total assets	<u>\$ 1,015,733</u>	<u>\$ 67,801</u>	<u>\$ 1,083,534</u>
Liabilities			
Current liabilities			
Accounts payable	\$ 5,096	\$ 622	\$ 5,718
Accrued salaries and benefits	4,457	1,485	5,942
Refundable deposits	4,300		4,300
Current portion of long-term debt	13,967		13,967
Total current liabilities	27,820	2,107	29,927
Long-term liabilities			
Long-term debt	160,616		160,616
Total liabilities	188,436	2,107	190,543
Net position			
Net investment in capital assets	446,596	1,517	448,113
Restricted for debt service	20,702		20,702
Unrestricted	359,999	64,177	424,176
Total net position	827,297	65,694	892,991
Total liabilities and net position	<u>\$ 1,015,733</u>	<u>\$ 67,801</u>	<u>\$ 1,083,534</u>

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

TOWN OF SEDGWICK, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities Enterprise Funds		
	Water and Sewer Fund	Sanitation Fund	Total
Operating revenues			
Charges for services	\$ 113,378	\$ 28,472	\$ 141,850
Operating expenses			
Salaries	32,480	10,827	43,307
Payroll taxes	2,469	2,412	4,881
Employee insurance	4,766		4,766
Supplies and maintenance	23,502	1,741	25,243
Utilities	6,845		6,845
Landfill		3,777	3,777
Insurance and bonds	3,525	1,175	4,700
Miscellaneous	6,464		6,464
Professional fees	2,331	600	2,931
Office expense	83		83
Telephone	342		342
Depreciation	23,337	1,300	24,637
Total operating expenses	106,144	21,832	127,976
Operating income	7,234	6,640	13,874
Nonoperating revenues			
Interest on investments	1,949		1,949
Total nonoperating revenues	1,949	-	1,949
Change in net position	9,183	6,640	15,823
Net position at beginning of year	818,114	59,054	877,168
Net position at end of year	\$ 827,297	\$ 65,694	\$ 892,991

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

TOWN OF SEDGWICK, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities Enterprise Funds		
	Water and Sewer Fund	Sanitation Fund	Total
Cash flows from operating activities			
Receipts from customers	\$ 112,768	\$ 28,594	\$ 141,362
Payments to suppliers	(46,614)	(9,387)	(56,001)
Payments to employees	(31,595)	(10,533)	(42,128)
Net cash provided by operating activities	34,559	8,674	43,233
Cash flows from capital and related financing activities			
Purchase of capital assets	(52,563)		(52,563)
Principal paid on long-term debt obligation	(13,967)		(13,967)
Net cash used by capital and related financing activities	(66,530)	-	(66,530)
Cash flows from investing activities			
Earnings on investments	839		839
Net cash provided by investing activities	839	-	839
Net increase (decrease) in cash	(31,132)	8,674	(22,458)
Cash and cash equivalents at beginning of year	349,725	55,324	405,049
Cash and cash equivalents at end of year	<u>\$ 318,593</u>	<u>\$ 63,998</u>	<u>\$ 382,591</u>

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

	Business-type Activities Enterprise Funds		
	Water and Sewer Fund	Sanitation Fund	Total
Reconciliation of operating income to net cash cash provided by operating activities			
Operating income	\$ 7,234	\$ 6,640	\$ 13,874
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	23,337	1,300	24,637
Changes in assets and liabilities			
Receivables	(560)	122	(438)
Accounts payable	3,713	318	4,031
Accrued salaries and benefits	885	294	1,179
Refundable deposits	(50)		(50)
Net cash provided by operating activities	<u>\$ 34,559</u>	<u>\$ 8,674</u>	<u>\$ 43,233</u>
Cash and cash equivalents consist of:			
Cash and investments	\$ 297,891	\$ 63,998	\$ 361,889
Restricted cash	<u>20,702</u>	<u></u>	<u>20,702</u>
Total cash and cash equivalents	<u>\$ 318,593</u>	<u>\$ 63,998</u>	<u>\$ 382,591</u>

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies

This summary of the Town of Sedgwick's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

The more significant of the Town's accounting policies are described below.

A.1 – Reporting entity

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The reporting entity's financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The Town has examined other entities that could be included as defined in number 2 and 3 above. Based on these criteria, the Town has no component units.

A.2 – Fund accounting

The Town uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), major capital projects (capital projects fund), and the servicing of general long-term debt (debt service fund). The following is the Town's major governmental fund:

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

General Fund – The General Fund is the operating fund of the Town. It is used to account for most of the day-to-day operations of the Town which are financed from sales and use taxes, property taxes and other general revenues. Activities financed by the general fund include those of line and staff departments within the Town, except for activities of the enterprise funds.

The following is the Town's nonmajor governmental fund:

Conservation Trust Fund – This fund is a special revenue fund established to account for state lottery proceeds and allowable expenditures.

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the Town's major proprietary funds:

Water and Sewer Fund – This fund was established to account for all operations of the water and sewer utility services provided by the Town.

Sanitation Fund – This fund was established to account for all operations of the sanitation services provided by the Town.

Note A.3 – Basis of presentation

Government-wide financial statements – The statement of net position and the statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The statements distinguish between those activities of the Town that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Town and for each function or program of the Town's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Town, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Town.

Fund financial statements – Fund financial statements report detailed information about the Town. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balance, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how the Town finances and meets the cash flow needs of its proprietary activities.

A.4 – Basis of accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds also use the accrual basis of accounting.

Revenues – exchange and non-exchange transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Town, available means expected to be received within sixty days of fiscal year-end.

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Nonexchange transactions, in which the Town receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Town must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Town on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Property taxes, sales taxes, other taxes, licenses and fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Unearned revenue – Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

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

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

Expenses/expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.5 – Encumbrances

The Town does not utilize encumbrance accounting.

A.6 – Cash and cash equivalents

For the purposes of the statement of cash flows, the Town considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

A.7 – Short-term interfund receivables/payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position, and are classified as due from other funds or due to other funds on the balance sheet.

A.8 – Receivables

Monthly charges for water, sewer and sanitation services are included with monthly utility billings. No allowance for doubtful accounts has been provided in the accompanying financial statements since substantially all accounts are deemed by management to be collectible.

A.9 – Capital assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund financial statements.

All capital assets with a unit cost greater than \$1,000 are capitalized at cost (or estimated historical cost, if actual cost is not available) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value on the date received. Improvements to assets are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) will be capitalized on a prospective basis beginning in 2004.

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Buildings	40 years	40 years
Equipment	3-10 years	3-10 years
Improvements other than buildings	10-50 years	25-50 years
Infrastructure	50 years	n/a

A.10 – Compensated absences

The Town reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Full-time employees accrue sick leave at a rate of 8 hours per month up to 120 hours per calendar year. Upon termination of employment, an employee with unused sick leave shall not be paid unused sick hours. Full-time employees accrue leave at a rate of 40 hours per calendar year for the first two years of service, and 80 hours per calendar for the third year of service and beyond. Upon separation of employment, employees will receive pay for earned, unused vacation. No liability is shown in the financial statements due to the immateriality of the amount.

A.11 – Accrued liabilities and long-term obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.12 – Net position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are liabilities imposed on its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Town applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

A.13 – Operating revenues and expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Town, these revenues are service charges for water, sewer and sanitation utility services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

A.14 – Interfund transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services provided and used, and reimbursements, are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services that are provided and used are not eliminated in the process of consolidation.

A.15 – Extraordinary and special items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Town Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the year.

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.16 – Fund balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different type of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

Nonspendable, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council (the Town's highest level of decision-making authority),

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

Unassigned fund balance is the residual classification for the Town's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the Town Council through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

When both restricted and unrestricted resources are available in governmental funds, the Town applies expenditures against restricted fund balance first, and followed by committed fund balance, assigned fund balance and unassigned fund balance.

TOWN OF SEDGWICK, COLORADO

Notes to Financial Statements

Note B – Cash and investments

Cash and deposits

Colorado State statutes govern the Town's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Custodial credit risk – deposits – Custodial risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of year-end, the Town had total deposits of \$467,955, of which \$289,960 were insured and \$177,995 were collateralized with securities held by the pledging institution's trust department or agent in the Town's name.

Investments

Authorized investments – Investment policies are governed by Colorado State Statutes and the Town's own investment policies and procedures. Investments of the Town may include:

- Obligations of the United States Government such as treasury bills, notes and bonds
- Certain international agency securities
- General obligation and revenue bonds of United States local government entities
- Bankers acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

During the year, the Town invested in Colotrust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note B – Cash and investments (Continued)

custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. As of December 31, 2023, the Town had invested \$4,339,623 in COLOTRUST PLUS+, an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments.

At year-end, the Town had the following investments:

<u>Investment type</u>	<u>Fair value</u>	<u>Investment maturities (in years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>
State investment pool	<u>\$ 4,339,623</u>	<u>\$ 4,339,623</u>	<u>\$ -</u>	<u>\$ -</u>

Credit risk – State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least one nationally recognized rating agency at the time of purchase. The Town has no investment policy that would further limit its investment choices. At year-end, the Town's investment in Colotruster was rated AAAM by Standard and Poor's.

Note C – Receivables

Receivables at year-end consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Receivables</u>
Accounts	\$ 111,571	\$ 11,129	\$ 122,700
Property taxes	<u>11,752</u>	<u>-</u>	<u>11,752</u>
Total	<u>\$ 123,323</u>	<u>\$ 11,129</u>	<u>\$ 134,452</u>

Property taxes are levied on December 15th and attach as a lien on property the following January 1st. They are payable in full by April 30th or are due in two equal installments on February 28th and June 15th. Sedgwick County bills and collects property taxes for all taxing entities within the County. The tax receipts collected by the county are remitted to the Town in the subsequent month.

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note D – Capital assets

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 6,100	\$ -	\$ -	\$ 6,100
Total capital assets, not being depreciated	6,100	-	-	6,100
Capital assets, being depreciated:				
Buildings and improvements	310,541	-	-	310,541
Office equipment	2,356	-	-	2,356
Equipment	<u>327,171</u>	<u>54,176</u>	<u>-</u>	<u>381,347</u>
Total capital assets, being depreciated	<u>640,068</u>	<u>54,176</u>	<u>-</u>	<u>694,244</u>
Total capital assets	646,168	54,176	-	700,344
Less accumulated depreciation for:				
Buildings and improvements	(92,076)	(8,068)	-	(100,144)
Office equipment	(2,070)	(286)	-	(2,356)
Equipment	<u>(178,115)</u>	<u>(38,405)</u>	<u>-</u>	<u>(216,520)</u>
Total accumulated depreciation	<u>(272,261)</u>	<u>(46,759)</u>	<u>-</u>	<u>(319,020)</u>
Governmental activities capital assets, net	<u>\$ 373,907</u>	<u>\$ 7,417</u>	<u>\$ -</u>	<u>\$ 381,324</u>
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ -	\$ 25,220	\$ -	\$ 25,220
Capital assets, being depreciated:				
Water system	975,042	8,100	-	983,142
Sewer system	123,818	19,243	-	143,061
Equipment	31,343	-	-	31,343
Less accumulated depreciation	<u>(535,433)</u>	<u>(24,637)</u>	<u>-</u>	<u>(560,070)</u>
Business-type activities capital assets, net	<u>\$ 594,770</u>	<u>\$ 27,926</u>	<u>\$ -</u>	<u>\$ 622,696</u>

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note D – Capital assets (Continued)

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities	
General government	\$ 4,252
Public works	10,182
Culture and recreation	<u>32,325</u>
Total governmental activities	<u>\$ 46,759</u>
Business-type activities	
Water and sewer	\$ 23,337
Sanitation	<u>1,300</u>
Total business-type activities	<u>\$ 24,637</u>

Note E – Long-term debt

The following is a summary of the changes in long-term debt for the year:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within one year</u>
Business-type activities					
Notes payable	<u>\$ 188,550</u>	<u>\$ -</u>	<u>\$ (13,967)</u>	<u>\$ 174,583</u>	<u>\$ 13,967</u>

Long-term debt at year-end consists of the following individual issue:

CWRPDA Note payable – Water and Sewer Fund – The Town has entered into a \$419,000 note agreement with the Colorado Water Resources & Power Development Authority (CWRPDA) dated May 15, 2006, due in semi-annual installments of \$6,983 through 2036, bearing interest at a rate of 0%. The loan requires a reserve fund totaling three months of operations and maintenance expenses, excluding depreciation, currently \$20,702, which the Town has included in “restricted cash” on the statement of net position.

\$ 174,583

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note E – Long-term debt (Continued)

During the loan term, the Town shall establish, impose and collect, rents, rates and other charges for the products and services provided by the system, which shall be at least sufficient, together with other amounts available therefore, and after meeting the operation and maintenance expenses of the system, to pay 110% of the debt service coming due in such calendar year. The Town believes it has met this requirement.

The Town's outstanding note with CWRPDA in the amount of \$174,583 is secured with collateral of the net revenue from operation and use of the system as defined in the loan agreement. This outstanding note contains a provision that in an event of default as defined in the loan agreement, the Authority shall have the right to take any action permitted or required pursuant to the loan agreement, and to take whatever other action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder, or to enforce the performance and observance of any duty, covenant, obligation, or agreement including, without limitation, appointment ex parte of a receiver of the system. The Town shall on demand pay to the Authority the reasonable fees and expenses of the attorneys, and other reasonable expenses incurred by the Authority in the collection of loan repayments or any other sum due, or in the enforcement of the performance of observation of any other duties, covenants, obligations, or agreements of the Town.

The following schedule represents the Town's debt service requirements to maturity for the outstanding long-term debt at year-end:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 13,967	\$ -
2025	13,967	-
2026	13,967	-
2027	13,967	-
2028	13,967	-
2029-2033	69,833	-
2034-2036	<u>34,915</u>	<u>-</u>
Total	<u>\$ 174,583</u>	<u>\$ -</u>

TOWN OF SEDGWICK, COLORADO

Notes to Financial Statements

Note F – Risk management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The Town participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA/PC) and the Colorado Intergovernmental Risk Sharing Agency for Worker's Compensation (CIRSA/WC). CIRSA/PC and CIRSA/WC provide member municipalities within the State of Colorado, property, liability and workmen's compensation coverages and related services. CIRSA's general objectives are to provide member municipalities defined property and liability and/or worker's compensation coverages through self-insurance and excess insurance purchased from commercial companies. The Town pays an annual contribution to CIRSA for its insurance coverages. For the year ended, the Town's financial contribution to CIRSA/PC and CIRSA/WC was \$11,812 and \$3,855 respectively. Settled claims resulting from any of the above risks have not exceeded the coverages provided. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

Note G – Commitments and contingencies

Federal and state funding

The Town receives revenues from various state grant programs which are subject to final review and approval by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the Town under specified voting requirements by the entire electorate. On April 6, 2004, the voters of the Town approved a ballot initiative permitting the Town to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR

TOWN OF SEDGWICK, COLORADO
Notes to Financial Statements

Note G – Commitments and contingencies (Continued)

is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of TABOR. However, the Town has made certain interpretations of TABOR's language in order to determine its compliance. The Town has reserved funds in the General Fund in the amount of \$40,000 for the emergency reserve.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund

TOWN OF SEDGWICK, COLORADO
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Taxes	\$ 1,237,329	\$ 1,237,329	\$ 1,094,553	\$ (142,776)
Licenses and fees	5,000	5,000	3,077	(1,923)
Intergovernmental revenue	16,170	16,170	17,337	1,167
Charges for services	1,000	1,000		(1,000)
Miscellaneous revenue	65,000	65,000	202,627	137,627
Total revenues	1,324,499	1,324,499	1,317,594	(6,905)
Expenditures				
Current				
General government	126,472	126,472	122,779	3,693
Health and welfare	5,000	5,000	4,598	402
Public works	44,483	44,483	35,108	9,375
Culture and recreation	44,394	44,394	28,971	15,423
Capital outlay	170,000	170,000	51,599	118,401
Total expenditures	390,349	390,349	243,055	147,294
Excess of revenues over expenditures	934,150	934,150	1,074,539	140,389
Other financing sources (uses)				
Transfers out	(350,000)	(350,000)		350,000
Net change in fund balance	<u>\$ 584,150</u>	<u>\$ 584,150</u>	1,074,539	<u>\$ 490,389</u>
Fund balance at beginning of year			3,431,149	
Fund balance at end of year			<u>\$ 4,505,688</u>	

TOWN OF SEDGWICK, COLORADO
Notes to the Required Supplementary Information

Note A – Budgetary data

Annual budgets are established for all funds of the Town. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for the enterprise funds (water and sewer and sanitation) in which capital and principal retirement expenses are treated as operating expenses and depreciation expense is not budgeted.

An appropriated budget for the entity as a whole is prepared on a detailed basis. Revenues are budgeted by source. Expenditures are budgeted by department and the major divisions thereof and by each independent office and agency and by the principal objects of expenditure. The legal level of control is considered to be the entity as a whole and expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review and approval by Town council. Within these control levels, management may transfer appropriations without Town council approval.

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

- On or before September 20th of each year, or in conformity with the general state law, the Town budget officer submits to the Town council a budget which shall be a complete financial plan for the ensuing fiscal year.
- At the same time the budget is submitted, the Town budget officer shall also prepare an appropriation ordinance making a levy in mills upon all taxable property within the Town for the ensuing fiscal year.
- A public hearing on the budget shall be held by Town council two weeks after its submission. Notice of the time and place of said hearing shall be published within three days after the submission of the budget.
- Prior to December 15th, or in conformity with the general state law, the Town council shall adopt the budget and the tax levy ordinance.
- Any portion of any annual appropriation remaining unexpended and unencumbered at the close of the budget year shall be declared surplus and included in the budget for the ensuing year as those appropriations lapse at year-end.

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Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – General Fund
- Budgetary Comparison Schedule – Nonmajor Governmental Fund
- Budgetary Comparison Schedules – Enterprise Funds

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Budgetary Comparison Schedules – General Fund

The General Fund accounts for all transactions of the Town not required to be accounted for in other funds. This fund represents an accounting of the Town's ordinary operations financed primarily from tax dollars and intergovernmental aid. It is the most significant fund in relation to the Town's overall operations. The schedules of revenues and expenditures are included to provide a greater level of detail to the reader of the financial statements.

TOWN OF SEDGWICK, COLORADO
General Fund
Budgetary Comparison Schedule - Revenues
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Taxes				
Local property taxes	\$ 15,399	\$ 15,399	\$ 15,831	\$ 432
Specific ownership taxes	1,830	1,830	1,797	(33)
Delinquent taxes and interest	100	100	89	(11)
Other taxes	1,220,000	1,220,000	1,076,836	(143,164)
Total taxes	1,237,329	1,237,329	1,094,553	(142,776)
Licenses and fees	5,000	5,000	3,077	(1,923)
Intergovernmental revenues				
Highway users tax	10,400	10,400	12,880	2,480
Motor vehicle assessment	950	950	999	49
Road and bridge tax	4,500	4,500	3,246	(1,254)
Cigarette tax			210	210
Mineral lease	20	20	2	(18)
Miscellaneous	300	300		(300)
Total intergovernmental revenues	16,170	16,170	17,337	1,167
Charges for services				
Community center	1,000	1,000		(1,000)
Miscellaneous revenues				
Interest on investments	3,000	3,000	200,336	197,336
Local grants	50,000	50,000		(50,000)
Other	12,000	12,000	2,291	(9,709)
Total miscellaneous revenues	65,000	65,000	202,627	137,627
Total revenues	<u>\$ 1,324,499</u>	<u>\$ 1,324,499</u>	<u>\$ 1,317,594</u>	<u>\$ (6,905)</u>

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TOWN OF SEDGWICK, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
General government				
Administrative salaries	\$ 29,700	\$ 29,700	\$ 29,232	\$ 468
Payroll taxes	2,272	2,272	2,222	50
Employee insurance	3,200	3,200	4,289	(1,089)
Office expenses	1,800	1,800	5,170	(3,370)
Professional services	33,000	33,000	28,222	4,778
Insurance and bonds	4,000	4,000	2,151	1,849
Supplies and maintenance	10,000	10,000	11,884	(1,884)
Miscellaneous	16,000	16,000	17,774	(1,774)
Utilities	10,000	10,000	12,003	(2,003)
Telephone	1,000	1,000	2,731	(1,731)
Harvest festival			6,718	(6,718)
Fire department	15,000	15,000		15,000
Treasurer's fees	500	500	383	117
Total general government	126,472	126,472	122,779	3,693
Health and welfare				
Pest and weed control	5,000	5,000	4,598	402
Total health and welfare	5,000	5,000	4,598	402
Public works				
Streets and highways				
Salaries	22,000	22,000	21,653	347
Payroll taxes	1,683	1,683	1,646	37
Employee insurance	2,300	2,300	3,177	(877)
Street maintenance	12,000	12,000	3,228	8,772
Street lighting	3,000	3,000	3,054	(54)
Insurance and bonds	3,000	3,000	2,350	650
Miscellaneous	500	500		500
Total public works	44,483	44,483	35,108	9,375

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Culture and recreation				
Parks				
Salaries	14,300	14,300	14,075	225
Payroll taxes	1,094	1,094	1,070	24
Employee insurance	1,500	1,500	518	982
Supplies and maintenance	15,000	15,000	9,429	5,571
Insurance and bonds	2,000	2,000	3,075	(1,075)
Miscellaneous	500	500	804	(304)
Total parks	34,394	34,394	28,971	5,423
Community center				
Maintenance	5,000	5,000		5,000
Insurance	1,000	1,000		1,000
Utilities	4,000	4,000		4,000
Total community center	10,000	10,000	-	10,000
Total culture and recreation	44,394	44,394	28,971	15,423
Capital outlay	170,000	170,000	51,599	118,401
Total expenditures	<u>\$ 390,349</u>	<u>\$ 390,349</u>	<u>\$ 243,055</u>	<u>\$ 147,294</u>

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Budgetary Comparison Schedule – Nonmajor Governmental Fund

The Town reports the following nonmajor governmental fund:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- Conservation Trust Fund – This fund was established to account for the state lottery proceeds and allowable expenditures.

TOWN OF SEDGWICK, COLORADO
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
State lottery funds	\$ 2,000	\$ 2,000	\$ 2,348	\$ 348
Interest on investments	4	4	66	62
Total revenues	2,004	2,004	2,414	410
Expenditures				
Culture and recreation	8,000	8,000		8,000
Net change in fund balance	<u>\$ (5,996)</u>	<u>\$ (5,996)</u>	2,414	<u>\$ 8,410</u>
Fund balance at beginning of year			<u>7,900</u>	
Fund balance at end of year			<u>\$ 10,314</u>	

Budgetary Comparison Schedules – Enterprise Funds

The Town reports the following major proprietary funds:

Enterprise Funds – These funds are used to account for operations that provide services that are financed primarily by user charges, or activities where periodic measurement of income is appropriate for capital maintenance, public policy, management control or other purposes.

- Water and Sewer Fund – This fund was established to account for all operations of the water and sewer utility services provided by the Town.
- Sanitation Fund – This fund was established to account for all operations of the sanitation services provided by the Town.

TOWN OF SEDGWICK, COLORADO
Water and Sewer Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Charges for services	\$ 99,100	\$ 99,100	\$ 113,378	\$ 14,278
Operating expenses				
Salaries	33,000	33,000	32,480	520
Payroll taxes	2,524	2,524	2,469	55
Employee insurance	3,786	3,786	4,766	(980)
Supplies and maintenance	72,000	72,000	23,502	48,498
Utilities	10,115	10,115	6,845	3,270
Insurance and bonds	4,326	4,326	3,525	801
Miscellaneous	12,525	12,525	6,464	6,061
Professional fees	2,000	2,000	2,331	(331)
Office	2,250	2,250	83	2,167
Telephone	1,300	1,300	342	958
Capital outlay	356,000	356,000	52,563	303,437
Total operating expenses	499,826	499,826	135,370	364,456
Operating loss	(400,726)	(400,726)	(21,992)	378,734
Nonoperating revenues (expenses)				
Interest on investments	500	500	1,949	1,449
Principal paid on capital debt	(13,967)	(13,967)	(13,967)	-
Total nonoperating revenues (expenses)	(13,467)	(13,467)	(12,018)	1,449
Net loss before transfers	(414,193)	(414,193)	(34,010)	380,183
Transfers in	350,000	350,000		(350,000)
Change in net position	\$ (64,193)	\$ (64,193)	(34,010)	\$ 30,183
Adjustments to GAAP Basis				
Add principal paid on debt			13,967	
Add capital outlay			52,563	
Deduct depreciation			(23,337)	
Change in net position - GAAP Basis			9,183	
Net position at beginning of year			818,114	
Net position at end of year			\$ 827,297	

TOWN OF SEDGWICK, COLORADO
Sanitation Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Charges for services	\$ 26,000	\$ 26,000	\$ 28,472	\$ 2,472
Operating expenses				
Salaries	11,000	11,000	10,827	173
Payroll taxes	842	842	2,412	(1,570)
Employee insurance	1,200	1,200		1,200
Supplies and maintenance	7,000	7,000	1,741	5,259
Landfill	3,000	3,000	3,777	(777)
Insurance and bonds	1,200	1,200	1,175	25
Miscellaneous	1,500	1,500		1,500
Professional fees	600	600	600	-
Office expense	600	600		600
Telephone	650	650		650
Utilities	300	300		300
Total operating expenses	27,892	27,892	20,532	7,360
Change in net position	<u>\$ (1,892)</u>	<u>\$ (1,892)</u>	7,940	<u>\$ 9,832</u>
Adjustments to GAAP Basis				
Deduct depreciation			(1,300)	
Change in net position - GAAP Basis			6,640	
Net position at beginning of year			59,054	
Net position at end of year			<u>\$ 65,694</u>	

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**Colorado Department of Highways
Local Highway Finance Report**

This calendar-year report of receipts and expenditures is required by the Colorado Department of Highways to maintain Statewide accountability for moneys used for highway and street purposes. To ensure data accuracy, House Bill 1008 mandates that this report be included in the Town's financial statements.

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/23
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This Information From The Records Of: TOWN OF SEDGWICK	Prepared By: DANIEL M. PEDERSON, CPA
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES**III. EXPENDITURES FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ -
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 31,258.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ -
2. General fund appropriations	\$ 20,221.00	b. Snow and ice removal	
3. Other local imposts (from page 2)	\$ -	c. Other	\$ 2,806.00
4. Miscellaneous local receipts (from page 2)	\$ -	d. Total (a. through c.)	\$ 2,806.00
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 34,064.00
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 20,221.00	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 13,843.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 34,064.00	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 34,064.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ -	\$ 34,064.00	\$ 34,064.00	\$ -	\$ -

Notes and Comments:

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ -	h. Other	
c. Total (a. + b.)	\$ -	i. Total (a. through h.)	\$ -
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 12,855.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 988.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 988.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 13,843.00	3. Total (1. + 2.g)	\$ -
(Carry forward to page 1)		(Carry forward to page 1)	

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

Notes and Comments: