

**Town of Wellington, Colorado**

**Financial Statements**  
with Independent Auditor's Report

**December 31, 2023**



**HINKLE &  
COMPANY**  
*Strategic* <sup>PC</sup>  
*Business Advisors*

# Town of Wellington, Colorado

Table of Contents  
December 31, 2023

<b>Independent Auditor's Report</b> .....	1
<b>Management's Discussion and Analysis</b> .....	i
<b>Basic Financial Statements</b>	
<i>Government-wide Financial Statements</i>	
Statement of Net Position .....	4
Statement of Activities .....	5
<i>Governmental Funds</i>	
Balance Sheet .....	6
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position .....	7
Statement of Revenues, Expenditures and Changes in Fund Balances .....	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	9
<i>Proprietary Funds</i>	
Statement of Net Position .....	10
Statement of Revenues, Expenses and Changes in Net Position .....	11
Statement of Cash Flows.....	12
<i>Fiduciary Funds</i>	
Statement of Net Position .....	13
Statement of Changes in Net Position .....	14
<i>Notes to Financial Statements</i> .....	15
<b>Required Supplementary Information</b>	
Budgetary Comparison Schedule - General Fund .....	28
Budgetary Comparison Schedule - Street Fund .....	31
Budgetary Comparison Schedule - Park Fund .....	33
<i>Notes to Required Supplementary Information</i> .....	35
<b>Supplementary Information</b>	
<i>Budgetary Comparison Schedules</i>	
Conservation Trust Fund .....	36
Water Fund .....	37
Sewer Fund .....	38
Drainage Fund .....	39
<b>Compliance Section</b>	
<i>State Compliance</i>	
Local Highway Finance Report.....	40



**HINKLE &  
COMPANY**  
Strategic PC  
Business Advisors

## Independent Auditor's Report

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

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund, and the aggregate remaining fund information of the Town of Wellington, Colorado (the Town) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town, 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 and 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 cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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

#### Responsibilities of Management for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

#### Office Locations:

Colorado Springs, CO  
Denver, CO  
Frisco, CO  
Tulsa, OK

#### Denver Office:

750 W. Hampden Avenue,  
Suite 400  
Englewood,  
Colorado 80110  
TEL: 303.796.1000  
FAX: 303.796.1001  
[www.HinkleCPAs.com](http://www.HinkleCPAs.com)

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 and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government 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.



**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 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.

**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 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 the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Hick & Company, PC*

Englewood, Colorado  
June 26, 2025



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

The management team of the Town of Wellington (the Town) is pleased to present this narrative overview and analysis of the financial position and activities of the Town for the fiscal year ending December 31, 2023. Readers are encouraged to consider the information presented here in conjunction with the information furnished in the Basic Financial Statements, Notes to the Basic Financial Statements, and Supplementary Information.

## **FINANCIAL HIGHLIGHTS**

### Government-wide

- The assets of the Town of Wellington exceeded its liabilities (also referred to in these financial statements as the Town's Net Position) at the close of 2023 by \$110.2 million, an increase of \$2.7 million from the year before.
  - Current assets include \$41.0 million in pooled cash, \$2.9 million in cash with fiscal agent in the Water Fund received from a state loan for the construction of a new Water Treatment Plant, and \$22.0 million in cash with fiscal agent in the Sewer Fund received from a state loan for the construction of a new Wastewater Treatment Plant.
  - Capital assets include \$115.6 million in net fixed assets, such as buildings, equipment, and road, storm, water, and sewer infrastructure.
  - Of the \$110.2 million total net position, \$67.1 million consists of net investment in capital assets (all fixed assets less accumulated depreciation and related debt) so it is not in a form that is available and spendable to the Town. Another \$37.5 million is classified as "unrestricted", consisting of cash and other current assets, less current liabilities and may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town retired \$2.1 million of its long-term debt (excluding compensated absences) during the fiscal year due to semi-annual and annual principal payments made on the Town's outstanding obligations (see Note 4).

### Governmental Funds

- At the end of the calendar year 2023, fund balance in the General Fund was \$9.3 million and revenues exceeded expenditures by \$204,985 during the year.

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

- Street Fund revenues exceeded expenditures by \$575,729 in 2023, increasing fund balance to \$5.0 million.
- In the Park Fund, net change in fund balance was \$223,119 in 2023, and the end of year fund balance was \$2.3 million.
- The Conservation Trust Fund reported an increase in fund balance of \$42,293 in 2023 and no expenditures, bringing ending fund balance to \$1.0 million.

Proprietary Funds

- The Water Fund operating expenses exceeded operating revenue by \$98,817 in 2023. Nonoperating revenue added \$535,888, generating a net income before capital contributions and transfers of \$437,071. With capital contributions and transfers, including a \$573,000 transfer from the General Fund, the change in net position for 2023 was \$1.9 million. Following a restatement of the net position at the beginning of the year of \$1.2 million, the net position of the Water Fund for 2023 was \$47.1 million.
- The Sewer Fund had an operating loss of \$30,057, and a net expense before capital contributions and transfers of \$907,254, including \$661,776 in depreciation and \$1.3 million in interest expense. After plant investment fees and a \$312,000 transfer from the General Fund are factored in, the Sewer Fund's net position in 2023 remained flat at \$23.2 million.
- The Drainage Fund net operating expense in 2023 was \$32,328. Including nonoperating revenues, the fund's net position increased \$228,901 to \$4.2 million.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serve as an introduction to the Town of Wellington's basic financial statements, which are comprised of three components: 1) government-wide financial statements 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information that supports the basic financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Town of Wellington's finances. These statements are prepared in a manner similar to a private-sector business using the accrual basis of accounting and economic resources measurement focus.

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

*Statement of Net Position.* The Statement of Net Position presents information on all the Town of Wellington's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the categories 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 Wellington is improving or deteriorating.

*Statement of Activities.* The Statement of Activities presents information showing how the Town of Wellington's net position changed during the 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 are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements include only the Town of Wellington itself (known as the *primary government*) and can be found on page 4 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. The Town of Wellington, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the Town of Wellington can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

*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 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 statements provide a detailed short-term view to cash, the governmental fund operations, and the basic services it provides. These statements help one determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are described in reconciliations on pages 7 and 9. The basic governmental fund financial statements can be found on pages 6 to 9 of this report.

*Proprietary funds.* The Town of Wellington currently maintains one type of proprietary fund, called enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Wellington uses enterprise funds to account for its sewer, water, and storm drainage operations.

Business-type activities are reported providing the same type of information as the government-wide financial statements, only in more detail. The business-type financial statements provide separate information for sewer, water and storm drainage operations, which are major enterprise funds of the Town of Wellington. The basic proprietary fund financial statements detailing the business-type activities can be found on pages 10 to 12 of this report.

*Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town of Wellington's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Additional information on the Town's Fiduciary Fund (Library Trust Fund) can be found on pages 13 and 14 of this report.

**Notes to the financial statements.** The notes provide significant 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 on pages 15 to 27 of this report.

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents required and certain other supplementary information concerning the Town of Wellington's budget comparison statements for the General Fund, non-major Conservation Trust Fund and the Town's three major enterprise funds Water, Sewer and Storm Drainage. The other supplementary information can be found on pages 28 to 39 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

A significant portion of the Town's net position (60.9%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related outstanding debt used to acquire those assets, and accumulated depreciation. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the Town's ongoing obligations to citizens and creditors. Below and on the following pages is condensed financial information for fiscal year 2023 compared with 2022 totals.

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

**Condensed Statement of Net Position**

	2023		Totals	2022 Totals
	Governmental Activities	Business- Type Activities		
<b>ASSETS</b>				
Current Assets	\$21,155,811	\$54,127,062	\$75,282,873	\$109,604,189
Capital Assets	18,773,137	96,839,613	115,612,750	81,866,477
<b>Total Assets</b>	<b>39,928,948</b>	<b>150,966,675</b>	<b>190,895,623</b>	<b>191,470,666</b>
<b>DEFERRED OUTFLOWS OF FINANCIAL RESOURCES</b>				
	-	838	838	838
<b>LIABILITIES</b>				
Current Liabilities	1,349,164	8,835,944	10,185,108	14,459,566
Noncurrent Liabilities	638,500	65,000,411	65,638,911	67,777,275
<b>Total Liabilities</b>	<b>1,987,664</b>	<b>73,836,355</b>	<b>75,824,018</b>	<b>82,236,841</b>
<b>DEFERRED INFLOWS OF FINANCIAL RESOURCES</b>				
	2,223,390	2,623,337	4,846,727	1,770,336
<b>NET POSITION</b>				
Net Investment in Capital Assets	18,247,169	48,851,720	67,098,889	67,084,325
Restricted for:				
Emergencies	190,000	-	190,000	125,000
Other Purposes	5,438,778	-	5,438,778	7,435,329
Unrestricted	11,841,947	25,656,101	37,498,048	32,819,673
<b>Total Net Position</b>	<b>\$35,717,894</b>	<b>\$74,507,821</b>	<b>\$110,225,715</b>	<b>\$107,464,327</b>

The restricted portion of net position (5.1%) represents resources that are subject to external restrictions on how they may be used, such as street paving, maintenance, and open space and parks. The remaining balance of unrestricted net position of \$37.5 million may be used to meet the Town's ongoing obligations to citizens and creditors.

The table and discussion continued below and on the next page focuses on changes in net position of the Town's governmental and business-type activities.

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

**Condensed Statement of Activities**

	2023		Totals	2022 Totals
	Governmental Activities	Business-Type Activities		
<b>REVENUES</b>				
Program Revenues				
Charges for Services	\$503,948	\$7,219,790	\$7,723,738	\$8,485,883
Operating Grants and Contributions	458,075	97,679	555,754	2,520,785
Capital Grants and Contributions	-	1,562,636	1,562,636	1,962,992
General Revenues				
Property Taxes	1,873,551	111,282	1,984,833	1,824,606
Sales and Use Taxes	5,995,854	-	5,995,854	6,101,904
Franchise Taxes	207,363	-	207,363	2234,962
Investment Income	661,781	1,252,167	1,913,948	618,272
Other	341,492	33,440	374,932	371,320
Transfers	(885,000)	885,000	-	-
<b>Total Revenues and Transfers</b>	<b>9,157,064</b>	<b>11,161,994</b>	<b>20,319,058</b>	<b>22,120,724</b>
<b>EXPENSES</b>				
General Government	5,052,942	-	5,052,942	2,285,434
Public Safety	1,822,394	-	1,822,394	1,655,435
Public Works	1,477,952	-	1,477,952	3,022,364
Parks and Recreation	275,699	-	275,699	680,113
Water Utility	-	4,730,163	4,730,163	6,254,116
Wastewater Utility	-	3,535,318	3,535,318	3,849,281
Stormwater Utility	-	720,216	720,219	574,303
<b>Total Expenses</b>	<b>8,628,987</b>	<b>8,985,697</b>	<b>17,614,684</b>	<b>18,321,046</b>
<b>Change in Net Position</b>	<b>528,077</b>	<b>2,176,297</b>	<b>2,704,374</b>	<b>3,799,678</b>
<b>Net Position, Beginning of Year</b>	<b>33,890,698</b>	<b>73,573,629</b>	<b>107,464,327</b>	<b>103,664,649</b>
<b>Prior Period Restatement</b>	<b>1,299,119</b>	<b>(1,242,105)</b>	<b>57,014</b>	<b>-</b>
<b>Net Position, Beginning (as restated)</b>	<b>35,189,817</b>	<b>72,331,524</b>	<b>107,521,341</b>	<b>103,664,649</b>
<b>Net Position, End of Year</b>	<b>\$35,717,894</b>	<b>\$74,507,821</b>	<b>\$110,225,715</b>	<b>\$107,464,327</b>

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

**FINANCIAL ANALYSIS OF THE TOWN'S FUNDS**

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

At the end of 2023, the Town of Wellington's governmental funds (General, Streets, Parks, and Conservation Trust Funds) reported combined ending fund balances of \$17.6 million, an increase of \$1.0 million over the combined governmental fund balances of the previous year. Approximately 56% of this combined fund balance constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is otherwise classified to indicate that it is not available for new spending because the asset itself is in a non-spendable form (e.g., prepaid expenses) or that portions of fund balance have been restricted or committed to specific purposes (e.g. streets and parks) as follows:

Restricted	\$1,191,488
Committed	6,476,134
Unassigned	9,915,635
<b>Total</b>	<b>17,583,257</b>

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund accounts for all the general services provided by the Town. At the end of 2023, the fund balance of the General Fund totaled \$9.3 million, an increase of \$204,985 over the fund balance at the end of 2022. The General Fund's primary source of revenue is property and sales taxes and to a lesser degree, fees for franchise agreements and services such as building permits and plan checking.

Property tax revenues of \$1.9 million came in over budget estimates for 2023, and sale and use taxes exceeded budget estimates at \$3.0 million for the year. These two revenue sources accounted for 78% of all General Fund revenues, which totaled \$6.2 million in 2023. Charges for services and investment income also exceeded estimates for the year, coming in at \$115,707 and \$395,551, respectively.

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

In 2023, expenditures in the General Fund totaled \$5.1 million. This is \$315,156 under budgeted expenses due primarily to variances in professional services and personnel services in general government of \$159,915 and \$55,505 respectively. Additionally, cemetery expenses came in \$27,194 lower than budgeted.

In 2023, unlike 2022 and previous years, administrative services provided by the General Fund were directly charged to the Street, Water, Sewer, Drainage, and Park Funds. This methodology provides for full costing of services in these funds. Previous years tracked this expense through overhead allocation transfers from the Street, Water, Sewer, Drainage, and Park Funds to the General Fund. As such overhead allocation transfers were not needed in 2022, personnel services in each of the Street, Water, Sewer, Drainage, and Park Funds were allocated additional funds in the 2023 budget, all of which had a positive variance and did not exceed the budgeted amounts.

**CAPITAL ASSET ADMINISTRATION**

**Capital assets.** The Town of Wellington's net investment in capital assets for its governmental and business type activities as of December 31, 2023 and 2022, amounted to \$115.6 million (net of accumulated depreciation and debt) and \$83.2 million, respectively. This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities and roads.

**Town of Wellington**  
**Capital Assets at Year End**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Land and Water Rights:</b>	\$2,073,796	\$2,073,796	\$8,432,324	\$8,432,324	\$10,506,120	\$10,506,120
<b>Buildings and Improvements:</b>	1,766,415	1,801,231	-	-	1,766,415	1,801,231
<b>Infrastructure:</b>	4,628,826	4,847,592	-	-	4,628,826	4,847,592
<b>Streets and Improvements:</b>	10,246,194	10,737,796	-	-	10,246,194	10,737,796
<b>Equipment:</b>	57,906	88,167	-	-	57,906	88,167
<b>Utility Systems and Equipment:</b>	-	-	30,601,932	32,041,749	30,601,932	32,041,749
<b>Construction in Progress:</b>	-	-	57,805,357	23,142,939	57,805,357	23,142,939
<b>TOTAL</b>	<b>\$18,773,137</b>	<b>\$19,548,582</b>	<b>\$96,839,613</b>	<b>\$63,617,012</b>	<b>\$115,612,750</b>	<b>\$83,165,594</b>

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

Additional information on the Town's capital assets can be found on pages 21 and 22 of this report.

**DEBT ADMINISTRATION**

**Long-term debt.** At the end of 2023, the Town of Wellington had total debt outstanding of \$65.4 million, compared with \$67.5 million in 2022 (not including \$191,849 in accrued compensated absences at year end). The Town's debt represents bonds and loans secured solely by specified revenue sources, such as Water and Sewer Fund user fees.

**Town of Wellington  
Outstanding Debt at Year End**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>2014 Park Fund Loan:</b>	\$525,968	\$781,321	-	-	\$525,968	\$781,321
<b>1984 GO Bond – Water:</b>	-	-	-	\$28,000	-	\$28,000
<b>2019 CWRPDA – Water:</b>	-	-	\$19,864,051	\$20,932,534	\$19,864,051	\$20,932,534
- Premium:	-	-	\$441,732	\$541,241	\$441,732	\$541,241
<b>2022 WWTP – Loan Payable:</b>	-	-	\$41,993,726	\$42,441,425	\$41,993,726	\$42,441,425
- Premium:			\$2,621,585	\$2,791,342	\$2,621,585	\$2,791,342
<b>TOTAL</b>	<b>\$525,968</b>	<b>\$781,321</b>	<b>\$64,921,094</b>	<b>\$66,804,105</b>	<b>\$65,447,062</b>	<b>\$67,515,863</b>

Additional information on the Town's long-term debt can be found on pages 22 to 25.

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

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Annual Budget guides the efficient and effective use of Town resources, focusing on the highest priorities of the Town's citizens as represented by the Board of Trustees (the Board). Through the Budget process, the Board establishes priorities and allocates resources to meet their goals. With the approval of the 2023 Budget, the Board appropriated \$51.6 million for expenditure in that year (not including transfers), a 2.9% increase over the budget in 2022. This amount was made up of \$18.9 million for operations in all funds and \$32.7 million for capital projects. The largest share of the capital projects budget went to the Water Treatment and Wastewater Treatment Plant expansion projects.

**CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Town of Wellington's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Town of Wellington Finance Department, 8225 Third Street (PO Box 127), Wellington, Colorado 80549.

## **Basic Financial Statements**

**Town of Wellington, Colorado**  
**Statement of Net Position**  
December 31, 2023

	Governmental Activities	Business-Type Activities	Totals
<b>Assets</b>			
Cash and Investments	\$ 18,035,982	\$ 22,958,633	\$ 40,994,615
Property Taxes Receivable	2,223,390	-	2,223,390
Accounts Receivable	89,539	3,974,625	4,064,164
Other Receivables	806,900	2,193,377	3,000,277
Cash with Fiscal Agent	-	24,932,511	24,932,511
Inventory	-	67,916	67,916
Capital Assets, <i>Not Being Depreciated</i>	2,073,796	66,237,681	68,311,477
Capital Assets, <i>Net of Accumulated Depreciation</i>	16,699,341	30,601,932	47,301,273
Total Assets	<u>39,928,948</u>	<u>150,966,675</u>	<u>190,895,623</u>
<b>Deferred Outflows of Resources</b>			
Loss on Debt Refunding, <i>Net of Accumulated Amortization</i>	-	838	838
<b>Liabilities</b>			
Accounts Payable	917,039	7,919,993	8,837,032
Retainage Payable	137,071	151,736	288,807
Accrued Salaries and Benefits	222,487	-	222,487
Accrued Interest Payable	-	760,715	760,715
Deposits and Escrows	72,567	3,500	76,067
Noncurrent Liabilities			
Due Within One Year	263,014	2,028,922	2,291,936
Due in More Than One Year	375,486	62,971,489	63,346,975
Total Liabilities	<u>1,987,664</u>	<u>73,836,355</u>	<u>75,824,019</u>
<b>Deferred Inflows of Resources</b>			
Deferred Property Taxes	2,223,390	-	2,223,390
Unearned Revenue	-	2,623,337	2,623,337
Deferred Inflows of Resources	<u>2,223,390</u>	<u>2,623,337</u>	<u>4,846,727</u>
<b>Net Positions</b>			
Net Investment in Capital Assets	18,247,169	48,851,720	67,098,889
Restricted for:			
Street Paving and Maintenance	4,437,290	-	4,437,290
Open Space and Parks	1,001,488	-	1,001,488
Emergencies	190,000	-	190,000
Unrestricted	11,841,947	25,656,101	37,498,048
Total Net Position	<u>\$ 35,717,894</u>	<u>\$ 74,507,821</u>	<u>\$ 110,225,715</u>

See Notes to the Financial Statements.

**Town of Wellington, Colorado**  
**Statement of Activities**  
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		Totals
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Primary Government</b>							
<i>Governmental Activities</i>							
General Government	\$ 5,052,942	\$ 317,497	\$ 108,764	\$ -	\$ (4,626,681)	\$ -	\$ (4,626,681)
Public Safety	1,822,394	29,153	-	-	(1,793,241)	-	(1,793,241)
Public Works	1,477,952	253	349,311	-	(1,128,388)	-	(1,128,388)
Parks and Recreation	275,699	157,045	-	-	(118,654)	-	(118,654)
Total Governmental Activities	8,628,987	503,948	458,075	-	(7,666,964)	-	(7,666,964)
<i>Business-Type Activities</i>							
Water Utility	4,730,163	4,344,780	-	913,819	-	528,436	528,436
Wastewater Utility	3,535,318	2,187,139	-	648,817	-	(699,362)	(699,362)
Storm Water Utility	720,216	687,871	97,679	-	-	65,334	65,334
Total Business-Type	8,985,697	7,219,790	97,679	1,562,636	-	(105,592)	(105,592)
Total Primary Government	\$ 17,614,684	\$ 7,723,738	\$ 555,754	\$ 1,562,636	(7,666,964)	(105,592)	(7,772,556)
<b>General Revenues</b>							
Property Taxes					1,873,551	111,282	1,984,833
Sales and Use Taxes					5,995,854	-	5,995,854
Other Taxes					4,576	-	4,576
Impact Taxes					285,107	-	285,107
Cigarette Taxes					10,613	-	10,613
Franchise Taxes					207,363	-	207,363
Investment Income					661,781	1,252,167	1,913,948
Other Revenues					37,269	-	37,269
Gain (Loss) on Disposal of Assets					3,927	33,440	37,367
<b>Transfers</b>					(885,000)	885,000	-
Total General Revenues and Transfers					8,195,041	2,281,889	10,476,930
<b>Change in Net Position</b>					528,077	2,176,297	2,704,374
<b>Net Position, Beginning of Year As Originally Stated</b>					33,890,698	73,573,629	107,464,327
<b>Restatement</b>					1,299,119	(1,242,105)	57,014
<b>Net Position, Beginning of Year As Restated</b>					35,189,817	72,331,524	107,521,341
<b>Net Position, End of Year</b>					\$ 35,717,894	\$ 74,507,821	\$ 110,225,715

**Town of Wellington, Colorado**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2023**

	General	Street	Park	(Nonmajor) Conservation Trust	Totals
<b>Assets</b>					
Cash and Investments	\$ 9,981,613	\$ 4,998,623	\$ 2,054,258	\$ 1,001,488	\$ 18,035,982
Property Taxes Receivable	2,223,390	-	-	-	2,223,390
Accounts Receivable	12,551	63,900	13,088	-	89,539
Other Receivable	510,054	155,674	141,172	-	806,900
<b>Total Assets</b>	<b>\$ 12,727,608</b>	<b>\$ 5,218,197</b>	<b>\$ 2,208,518</b>	<b>\$ 1,001,488</b>	<b>\$ 21,155,811</b>
<b>Liabilities</b>					
Accounts Payable	\$ 765,306	\$ 205,178	\$ (53,445)	\$ -	\$ 917,039
Retainage Payable	137,071	-	-	-	137,071
Accrued Salaries and Benefits	222,487	-	-	-	222,487
Deposits and Escrow	72,567	-	-	-	72,567
<b>Total Liabilities</b>	<b>1,197,431</b>	<b>205,178</b>	<b>(53,445)</b>	<b>-</b>	<b>1,349,164</b>
<b>Deferred Inflows of Resources</b>					
Deferred Property Taxes	2,223,390	-	-	-	2,223,390
<b>Deferred Inflows of Resources</b>	<b>2,223,390</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,223,390</b>
<b>Fund Balances</b>					
Restricted:					
Emergencies	190,000	-	-	-	190,000
Open Space	-	-	-	1,001,488	1,001,488
Committed to:					
Capital Improvements	-	4,437,290	2,038,844	-	6,476,134
Unrestricted, Unassigned	9,116,787	575,729	223,119	-	9,915,635
<b>Total Fund Balances</b>	<b>9,306,787</b>	<b>5,013,019</b>	<b>2,261,963</b>	<b>1,001,488</b>	<b>17,583,257</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 12,727,608</b>	<b>\$ 5,218,197</b>	<b>\$ 2,208,518</b>	<b>\$ 1,001,488</b>	<b>\$ 21,155,811</b>

**Town of Wellington, 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 of Governmental Funds	\$ 17,583,257
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds	18,773,137
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:	
Park Loan Payable	(525,968)
Compensated Absences Payable	<u>(112,532)</u>
Total Net Position of Governmental Activities	<u>\$ 35,717,894</u>

**Town of Wellington, Colorado**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2023**

	General	Street	Park	(Nonmajor) Conservation Trust	Totals
<b>Revenues</b>					
Taxes	\$ 5,072,610	\$ 1,571,090	\$ 1,448,257	\$ -	\$ 8,091,957
Licenses and Permits	486,897	349,311	-	-	836,208
Intergovernmental	108,764	253	91,350	-	200,367
Charges for Services	29,153	-	-	-	29,153
Fines and Forfeitures	115,707	-	65,695	-	181,402
Investment Income	395,551	87,634	136,303	42,293	661,781
Miscellaneous	2,791	3,389	35,016	-	41,196
<b>Total Revenues</b>	<u>6,211,473</u>	<u>2,011,677</u>	<u>1,776,621</u>	<u>42,293</u>	<u>10,042,064</u>
<b>Expenditures</b>					
Current					
General Government	2,875,998	-	-	-	2,875,998
Public Safety	1,822,394	-	-	-	1,822,394
Public Works	412,723	914,581	-	-	1,327,304
Parks and Recreation	10,373	-	1,262,363	-	1,272,736
Capital Outlay	-	521,367	21,680	-	543,047
Debt Service					
Principal	-	-	253,902	-	253,902
Interest and Fees	-	-	15,557	-	15,557
<b>Total Expenditures</b>	<u>5,121,488</u>	<u>1,435,948</u>	<u>1,553,502</u>	<u>-</u>	<u>8,110,938</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>1,089,985</u>	<u>575,729</u>	<u>223,119</u>	<u>42,293</u>	<u>1,931,126</u>
<b>Other Financing Sources (Uses)</b>					
Transfers Out	(885,000)	-	-	-	(885,000)
<b>Total Other Financing Sources (Uses)</b>	<u>(885,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(885,000)</u>
<b>Net Change in Fund Balances</b>	204,985	575,729	223,119	42,293	1,046,126
<b>Fund Balances, Beginning of Year</b>	<u>9,101,802</u>	<u>4,437,290</u>	<u>2,038,844</u>	<u>959,195</u>	<u>16,537,131</u>
<b>Fund Balances, End of Year</b>	<u>\$ 9,306,787</u>	<u>\$ 5,013,019</u>	<u>\$ 2,261,963</u>	<u>\$ 1,001,488</u>	<u>\$ 17,583,257</u>

**Town of Wellington, Colorado**  
 Reconciliation of the Statement of Revenues, Expenditures and Changes in  
 Fund Balances of Governmental Funds to the Statement of Activities  
 Governmental Funds  
 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 of Governmental Funds	\$ 1,046,126
<p>Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.</p>	
Capital Outlay	375,391
Depreciation Expense	(1,150,837)
<p>Repayments of debt principal are expenditures in governmental funds, but the repayments reduce long-term liabilities in the statement of net position and do not affect the statement of activities.</p>	
Park Loan Payable	255,353
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Accrued Interest Payable	<u>2,044</u>
Change in Net Position of Governmental Activities	<u>\$ 528,077</u>

**Town of Wellington, Colorado**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2023**

	Water	Sewer	Drainage	Totals
<b>Assets</b>				
<i>Current Assets</i>				
Cash and Investments	\$ 17,929,367	\$ 3,460,379	\$ 1,568,887	\$ 22,958,633
Property Tax Receivable	-	-	-	-
Accounts Receivable	3,738,907	2,357,910	71,185	6,168,002
Cash with Fiscal Agent	2,901,721	22,030,790	-	24,932,511
Inventory	54,722	13,194	-	67,916
Total Current Assets	<u>24,624,717</u>	<u>27,862,273</u>	<u>1,640,072</u>	<u>54,127,062</u>
<i>Noncurrent Assets</i>				
Capital Assets, <i>Not Being Depreciated</i>	33,724,763	32,476,620	36,298	66,237,681
Capital Assets, <i>Net of Accumulated Depreciation</i>	13,879,188	14,204,127	2,518,617	30,601,932
Total Noncurrent Assets	<u>47,603,951</u>	<u>46,680,747</u>	<u>2,554,915</u>	<u>96,839,613</u>
Total Assets	<u>72,228,668</u>	<u>74,543,020</u>	<u>4,194,987</u>	<u>150,966,675</u>
<b>Deferred Outflows of Resources</b>				
Loss on Debt Refunding, <i>Net of Accumulated Amortization</i>	838	-	-	838
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	1,892,515	6,025,074	2,404	7,919,993
Retainage Payable	79,467	72,269	-	151,736
Accrued Salaries and Benefits	-	-	-	-
Deposits and Escrow	3,500	-	-	3,500
Accrued Interest Payable	154,212	606,503	-	760,715
Deferred Revenue	-	-	-	-
Current Portion of Noncurrent Liabilities	1,091,978	936,944	-	2,028,922
Total Current Liabilities	<u>3,221,672</u>	<u>7,640,790</u>	<u>2,404</u>	<u>10,864,866</u>
<i>Noncurrent Liabilities</i>				
Accrued Compensated Absences	31,218	39,295	8,804	79,317
Bonds Payable	19,213,805	43,678,367	-	62,892,172
Total Noncurrent Liabilities	<u>19,245,023</u>	<u>43,717,662</u>	<u>8,804</u>	<u>62,971,489</u>
Total Liabilities	<u>22,466,695</u>	<u>51,358,452</u>	<u>11,208</u>	<u>73,836,355</u>
<b>Deferred Inflows of Resources</b>				
Deferred Property Taxes	-	-	-	-
Unearned Revenue	2,623,337	-	-	2,623,337
	<u>2,623,337</u>	<u>-</u>	<u>-</u>	<u>2,623,337</u>
<b>Net Position</b>				
Net Investment in Capital Assets	28,276,156	18,031,857	2,543,707	48,851,720
Unrestricted	18,863,318	5,152,711	1,640,072	25,656,101
Total Net Position	<u>\$ 47,139,474</u>	<u>\$ 23,184,568</u>	<u>\$ 4,183,779</u>	<u>\$ 74,507,821</u>

See Notes to the Financial Statements.

**Town of Wellington, Colorado**  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2023

	Water	Sewer	Drainage	Totals
<b>Operating Revenues</b>				
Charges for Services	\$ 4,344,780	\$ 2,187,139	\$ 687,888	\$ 7,219,807
Total Operating Revenues	<u>4,344,780</u>	<u>2,187,139</u>	<u>687,888</u>	<u>7,219,807</u>
<b>Operating Expenses</b>				
Management Fees	1,533,649	-	-	1,533,649
Personnel Service	-	-	-	-
Operations and Maintenance	1,816,901	1,512,828	599,204	3,928,933
Capital Outlay	298,418	42,592	-	341,010
Depreciation	794,629	661,776	121,012	1,577,417
Total Operating Expenses	<u>4,443,597</u>	<u>2,217,196</u>	<u>720,216</u>	<u>7,381,009</u>
<b>Net Operating Income</b>	<u>(98,817)</u>	<u>(30,057)</u>	<u>(32,328)</u>	<u>(161,202)</u>
<b>Nonoperating Revenues (Expenses)</b>				
Tax Revenue and Impact Fees	-	-	111,282	111,282
Intergovernmental Revenue	-	-	97,679	97,679
Insurance Proceeds	25,649	7,603	-	33,252
Investment Income	796,642	403,257	52,268	1,252,167
Interest Expense	(286,566)	(1,318,122)	-	(1,604,688)
Gain (Loss) on Disposal of Assets	163	8	-	171
Total Nonoperating Revenues (Expenses)	<u>535,888</u>	<u>(907,254)</u>	<u>261,229</u>	<u>(110,137)</u>
<b>Net Income Before Capital Contributions and Transfers</b>	437,071	(937,311)	228,901	(271,339)
<b>Capital Contributions and Transfers</b>				
Plant Investment Fees	700,271	648,817	-	1,349,088
Cash in Lieu of Fees	213,548	-	-	213,548
Transfers In	573,000	312,000	-	885,000
<b>Change in Net Position</b>	1,923,890	23,506	228,901	2,176,297
<b>Net Position, Beginning of Year</b>				
As Originally Stated	46,457,689	23,161,062	3,954,878	73,573,629
<b>Restatement</b>	<u>(1,242,105)</u>	<u>-</u>	<u>-</u>	<u>(1,242,105)</u>
<b>Net Position, Beginning of Year</b>				
As Restated	<u>45,215,584</u>	<u>23,161,062</u>	<u>3,954,878</u>	<u>72,331,524</u>
<b>Net Position, End of Year</b>	<u>\$ 47,139,474</u>	<u>\$ 23,184,568</u>	<u>\$ 4,183,779</u>	<u>\$ 74,507,821</u>

See Notes to the Financial Statements.

**Town of Wellington, Colorado**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2023**

	Water	Sewer	Drainage	Totals
<b>Cash Flows From Operating Activities</b>				
Cash Received from Customers	\$ 1,159,200	\$ 80,578	\$ 692,457	\$ 1,932,235
Cash Payments to Employees	(867,333)	(824,413)	(132,620)	(1,824,366)
Cash Payments to Vendors and Suppliers	<u>(5,504,089)</u>	<u>(427,033)</u>	<u>(465,261)</u>	<u>(6,396,383)</u>
Net Cash Provided by Operating Activities	<u>(5,212,222)</u>	<u>(1,170,868)</u>	<u>94,576</u>	<u>(6,288,514)</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Transfers to Other Funds, net	<u>573,000</u>	<u>312,000</u>	<u>-</u>	<u>885,000</u>
Net Cash Used in Noncapital Financing Activities	<u>573,000</u>	<u>312,000</u>	<u>-</u>	<u>885,000</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Tap Fees Received	18,760,304	19,526,926	111,282	38,398,512
Intergovernmental Receipts	(90,315)	-	97,679	7,364
Plant Investment Fees	700,271	648,817	-	1,349,088
Cash Received in Lieu of Fees	213,548	-	-	213,548
Purchase of Capital Assets	(16,293,514)	(18,470,205)	(36,298)	(34,800,017)
Debt Principal Payments	(926,726)	(447,699)	-	(1,374,425)
Debt Interest Payments	<u>(295,108)</u>	<u>(1,472,930)</u>	<u>-</u>	<u>(1,768,038)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>2,068,460</u>	<u>(215,091)</u>	<u>172,663</u>	<u>2,026,032</u>
<b>Cash Flows From Investing Activities</b>				
Issuance Proceeds	25,649	7,603	-	33,252
Interest Received	527,376	403,257	52,268	982,901
Gain/Loss	<u>163</u>	<u>8</u>	<u>-</u>	<u>171</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>553,188</u>	<u>410,868</u>	<u>52,268</u>	<u>1,016,324</u>
<b>Net Increase In Cash</b>	(2,017,574)	(663,091)	319,507	(2,361,158)
<b>Cash, Beginning of Year</b>	<u>19,946,941</u>	<u>4,123,470</u>	<u>1,249,380</u>	<u>25,319,791</u>
<b>Cash, End of Year</b>	<u>\$ 17,929,367</u>	<u>\$ 3,460,379</u>	<u>\$ 1,568,887</u>	<u>\$ 22,958,633</u>
<b>Reconciliation of Net Operating Income to Net Cash Provided by (Used in) Operating Activities</b>				
Net Operating Income	\$ (98,817)	\$ (30,057)	\$ (32,328)	\$ (161,202)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by (Used in) Operating Activities				
Depreciation	794,629	661,776	121,012	1,577,417
Changes in Assets and Liabilities				
Accounts Receivable	(3,185,580)	(2,106,561)	4,569	(5,287,572)
Accounts Payable and Accrued Expenses	<u>(2,722,454)</u>	<u>303,974</u>	<u>1,323</u>	<u>(2,417,157)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (5,212,222)</u>	<u>\$ (1,170,868)</u>	<u>\$ 94,576</u>	<u>\$ (6,288,514)</u>

See Notes to the Financial Statements.

**Town of Wellington, Colorado**  
Statement of Net Position  
Fiduciary Funds  
December 31, 2023

	Library Custodial Trust
<b>Assets</b>	
Cash and Investments	\$ <u>557,505</u>
Total Assets	\$ <u><u>557,505</u></u>
<b>Net Position</b>	
Restricted Net Position	\$ <u>557,505</u>
Total Net Position	\$ <u><u>557,505</u></u>

**Town of Wellington, Colorado**  
Statement of Changes in Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2023

	Library Custodial Trust
<b>Revenues</b>	
Impact Fees	\$ <u>15,750</u>
Total Revenues	<u>15,750</u>
<b>Net Change in Fund Balances</b>	15,750
<b>Fund Balances, <i>Beginning of Year</i></b>	<u>541,755</u>
<b>Fund Balances, <i>End of Year</i></b>	<u><u>\$ 557,505</u></u>

# Town of Wellington, Colorado

## Notes to Financial Statements

December 31, 2023

### Note 1: Summary of Significant Accounting Policies

The Town of Wellington, Colorado (the Town) was founded on November 10, 1905 as a statutory town. The Town's major operations include general government, public safety, public works, parks and recreation, economic development, and the library.

The financial statements of the Town of Wellington, Colorado (the Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

#### **Reporting Entity**

The financial reporting entity consists of the Town, organizations for which the Town is financially accountable and organizations that raise and hold economic resources for the direct benefit of the Town. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Town. 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 there is a potential for the organization to provide benefits to, or impose financial burdens on, the Town.

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

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

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

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

# Town of Wellington, Colorado

## Notes to Financial Statements

December 31, 2023

### Note 1: Summary of Significant Accounting Policies (Continued)

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered measurable and available only when cash is received by the Town.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those accounted for in another fund.

# Town of Wellington, Colorado

Notes to Financial Statements

December 31, 2023

## Note 1: Summary of Significant Accounting Policies (Continued)

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

(Continued)

The *Street Fund*, a special revenue fund, accounts for motor vehicle ownership taxes, motor vehicle registration taxes and highway user taxes. In addition, this fund accounts for impact fees relating to new construction from building permits. Amounts collected are disbursed for the maintenance of the Town's streets and alleys.

The *Park Fund*, a special revenue fund, accounts for sales taxes, use taxes, motor vehicle use taxes, and open space sales taxes. In addition, this fund accounts for impact fees relating to new construction from building permits. Amounts collected are disbursed for the maintenance of the Town's parks and open spaces.

In addition, the Town reports the following major proprietary funds:

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

The *Sewer Fund* accounts for the financial activities associated with the operation and maintenance of the sewer system.

### **Assets, Liabilities and Net Position/Fund Balances**

*Cash Equivalents* - For purposes of the statement of cash flows, cash equivalents include investment with original maturities of three months or less.

*Receivables* - Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

*Prepaid Expenses* - Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses using the consumption method.

*Capital Assets* - Capital assets, which include land, buildings, utility systems, equipment, and all infrastructure owned by the Town, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

# Town of Wellington, Colorado

## Notes to Financial Statements

December 31, 2023

### Note 1: Summary of Significant Accounting Policies (Continued)

#### **Assets, Liabilities and Net Position/Fund Balances** (Continued)

Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Buildings and Improvements	10 - 40 years
Improvements Other than Buildings	5 - 50 years
Infrastructure	20 - 40 years
Machinery and Equipment	5 - 20 years
Utility Systems	50 years

*Deferred Inflows of Resources* - Property taxes earned but levied for a subsequent year are reported as deferred inflows of resources in the financial statements.

*Compensated Absences* - Employees of the Town are allowed to accumulate unused vacation and sick leave up to a maximum based on years of service. Upon termination of employment from the Town, employees with at least ten years of service will be paid for one-third of their accumulated sick leave up to a maximum of 320 hours, and for all accumulated vacation leave up to a maximum of 240 hours, at their current pay rate.

A liability for these compensated absences is reported when earned in the proprietary funds and when due in the governmental funds. A long-term liability has been reported in the government-wide financial statement for the accrued compensated absences.

*Long-Term Debt* - In the government-wide financial statements and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refunding's are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, 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 are reported as other financing uses.

Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

*Net Position/Fund Balances* - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. In the fund financial statements, governmental funds report committed fund balances when the Board of Trustees approves an ordinance that places constraints on the use of resources for a specific purpose. Assigned fund balances arise from an informal action of the Board of Trustees.

The Town has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the Town uses restricted fund balances first, followed by committed, assigned, and unassigned balances.

# Town of Wellington, Colorado

## Notes to Financial Statements

December 31, 2023

### Note 1: Summary of Significant Accounting Policies (Continued)

#### Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent calendar year. 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, receivables and corresponding deferred inflows of resources are reported at year end.

#### Subsequent Event

We have evaluated subsequent events through June 26, 2025. The date the financial statements were available to be issued.

### Note 2: Cash and Investments

A summary of cash at December 31, 2023, follows:

	<u>Total</u>
Petty Cash	\$ 300
Cash in Bank	5,263,646
Cash Held in Colotrust	<u>35,730,669</u>
Total	<u>\$ 40,994,615</u>

Cash is reported in the financial statements as follows:

	<u>Total</u>
Cash	\$ 40,994,615
Restricted Cash	<u>-</u>
Total	<u>\$ 40,994,615</u>

#### Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2023, the Town had bank deposits of \$4,133,516 collateralized with securities held by the financial institution's agent but not in the Town's name.

## Town of Wellington, Colorado

### Notes to Financial Statements

December 31, 2023

#### Note 2: Cash and Investments (Continued)

##### **Investments**

The Town is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which the Town may invest, which include the following. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. 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 (GICs)

*Interest Rate Risk* - State statutes generally limit the maturity of investment securities to five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

*Credit Risk* - State statutes limit certain investments to those with specified ratings from nationally recognized statistical rating organizations, depending on the type of investment.

*Concentration of Credit Risk* - State statutes do not limit the amount the Town may invest in one issuer of investment securities, except for corporate securities.

Local Government Investment Pools - At December 31, 2023, the Town had \$36,221,447 invested in the Colorado Liquid Asset Trust (COLOTRUST). The pool is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7. The pool is measured at the net asset value per share, with each share valued at \$1. The pool is rated AAAM by Standard and Poor's. Investments of the pool are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

##### **Restricted Cash and Investments**

At December 31, 2023, the Town reported restricted cash of \$22,030,790 in the Sewer Fund and \$2,901,721 in the Water Fund. The restricted cash represents unspent loan proceeds.

**Town of Wellington, Colorado**  
Notes to Financial Statements  
December 31, 2023

**Note 3: Capital Assets**

Capital asset activity for governmental activities for the year ended December 31, 2023, is summarized below.

	Balance 12/31/22	Additions	Transfers	Deletions	Balance 12/31/23
<b>Governmental Activities</b>					
<i>Capital Assets, Not Being Depreciated</i>					
Land and Water Rights	\$ 2,073,796	\$ -	\$ -	\$ -	\$ 2,073,796
<b>Total Capital Assets, Not Being Depreciated</b>	<b>2,073,796</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,073,796</b>
<i>Capital Assets, Being Depreciated</i>					
Buildings and Improvements	2,165,670	-	-	-	2,165,670
Infrastructure	6,948,848	-	-	-	6,948,848
Streets and Improvements	25,500,894	375,392	-	-	25,876,286
Equipment	606,297	-	-	-	606,297
<b>Total Capital Assets, Being Depreciated</b>	<b>35,221,709</b>	<b>375,392</b>	<b>-</b>	<b>-</b>	<b>35,597,101</b>
<i>Less Accumulated Depreciation</i>					
Buildings and Improvements	(364,439)	(34,816)	-	-	(399,255)
Infrastructure	(2,101,256)	(218,766)	-	-	(2,320,022)
Streets and Improvements	(14,763,098)	(866,994)	-	-	(15,630,092)
Equipment	(518,130)	(30,261)	-	-	(548,391)
<b>Total Accumulated Depreciation</b>	<b>(17,746,923)</b>	<b>(1,150,837)</b>	<b>-</b>	<b>-</b>	<b>(18,897,760)</b>
<b>Total Capital Assets, Being Depreciated, net</b>	<b>17,474,786</b>	<b>(775,445)</b>	<b>-</b>	<b>-</b>	<b>16,699,341</b>
<b>Governmental Activities Capital Assets, net</b>	<b>\$ 19,548,582</b>	<b>\$ (775,445)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,773,137</b>

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

<b>Governmental Activities</b>	<u>Total</u>
Public Safety	\$ 52,259
Public Works	866,994
Parks and Recreation	231,584
<b>Total</b>	<b>\$ 1,150,837</b>

**Town of Wellington, Colorado**  
Notes to Financial Statements  
December 31, 2023

**Note 3: Capital Assets (Continued)**

Capital asset activity for business-type activities for the year ended December 31, 2023, is summarized below.

<b>Business-Type Activities</b>	Balance 12/31/22	Additions	Transfers	Deletions	Balance 12/31/23
<i>Capital Assets, Not Being Depreciated</i>					
Land and Water Rights	\$ 8,432,324	\$ -	\$ -	\$ -	\$ 8,432,324
Construction in Progress	23,142,939	34,662,418	-	-	57,805,357
<b>Total Capital Assets, Not Being Depreciated</b>	<b>31,575,263</b>	<b>34,662,418</b>	<b>-</b>	<b>-</b>	<b>66,237,681</b>
<i>Capital Assets, Being Depreciated</i>					
Utilities Systems	49,555,232	86,882	-	-	49,642,114
Machinery and Equipment	2,562,666	50,718	-	-	2,613,384
<b>Total Capital Assets, Being Depreciated</b>	<b>52,117,898</b>	<b>137,600</b>	<b>-</b>	<b>-</b>	<b>52,255,498</b>
<i>Less Accumulated Depreciation</i>					
Utilities Systems	(18,598,457)	(1,360,582)	-	-	(19,959,039)
Machinery and Equipment	(1,477,692)	(216,835)	-	-	(1,694,527)
<b>Total Accumulated Depreciation</b>	<b>(20,076,149)</b>	<b>(1,577,417)</b>	<b>-</b>	<b>-</b>	<b>(21,653,566)</b>
<b>Total Capital Assets, Being Depreciated, net</b>	<b>32,041,749</b>	<b>(1,439,817)</b>	<b>-</b>	<b>-</b>	<b>30,601,932</b>
<b>Business-Type Activities Capital Assets, net</b>	<b>\$ 63,617,012</b>	<b>\$ 33,222,601</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 96,839,613</b>

Depreciation expense was charged to various business-type activities of the Town as follows:

<b>Business-Type Activities</b>	Total
Water	\$ 794,629
Sewer	661,776
Drainage	121,012
<b>Total</b>	<b>\$ 1,577,417</b>

**Note 4: Long-Term Debt**

**Governmental Activities**

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

<b>Governmental Activities</b>	Balance 12/31/22	Additions	Payments	Balance 12/31/23	Due Within One Year
2014 Park Fund Loan	\$ 781,321	\$ -	\$ (255,353)	\$ 525,968	\$ 259,892
Compensated Absences	112,532	-	-	112,532	3,122
<b>Total</b>	<b>\$ 893,853</b>	<b>\$ -</b>	<b>\$ (255,353)</b>	<b>\$ 638,500</b>	<b>\$ 263,014</b>

**Town of Wellington, Colorado**  
Notes to Financial Statements  
December 31, 2023

**Note 4: Long-Term Debt** (Continued)

**Governmental Activities** (Continued)

In 2014, the Town borrowed \$2,400,000 from First National Bank, with monthly principal and interest payments beginning in 2016 and maturing in 2029. The loan requires monthly payments of \$22,455 with interest fixed at 2.31%. The Park Fund is required to maintain a coverage ratio of 1.25% of the required debt service. For the year ended December 31, 2023, the Town met the coverage requirement.

Annual debt service requirements for the outstanding Certificate of Participation at December 31, 2023, were as follows:

Year Ended December 31,	Principal	Interest	Total
2024	\$ 259,892	\$ 9,568	\$ 269,460
2025	266,076	3,384	269,460
Total	\$ 525,968	\$ 12,952	\$ 538,920

Compensated absences are expected to be liquidated primarily with revenues of the General Funds.

**Business-Type Activities**

Following are the changes in long-term debt of the business-type activities for the year ended December 31, 2023:

	Balance 12/31/22	Additions	Payments	Balance 12/31/23	Due Within One Year
<b>Business-Type Activities</b>					
1984 GO Bond - Water	\$ 28,000	\$ -	\$ (28,000)	\$ -	\$ -
2019 CWRPDA - Water	20,932,534	-	(1,068,483)	19,864,051	1,091,978
Premium	541,241	-	(99,509)	441,732	-
2022 WWTP Loan Payable	42,441,425	-	(447,699)	41,993,726	936,944
Premium	2,791,342	-	(169,757)	2,621,585	-
Compensated Absences	79,317	-	-	79,317	-
Total	\$ 66,813,859	\$ -	\$ (1,813,448)	\$ 65,000,411	\$ 2,028,922

***1984 General Obligation Water Bond***

During 1984, the Town entered into a general Obligation (GO) water bond in the amount of \$500,000. The bond is due in escalating installments and matures on December 1, 2023. Interest is fixed at 5.0%. The bond was paid in full during 2023.

**Town of Wellington, Colorado**  
Notes to Financial Statements  
December 31, 2023

**Note 4: Long-Term Debt** (Continued)

**Business-Type Activities** (Continued)

*2019 Colorado Water Resource and Power Development Authority (CWRPDA) Note Payable*

In 2019, the Town entered into a loan payable with the Colorado Water Resource and Power Development Authority. The 20-year loan requires varying semi-annual principal and interest payments, with interest ranging from 3.0% to 5.0%, through August 1, 2039. The loan is a special revenue obligation of the Water Fund payable from water rates, fees, standby charges, and charges from the use and operation of the system and from such other funds legally available after the payment of operation and maintenance expenses of the system. As of December 31, 2022, the Town had remaining funds of \$21,662,025 to be received and is reflected as cash held with fiscal agent in the accompanying financial statements.

Annual debt service requirements for the outstanding bond at December 31, 2023, were as follows.

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,091,978	\$ 180,550	\$ 1,272,528
2025	1,109,550	160,300	1,269,850
2026	1,129,785	141,050	1,270,835
2027	1,148,102	122,550	1,270,652
2028	1,168,578	105,050	1,273,628
2029-2033	6,054,847	320,950	6,375,797
2034-2038	6,726,274	110,950	6,837,224
2039	<u>1,434,937</u>	<u>5,100</u>	<u>1,440,037</u>
Total	<u>\$ 19,864,051</u>	<u>\$ 1,146,500</u>	<u>\$ 21,010,551</u>

*2022 Wastewater Treatment Plant (WWTP)*

In 2022, the Town entered into a loan payable with the Colorado Water Resource and Power Development Authority (CWRPDA). The 30-year loan requires varying semi-annual principal and interest payments, with interest ranging from 2.0% to 2.5%, through August 1, 2052. The loan is a special revenue obligation of the Sewer Fund payable from sewer rates, fees, standby charges, and charges from the use and operation of the system and from such other funds legally available after the payment of operation and maintenance expenses of the system. As of December 31, 2022, the Town had remaining funds of \$21,662,025 to be received and is reflected as cash held with fiscal agent in the accompanying financial statements.

**Town of Wellington, Colorado**  
Notes to Financial Statements  
December 31, 2023

**Note 4: Long-Term Debt (Continued)**

**Business-Type Activities** (Continued)

Annual debt service requirements for the outstanding bond at December 31, 2023, were as follows.

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 936,944	\$ 1,064,000	\$ 2,000,944
2025	968,724	1,033,750	2,002,474
2026	1,000,567	1,002,750	2,003,317
2027	1,028,709	971,000	1,999,709
2028	1,065,269	938,750	2,004,019
2029-2033	5,818,520	4,187,250	10,005,770
2034-2038	6,716,004	3,291,750	10,007,754
2039-2043	7,659,866	2,346,000	10,005,866
2044-2048	8,613,420	1,390,500	10,003,920
2049-2052	8,185,703	429,750	8,615,453
Total	<u>\$ 41,993,726</u>	<u>\$ 16,655,500</u>	<u>\$ 58,649,226</u>

**Note 5: Interfund Transactions**

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

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Water Fund	General Fund	\$ 573,000
Sewer Fund	General Fund	312,000
Total		<u>\$ 885,000</u>

During 2022, the Board of Trustees authorized an annual transfer of funds between the General Fund and the Water and Sewer Funds. The purpose of the transfer is to support the operations of those funds.

**Note 6: Risk Management**

**Public Entity Risk Pool**

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

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

## Town of Wellington, Colorado

### Notes to Financial Statements

December 31, 2023

#### **Note 6: Risk Management (Continued)**

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

#### **Note 7: Retirement Commitments**

##### **Defined Contribution Retirement Plan**

The Town contributes to a single-employer defined contribution retirement plan on behalf of its employees. All employees are enrolled in the Plan upon hire. The Town is required to contribute at least 4% of each employee's compensation. The Town may contribute up to 6% of each employee's compensation based on the employee's tenure and/or the employee's optional additional contributions. No employee contributions are required. Employees become vested in the Town's contributions at 25% annually after one year of service. Employees become fully vested after four years of service. The contribution requirements of the Town and eligible employees are established and may be amended by the Board of Trustees. For the year ended December 31, 2023, the Town contributed \$224,927 to the Plan, equal to the required contributions.

#### **Note 8: Commitments and Contingencies**

##### **Litigation**

The Town is from time to time involved in various threatened and pending litigation. However, the outcome of this litigation cannot be determined at this time.

##### **TABOR Amendment**

In November 1992, Colorado voters passed the TABOR Amendment to the State Constitution which limits state and local government taxing powers and imposes spending limitations. The Town is subject to the TABOR Amendment. Fiscal year 1992 provides the basis for limits in future years, to which may be applied allowable increases for inflation and property valuation. Revenue received in excess of the limitations may be required to be refunded unless the Town's electorate vote to retain the revenue. The TABOR Amendment is subject to many interpretations, but the Town believes it is in substantial compliance with the Amendment.

In November 1994, voters permitted the Town, without increasing or adding any taxes of any kind, to collect, retain or expend revenues generated from all sources during 1994 and each subsequent year for trails, parks, and open space, storm water facilities and drainage, street, curb and sidewalk construction, repair and maintenance, police services, and for other basic municipal services and lawful purposes, without limitation.

**Town of Wellington, Colorado**  
Notes to Financial Statements  
December 31, 2023

**Note 8: Commitments and Contingencies (Continued)**

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2023, the emergency reserve was reported as restricted fund balance in the General Fund, in the amount of \$190,000.

**Note 9: Restatement of Prior Year Balances**

The Town recorded revenue for receipt of American Rescue Plan Act (ARPA) in error in the amount of \$1,311,667 which should have been recorded as unavailable revenue.

Long-term debt was overstated by \$69,564 in the Water Fund, which understated principal expense.

Depreciation in the Park Fund was overstated by \$1,299,119 which overstated depreciation expense.

The assets, liabilities, fund balance and net position as of December 31, 2022, were restated as follows:

	<u>2022 Balances as Reported</u>	<u>Unavailable Revenue</u>	<u>Bonds Payable</u>	<u>2022 Balances as Restated</u>
<b>Water Fund</b>				
Balance Sheet				
Total Liabilities	\$ <u>26,463,246</u>	\$ <u>1,311,668</u>	\$ <u>(69,563)</u>	\$ <u>27,705,351</u>
Fund Balance	\$ <u>46,457,689</u>	\$ <u>(1,311,668)</u>	\$ <u>69,563</u>	\$ <u>45,215,584</u>
			Capital Assets Net of Accumulated Depreciation	
	<u>2022 Balances as Reported</u>	<u>Unavailable Revenue</u>	<u>Bonds Payable</u>	<u>2022 Balances as Restated</u>
<b>Governmental Activities</b>				
Statement of Net Position				
Assets	\$ <u>38,367,260</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(1,299,119)</u>
Net Position	\$ <u>33,890,698</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,299,119</u>
			Capital Assets Net of Accumulated Depreciation	
	<u>2022 Balances as Reported</u>	<u>Unavailable Revenue</u>	<u>Bonds Payable</u>	<u>2022 Balances as Restated</u>
<b>Business-Type Activities</b>				
Statement of Net Position				
Liabilities	\$ <u>153,103,406</u>	\$ <u>1,311,668</u>	\$ <u>(69,563)</u>	\$ <u>-</u>
Net Position	\$ <u>73,573,629</u>	\$ <u>(1,311,668)</u>	\$ <u>69,563</u>	\$ <u>-</u>

## **Required Supplementary Information**

**Town of Wellington, Colorado**  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Taxes				
Property Taxes	\$ 1,681,506	\$ 1,681,506	\$ 1,873,551	\$ 192,045
Sales and Use Taxes	2,814,684	2,814,684	2,976,507	161,823
Cigarette Taxes	7,000	7,000	10,613	3,613
Severance Taxes	75,000	75,000	106,344	31,344
Franchise Taxes	209,520	209,520	207,363	(2,157)
Other Taxes	6,500	6,500	4,576	(1,924)
Total Taxes	<u>4,794,210</u>	<u>4,794,210</u>	<u>5,178,954</u>	<u>384,744</u>
Licenses and Permits				
Liquor Licenses	-	-	2,550	2,550
Building Permits	554,600	554,600	463,810	(90,790)
Business Licenses	18,700	18,700	20,537	1,837
Total Licenses and Permits	<u>573,300</u>	<u>573,300</u>	<u>486,897</u>	<u>(86,403)</u>
Intergovernmental				
Other Intergovernmental	-	-	2,420	2,420
Total Intergovernmental	<u>-</u>	<u>-</u>	<u>2,420</u>	<u>2,420</u>
Charges for Services				
Recreation/Community Center	3,500	3,500	10,642	7,142
Sales of Goods	9,500	9,500	5,700	(3,800)
Other Charges for Services	37,000	37,000	99,365	62,365
Total Charges for Services	<u>50,000</u>	<u>50,000</u>	<u>115,707</u>	<u>65,707</u>
Fines and Forfeitures	<u>10,000</u>	<u>10,000</u>	<u>29,153</u>	<u>19,153</u>
Investment Income	<u>29,500</u>	<u>29,500</u>	<u>395,551</u>	<u>366,051</u>
Other Revenue	<u>30,000</u>	<u>30,000</u>	<u>2,791</u>	<u>(27,209)</u>
Total Revenues	<u>5,487,010</u>	<u>5,487,010</u>	<u>6,211,473</u>	<u>724,463</u>

(Continued)

**Town of Wellington, Colorado**  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended December 31, 2023  
 (Continued)

Expenditures	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Current				
General Government				
Personnel Services	\$ 1,592,037	\$ 1,592,037	\$ 1,536,532	\$ 55,505
Insurance	170,000	170,000	142,904	27,096
Professional Fees	707,228	707,228	547,313	159,915
Repairs and Maintenance	99,650	99,650	76,377	23,273
Supplies	27,475	27,475	43,241	(15,766)
Telephone and Utilities	158,523	158,523	130,823	27,700
Travel and Training	42,461	42,461	22,052	20,409
Other Expense	438,168	438,168	376,756	61,412
Overhead Allocation	-	-	-	-
Total General Government	<u>3,235,542</u>	<u>3,235,542</u>	<u>2,875,998</u>	<u>359,544</u>
Public Safety				
Personnel Services	1,802,388	1,802,388	1,806,991	(4,603)
Fuel and Automotive	-	-	-	-
Repairs and Maintenance	-	-	15,403	(15,403)
Telephone and Utilities	-	-	-	-
Other Expense	-	-	-	-
Total Public Safety	<u>1,802,388</u>	<u>1,802,388</u>	<u>1,822,394</u>	<u>(20,006)</u>
Public Works				
Personnel Services	186,694	186,694	244,405	(57,711)
Fuel and Automotive	8,000	8,000	30,191	(22,191)
Professional Fees	40,000	40,000	20,447	19,553
Repairs and Maintenance	66,200	66,200	66,257	(57)
Supplies	28,600	28,600	16,057	12,543
Telephone and Utilities	-	-	-	-
Travel and Training	12,300	12,300	9,242	3,058
Other Expense	21,920	21,920	26,124	(4,204)
Overhead Allocation	-	-	-	-
Total Public Works	<u>363,714</u>	<u>363,714</u>	<u>412,723</u>	<u>(49,009)</u>
Parks and Recreation				
Cemetery	30,000	30,000	2,806	27,194
Other Expense	5,000	5,000	7,567	(2,567)
Total Parks and Recreation	<u>35,000</u>	<u>35,000</u>	<u>10,373</u>	<u>24,627</u>
Capital Outlay	-	-	-	-
Total Expenditures	<u>5,436,644</u>	<u>5,436,644</u>	<u>5,121,488</u>	<u>315,156</u>

(Continued)

**Town of Wellington, Colorado**  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended December 31, 2023  
 (Continued)

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Excess of Revenues Over (Under) Expenditures</b>	50,366	50,366	1,089,985	1,039,619
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	(885,000)	(885,000)	(885,000)	-
<b>Total Other Financing Sources (Uses)</b>	(885,000)	(885,000)	(885,000)	-
<b>Net Change in Fund Balance</b>	(834,634)	(834,634)	204,985	1,039,619
<b>Fund Balance, Beginning of Year</b>	9,101,802	9,101,802	9,101,802	-
<b>Fund Balance, End of Year</b>	<u>\$ 8,267,168</u>	<u>\$ 8,267,168</u>	<u>\$ 9,306,787</u>	<u>\$ 1,039,619</u>

**Town of Wellington, Colorado**  
 Budgetary Comparison Schedule  
 Street Fund  
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Taxes				
Specific Ownership Taxes	\$ 90,000	\$ 90,000	\$ -	\$ (90,000)
Sales and Use Tax	1,555,099	1,555,099	1,571,090	15,991
Total Tax Revenue	<u>1,645,099</u>	<u>1,645,099</u>	<u>1,571,090</u>	<u>(74,009)</u>
Licenses and Permits				
Impact Fees	-	-	193,757	193,757
Other Licenses	250	250	(193,504)	(193,754)
Total Licenses and Permits	<u>250</u>	<u>250</u>	<u>253</u>	<u>3</u>
Intergovernmental Revenues				
Grants	-	-	-	-
Highway Users	305,632	305,632	349,311	43,679
Road and Bridge	49,000	49,000	-	(49,000)
Total Intergovernmental	<u>354,632</u>	<u>354,632</u>	<u>349,311</u>	<u>(5,321)</u>
Investment Income	<u>1,000</u>	<u>1,000</u>	<u>87,634</u>	<u>86,634</u>
Other Revenue	<u>1,000</u>	<u>1,000</u>	<u>3,389</u>	<u>2,389</u>
Total Revenues	<u>2,001,981</u>	<u>2,001,981</u>	<u>2,011,677</u>	<u>9,696</u>
<b>Expenditures</b>				
Public Works				
Personnel Services	782,004	782,004	688,434	93,570
Management Fees	-	-	-	-
Equipment Rental	3,000	3,000	9,876	(6,876)
Fuel and Automotive	-	-	-	-
Professional Fees	33,600	33,600	-	33,600
Repairs and Maintenance	-	-	(1,868)	1,868
Supplies	50,700	50,700	33,453	17,247
Telephone and Utilities	202,930	202,930	183,342	19,588
Travel and Training	-	-	-	-
Other Expense	6,000	6,000	1,344	4,656
Capital Outlays	86,000	86,000	521,367	(435,367)
Total Public Works	<u>1,164,234</u>	<u>1,164,234</u>	<u>1,435,948</u>	<u>(271,714)</u>

(Continued)

**Town of Wellington, Colorado**  
 Budgetary Comparison Schedule  
 Street Fund  
 For the Year Ended December 31, 2023  
 (Continued)

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Excess Revenues Over (Under) Expenditures</b>	837,747	837,747	575,729	(262,018)
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Net Changes in Fund Balance</b>	837,747	837,747	575,729	(262,018)
<b>Fund Balance, Beginning of Year</b>	4,437,290	4,437,290	4,437,290	-
<b>Fund Balance, End of Year</b>	\$ 5,275,037	\$ 5,275,037	\$ 5,013,019	\$ (262,018)

**Town of Wellington, Colorado**  
 Budgetary Comparison Schedule  
 Park Fund  
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Taxes				
Sales and Use Tax	\$ 1,380,413	\$ 1,380,413	\$ 1,448,257	\$ 67,844
Licenses and Permits				
Impact Fees	-	-	91,350	91,350
Other Licenses	-	-	-	-
Total Licenses and Permits	-	-	91,350	91,350
Charges for Services				
Recreation/Community Center Charges	32,000	32,000	65,695	33,695
Rents	-	-	-	-
Total Charges for Services	32,000	32,000	65,695	33,695
Investment Income	20,000	20,000	136,303	116,303
Other Revenues				
Insurance Proceeds	-	-	35,005	35,005
Donations	-	-	-	-
Sale of Capital Assets	-	-	11	11
Total Other Revenues	-	-	35,016	35,016
<b>Total Revenues</b>	<b>1,432,413</b>	<b>1,432,413</b>	<b>1,776,621</b>	<b>344,208</b>
<b>Expenditures</b>				
Public Works				
Personnel Services	894,357	894,357	851,626	42,731
Management Fees	-	-	-	-
Equipment Rental	11,000	11,000	18,296	(7,296)
Fuel and Automotive	6,000	6,000	15,409	(9,409)
Professional Fees	41,000	41,000	27,106	13,894
Repairs and Maintenance	243,500	243,500	173,659	69,841
Supplies	39,200	39,200	21,396	17,804
Telephone and Utilities	44,659	44,659	59,132	(14,473)
Travel and Training	8,500	8,500	6,090	2,410
Other Expense	125,620	125,620	89,649	35,971
Debt Service				
Principal	246,599	246,599	253,902	(7,303)
Interest	22,860	22,860	15,557	7,303
Capital Outlay	-	-	21,680	(21,680)
Total Public Works	1,683,295	1,683,295	1,553,502	129,793
<b>Total Expenditures</b>	<b>1,683,295</b>	<b>1,683,295</b>	<b>1,553,502</b>	<b>129,793</b>

(Continued)

**Town of Wellington, Colorado**  
 Budgetary Comparison Schedule  
 Park Fund  
 For the Year Ended December 31, 2023  
 (Continued)

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Excess Revenues Over (Under) Expenditures</b>	(250,882)	(250,882)	223,119	474,001
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
<b>Net Changes in Fund Balance</b>	(250,882)	(250,882)	223,119	474,001
<b>Fund Balance, Beginning of Year</b>	2,038,844	2,038,844	2,038,844	-
<b>Fund Balance, End of Year</b>	\$ 1,787,962	\$ 1,787,962	\$ 2,261,963	\$ 474,001

**Town of Wellington, Colorado**  
Notes to Required Supplementary Information  
December 31, 2023

**Note 1: Stewardship, Compliance and Accountability**

**Budgets and Budgetary Accounting**

Budgets are adopted for all funds of the Town in accordance with State statutes. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the enterprise funds are presented on a non-GAAP budgetary basis. Capital outlay and debt principal are budgeted as expenditures, but depreciation is not budgeted.

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

- Management submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally adopted through passage of a resolution.
- Town management is authorized to transfer budgeted amounts between departments within any fund. However, revisions that alter the total expenditures of any fund must be approved by the Board of Trustees. State statutes stipulate that expenditures may not exceed budget appropriations at the fund level.
- All appropriations lapse at year end.

## **Supplementary Information**

**Town of Wellington, Colorado**  
 Budgetary Comparison Schedule  
 Conservation Trust Fund  
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	42,293	42,293
<b>Total Revenues</b>	-	-	42,293	42,293
<b>Other Financing Sources (Uses)</b>				
Transfer In	-	-	-	-
<b>Net Changes in Fund Balance</b>	-	-	42,293	42,293
<b>Fund Balance, Beginning of Year</b>	959,195	959,195	959,195	-
<b>Fund Balance, End of Year</b>	<u>\$ 959,195</u>	<u>\$ 959,195</u>	<u>\$ 1,001,488</u>	<u>\$ 42,293</u>

**Town of Wellington, Colorado**  
**Budgetary Comparison Schedule**  
**Water Fund**  
**For the Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Utility Charges	\$ 5,307,980	\$ 5,307,980	\$ 4,312,785	\$ (995,195)
Other Charges for Services	24,786	24,786	31,995	7,209
Tax Revenue & Impact Fees	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Plant Investment Fees	834,960	834,960	700,271	(134,689)
Cash in Lieu of Fees	-	-	213,548	213,548
Gain on Sale of Assets	13,350,761	13,350,761	25,812	(13,324,949)
Investment Income	41,474	41,474	796,642	755,168
Transfers In	573,000	573,000	573,000	-
Total Revenues	<u>20,132,961</u>	<u>20,132,961</u>	<u>6,654,053</u>	<u>(13,478,908)</u>
<b>Expenditures</b>				
Operating Expenses				
Raw Water Purchases	2,327,000	2,327,000	1,533,649	793,351
Management Fees	-	-	-	-
Personnel Services	1,206,164	1,206,164	1,135,716	70,448
Operating Supplies	53,000	53,000	41,383	11,617
Professional Fees	174,500	174,500	127,583	46,917
Repairs and Maintenance	262,500	262,500	201,356	61,144
Travel and Training	13,610	13,610	7,346	6,264
Treatment	250,000	250,000	182,712	67,288
Telephone and Utilities	137,900	137,900	120,805	17,095
Other Operating Expenses	-	-	-	-
Capital Outlay	341,500	341,500	16,591,932	(16,250,432)
Debt Services				
Principal	1,130,105	1,130,105	(1,096,483)	2,226,588
Interest	421,561	421,561	286,566	134,995
Total Expenditures	<u>6,317,840</u>	<u>6,317,840</u>	<u>19,132,565</u>	<u>(12,814,725)</u>
<b>Change in Net Position, Budgetary Basis</b>	<u>\$ 13,815,121</u>	<u>\$ 13,815,121</u>	(12,478,512)	<u>\$ (26,293,633)</u>
Adjustments to GAAP Basis				
Depreciation			(794,629)	
Capital Outlay			16,293,514	
Debt Principal			(1,096,483)	
<b>Change in Net Position, GAAP Basis</b>			<u>\$ 1,923,890</u>	

**Town of Wellington, Colorado**  
**Budgetary Comparison Schedule**  
**Sewer Fund**  
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Utility Charges	\$ 2,507,634	\$ 2,507,634	\$ 2,187,139	\$ (320,495)
Intergovernmental Revenues	24,386,515	24,386,515	-	(24,386,515)
Plant Investment Fees	779,360	779,360	648,817	(130,543)
Insurance Proceeds	-	-	7,603	7,603
Gain on Sale of Assets	-	-	8	8
Investment Income	28,413	28,413	403,257	374,844
Transfers In	312,000	312,000	312,000	-
Total Revenues	<u>28,013,922</u>	<u>28,013,922</u>	<u>3,558,824</u>	<u>(24,455,098)</u>
<b>Expenditures</b>				
Operating Expenses				
Management Fees	-	-	-	-
Personnel Services	1,122,350	1,122,350	1,091,564	30,786
Operating Supplies	24,000	24,000	16,582	7,418
Professional Fees	100,000	100,000	64,763	35,237
Repairs and Maintenance	188,500	188,500	106,001	82,499
Travel and Training	13,460	13,460	9,063	4,397
Treatment	70,000	70,000	18,792	51,208
Telephone and Utilities	164,035	164,035	202,599	(38,564)
Other Operating Expenses	5,000	5,000	3,464	1,536
Capital Outlay	63,000	63,000	16,482,166	(16,419,166)
Debt Services				
Principal	618,315	618,315	447,699	170,616
Interest	1,322,466	1,322,466	1,318,122	4,344
Total Expenditures	<u>3,691,126</u>	<u>3,691,126</u>	<u>19,760,815</u>	<u>(16,069,689)</u>
<b>Change in Net Position, Budgetary Basis</b>	<u>\$ 24,322,796</u>	<u>\$ 24,322,796</u>	(16,201,991)	<u>\$ (40,524,787)</u>
Adjustments to GAAP Basis				
Depreciation			(661,776)	
Capital Outlay			16,439,574	
Debt Principal			447,699	
<b>Change in Net Position, GAAP Basis</b>			<u>\$ 23,506</u>	

**Town of Wellington, Colorado**  
 Budgetary Comparison Schedule  
 Drainage Fund  
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Utility Charges	\$ 673,722	\$ 673,722	\$ 687,871	\$ 14,149
Tax Revenue & Impact Fees	70,200	70,200	111,282	41,082
Intergovernmental Revenues	60,000	60,000	97,679	37,679
Investment Income	3,500	3,500	52,268	48,768
Investment Income	-	-	17	17
Total Revenues	807,422	807,422	949,117	141,695
<b>Expenditures</b>				
Operating Expenses				
Administrative Office	-	-	-	-
Management Fees	-	-	-	-
Personnel Services	187,244	187,244	172,863	14,381
Operating Supplies	-	-	-	-
Professional Fees	55,200	55,200	37,400	17,800
Repairs and Maintenance	2,000	2,000	2,420	(420)
Telephone and Utilities	410,532	410,532	386,521	24,011
Capital Outlay	1,000	1,000	36,298	(35,298)
Total Expenditures	655,976	655,976	635,502	20,474
<b>Change in Net Position, Budgetary Basis</b>	\$ 151,446	\$ 151,446	313,615	\$ 162,169
Adjustments to GAAP Basis				
Depreciation			(121,012)	
Capital Outlay			36,298	
<b>Change in Net Position, GAAP Basis</b>			\$ 228,901	

## **Compliance Section**

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

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

This Information From The Records Of: <b>Town of Wellington, Colorado</b>	Prepared By: <b>Finance Department 970.568.3381</b>
--	--

**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
<b>A. Receipts from local sources:</b>		<b>A. Local highway expenditures:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 489,020.74
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 233,301.51
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		b. Snow and ice removal	\$ 21,772.02
3. Other local imposts (from page 2)	\$ 917,040.23	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ 92,522.07	d. Total (a. through c.)	\$ 21,772.02
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 693,852.60
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 1,437,946.87
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 1,009,562.30	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	\$ -
<b>C. Receipts from State government</b> (from page 2)	\$ 1,197,117.43	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	\$ -	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	\$ 2,206,679.73	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total expenditures (A.6 + B.3 + C + D)</b>	\$ 1,437,946.87

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

**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
	\$ 5,743,155.88	\$ 2,206,679.73	\$ 1,437,946.87	\$ 6,511,888.74	\$ -

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
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	\$ 87,632.77
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	\$ 723,283.03	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 193,757.20	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	\$ 3,389.30
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	\$ 1,500.00
6. Total (1. through 5.)	\$ 917,040.23	h. Other	
c. Total (a. + b.)	\$ 917,040.23	i. Total (a. through h.)	\$ 92,522.07
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes (from Item I.C.5.)	\$ 349,310.82	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	\$ 847,806.61	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 847,806.61	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 1,197,117.43	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

**III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL**

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs	\$ 61,511.98		\$ 61,511.98
c. Construction:			
(1). New Facilities		\$ 24,705.52	\$ 24,705.52
(2). Capacity Improvements			\$ -
(3). System Preservation		\$ 22,500.00	\$ 22,500.00
(4). System Enhancement And Operation		\$ 380,303.24	\$ 380,303.24
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 427,508.76	\$ 427,508.76
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ 61,511.98	\$ 427,508.76	\$ 489,020.74
<i>(Carry forward to page 1)</i>			

Notes and Comments: