

CITY OF LA JUNTA, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2023

CITY OF LA JUNTA, COLORADO

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of La Junta, 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, each major fund, and the aggregate remaining fund information of the City of La Junta, Colorado, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of La Junta, Colorado's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 City of La Junta, Colorado and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of La Junta, Colorado'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 generally accepted auditing standards 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 generally accepted auditing standards 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 City of La Junta, Colorado'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 City of La Junta, Colorado's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

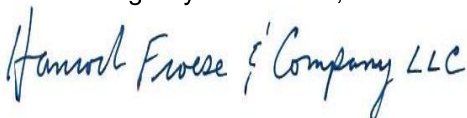
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other post-employment benefit schedules and the budgetary comparison information on pages 3-11 and 49-54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of La Junta, Colorado's basic financial statements. The accompanying combining nonmajor fund and individual fund financial statements, budget schedules, local highway finance report, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the combining nonmajor fund and individual fund financial statements, budget schedules, local highway finance report, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2024, on our consideration of the City of La Junta, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of La Junta, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of La Junta, Colorado's internal control over financial reporting and compliance.



Hancock Froese & Company LLC

Rocky Ford, Colorado
May 24, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of The City of La Junta, Colorado (the "City") offers readers of the City's annual financial report this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2023. Readers are encouraged to consider the information presented here in conjunction with the financial statement information.

FINANCIAL HIGHLIGHTS

1. Assets of the City exceed its liabilities by \$62,258,063 in 2023 compared to \$62,749,399 in 2022. Of these amounts, the City's Business-type Activities were \$39,921,033 in 2023 compared to \$40,004,779 in 2022 and the City's Governmental Activities were \$22,337,030 in 2023 compared to \$22,744,620 in 2022. Unrestricted net position total was \$10,964,026 in 2023 compared to \$11,541,567 in 2022 and may be used to meet the City's on-going obligations.
2. By far, the largest portion of the City's net position is its net investment in capital assets. Net investment in capital assets was \$48,885,941 in 2023 compared to \$49,046,901 in 2022. The infrastructure consists of streets, bridges, and storm sewers. Estimated historical cost was used to initially value the infrastructure.
3. The City's debt for the enterprise funds is for the construction of a waste-water treatment facility, the construction of a reverse osmosis water treatment plant with associated raw water mains and water main across the Arkansas River and the construction of new water tanks. The City has outstanding loans with Colorado Water Resource and Power Development Authority of \$14,167,930 as of December 31, 2023. Also included in enterprise fund debt are post closure costs on landfill and compensated absences for a total liability balance reported of \$15,128,128 in 2023 compared to \$16,201,584 in 2022. Otero County Landfill Inc. (OCLI) required the City to fund post closure costs for the Sanitation Fund of \$337,400.
4. The Restricted Net Position includes 1) \$335,000 required by TABOR, the emergency contingency required by Article X, Section 20 of the Colorado Constitution, 2) \$405,864 restricted for endowments of the library and cemetery, 3) \$141,958 restricted for capital projects, 4) \$343,674 for conservation trust, and 5) \$1,181,600 of cash restricted for operations and maintenance.
5. The City's **governmental funds** reported a combined ending fund balance of \$5,180,773 in 2023 compared to \$5,299,402 in 2022 including the General Fund with \$2,721,094 in 2023 compared to \$3,205,240 in 2022 and other non-major Governmental Funds with \$2,459,679 in 2023 compared to \$2,094,162 in 2022.
6. The **governmental funds** reported total assigned and unassigned fund balances of \$3,952,089 in 2023 compared to \$4,229,333 in 2022. The combined assigned and unassigned fund balance is made up of \$2,244,136 in 2023 compared to \$2,765,286 in 2022 from the General Fund and \$1,707,953 in 2023 compared to \$1,464,047 in 2022 from other non-major funds.
7. The City's **proprietary funds** reported a combined Total Net Position of \$39,706,950 in 2023 compared to \$39,529,973 in 2022 of which \$7,169,163 in 2023 compared to \$6,868,127 in 2022 is unrestricted.
8. The City's **proprietary funds** reported combined cash or equivalents and of \$3,321,974 in 2023 compared to \$3,340,378 in 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management discussion and analysis (this section), the basic financial statements, required supplementary information, and a section that presents combining statements for nonmajor governmental funds, internal service funds and budget statements. This discussion and analysis serves as an introduction to La Junta's basic financial statements. The City's basic financial statements consist of three components:

1. City-wide financial statements that provide both short-term and long-term information about the City's overall financial status.

2. Fund financial statements that focus on individual parts of the City government, reporting in more detail than the City-wide statements.
3. Notes to the financial statements that explain some of the information in the financial statements and provide detailed data.

This report also contains required and other additional information in addition to the basic financial statements.

Government-wide Financial Statements:

The *Government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. These statements use the accrual basis of accounting with the measurement focus on that of economic resources. All assets, deferred outflows of resources, liabilities and deferred inflows of resources, both financial and capital, short-term and long-term, are included. All revenues and expenses during the year, regardless of when cash is received, are reported. The government-wide financial statements consist of two statements:

1. The **Statement of Net Position** presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as "*net position*". Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
2. The **Statement of Activities** presents information reporting how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. Earned but unused paid time off and accrued interest expense are examples of these types of items.

Both government-wide financial statements distinguish functions of the City 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 City include General Government, Public Safety, Public Works, Health and Welfare, Culture and Recreation, Economic Development, and Interest on Long Term Debt. The business-type activities of the City include Electric, Water, Sewer, Sanitation, and Property Management.

Fund Financial Statements:

A *Fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All City funds can be divided into three categories:

- Governmental funds
- Proprietary funds
- Internal service funds

Governmental funds: Governmental funds account for essentially the same functions reported as governmental activities in the Government-wide financial statements. Unlike the Government-wide financial statements, however, governmental fund financial statements focus on how money flows into and out of those funds and the balances at year-end that are available for spending. These 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. Such information provides a detailed *short-term* view of the City's general government operations and may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the City-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the City-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. To facilitate this comparison between governmental funds and governmental activities, reconciliations are provided for both the *governmental fund* Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance.

The City maintains 9 individual governmental funds. Information is presented separately in the *governmental fund* Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance for the Governmental Funds. Individual fund information is presented for the General, which is a major fund. Information for the remaining governmental funds are combined into a single "other governmental funds" column. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements presented in the Supplemental Information portion of the report. Data from other governmental funds are combined into a single aggregated presentation.

Proprietary funds: The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the Government-wide financial statements. These include activities that the City operates similar to a private business. Proprietary funds use the accrual basis of accounting and focus on the accumulation and use of economic resources. Proprietary fund financial statements include the Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. All assets and liabilities, both financial and capital, and short-term and long-term, are included with these statements. All revenues earned and expenses incurred during the year are also included regardless of when cash is received or paid. The City uses Enterprise Funds to account for the Electric, Water, Sewer, Sanitation, and Property Management activities.

Internal service funds: Internal service funds are used to accumulate and allocate costs internally among the City's functions. The City uses an Internal Services Fund to account for the provision of equipment provided by the City for its various departments known as the City Service Fund. Departments utilize a rental charge reimbursement rate to provide the resources necessary to fund future acquisitions. In addition, an Employee Benefit Fund is utilized to provide health coverage for its employees. Because these two internal service funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the Government-wide financial statements.

All internal service funds are combined into a single aggregated column presentation. Individual fund data for the internal service funds is provided in the form of combining statements presented in the supplemental information portion of the report.

Notes to the Basic Financial Statements:

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the City-wide and fund financial statements.

Required Supplementary Information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City. The City adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for all major funds to demonstrate compliance with the budget requirement.

Other Information:

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Financial Analysis of the City as a Whole

Net Position

Net position may serve as a useful indicator of a government's financial position. In the case of the City of La Junta, assets exceeded liabilities by \$62,258,063 in 2023 compared to \$62,749,399 in 2022. By far the largest portion of the City's net position (79%) reflects the net investment in capital assets (e.g. land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Restricted net position is designed to reflect the net position that is subject to restrictions beyond the City's control. Unrestricted net position may be used to meet the government's ongoing obligations to the citizens and creditors. The City is able to report positive balances in all three categories of net positions, both for the government as a whole, as well as for its separate governmental and business-type activities.

The City's combined net position was:

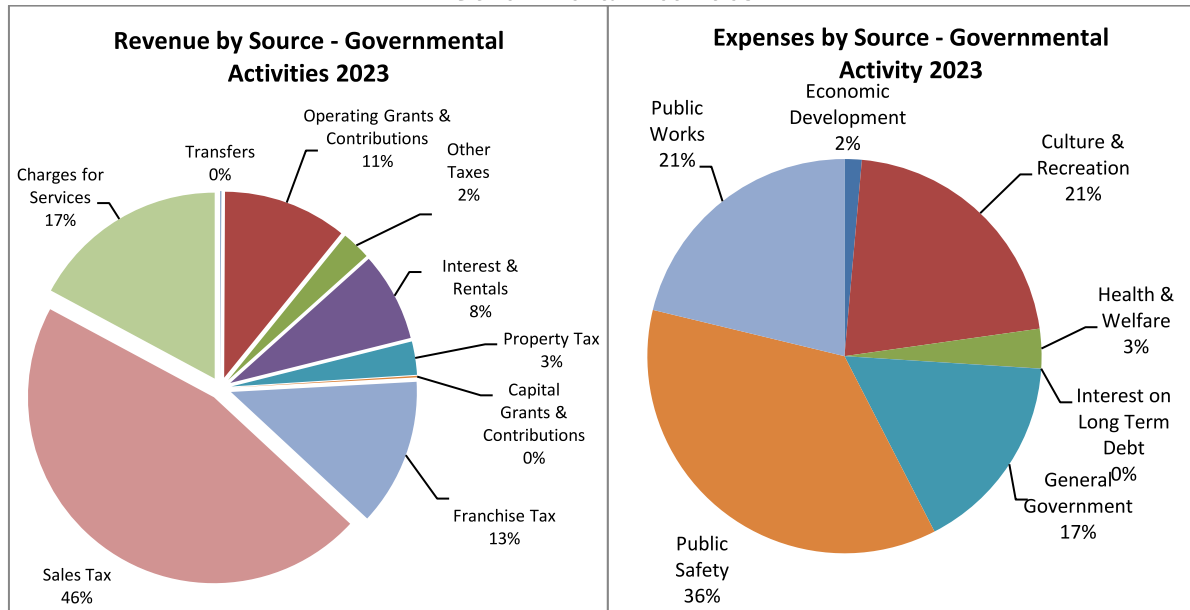
City of La Junta - Combined Net Position as of December 31,

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and other	\$ 8,161,153	\$ 8,511,037	\$14,212,194	\$15,882,235	\$22,373,347	\$24,393,272
Capital assets	<u>18,389,406</u>	<u>18,439,728</u>	<u>45,524,117</u>	<u>46,565,165</u>	<u>63,913,523</u>	<u>65,004,893</u>
Total Assets	26,550,559	26,950,765	59,736,311	62,447,400	86,286,870	89,398,165
Deferred Outflows	<u>352,470</u>	<u>203,302</u>	-	-	<u>352,470</u>	<u>203,302</u>
Total Assets and Deferred Outflow	<u>\$26,903,029</u>	<u>\$27,154,067</u>	<u>\$59,736,311</u>	<u>\$62,447,400</u>	<u>\$86,639,340</u>	<u>\$89,601,467</u>

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
Liabilities:						
Other Liabilities	\$ 985,553	\$ 791,204	\$ 2,492,310	\$ 3,757,684	\$ 3,477,863	\$ 4,548,888
Long-term debt-current	115,891	100,220	882,968	880,589	998,859	980,809
Long-term debt	<u>3,332,059</u>	<u>3,359,317</u>	<u>14,245,160</u>	<u>15,320,995</u>	<u>17,577,219</u>	<u>18,680,312</u>
Total Liabilities	<u>4,433,503</u>	<u>4,250,741</u>	<u>17,620,438</u>	<u>19,959,268</u>	<u>22,053,941</u>	<u>24,210,009</u>
Deferred Inflows	<u>132,496</u>	<u>158,706</u>	<u>2,194,840</u>	<u>2,483,353</u>	<u>2,327,336</u>	<u>2,642,059</u>
Net Position:						
Net investment in capital assets	17,529,754	17,479,855	31,356,187	31,567,046	48,885,941	49,046,901
Restricted	1,226,496	1,066,131	1,181,600	1,094,800	2,408,096	2,160,931
Unrestricted	<u>3,580,780</u>	<u>4,198,634</u>	<u>7,383,246</u>	<u>7,342,933</u>	<u>10,964,026</u>	<u>11,541,567</u>
Total Net Position	<u>22,337,030</u>	<u>22,744,620</u>	<u>39,921,033</u>	<u>40,004,779</u>	<u>62,258,063</u>	<u>62,749,399</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$26,903,029</u>	<u>\$27,154,067</u>	<u>\$59,736,311</u>	<u>\$62,447,400</u>	<u>\$86,639,340</u>	<u>\$89,601,467</u>

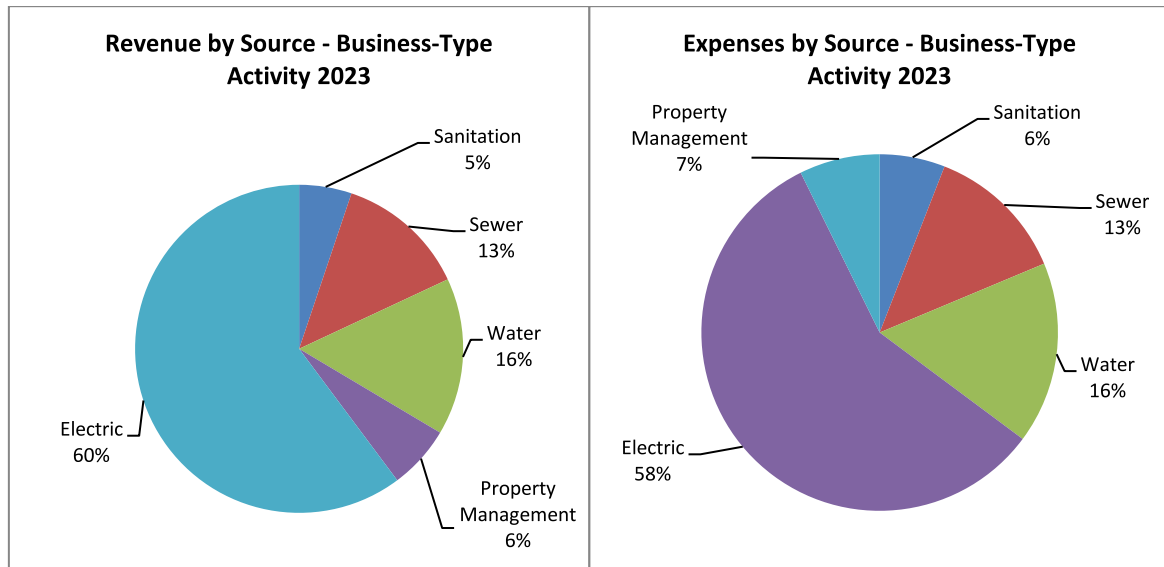
Restrictions in the governmental activities include \$335,000 for statutory reserves for emergencies by TABOR.

Changes in Net Position
Governmental Activities



- Governmental activities decreased the City of La Junta’s net position by \$407,590 in 2023 compared to a decrease of \$1,310,416 in 2022. This was due to an increase in operating expenses.
- Tax revenues are comprised of property tax, sales and use tax, franchise tax, and other taxes. Sales tax totaled 73% of all taxes and 45% of all governmental activity revenue. The property tax rate is 3.104 mills. It has remained unchanged for over 35 years. Property tax is 5% of all taxes and 3% of the governmental activity revenue.

Business-type activities



- The business-type activities include the Electric, Water, Sewer, Sanitation, and Property Management Funds.
- In the business-type activities, the net position change after transfers and special items was (\$83,746) in 2023 compared to \$(71,250) in 2022.

Charges for services for the business-type activities for 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Electric	\$ 11,699,971	\$ 11,588,060
Water	2,974,885	2,982,676
Sewer	2,632,771	2,477,022
Sanitation	1,182,562	995,964
Property Management	<u>966,350</u>	<u>1,152,826</u>
Total Charges for Services	<u>\$ 19,456,539</u>	<u>\$ 19,196,548</u>

The following table reflects a condensed summary of activities and changes in net position:

City of La Junta - Changes in Net Position as of December 31,

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022
Program Revenues						
Charges for Services	\$ 2,024,172	\$ 1,812,626	\$19,456,539	\$19,196,548	\$21,480,711	\$21,009,174
Operating Grants & Contributions	922,058	1,138,903	-	-	922,058	1,138,903
Capital Grants & Contributions	795,375	13,759	16,967	82,098	812,342	95,857
General Revenues						
Property Tax	330,452	305,843	-	-	330,452	305,843
Sales Tax	5,213,590	4,855,990	-	-	5,213,590	4,855,990
Franchise Tax	1,324,011	1,350,994	-	-	1,324,011	1,350,994
Other Taxes	247,540	266,506	-	-	247,540	266,506
Interest	203,733	48,835	308,085	116,980	511,818	165,815
Other & Rentals	<u>615,836</u>	<u>768,903</u>	<u>743,739</u>	<u>1,133,530</u>	<u>1,359,575</u>	<u>1,902,433</u>
Total Revenues	<u>\$11,676,767</u>	<u>\$10,562,359</u>	<u>\$20,525,330</u>	<u>\$20,529,156</u>	<u>\$32,202,097</u>	<u>\$31,091,515</u>

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Expenses						
General Government	\$ 1,986,935	\$ 2,207,963	\$ -	\$ -	\$ 1,986,935	\$ 2,207,963
Public Safety	4,391,987	4,022,671	-	-	4,391,987	4,022,671
Public Works	2,566,909	2,653,865	-	-	2,566,909	2,653,865
Health & Welfare	391,479	413,221	-	-	391,479	413,221
Culture & Recreation	2,582,371	2,472,895	-	-	2,582,371	2,472,895
Economic Development	170,679	107,042	-	-	170,679	107,042
Interest-Long Term Debt	1,597	2,718	-	-	1,597	2,718
Electric	-	-	11,625,315	11,740,829	11,625,315	11,740,829
Water	-	-	3,392,397	3,367,563	3,392,397	3,367,563
Sewer	-	-	2,866,583	2,604,583	2,866,583	2,604,583
Sanitation	-	-	1,268,890	1,210,591	1,268,890	1,210,591
Property Management	-	-	1,614,891	1,491,240	1,614,891	1,491,240
Total Expenses	<u>12,091,957</u>	<u>\$11,880,375</u>	<u>20,768,076</u>	<u>20,414,806</u>	<u>32,860,033</u>	<u>32,295,181</u>
Excess (Deficiency) Before Transfers and Special Items	(415,190)	\$(1,318,016)	(242,746)	114,350	(657,936)	(1,203,666)
Transfers In (Out)	7,600	7,600	(7,600)	(7,600)	-	-
Special Items	-	-	166,600	(178,000)	166,600	(178,000)
Change in Net Position	(407,590)	(1,310,416)	(83,746)	(71,250)	(491,336)	(1,381,666)
Net Position - Beginning	<u>22,744,620</u>	<u>24,055,036</u>	<u>40,004,779</u>	<u>40,076,029</u>	<u>62,749,399</u>	<u>64,131,065</u>
Net Position Ending	<u>\$22,337,030</u>	<u>\$22,744,620</u>	<u>\$39,921,033</u>	<u>\$40,004,779</u>	<u>\$62,258,063</u>	<u>\$62,749,399</u>

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City of La Junta uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

GOVERNMENTAL FUNDS

The focus of the City of La Junta's governmental funds is to provide information on current year revenue, expenditures, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year. As of the end of the year, the City's governmental funds reported a combined fund balance of \$5,180,773 in 2023 compared to \$5,299,402 in 2022. This is a decrease of \$118,629. Of that fund balance, \$2,244,136 in 2023 compared to \$0 in 2022 constitutes unassigned fund balance, which is available for spending at the government's discretion. This is an increase of \$2,244,136. Restricted and Nonspendable fund balances increased to \$1,228,684 in 2023 from \$1,070,069 in 2022.

A portion of the fund balance is restricted for permanent endowments in the amount of \$405,864, for a state constitution mandated emergency reserve-TABOR of \$335,000, conservation trust of \$343,674 and capital projects of \$141,958.

The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$2,244,136 in 2023 compared to \$0 in 2022, while the total fund balance was \$2,721,094 in 2023 compared to \$3,205,240 in 2022. The General Fund had revenues under expenditures and other financing uses in the amount of \$484,146 in 2023 compared to revenues under expenditures in 2022 in the amount of \$1,047,429.

Individual fund data for each of the **non-major** governmental funds is provided in the form of **combining statements** elsewhere in the report. The non-major governmental funds include the Special Revenue and Permanent Funds. The Special Revenue Funds are the Conservation Trust, Economic Development Fund, Urban Renewal Authority, La Junta Capital Inc., Moving Violation Surcharge, and Lodging Tax Tourism Fund. The Permanent Funds are the Library and Cemetery Endowments.

PROPRIETARY FUNDS

The City's proprietary funds provide the same type of information found in the government-wide financial statements. All of the City's proprietary funds are major funds. The funds include Electric, Water, Sewer, Sanitation, and Property Management.

The unrestricted net position balances and the change in net positions of the City's proprietary funds are reflected in the following table:

	<u>Change in Net Position – Proprietary Funds</u>			
	<u>Unrestricted Net Position</u>		<u>Change in Net Position</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Major Enterprise Funds</u>				
Electric	\$ 6,014,200	\$ 5,361,107	\$ 320,338	\$ 221,128
Water	(631,441)	(634,191)	326,431	840,021
Sewer	(454,288)	(37,518)	(163,326)	(40,839)
Sanitation	1,242,147	1,036,411	179,031	(319,421)
Property Management	<u>998,545</u>	<u>1,142,318</u>	<u>(485,497)</u>	<u>(391,159)</u>
Total Enterprise Funds	<u>\$ 7,169,163</u>	<u>\$ 6,868,127</u>	<u>\$ 176,977</u>	<u>\$ 309,730</u>

INTERNAL SERVICES FUNDS

Internal services funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The City's internal service funds are used to account for a self-insured health benefit plan and a capital equipment acquisition program.

The **Employee Benefit Fund** is an internal service fund used to account for the City's self-insured health benefit program. Revenues to support the program originate from two primary sources:

1. Employee contributions toward the cost of the health benefit program premiums,
2. City contributions toward the cost of the health benefit program premiums.

Expenses include claims, stop-loss premiums and plan administration for a health benefit program for employees and their families.

Reserves, as they relate to the health benefit program, should be increased to provide financial stability for the self-funded risk program.

In 2023, operating revenues in the Employee Benefit Fund decreased by \$284,688 due to the decrease in premiums. Operating expenses for the Employee Benefit fund decreased \$305,701 due to the decrease in claims.

The **City Services Fund** is used as a resource base to purchase requested equipment (over \$5,000) for the various departments. Assets are purchased through the fund; amortized costs are then charged to each department as a "rental charge." When an item need replaced, adequate funds have been generated through the on-going rental fees to make a replacement purchase. Revenues totaled \$1,774,760 in 2023 compared to \$1,424,900 in 2022. Increases are due to the adjustments in maintenance, fuel prices, and computer services that are paid by the city departments. The change in net position was \$43,156 in 2023 compared to \$(242,120) in 2022.

BUDGETARY HIGHLIGHTS

The General Fund's final budget was \$11,032,900 in Revenues (not including transfers in). Compared to actual revenues of \$10,655,052, this was a negative variance of \$377,848 from the final budget.

The General Fund's final budget was \$14,248,140 in Expenditures. Compared to actual expenditures of \$11,149,198, this was a positive variance of \$3,098,942 from the final budget.

Other budgetary highlights for the City of La Junta include:

- I (Rick Klein) want to thank the Citizens, City Council, Utility Board, City Staff, and Industry partners in making 2023 a success during changing times.
- The City worked on finishing the construction of the Brick & Tile trail and park. The trail will open at the end of February 2024.
- Bluestem Nursing Home located on South San Juan was completed.
- Tarantula season was a success for the second year with people coming from around the Nation to the annual Tarantula Fest. This is a big win for Tourism.
- City finished working with the Southeast Workforce Housing group which is the 6-county region where the City pooled some of the ARPA funds that everyone received from the Federal Government to build 81 units within our region. This program is being touted by the State as a way to build housing within a region.
- While the City is going in the right direction with a needed rate increase, the City has an aged water distribution system that needs 10 miles of new mains with prices escalating that will have an impact on the City's ability to move forward without another minor rate increase. Same with the Wastewater system. These are some of the biggest challenges.
- The EPA has helped the City remove 6 more dilapidated houses which will help revive the neighborhoods they were located in.
- The EPA has awarded \$500,000 brownfields grant to help private businesses identify, test, get a clean-up plan and costs to remove contaminants. Businesses are then eligible to apply for an 80-20% match grant with EPA picking up 80% of the costs.
- Property Management worked to bring in Ark Valley Pallets at the Industrial Park. The airport is installing a new NAV Aid to help pilot land. Sutherland Lumber began remodeling the old Walmart building.
- The citizens passed a 1% sales tax increase at the end of 2023. This was needed to keep up with the rising costs.
- The City of La Junta is continuing to build upon a solid foundation.
- I feel blessed to have had the dedicated employees that continue to make a difference in our community. I retired at the end of February 2024 after 34 years at the City with the last 25 years as City Manager. I could not have asked for a better career. I feel I made a difference for our community and region. I feel we have the best community on the plains. 2024 will be the year of change.

Supplemental Budget Appropriations were made for the following funds:

- General Fund
- Property Management Fund
- Electric Utility Fund
- Water Utility Fund
- Waste Water Utility Fund

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the City had invested \$63,913,523 compared to \$65,004,893 in 2022, in a broad range of capital assets, including land, equipment, buildings, electric, water, and sewer lines. See Note-4 for additional information. The change is due asset disposals in the Electric Fund.

Long-term Debt

The City has long-term debt for the water lines and treatment facility as well as sewer lagoons and sewer facility. More detailed information is presented in Note 8.

ECONOMIC FACTORS
AFFECTING FUTURE FINANCIAL CONDITIONS

- Factors, which have the potential to significantly impact the City's 2024 budget, include a change in the economic conditions in both the local and state levels. Rising costs of health insurance, increasing fuel costs, subsequent reductions in funding, rising cost of purchasing electricity, wages increasing, and increasingly restrictive EPA regulations on water and wastewater. Also, the additional water loss from farms to the Front Range and the potential for drought conditions.
- Water conservation began in 2003 and shortage of water has been a factor. The City purchased 887.70 shares of Holbrook Canal. The City is currently working on converting these water rights for beneficial use.
- The Lamar Repowering project will have long term effect to our customers through the electric rates charged to ARPA member cities until 2042.
- The replacement of water mains that are nearing 100 years old in the edges of the Community and in key places that is affecting us.
- We continue to see growth with our industries and the housing market is booming as we see people from the Front Range relocating here.

REQUESTS FOR INFORMATION

This financial report is designed to provide the City's citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report and requests for additional financial information can be obtained by contacting the City Manager at P.O. Box 489, 601 Colorado Avenue, La Junta, CO 81050.

BASIC FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

STATEMENT OF NET POSITION

DECEMBER 31, 2023

	PRIMARY GOVERNMENT		
	GOVERNMENTAL	BUSINESS-TYPE	TOTAL
	ACTIVITIES	ACTIVITIES	
ASSETS			
CASH OR EQUIVALENTS	\$ 3,164,337	\$ 3,321,974	\$ 6,486,311
RESTRICTED CASH	141,958	-	141,958
CASH WITH TRUSTEE	3,094	-	3,094
INVESTMENTS	2,371,665	4,568,969	6,940,634
RECEIVABLES - NET			
ACCOUNTS	179,724	2,105,698	2,285,422
GRANTS	554,029	2,229	556,258
TAXES	997,255	-	997,255
NOTES	2,188	-	2,188
LEASES	-	2,243,305	2,243,305
OTHER	281,741	-	281,741
BORROWINGS FROM (TO) OTHER FUNDS	603,031	(603,031)	-
INTERNAL BALANCES	(214,083)	214,083	-
INVENTORIES	76,214	2,315,553	2,391,767
DEPOSITS	-	43,414	43,414
CAPITAL ASSETS			
LAND AND WATER RIGHTS	1,135,355	3,120,856	4,256,211
CONSTRUCTION IN PROGRESS	2,065,274	189,412	2,254,686
BUILDINGS	7,949,780	35,926,526	43,876,306
SYSTEMS	-	38,486,798	38,486,798
IMPROVEMENTS	8,555,573	-	8,555,573
EQUIPMENT	8,207,686	4,859,570	13,067,256
INFRASTRUCTURE	32,699,401	-	32,699,401
ACCUMULATED DEPRECIATION	(42,223,663)	(37,059,045)	(79,282,708)
TOTAL ASSETS	26,550,559	59,736,311	86,286,870
DEFERRED OUTFLOWS OF RESOURCES			
PENSION RELATED	352,470	-	352,470
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 26,903,029	\$ 59,736,311	\$ 86,639,340
LIABILITIES			
ACCOUNTS PAYABLE	\$ 903,880	\$ 825,984	\$ 1,729,864
ACCRUED EXPENSES	737	128,011	128,748
CUSTOMERS DEPOSITS	-	186,621	186,621
UNEARNED REVENUES	80,936	1,351,694	1,432,630
NON CURRENT LIABILITIES:			
DUE WITHIN ONE YEAR	115,891	882,968	998,859
DUE IN MORE THAN ONE YEAR	3,332,059	14,245,160	17,577,219
TOTAL LIABILITIES	4,433,503	17,620,438	22,053,941
DEFERRED INFLOWS OF RESOURCES			
DEFERRED REVENUES - PENSION RELATED	30,796	-	30,796
DEFERRED REVENUES - LEASES	-	2,194,840	2,194,840
DEFERRED REVENUES - PROPERTY TAXES	101,700	-	101,700
TOTAL DEFERRED INFLOW OF RESOURCES	132,496	2,194,840	2,327,336
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	17,529,754	31,356,187	48,885,941
RESTRICTED FOR:			
EMERGENCIES - TABOR	335,000	-	335,000
CAPITAL PROJECTS	141,958	-	141,958
ENDOWMENTS - NONEXPENDABLE	405,864	-	405,864
CONSERVATION TRUST	343,674	-	343,674
OPERATIONS & MAINTENANCE	-	1,181,600	1,181,600
UNRESTRICTED	3,580,780	7,383,246	10,964,026
TOTAL NET POSITION	22,337,030	39,921,033	62,258,063
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 26,903,029	\$ 59,736,311	\$ 86,639,340

CITY OF LA JUNTA, COLORADO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	OPERATING		CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	PRIMARY GOVERNMENT BUSINESS-TYPE ACTIVITIES		TOTAL
		CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS			GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
GOVERNMENTAL ACTIVITIES:								
GENERAL GOVERNMENT	\$ 1,986,935	\$ 692,300	\$ 45,398	\$ -	\$ (1,249,237)	\$ -	\$ -	\$ (1,249,237)
PUBLIC SAFETY	4,391,987	665,324	179,711	111,000	(3,435,952)	-	-	(3,435,952)
PUBLIC WORKS	2,566,909	276,881	381,658	86,129	(1,822,241)	-	-	(1,822,241)
HEALTH AND WELFARE	391,479	60,344	-	-	(331,135)	-	-	(331,135)
CULTURE AND RECREATION	2,582,371	329,323	315,291	598,246	(1,339,511)	-	-	(1,339,511)
ECONOMIC DEVELOPMENT	170,679	-	-	-	(170,679)	-	-	(170,679)
INTEREST ON LONG TERM DEBT	1,597	-	-	-	(1,597)	-	-	(1,597)
TOTAL GOVERNMENTAL ACTIVITIES	12,091,957	2,024,172	922,058	795,375	(8,350,352)	-	-	(8,350,352)
BUSINESS-TYPE ACTIVITIES:								
ELECTRIC	11,625,315	11,699,971	-	-	-	74,656	-	74,656
WATER	3,392,397	2,974,885	-	14,040	-	(403,472)	-	(403,472)
SEWER	2,866,583	2,632,771	-	2,927	-	(230,885)	-	(230,885)
SANITATION	1,268,890	1,182,562	-	-	-	(86,328)	-	(86,328)
PROPERTY MANAGEMENT	1,614,891	966,350	-	-	-	(648,541)	-	(648,541)
TOTAL BUSINESS-TYPE ACTIVITIES	20,768,076	19,456,539	-	16,967	-	(1,294,570)	-	(1,294,570)
TOTAL PRIMARY GOVERNMENT	\$ 32,860,033	\$ 21,480,711	\$ 922,058	\$ 812,342	(8,350,352)	(1,294,570)	-	(9,644,922)
GENERAL REVENUES:								
PROPERTY TAXES					330,452	-	-	330,452
SALES TAXES					5,213,590	-	-	5,213,590
FRANCHISE TAXES					1,324,011	-	-	1,324,011
OTHER TAXES					247,540	-	-	247,540
INTEREST					203,733	308,085	-	511,818
MISCELLANEOUS					615,836	743,739	-	1,359,575
TOTAL GENERAL REVENUES					7,935,162	1,051,824	-	8,986,986
TRANSFERS					7,600	(7,600)	-	-
SPECIAL ITEM					-	166,600	-	166,600
TOTAL GENERAL REVENUES, TRANSFERS, AND SPECIAL ITEM					7,942,762	1,210,824	-	9,153,586
CHANGE IN NET POSITION					(407,590)	(83,746)	-	(491,336)
NET POSITION JANUARY 1					22,744,620	40,004,779	-	62,749,399
NET POSITION DECEMBER 31					\$ 22,337,030	\$ 39,921,033	\$ -	\$ 62,258,063

CITY OF LA JUNTA, COLORADO

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2023

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
CASH OR EQUIVALENTS	\$ 653,959	\$ 843,072	\$ 1,497,031
CASH WITH TRUSTEE	3,094	-	3,094
RESTRICTED CASH	141,958	-	141,958
INVESTMENTS	629,476	1,641,942	2,271,418
RECEIVABLES:			
ACCOUNTS RECEIVABLE	111,576	-	111,576
GRANTS RECEIVABLE	464,239	89,790	554,029
TAXES RECEIVABLE	987,938	9,317	997,255
NOTES RECEIVABLE	-	2,188	2,188
OTHER RECEIVABLE	281,741	-	281,741
DUE FROM (TO) OTHER FUNDS	55,214	(55,214)	-
TOTAL ASSETS	\$ 3,329,195	\$ 2,531,095	\$ 5,860,290
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 481,287	\$ 15,594	\$ 496,881
UNEARNED REVENUE	25,114	55,822	80,936
TOTAL LIABILITIES	506,401	71,416	577,817
DEFERRED INFLOWS OF RESOURCES			
DEFERRED REVENUES - PROPERTY TAXES	101,700	-	101,700
FUND BALANCE			
NONSPENDABLE FOR NOTES	-	2,188	2,188
RESTRICTED FOR			
EMERGENCIES - TABOR	335,000	-	335,000
CAPITAL PROJECTS	141,958	-	141,958
CONSERVATION TRUST	-	343,674	343,674
ENDOWMENTS - NONEXPENDABLE	-	405,864	405,864
ASSIGNED			
COMMUNITY AND ECONOMIC DEVELOPMENT SURCHARGE	-	1,705,751	1,705,751
	-	2,202	2,202
UNASSIGNED	2,244,136	-	2,244,136
TOTAL FUND BALANCES	2,721,094	2,459,679	5,180,773
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 3,329,195	\$ 2,531,095	\$ 5,860,290

CITY OF LA JUNTA, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2023

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION
ARE DIFFERENT BECAUSE:

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		\$	5,180,773
ASSETS NOT AVAILABLE FOR CURRENT PERIOD EXPENDITURES AND THEREFORE ARE NOT REPORTED IN FUNDS			
LONG TERM RECEIVABLES	\$	61,884	
DEFERRED OUTFLOWS - PENSION RELATED AMOUNTS		<u>352,470</u>	
			414,354
CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES AND THEREFORE ARE NOT REPORTED IN FUNDS.			
THE COST OF CAPITAL ASSETS IS		53,731,885	
ACCUMULATED DEPRECIATION IS		<u>(37,666,940)</u>	
			16,064,945
INVENTORIES ARE EXPENSED IN THE GOVERNMENTAL FUNDS UPON ACQUISITION BUT RECOGNIZED AS AN ASSET IN THE GOVERNMENT WIDE FINANCIAL STATEMENTS			49,286
INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF CERTAIN INFORMATION SYSTEMS, OTHER EQUIPMENT AND MEDICAL BENEFIT COSTS TO INDIVIDUAL FUNDS. THE ASSETS AND LIABILITIES OF THE INTERNAL SERVICES FUNDS ARE INCLUDED IN GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION.			3,269,320
LONG-TERM LIABILITIES ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED IN THE FUNDS.			
COMPENSATED ABSENCES		(559,108)	
LOAN PAYABLE DEVELOPER		(33,555)	
ACCRUED INTEREST ON THE LOAN		(737)	
NET PENSION LIABILITIES		(2,017,452)	
DEFERRED INFLOWS - PENSION RELATED AMOUNTS		<u>(30,796)</u>	
			<u>(2,641,648)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$	<u><u>22,337,030</u></u>

CITY OF LA JUNTA, COLORADO

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2023

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
TAXES	\$ 6,693,072	\$ 426,213	\$ 7,119,285
LICENSES AND PERMITS	69,153	-	69,153
INTERGOVERNMENTAL	1,615,405	102,027	1,717,432
CHARGES FOR SERVICES	2,024,172	-	2,024,172
FINES	71,993	-	71,993
INTEREST	103,916	76,686	180,602
MISCELLANEOUS AND RENTALS	77,341	397,349	474,690
TOTAL REVENUES	<u>10,655,052</u>	<u>1,002,275</u>	<u>11,657,327</u>
EXPENDITURES			
GENERAL GOVERNMENT	1,714,275	116,678	1,830,953
PUBLIC SAFETY	4,296,529	-	4,296,529
PUBLIC WORKS	1,863,549	-	1,863,549
HEALTH AND WELFARE	366,415	-	366,415
CULTURE AND RECREATION	2,908,430	312,271	3,220,701
ECONOMIC DEVELOPMENT	-	170,679	170,679
DEBT SERVICE	-	34,730	34,730
TOTAL EXPENDITURES	<u>11,149,198</u>	<u>634,358</u>	<u>11,783,556</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(494,146)</u>	<u>367,917</u>	<u>(126,229)</u>
OTHER FINANCING SOURCES (USES)			
TRANSFERS IN	10,000	10,000	20,000
TRANSFERS OUT	-	(12,400)	(12,400)
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,000</u>	<u>(2,400)</u>	<u>7,600</u>
NET CHANGE IN FUND BALANCE	(484,146)	365,517	(118,629)
FUND BALANCE JANUARY 1	<u>3,205,240</u>	<u>2,094,162</u>	<u>5,299,402</u>
FUND BALANCE DECEMBER 31	<u>\$ 2,721,094</u>	<u>\$ 2,459,679</u>	<u>\$ 5,180,773</u>

CITY OF LA JUNTA, COLORADO

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

YEAR ENDED DECEMBER 31, 2023

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES
ARE DIFFERENT BECAUSE:

NET CHANGE IN FUND BALANCE \$ (118,629)

REVENUES IN THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES THAT DO NOT PROVIDE
CURRENT FINANCIAL RESOURCES ARE NOT REPORTED AS REVENUES IN THE FUNDS

CHANGE IN RECEIVABLE FOR FRANCHISE TAX - NOT CURRENT (3,689)

GOVERNMENTAL FUNDS REPORT CAPITAL OUTLAYS AS EXPENDITURES. HOWEVER, IN
THE STATEMENT OF ACTIVITIES THE COST OF THOSE ASSETS IS ALLOCATED OVER THEIR
ESTIMATED USEFUL LIVES AND REPORTED AS DEPRECIATION EXPENSE. THIS IS THE
AMOUNT BY WHICH CAPITAL OUTLAYS DIFFER FROM DEPRECIATION IN THE CURRENT PERIOD.

CAPITAL OUTLAY	1,101,045	
DEPRECIATION EXPENSE AND LOSS ON DISPOSITION	<u>(1,080,755)</u>	20,290

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 THE GOVERNMENTAL FUNDS

COMPENSATED ABSENCES	359	
PAYMENTS ON NOTE TO DEVELOPER FOR ELIGIBLE REIMBURSEMENT COSTS	32,421	
ACCRUED INTEREST EXPENSE ON LOAN	712	
PENSION RELATED AMOUNTS	<u>18,595</u>	52,087

INVENTORIES ARE EXPENSED AT ACQUISITION IN THE GOVERNMENTAL FUNDS AND
REPORTED AS EXPENSES WHEN USED IN THE GOVERNMENT WIDE STATEMENTS (1,064)

INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF
CERTAIN INFORMATION SYSTEMS, OTHER EQUIPMENT AND MEDICAL BENEFIT COSTS
TO INDIVIDUAL FUNDS.

THE NET REVENUE OF CERTAIN ACTIVITIES OF THE INTERNAL SERVICE FUNDS IS
REPORTED WITH THE GOVERNMENTAL ACTIVITIES. (356,585)

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (407,590)

CITY OF LA JUNTA, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 DECEMBER 31, 2023

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						PROPERTY MANAGEMENT	TOTAL	GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUNDS
	ELECTRIC	WATER	SEWER	SANITATION					
CURRENT ASSETS									
CASH OR EQUIVALENTS	\$ 2,479,683	\$ 61,926	\$ -	\$ 341,434	\$ 438,931	\$ 3,321,974	\$ 1,667,306		
INVESTMENTS	1,379,693	-	17,570	1,167,201	2,004,505	4,568,969	100,247		
ACCOUNTS RECEIVABLE	1,352,870	283,642	333,593	135,593	-	2,105,698	6,264		
LEASE RECEIVABLES	-	-	-	-	774,086	774,086	-		
GRANT RECEIVABLES	-	2,229	-	-	-	2,229	-		
INVENTORIES	1,779,008	511,887	22,457	2,201	-	2,315,553	26,928		
PREPAIDS AND ACCRUALS	7,673	35,741	-	-	-	43,414	-		
TOTAL CURRENT ASSETS	6,998,927	895,425	373,620	1,646,429	3,217,522	13,131,923	1,800,745		
NONCURRENT ASSETS									
LEASE RECEIVABLES	-	-	-	-	1,469,219	1,469,219	-		
PROPERTY AND EQUIPMENT									
LAND, SYSTEMS, AND EQUIPMENT	12,371,463	23,593,742	27,543,587	972,552	18,101,818	82,583,162	6,881,184		
ACCUMULATED DEPRECIATION	(8,030,239)	(11,062,688)	(6,738,710)	(759,127)	(10,468,281)	(37,059,045)	(4,556,723)		
NET PROPERTY AND EQUIPMENT	4,341,224	12,531,054	20,804,877	213,425	7,633,537	45,524,117	2,324,461		
TOTAL ASSETS	\$ 11,340,151	\$ 13,426,479	\$ 21,178,497	\$ 1,859,854	\$ 12,320,278	\$ 60,125,259	\$ 4,125,206		
CURRENT LIABILITIES									
ACCOUNTS PAYABLE	\$ 691,911	\$ 58,158	\$ 43,258	\$ 27,762	\$ 4,895	\$ 825,984	\$ 386,599		
ACCRUED EXPENSES	-	-	84,531	-	43,480	128,011	20,400		
CUSTOMERS DEPOSITS	186,621	-	-	-	-	186,621	-		
UNEARNED REVENUE	-	-	-	-	204,704	204,704	-		
DUE TO (FROM) OTHER FUNDS	(100,000)	-	100,000	-	-	-	-		
LANDFILL COSTS	-	-	-	37,400	-	37,400	-		
LOANS/LEASE PAYABLES	-	91,500	754,068	-	-	845,568	82,335		
TOTAL CURRENT LIABILITIES	778,532	149,658	981,857	65,162	253,079	2,228,288	489,334		
NONCURRENT LIABILITIES									
ACCRUED PAID TIME OFF	206,195	183,777	100,419	39,120	93,287	622,798	11,738		
UNEARNED REVENUE	-	-	-	-	1,146,990	1,146,990	-		
BORROWINGS TO (FROM) OTHER FUNDS	-	603,031	-	-	-	603,031	(603,031)		
LANDFILL COSTS	-	-	-	300,000	-	300,000	-		
LOANS/LEASE PAYABLES	-	503,250	12,819,112	-	-	13,322,362	743,762		
TOTAL NONCURRENT LIABILITIES	206,195	1,290,058	12,919,531	339,120	1,240,277	15,995,181	152,469		
TOTAL LIABILITIES	984,727	1,439,716	13,901,388	404,282	1,493,356	18,223,469	641,803		
DEFERRED INFLOW OF RESOURCES									
LEASES	-	-	-	-	2,194,840	2,194,840	-		
NET POSITION									
NET INVESTMENT IN CAPITAL ASSETS	4,341,224	11,936,304	7,231,697	213,425	7,633,537	31,356,187	1,498,364		
RESTRICTED FOR:									
OPERATIONS & MAINTENANCE	-	681,900	499,700	-	-	1,181,600	-		
UNRESTRICTED	6,014,200	(631,441)	(454,288)	1,242,147	998,545	7,169,163	1,985,039		
TOTAL NET POSITION	10,355,424	11,986,763	7,277,109	1,455,572	8,632,082	39,706,950	3,483,403		
TOTAL LIABILITIES, DEFERRED INFLOW									
OF RESOURCES AND NET POSITION	\$ 11,340,151	\$ 13,426,479	\$ 21,178,497	\$ 1,859,854	\$ 12,320,278	\$ 60,125,259	\$ 4,125,206		

SEE NOTES TO FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO
 PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2023

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUNDS
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT	
OPERATING REVENUES						
CHARGES FOR SERVICES	\$ 11,699,971	\$ 2,828,718	\$ 2,632,771	\$ 1,089,692	\$ 966,350	\$ 19,217,502
OTHER BILLINGS	-	146,167	-	92,870	-	239,037
TOTAL OPERATING REVENUES	11,699,971	2,974,885	2,632,771	1,182,562	966,350	19,456,539
OPERATING EXPENSES						
PERSONAL SERVICES, MATERIALS AND SUPPLIES	11,073,559	2,727,448	1,998,574	1,186,681	1,153,834	18,140,096
DEPRECIATION	436,477	609,649	602,214	44,679	457,791	2,150,810
TOTAL OPERATING EXPENSES	11,510,036	3,337,097	2,600,788	1,231,360	1,611,625	20,290,906
OPERATING INCOME (LOSS)	189,935	(362,212)	31,983	(48,798)	(645,275)	(834,367)
NONOPERATING REVENUES (EXPENSES)						
INTEREST INCOME	82,621	14,219	4,848	61,229	145,168	308,085
GRANTS AND OTHER	47,782	662,015	11,732	-	5,650	727,179
GAIN (LOSS) ON SALE OF ASSETS	-	-	-	-	16,560	16,560
INTEREST EXPENSE	-	(1,631)	(214,816)	-	-	(216,447)
TOTAL NONOPERATING REVENUES (EXPENSES)	130,403	674,603	(198,236)	61,229	167,378	835,377
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS, TRANSFERS AND SPECIAL ITEM	320,338	312,391	(166,253)	12,431	(477,897)	1,010
CAPITAL CONTRIBUTIONS	-	14,040	2,927	-	-	16,967
TRANSFERS IN (OUT)	-	-	-	-	(7,600)	(7,600)
SPECIAL ITEM	-	-	-	166,600	-	166,600
CHANGE IN NET POSITION	320,338	326,431	(163,326)	179,031	(485,497)	176,977
NET POSITION JANUARY 1	10,035,086	11,660,332	7,440,435	1,276,541	9,117,579	39,529,973
NET POSITION DECEMBER 31	\$ 10,355,424	\$ 11,986,763	\$ 7,277,109	\$ 1,455,572	\$ 8,632,082	\$ 39,706,950

SEE NOTES TO FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

RECONCILIATION OF THE PROPRIETARY FUNDS NET POSITION
TO THE GOVERNMENT WIDE STATEMENT OF NET POSITION

DECEMBER 31, 2023

AMOUNTS REPORTED FOR BUSINESS-TYPE ACTIVITIES IN THE STATEMENT OF NET POSITION
ARE DIFFERENT BECAUSE:

TOTAL NET POSITION - PROPRIETARY FUNDS	\$ 39,706,950
ADJUSTMENT TO REFLECT CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUNDS	<u>214,083</u>
NET POSITION OF BUSINESS-TYPE ACTIVITIES	<u>\$ 39,921,033</u>

RECONCILIATION OF THE STATEMENT OF REVENUES , EXPENSES AND CHANGE
IN NET POSITION OF PROPRIETARY FUNDS TO THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2023

AMOUNTS REPORTED FOR BUSINESS-TYPE ACTIVITIES IN THE STATEMENT OF ACTIVITIES
ARE DIFFERENT BECAUSE:

CHANGE IN NET POSITION	\$ 176,977
ADJUSTMENT TO REFLECT CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUNDS	<u>(260,723)</u>
CHANGES IN NET POSITION OF BUSINESS-TYPE ACTIVITIES	<u>\$ (83,746)</u>

CITY OF LA JUNTA, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2023

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					TOTAL	GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUND
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT		
CASH FLOWS FROM OPERATING ACTIVITIES							
CASH RECEIVED FROM CUSTOMERS	\$ 11,699,995	\$ 2,823,542	\$ 2,585,653	\$ 1,062,574	\$ 822,867	\$ 18,994,631	\$ 3,710,306
CASH PAYMENTS TO SUPPLIERS FOR GOODS & SERVICES	(10,047,300)	(1,664,014)	(1,284,417)	(628,429)	(804,333)	(14,428,493)	(3,245,065)
CASH PAYMENTS TO EMPLOYEES SERVICES	(1,161,795)	(966,102)	(782,698)	(603,701)	(354,062)	(3,868,358)	(427,462)
OTHER OPERATING REVENUES	-	146,167	-	92,870	-	239,037	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	490,900	339,593	518,538	(76,686)	(335,528)	936,817	37,779
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
RENTS RECEIVED AND OTHER	47,782	20,737	11,732	-	5,650	85,901	-
DUE TO (FROM) OTHER FUNDS	(100,000)	(647,383)	100,000	-	-	(647,383)	647,383
BORROWINGS FROM (TO) OTHER FUNDS	-	603,031	-	-	-	603,031	(603,031)
TRANSFERS IN (OUT)	-	-	-	-	(7,600)	(7,600)	-
GRANT PROCEEDS	-	585	-	-	-	585	-
CUSTOMER DEPOSITS	4,672	-	-	-	-	4,672	-
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(47,546)	(23,030)	111,732	-	(1,950)	39,206	44,352
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
ACQUISITION OF CAPITAL ASSETS	(103,722)	(1,216,694)	(43,769)	(20,135)	(116,067)	(1,500,387)	(452,007)
CASH PROCEEDS FROM INSURANCE, SALE OF ASSETS AND OTHER	-	-	-	-	16,560	16,560	10,698
CAPITAL CONTRIBUTED	-	14,040	2,927	-	-	16,967	-
PRINCIPAL PAID ON LOANS PAYABLE	-	(91,500)	(738,689)	-	-	(830,189)	(67,800)
INTEREST PAID ON LOANS PAYABLE AND OTHER	-	(1,631)	(218,950)	-	-	(220,581)	(36,792)
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(103,722)	(1,295,785)	(998,481)	(20,135)	(99,507)	(2,517,630)	(545,901)
CASH FLOWS FROM INVESTING ACTIVITIES							
INTEREST ON INVESTMENTS AND LOANS	17,522	14,219	3,646	54,943	142,140	232,470	23,130
PURCHASE OF INVESTMENTS	(500,000)	-	(177,141)	(1,768,239)	(1,384,540)	(3,829,920)	(192,721)
CASH PROCEEDS FROM SALE OF INVESTMENTS	500,000	-	234,077	1,959,137	1,400,510	4,093,724	794,171
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	17,522	14,219	60,582	245,841	158,110	496,274	624,580
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	357,154	(965,003)	(307,629)	149,020	(278,875)	(1,045,333)	160,810
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	2,122,529	1,026,929	307,629	192,414	717,806	4,367,307	1,506,496
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	\$ 2,479,683	\$ 61,926	\$ -	\$ 341,434	\$ 438,931	\$ 3,321,974	\$ 1,667,306
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
OPERATING INCOME (LOSS)	\$ 189,935	\$ (362,212)	\$ 31,983	\$ (48,798)	\$ (645,275)	\$ (834,367)	\$ (592,485)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
DEPRECIATION AND OTHER	436,477	609,649	602,214	44,679	457,791	2,150,810	512,025
CHANGE IN ASSETS AND LIABILITIES	(55,292)	55,095	(46,479)	(29,319)	302,693	226,698	3,105
(INCREASE) DECREASE IN ASSET ACCOUNTS	(80,220)	37,061	(69,180)	(43,248)	(162,224)	(317,811)	115,134
INCREASE (DECREASE) IN LIABILITY ACCOUNTS	-	-	-	-	(288,513)	(288,513)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 490,900	\$ 339,593	\$ 518,538	\$ (76,686)	\$ (335,528)	\$ 936,817	\$ 37,779
SUPPLEMENTAL SCHEDULE OF NONCASH ACTIVITIES							
EQUIPMENT ACQUISITION COSTS IN ACCOUNTS PAYABLE	\$ -	\$ -	\$ -	\$ 2,161	\$ -	\$ 2,161	\$ -

SEE NOTES TO FINANCIAL STATEMENTS

NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of La Junta (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental entities.

THE FINANCIAL REPORTING ENTITY

The City of La Junta is a Home Rule City governed by an elected seven-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of La Junta (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

Blended component units included within the reporting entity:

La Junta Urban Renewal Authority ("URA")

The La Junta Urban Renewal Authority Board is appointed by Council. Although it is legally separate from the City, the URA is reported as if it were part of the primary government because its main purpose is to apply for and administer State and Federal grants, which are in the name of the City. Separately issued financial statements may be obtained from the Finance Director at the City of La Junta.

La Junta Capital Inc.

La Junta Capital, Inc. is a nonprofit organization with a Council appointed board created to provide loan funds for businesses in exchange for a commitment to hire low- and moderate-income employees and for the creation of new primary jobs. It is reported as if it were part of the primary government because its main purpose is for the benefit of the City and all assets revert back to the City upon termination of the agreement between the City and La Junta Capital, Inc. Separately issued financial statements may be obtained from the Finance Director at the City of La Junta.

Joint Venture:

Otero County Landfill Inc. ("OCLI")

The City of La Junta is a participant along with six other entities within the County in a joint venture known as the Otero County Landfill Inc. As a participant, the City is responsible for a portion of closure and post closure costs of the landfill. As of December 31, 2023, the City's share of the cost is estimated at \$337,400 or approximately 19% of the total. A complete financial report may be obtained from the administrative offices of Otero County.

Related organizations:

La Junta Housing Authority

The La Junta Housing Authority is governed by a five-member board appointed by the La Junta City Council. The Authority provides housing to certain qualified residents and is principally funded through Federal grants and rental charges. Because these appointments are administrative in nature and control over the organization is at the Federal Government level, the Authority is treated as a related organization of the City rather than a component unit.

Jointly Governed Organizations:

Arkansas River Power Authority ("ARPA")

ARPA was created by an intergovernmental agreement between the cities of La Junta, Lamar, Las Animas, Trinidad, Springfield and Holly to supply their wholesale electric power and energy requirements. Each of the participating municipalities has a residual interest in ARPA's assets upon dissolution that is proportional to total revenue received from each since ARPA was organized.

Based on electric revenues billed from inception to December 31, 2023, the City of La Junta has a residual equity interest in ARPA of approximately 30%. The governing Board of ARPA consists of two members from each municipality. Because it is felt that the City cannot significantly influence the operations of ARPA it is considered a jointly governed organization and not part of the City's reporting entity.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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 funds 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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant awards are recorded as revenue when earned. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. 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 and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, interest revenues, and charges for services are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grant and entitlement awards are recorded as revenue when earned. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund - The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those which are required to be accounted for in another fund. Major revenue sources include sales taxes, property taxes, franchise and other taxes, charges for services, and intergovernmental revenue. Primary expenditures include general government, public safety (fire and police), public works, health and welfare, and culture and recreation.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major proprietary funds:

Electric Utility Fund - Accounts for the operations of the City's electric utility. Activities of the fund include administration, operation and maintenance, and distribution of the electric utility system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Water Utility Fund - Accounts for the operations of the City's water utility. Activities of the fund include administration, operation and maintenance, treatment, and distribution of the water system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Sewer Utility Fund - Accounts for the operations of the City's sewer utility. Activities of the fund include administration, operation and maintenance, treatment, and collection of the sewer system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Sanitation Utility Fund - Accounts for the operations of the City's sanitation utility. Activities of the fund include administration, operation and maintenance, and collection of trash related to the sanitation system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Property Management Fund - Accounts for rental activities related to City property, most of which is located within the Industrial Park. Activities of the fund include administration and the operation and maintenance of commercial rental units.

Additionally, the government reports the following fund types:

Internal Service Funds - Accounts for the financing of goods or services provided by one department or agency of the City to other departments or agencies of the City, generally on a cost reimbursement basis. The internal service funds of the City provide data processing and fleet management services as well as medical benefits to the other City departments and agencies.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service 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.

ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

Cash, Cash Equivalents and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments held in banks.

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories, eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City may invest in, bonds or other interest-bearing obligations issued by or unconditionally guaranteed by the United States, bonds that are the direct obligation of the State of Colorado, or any county, city or school district in the State. The City may also invest in repurchase agreements of any marketable security otherwise authorized by law, where the market value of such security is at all times at least equal to the moneys involved and there is assignment of such security pursuant to current depository regulations.

In accordance with generally accepted accounting principles, the City, as well as its component units, record investments at fair value with any unrealized gain or loss recognized in interest revenue.

For purposes of the statement of cash flows, the City considers cash, cash equivalents, and cash with trustee to be cash on hand, demand deposits and, if any held, all highly liquid investments with original maturities of three months or less when acquired.

Restricted Cash

Governmental Funds – Restricted cash represents unspent revenues that were received from the State of Colorado and other entities for specific functions and projects that do not fall under normal operations.

Receivables/Payables

Outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles if required.

The City recognizes as receivable amounts due from utility customers as of year-end but not billed due to cycle billings. Recognition is based upon a direct ratio of days in the current period to the total days in each individual billing cycle.

Property Tax Receivable

Property taxes are not due and payable until after the assessment year has ended, and are not included in the budgets or statements of revenues, expenditures and fund balance of the assessment year. Property taxes levied are recorded in the governmental funds as taxes receivable and deferred revenues as of December 31, 2023 since the amounts are measurable but not available until 2024. Property tax abatements are recorded as an offset to property tax revenues when they are paid. An allowance for uncollectible property taxes is not provided as the uncollectible amounts were determined to be negligible based on an analysis of historical trends. Property taxes are levied before December 22nd each year and attach as an enforceable lien on the property as of January 1 of the following year. Taxes are payable in full on April 30th or in two installments due on February 28th and June 15th.

Inventories

Inventories are valued at average cost. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

Water Inventory

The water inventory is carried at the lower of cost or market, with cost determined using the expenses involved in acquiring water held in storage.

Capital Assets

Capital assets, which include property, plant, equipment, and current infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets have been capitalized on a prospective basis, from 2003. The City defines capital assets as assets with an estimated useful life in excess of two years and an initial, individual cost of more than \$5,000. Such assets are recorded at estimated historical cost or historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The City has included its infrastructure in capital assets.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Building, improvements, utility systems, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	
Building and improvements	10-40
Utility systems	20-50
Public domain infrastructure	40-50
Equipment	3-10

Leased Assets – Lease Receivables

Leased assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

All leases were administered and compiled by the City Clerk. Leases entered into by the City had an agreement that conveyed the right to use the asset, whether it be a building, land, vehicle, or equipment. The lease agreements were analyzed to determine the recognition of GASB statement No. 87 “Leases”. Leases that met the guidelines of the lease standard were at least over a 12-month period and were over the City’s defined threshold of \$5,000. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables.

The lease receivables balance was \$2,243,305 for the year ended December 31, 2023. See Note 3 – Lease Receivables for further details. The deferred inflow of resources balance as of December 31, 2023 was \$2,194,840. See Note 4 – Property Taxes Receivable and Deferred Revenues / Unearned Revenues for further details.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category which is for pension related amounts.

Pension Related - Amounts reported as deferred outflows of resources include the following:

Difference Between Expected and Actual Experience	\$	-
Changes of Assumptions or Other Inputs		-
Net Difference Between Projected and Actual Investment		
Earnings on Pension Plan Investments		195,793
Contributions Made Subsequent to the Measurement Date		<u>156,677</u>
Total Pension Related Deferred Outflows	\$	<u>352,470</u>

More information on pension related items is included in Note 9.

Deferred Inflows of Resources

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

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources (Continued)

Deferred Revenue - Property Taxes - The item, property taxes levied for subsequent years, arises only under a modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable, and are recognized as an inflow of resources in the period they are collected.

Pension Related - Amounts reported as deferred inflows of resources include the following:

Difference Between Expected and Actual Experience	\$ -
Changes of Assumptions or Other Inputs	-
Net Difference Between Projected and Actual Investment	
Earnings on Pension Plan Investments	<u>30,796</u>
Total Pension Related Deferred Inflows	<u>\$ 30,796</u>

More information on pension related items is included in Note 9.

Deferred Revenue – Leases – Lease-related amounts are recognized at the inception of leases in which the City is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

Unearned Revenues

In proprietary funds, unearned revenues represent lease payments received, but not yet earned as the related services have not yet been provided.

Compensated Absences

It is the City's policy to permit full-time employees to accumulate earned but unused paid time off benefits. Paid time off leave shall be allowed to accrue to a ceiling not to exceed 1,200 hours. All paid time off pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types, long-term obligations are reported as liabilities in the applicable governmental activities, or business-type activities or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net pension liabilities, associated with the Old Hire Fire and Old Hire Police Pension Funds administered by FPPA, represent the City's total pension liabilities less the fiduciary net position. Amounts have been determined using the economic resources measurement focus and the accrual basis of accounting.

Fund Balance/Net Position

In the government-wide and proprietary financial statements, net position is classified in the following categories:

Net investment in capital assets – This amount consists of capital assets, net of accumulated depreciation, reduced by outstanding debt, if applicable, attributed to the acquisition, construction, or improvement of those assets.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position (Continued)

Restricted net position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted net position – This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted net position”

The City implemented GASB Statement No. 54 “*Fund Balance Reporting and Governmental Fund Type Definitions*”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used:

Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or required to be maintained intact;

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. Assigned fund balance is established through the adoption or amendment of the budget as intended for specific purposes.

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

Interfund Transactions

Interfund transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

Prior to September 12, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments. Prior to November 1, the budget is legally enacted through passage of an ordinance.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revisions that alter the total expenditures of any fund generally must be approved by City Council. Budgeted amounts in the accompanying financial statements include revisions to the original appropriation ordinance.

Appropriations lapse at year end and any open purchase items must be reappropriated in the following year.

Expenditures may not legally exceed appropriations at the fund level. For the year ended December 31, 2023, the La Junta Urban Renewal Authority Fund and Employee Benefit Claim Fund were in violation.

NOTE -2 DEPOSITS AND INVESTMENTS

DEPOSITS:

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of December 31, 2023, \$5,948,269 of the City's bank balance of \$6,698,269 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

INVESTMENTS:

In accordance with generally accepted accounting principles, the City records certain investments at fair value with any unrealized gain or loss being included as part of investment earnings. As of December 31, 2023, the City held the following investments:

U.S. Treasuries	\$ 3,738,844
ColoTrust	<u>3,201,790</u>
Total Investments	<u>\$ 6,940,634</u>

Investments - U.S. Treasuries - The City categorizes its fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At December 31, 2023, the City had the following investments and maturities:

Investment Type	Level 1	Level 2	Level 3	Total	<u>Investment Maturities (in years)</u>	
					Less Than One Year	1-5 Years
U.S. Treasuries	\$ -	\$ 3,738,844	\$ -	\$ 3,738,844	\$ 3,738,844	\$ -

ColoTrust - During the year, the City invested in ColoTrust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The state Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as the safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. As of December 31, 2023, the City had invested \$3,201,790 in COLOTRUST PRIME, an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -2 DEPOSITS AND INVESTMENTS (Continued)

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>		
		<u>Less than 1</u>	<u>1 - 5</u>	<u>6-10</u>
State investment pool	<u>\$ 3,201,790</u>	<u>\$3,201,790</u>	<u>\$ -</u>	<u>\$ -</u>

The City's investments in ColoTrust and money market funds are measured at net asset value. These investments are not subject to the fair value hierarchy. ColoTrust issues a publicly available annual financial report that includes the assets of the City of La Junta. That report may be obtained at the ColoTrust website www.colotrust.com.

Interest Rate Risk - The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates. The Colorado revised statute 24-75-601 limits investment maturities to five years or less without governing board approval. This law, among other things, outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government and agency securities, certain bonds of political subdivisions, bankers' acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, guaranteed insurance contracts and U.S. dollar-denominated corporate or bank debt.

Credit Risk - State law limits investments for local governments to U.S. treasury issues, other federally backed notes and credits, and other agency offerings (not based on derivatives) without limitation. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds that are organized according to the Federal Investment Company Act of 1940, as specified in rule 2a-7, as amended, as long as such rule does not increase remaining maturities beyond a maximum of three years. Investments in these funds require that the institution have assets in excess of \$1 billion or the highest credit rating from one or more of a nationally recognized rating agency.

NOTE -3 LEASE RECEIVABLES

The City, as a lessor, has entered into long-term lease agreements for retail space, facilities, rental homes and cell sites, which expire at various dates through 2030. During the year ended December 31, 2023, the City recognized \$625,452 and \$46,581 in lease revenue and interest revenue, respectively, pursuant to these contracts. The future minimum lease receipts to be received from the aforementioned leases is as follows:

<u>YEAR ENDING</u>	<u>PRINCIPAL / RECEIVABLE</u>	<u>INTEREST</u>
2024	\$ 774,086	\$ 66,764
2025	394,584	44,427
2026	287,756	33,218
2027	222,692	24,160
2028	212,351	16,476
2029 – 2030	<u>351,836</u>	<u>11,217</u>
TOTAL	<u>\$ 2,243,305</u>	<u>\$ 196,262</u>

NOTE -4 PROPERTY TAXES RECEIVABLE AND DEFERRED REVENUES / UNEARNED REVENUES

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned.

Proprietary funds report unearned revenue in connection with payments received, but not yet earned as the related service has not yet been provided.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -4 PROPERTY TAXES RECEIVABLE AND DEFERRED REVENUES / UNEARNED REVENUES (Continued)

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the funds were as follows:

	<u>DEFERRED</u>	<u>UNEARNED</u>
<u>Governmental Funds:</u>		
General Fund	\$ 101,700	\$ 25,114
Economic Development Fund	-	22,500
Conservation Trust Fund	-	<u>33,322</u>
	<u>\$ 101,700</u>	<u>\$ 80,936</u>
 <u>Proprietary Funds:</u>		
Property Management Fund	<u>\$ 2,194,840</u>	<u>\$ 1,351,694</u>

NOTE -5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	<u>BEGINNING BALANCE</u>	<u>TRANSFERS/ INCREASES</u>	<u>TRANSFERS/ DECREASES</u>	<u>ENDING BALANCE</u>
<u>Governmental Activities:</u>				
Capital assets, not being depreciated				
Land	\$ 1,135,355	\$ -	\$ -	\$ 1,135,355
Construction in progress	<u>1,129,450</u>	<u>970,648</u>	<u>(34,824)</u>	<u>2,065,274</u>
	<u>2,264,805</u>	<u>970,648</u>	<u>(34,824)</u>	<u>3,200,629</u>
Capital assets being depreciated				
Buildings	7,943,026	11,372	(4,618)	7,949,780
Improvements	8,418,685	141,138	(4,250)	8,555,573
Infrastructure	32,699,401	-	-	32,699,401
Equipment	<u>7,853,600</u>	<u>452,730</u>	<u>(98,644)</u>	<u>8,207,686</u>
	<u>56,914,712</u>	<u>605,240</u>	<u>(107,512)</u>	<u>57,412,440</u>
Less accumulated depreciation for				
Buildings	(5,464,564)	(198,940)	4,618	(5,658,886)
Improvements	(4,271,634)	(309,910)	4,250	(4,577,294)
Infrastructure	(25,868,129)	(415,586)	-	(26,283,715)
Equipment	<u>(5,135,462)</u>	<u>(665,494)</u>	<u>97,188</u>	<u>(5,703,768)</u>
	<u>(40,739,789)</u>	<u>(1,589,930)</u>	<u>106,056</u>	<u>(42,223,663)</u>
 GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS - NET	<u>\$ 18,439,728</u>	<u>\$ (14,042)</u>	<u>\$ (36,280)</u>	<u>\$ 18,389,406</u>
 <u>Business-Type Activities:</u>				
Capital assets, not being depreciated				
Land	\$ 1,008,222	\$ -	\$ -	\$ 1,008,222
Water rights	2,112,634	-	-	2,112,634
Construction in progress	<u>1,154,639</u>	<u>114,539</u>	<u>(1,079,766)</u>	<u>189,412</u>
	<u>4,275,495</u>	<u>114,539</u>	<u>(1,079,766)</u>	<u>3,310,268</u>
Capital assets being depreciated				
Buildings	34,104,998	1,826,528	(5,000)	35,926,526
Systems	38,416,861	84,212	(14,275)	38,486,798
Equipment	<u>4,725,206</u>	<u>164,249</u>	<u>(29,885)</u>	<u>4,859,570</u>
	<u>77,247,065</u>	<u>2,074,989</u>	<u>(49,160)</u>	<u>79,272,894</u>

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -5 CAPITAL ASSETS (Continued)

	<u>BEGINNING BALANCE</u>	<u>TRANSFERS/ INCREASES</u>	<u>TRANSFERS/ DECREASES</u>	<u>ENDING BALANCE</u>
<u>Business-Type Activities (Continued):</u>				
Less accumulated depreciation for				
Buildings	(17,466,273)	(934,134)	5,000	(18,395,407)
Systems	(13,598,426)	(946,048)	14,275	(14,530,199)
Equipment	<u>(3,892,696)</u>	<u>(270,628)</u>	<u>29,885</u>	<u>(4,133,439)</u>
	<u>(34,957,395)</u>	<u>(2,150,810)</u>	<u>49,160</u>	<u>(37,059,045)</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS - NET	<u>\$ 46,565,165</u>	<u>\$ 38,718</u>	<u>\$ (1,079,766)</u>	<u>\$ 45,524,117</u>

Depreciation expense was charged to functions as follows:

Governmental Activities:

General government	\$ 78,316
Public safety	85,309
Public works	612,314
Public health and welfare	4,009
Culture and recreation	297,957
Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets	<u>512,025</u>
Total depreciation expense – governmental activities	<u>\$ 1,589,930</u>

Business-Type Activities:

Electric	\$ 436,477
Water	609,649
Sewer	602,214
Sanitation	44,679
Property Management	<u>457,791</u>
Total depreciation expense – business-type activities	<u>\$ 2,150,810</u>

NOTE -6 NOTES AND LOANS RECEIVABLE

Governmental Activities

As part of a grant, La Junta Urban Renewal has taken non-interest bearing, unsecured note receivables from downtown businesses, for store front improvements, due in monthly installments over 36 months.

NOTES/LOAN
RECEIVABLE

\$ 2,188

NOTE -7 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS

Interfund Receivables and Payables:

During the course of operations, numerous transactions occur between the City's funds for the reimbursement of expenditures. Related interfund receivables and payables are classified as "due from other funds" and "due to other funds" on the balance sheet and statement of net position and will be settled within one year. The composition of due to / from other funds as of December 31, 2023 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Electric Utility Fund	Sewer Utility Fund	<u>\$ 100,000</u>

Interfund Transfers:

Transfers are for the use of unrestricted revenues collected in the property management fund to finance various programs accounted for in other funds in accordance with council authorizations.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -7 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS (Continued)

The composition of interfund transfers as of December 31, 2023 is as follows:

<u>Transfer To</u>	<u>Transfer From</u>	<u>Amount Transferred</u>
Property Management	Urban Renewal Authority	\$ 12,400
General Fund	Property Management	\$ 10,000
Economic Development	Property Management	\$ 10,000

Interfund Borrowings:

Related borrowings are classified as “borrowings to other funds” and “borrowings from other funds” on the balance sheet and statement of net position. Principal and accrued interest shall be payable due upon written demand. All payments are first applied to accrued interest and then to the retirement of principal. Interest on the outstanding principal balance is at 3.00% per annum beginning November 29, 2023 until paid in full. The composition of borrowings to / from other funds as of December 31, 2023 is as follows:

<u>Borrowings to</u>	<u>Borrowings from</u>	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Water Utility Fund	City Services Fund	\$ _____ -	\$ 603,031	\$ 603,031

NOTE -8 LONG –TERM DEBT

GOVERNMENTAL ACTIVITIES

The City issued a redevelopment and reimbursement agreement to a developer for building a hotel within the City. The agreement states that the City will reimburse the developer for eligible costs incurred by the developer in the amount of \$400,000. The loan is payable in yearly installments of \$34,730, including interest at 3.5% per annum, maturing May 16, 2024. As of December 31, 2023, \$33,555 is outstanding and \$33,555 is due within one year. For the year ended December 31, 2023, interest incurred and expensed was \$1,597.

The Internal Services Fund entered into a Master Equipment Lease Purchase Agreement with Community First National Bank in the amount of \$893,897 with a variable interest rate. The lease proceeds were used to finance the purchase of a 70’ Sutphen Platform Truck. The lease is payable in annual installments of \$104,590 that includes principal and interest beginning February 1, 2023 and maturing February 1, 2032. The lease is collateralized by equipment. As of December 31, 2023, \$826,098 is outstanding and \$82,335 is due within a year.

BUSINESS-TYPE ACTIVITIES

The Water Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$1,830,000, with a 0% interest rate. The loan proceeds were used to finance construction of water tanks. The loan is payable in semi-annual installments of \$47,500, beginning November 1, 2010 and maturing May 1, 2030. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Water Utility Fund revenues. As of December 31, 2023, \$594,750 is outstanding and \$91,500 is due within one year.

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$13,348,899. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in varying semi-annual installments including interest at 2.17% per annum beginning August 1, 2015 and maturing August 1, 2037. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2023, \$9,064,130 is outstanding and \$581,524 is due within one year.

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$3,000,000, with a 0% interest rate. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in semi-annual installments of \$50,000, beginning May 1, 2019 and maturing November 1, 2048. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2023, \$2,500,000 is outstanding and \$100,000 is due within one year.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -8 LONG –TERM DEBT (Continued)

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$3,000,000. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in semi-annual installments of \$54,612, including interest at 4.5% per annum beginning May 1, 2020 and maturing November 1, 2049. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2023, \$2,009,050 is outstanding and \$72,544 is due within one year.

In connection with the above loan payables, the City is subject to various covenants with the Colorado Water Resources and Power Development Authority. The City is also required to maintain an operating and maintenance reserve fund in an amount equal to three months of operation and maintenance expenses, excluding depreciation. Said reserve may be in the form of unobligated fund balances or other unobligated cash or securities. As of December 31, 2023, the City reported a restricted fund balance for operations and maintenance of \$681,900 and \$499,700 in the Water Utility Fund and Sewer Utility Fund, respectively. As of December 31, 2023, the City was in compliance with all loan covenants except the rate covenant in the Sewer Utility Fund.

Annual debt service requirements to maturity are as follows:

YEAR ENDING	BUSINESS-TYPE ACTIVITIES		GOVERNMENTAL ACTIVITIES	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2024	\$ 845,568	\$ 207,588	\$ 115,891	\$ 23,430
2025	857,168	196,475	84,553	20,037
2026	863,173	185,610	86,831	17,759
2027	874,419	177,443	89,171	15,420
2028	880,113	171,375	91,573	13,018
2029 - 2033	4,198,017	742,944	391,634	26,727
2034 - 2038	3,767,559	255,563	-	-
2039 - 2043	894,869	17,626	-	-
2044 - 2048	904,853	7,642	-	-
2049	82,191	308	-	-
TOTAL	<u>\$ 14,167,930</u>	<u>\$ 1,962,574</u>	<u>\$ 859,653</u>	<u>\$ 116,391</u>

The following is a summary of activity for long-term liabilities for the year ended December 31, 2023:

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE	DUE WITHIN ONE YEAR
Governmental activities:					
Reimbursement amt	\$ 65,976	\$ -	\$ (32,421)	\$ 33,555	\$ 33,555
Lease purchase	893,897	-	(67,799)	826,098	82,336
Compensated absences	634,495	-	(63,649)	570,846	-
Net pension liabilities	<u>1,865,169</u>	<u>152,282</u>	<u>-</u>	<u>2,017,451</u>	<u>-</u>
Governmental activity Long-term liabilities	<u>\$ 3,459,537</u>	<u>\$ 152,282</u>	<u>\$ (163,869)</u>	<u>\$ 3,447,950</u>	<u>\$ 115,891</u>
Business-type activities:					
Loans payable	\$14,998,119	\$ -	\$ (830,189)	\$14,167,930	\$ 845,568
Estimated closure and post-closure costs	504,000	-	(166,600)	337,400	37,400
Compensated absences	<u>699,465</u>	<u>-</u>	<u>(76,667)</u>	<u>622,798</u>	<u>-</u>
Business-type activities Long-term liabilities	<u>\$16,201,584</u>	<u>\$ -</u>	<u>\$(1,073,456)</u>	<u>\$15,128,128</u>	<u>\$ 882,968</u>

For the governmental activities, compensated absences are liquidated by the General Fund.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -8 LONG –TERM DEBT (Continued)

ESTIMATED CLOSURE AND POSTCLOSURE CARE COSTS

In 1995 the City entered into an intergovernmental agreement with Otero County and other municipalities within the County to form the Otero County Landfill, Inc. (“OCLI”) to operate the landfill within the County. The agreement transfers the liability for closure and postclosure costs to the new organization. The City and all participating entities are responsible for a portion of the costs based on an average of the population and assessed valuation of each entity to the total of all entities.

Based on the current allocation the City’s share is approximately 19% of the estimated \$1,762,000 in closure and postclosure costs amounting to \$337,400. These amounts are based on estimates of what it would cost to perform all closure and post closure care in 2023. Actual costs may be higher due to inflation or deflation, changes in technology, or changes in applicable laws or regulations.

The estimated closure and post closure costs decreased from 2022 to 2023, therefore, decreasing the City’s allocation by \$166,600 from the prior year which is reported as a special item on the statement of activities and statement of revenues, expenses and changes in net position in the Sanitation Utility Fund.

The City is required by state and federal laws and regulations to provide assurance that it can meet the cost of closure and postclosure care. The City has provided assurance by meeting the test requirements of the Colorado Department of Public Health and Environment. The City expects that future inflation costs may need to be covered by charges to future landfill users or other future revenues.

	MANZANOLA	OTERO #1	OTERO #2		
			MODULE #1	MODULE #2	MODULE #3
Percent of capacity	100%	100%	75%	72%	13%
Estimated closure date	2024	Closed	2026	2026	2033
Estimated final monitoring date	-	2049	-	-	-

NOTE -9 CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE -10 PENSION PLANS

City employees may be covered under one or two of five different pension plans, depending on occupation and date of hire. The different plans are the Old Hire Fire Defined Benefit Plan, Old Hire Police Defined Benefit Plan, Fire Defined Contribution Plan, Police Defined Contribution Plan and the City Retirement Defined Contribution Plan. A description of each plan and selected financial information follows:

OLD HIRE FIRE PENSION FUND – DEFINED BENEFIT PLAN

Summary of Significant Accounting Policies

Pensions – The City of La Junta participates in the Old Hire Fire Pension Fund, an agent multiple-employer defined benefit pension fund administered by the Colorado Fire and Police Pension Association (“FPPA”).

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / deductions from the fiduciary net position of the Old Hire Fire Pension Fund has been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Investments - Investments are reported at fair value.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Plan Information

Plan Description - The City, on behalf of certain full-time paid Firefighters, contributes to the Old Hire Fire Pension Fund. FPPA administers the agent multiple-employer Public Employee Retirement System (“PERS”). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. The plan provides retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the City Council of the City of La Junta.

Plan Membership (Eligibility) – Plan membership consists of active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the City’s current plan.

The following is a summary of the participants:

	<u>Old Hire Fire</u>
Retirees and Beneficiaries	4
Inactive, Nonretired Members	0
Active Members	0
Total	4

Benefits Provided - The plan provides retirement benefits for members and beneficiaries according to the plan provisions and is as follows:

The Old Hire Fire Pension Fund provides retirement benefits to Firefighters who have attained both 50 years of age and completed 20 years of service. Any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to one-half of his monthly salary received at his retirement date, plus an additional 4% of his monthly salary for each complete year served past the age of 50 to age 55 for a maximum monthly pension of 70% of the Firefighter’s monthly salary at retirement. As of January 1, 2000, any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension increased by an additional 10% of his monthly salary.

Upon death, the surviving spouse receive, until death or remarriage, a monthly pension equal to one-half of the monthly pension the Firefighter was entitled to receive prior to death. In addition, the plan calls for a 3% cost of living adjustment effective each January 1.

Title 31, Article 30 of the Colorado Revised Statutes (“CRS”), as amended, establishes basic benefit provisions under the plan. FPPA issues a publicly available annual financial report that includes the assets of the City of La Junta Old Hire Fire Pension Fund. That report may be obtained by writing to: FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Plan members and the City of La Junta are required to contribute at a rate set by state statute. Employer contribution rates can only be amended by state statute.

Member contribution rates can be amended by state statute or by election of the membership. The contributions are based on an actuarially determined amount recommended by an independent actuary.

The contribution rate for members and the City for the Old Hire Fire Pension Fund is 0% of covered salaries. Contribution was determined as part of the January 1, 2022 actuarial valuation. Total contribution for the year ended December 31, 2023 was \$81,083. The contribution of the City of La Junta Fire Department was equal to the required contribution for the year.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status - Given the plan’s contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 4.50% on the actuarial value of assets), then the funded status of the plan is expected to approach 100% over time.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

This funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2121. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Actuarial Assumptions – Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022, determines the contribution amounts for 2023 and 2024.

Methods and Assumptions Used to Determine Contribution Rates for the Fiscal Year Ending December 31, 2022:

- Actuarial Cost Method – Entry Age Normal
- Amortization Method – N/A
- Remaining Amortization Period – N/A
- Asset Valuation Method – 5-Year smoothed fair value
- Inflation – 2.50%
- Salary Increases – N/A
- Investment Rate of Return – 4.50%
- Retirement Age – Any remaining actives are assumed to retire immediately
- Mortality Rates – Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
- Disabled (pre-1980): Post-retirement rates set forward three years.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	10.0%	4.4%
Fixed Income – Rates	70.0%	4.9%
Fixed Income – Credit	10.0%	6.6%
Absolute Return	0.0%	6.9%
Long Short	0.0%	6.7%
Global Public Equity	10.0%	8.7%
Private Capital	0.0%	10.2%
Total	100.0%	

Single Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 4.50%.

Projected cash flows used in determining the Single Discount Rate are available upon request.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Net Pension Liability

The net pension liability was measured at December 31, 2022, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated January 1, 2022, and the City's fiscal year ending date, or reporting date, is December 31, 2023.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) – (b)
Balances at December 31, 2022	<u>\$ 1,856,901</u>	<u>\$ 735,609</u>	<u>\$ 1,121,292</u>
Change for the year:			
Interest	80,584	-	80,584
Difference between Expected & Actual Experience of the Total Pension Liability	-	-	-
Changes of Assumptions	-	-	-
Contributions – Employer	-	74,822	(74,822)
Contributions – Member	-	-	-
Net Investment Income	-	(89,089)	89,089
Benefit payments	(133,759)	(133,759)	-
Administrative Expense	-	(3,345)	3,345
Net Changes	<u>(53,175)</u>	<u>(151,371)</u>	<u>98,196</u>
Balances at December 31, 2023	<u>1,803,726</u>	<u>584,238</u>	<u>1,219,488</u>

Timing of the Valuation - An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability/(asset) and pension expense/(income) should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2022 and a measurement date of December 31, 2022. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2023 and may be used for December 31, 2023 reporting purposes.

Expense and deferred outflow calculations are shown starting with the year ending December 31, 2022, but can be used for the plan sponsor's December 31, 2023 financial reporting. Each reported amount will have a one-year lag so that year end December 31, 2022 can be used for December 31, 2023 plan sponsor reporting.

Paragraph 34 of GASB Statement No. 68 indicates that contributions to the pension plan subsequent to the measurement date of the Net Pension Liability/(Asset) and prior to the end of the employer's reporting period should be reported by the employer as a deferred outflow of resources related to pensions. The information contained in this report does not incorporate any contributions made to the La Junta Old Hire Fire Pension Fund subsequent to December 31, 2022.

Sensitivity of the Net Pension Liability / (Asset) to the Single Discount Rate Assumption – Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 4.50%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

	1% Decrease <u>(3.50%)</u>	Current Single Discount Rate Assumption <u>(4.50%)</u>	1% Increase <u>(5.50%)</u>
Net Pension Liability	\$ 1,398,287	\$ 1,219,488	\$ 1,066,081

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2023; the City recognized pension expense of \$557. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	115,040	17,475
Contributions subsequent to the measurement date	81,083	-
Total	\$ 196,123	\$ 17,475

\$81,083 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2023:	
2024	\$ 18,003
2025	25,108
2026	30,293
2027	24,161
2028	-
Thereafter	-
Total	97,565

OLD HIRE POLICE PENSION FUND – DEFINED BENEFIT PLAN

Summary of Significant Accounting Policies

Pensions – The City of La Junta participates in the Old Hire Police Pension Fund, an agent multiple-employer defined benefit pension fund administered by the Colorado Fire and Police Pension Association (“FPPA”).

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / deductions from the fiduciary net position of the Old Hire Police Pension Fund has been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Investments - Investments are reported at fair value.

Plan Information

Plan Description - The City, on behalf of certain full-time paid Police Officers, contributes to the Old Hire Police Pension Fund which is affiliated with the Colorado Fire and Police Pension Association (FPPA). FPPA administers the agent multiple-employer Public Employee Retirement System (“PERS”). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. The plan provides retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the City Council of the City of La Junta.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Plan Membership (Eligibility) – Plan membership consists of active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the City’s current plan.

The following is a summary of the participants:

	<u>Old Hire Police</u>
Retirees and Beneficiaries	3
Inactive, Nonretired Members	0
Active Members	0
Total	3

Benefits Provided - The plan provides retirement benefits for members and beneficiaries according to the plan provisions and is as follows:

The Old Hire Police Pension Fund provides retirement benefits to police Officers who have attained both 55 years of age and completed 20 years of service or upon completion of 25 years of service, if earlier. Any Police Officer who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to 70% of his monthly salary at the date of his retirement.

Upon death, the surviving spouse receives a monthly pension equal to 100% of the monthly pension the Police Officer was entitled to receive prior to death. In addition, the plan calls for a 3% cost of living adjustment effective each January 1.

Title 31, Article 30 of the Colorado Revised Statutes (“CRS”), as amended, establishes basic benefit provisions under the plan. FPPA issues a publicly available annual financial report that includes the assets of the City of La Junta Old Hire Police Pension Fund. That report may be obtained by writing to: FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Plan members and the City of La Junta are required to contribute at a rate set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or by election of the membership. The contributions are based on an actuarially determined amount recommended by an independent actuary.

The contribution rate for members and the City for the Old Hire Police Pension Fund is 0% of covered salaries. Contribution was determined as part of the January 1, 2020 actuarial valuation. Total contribution for the year ended December 31, 2023 was \$75,594. The contribution of the City of La Junta Police Department was equal to the required contribution for the year.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status - Given the plan’s contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 4.50% on the actuarial value of assets), then the funded status of the plan is expected to approach 100% over time.

This funding policy results in the expectation that the plan’s assets will be able to fully pay for promised benefits through at least 2121. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Actuarial Assumptions – Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022, determines the contribution amounts for 2023 and 2024.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Methods and Assumptions Used to Determine Contribution Rates for the fiscal Year Ending December 31, 2022:

- Actuarial Cost Method – Entry Age Normal
- Amortization Method and R – N/A
- Remaining Amortization Period – N/A
- Asset Valuation Method – 5-Year smoothed fair value
- Inflation – 2.50%
- Salary Increases – N/A
- Investment Rate of Return – 4.50%
- Retirement Age – Any remaining actives are assumed to retire immediately
- Mortality Rates – Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
- Disabled (pre-1980): Post-retirement rates set forward three years.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund’s target asset allocation as of December 31, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	10.0%	4.4%
Fixed Income – Rates	70.0%	4.9%
Fixed Income - Credit	10.0%	6.6%
Absolute Return	0.0%	6.9%
Long Short	0.0%	6.7%
Global Public Equity	10.0%	8.7%
Private Capital	0.0%	10.2%
Total	100.0%	

Single Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 4.50%.

Projected cash flows used in determining the Single Discount Rate are available upon request to FPPA.

Net Pension Liability

The net pension liability was measured at December 31, 2022, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated January 1, 2022, and the City’s fiscal year ending date, or reporting date, is December 31, 2023.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at December 31, 2022	<u>\$ 1,266,665</u>	<u>\$ 522,788</u>	<u>\$ 743,877</u>
Change for the year:			
Interest	54,042	-	54,042
Difference between Expected & Actual Experience of the Total Pension Liability	-	-	-
Changes in Assumptions	-	-	-
Contributions – Employer	-	65,180	(65,180)
Contributions – Member	-	-	-
Net Investment Income	-	(62,151)	62,151
Benefit payments	(132,930)	(132,930)	-
Administrative Expense	-	(3,074)	3,074
Net Changes	<u>(78,888)</u>	<u>(132,975)</u>	<u>54,087</u>
Balances at December 31, 2023	<u>1,187,777</u>	<u>389,813</u>	<u>797,964</u>

Timing of the Valuation - An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability/(asset) and pension expense/(income) should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2022 and a measurement date of December 31, 2022. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2023 and may be used for December 31, 2023 reporting purposes.

Expense and deferred outflow calculations are shown starting with the year ending December 31, 2022, but can be used for the plan sponsor's December 31, 2023 financial reporting. Each reported amount will have a one-year lag so that year end December 31, 2022 can be used for December 31, 2023 plan sponsor reporting.

Paragraph 34 of GASB Statement No. 68 indicates that contributions to the pension plan subsequent to the measurement date of the Net Pension Liability/(Asset) and prior to the end of the employer's reporting period should be reported by the employer as a deferred outflow of resources related to pensions. The information contained in this report does not incorporate any contributions made to the La Junta Old Hire Police Pension Fund subsequent to December 31, 2022.

Sensitivity of the Net Pension Liability / (Asset) to the Single Discount Rate Assumption – Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 4.50%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one % lower or one % higher:

	1% Decrease (3.50%)	Current Single Discount Rate Assumption (4.50%)	1% Increase (5.50%)
Net Pension Liability	\$ 901,163	\$ 797,964	\$ 708,599

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2023; the City recognized pension revenue of \$19,152. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	80,753	13,321
Contributions subsequent to the measurement date	75,594	-
Total	\$ 156,347	\$ 13,321

\$75,594 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2023:	
2024	\$ 11,892
2025	17,409
2026	21,311
2027	16,820
2028	-
Thereafter	-
Total	\$ 67,432

FIRE DEFINED CONTRIBUTION PLAN AND POLICE DEFINED CONTRIBUTION PLAN

Plan Description - The City provides pension benefits for all of its full-time Fire and Police employees hired after April, 1978 and old hires that chose to switch to the new plan through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. State legislation requires that both the employee and the City contribute an amount equal to 8 percent of the employee's base salary each month. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after ten years' continuous service. City contributions for, and interest forfeited by, employees who leave employment before ten years of service are used to reduce the City's current-period contribution requirement.

The City is the trustee of the Fire Defined Contribution Plan and the Police Defined Contribution Plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plans.

Funding Policy - The City's total Fire and Police payroll for 2023 was \$938,669 and \$749,173, respectively. The City's contributions were calculated using a base salary amount of \$938,011 and \$721,152. Both City and the covered employees made the required 8 percent contribution, amounting to \$5,003 each for Firemen or a total of \$75,041 and \$3,846 each for Policemen or a total of \$57,692. As of December 31, 2023, the market value of assets held by the plans was \$1,157,213 for Fire and \$939,168 for Police.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

CITY RETIREMENT – DEFINED CONTRIBUTION PLAN

Plan Description - The City provides pension benefits for all its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after attaining age 21 and having been employed six months. The plan entrance dates are January 1 and July 1. The plan requires that the employees contribute a minimum of 1 percent and the City contributes an amount equal to 5.7 percent of the employee's base.

The City is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan.

Funding Policy - The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years' continuous service. City contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce the City's current-period contribution requirement.

The City's total payroll in fiscal year 2023 was \$8,072,678. The City's contributions were calculated using the base salary amount of \$6,564,151. Both the City and the covered employees made the required contributions amounting to \$317,216 and \$323,185, respectively, for a total of \$640,401. As of December 31, 2023, the market value of assets held was \$10,288,230.

NOTE -11 NET POSITION

Restricted net position represents net position whose users are subject to constraints that are either 1.) legally imposed by creditors (such as debt covenants), grantors, or laws or regulations of other governments, or 2.) imposed by law through constitutional provisions or enabling legislation. Restricted net position at December 31, 2023 is as follows:

	Governmental Activities	Business-Type Activities	Total
Emergencies - TABOR	\$ 335,000	\$ -	\$ 335,000
Capital Projects	141,958	-	141,958
Endowments - Nonexpendable	405,864	-	405,864
Conservation Trust	343,674	-	343,674
Operations and Maintenance	-	1,181,600	1,181,600
	\$ 1,226,496	\$ 1,181,600	\$ 2,408,096

Restricted for Emergencies - TABOR – This represents approximately 3% of the City's 2023 fiscal year spending as that term is defined in the Colorado constitution. Under these provisions of the constitution, this portion of the City's net position can be used for declared emergencies only and the City must maintain 3% or more of its spending in this restricted account. The City does not believe this restriction meets the definition of a stabilization arrangement under generally accepted accounting principles.

Restricted for Capital Projects – This represents unspent cash received from the State of Colorado and other entities for specific functions and projects that do not fall under normal operations.

Restricted for Endowments - Nonexpendable – This represents donations received for the Library and Cemetery in which the corpus must remain intact while the investment income can be used for culture and community welfare.

Restricted for Conservation Trust – This represents money received from the Colorado state for parks and open space related projects.

Restricted for Operations and Maintenance – The City is required to maintain an operation and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation as set forth by the creditor.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -12 FUND BALANCES

At December 31, 2023, fund balances for governmental funds consist of the following:

	Restricted Fund Balance				Total
	Emergencies TABOR	Capital Projects	Conservation Trust	Endowments - Nonexpendable	
General Fund	\$ 335,000	\$ 141,958	\$ -	\$ -	\$ 476,958
Conservation Trust	-	-	343,674	-	343,674
Library					
Endowment	-	-	-	102,735	102,735
Cemetery					
Endowment	-	-	-	303,129	303,129
Total	\$ 335,000	\$ 141,958	\$ 343,674	\$ 405,864	\$ 1,226,496

	Assigned Fund Balance			
	Subsequent Years' Expenditures	Community and Economic Development	Surcharge	Total
General Fund	\$ -	\$ -	\$ -	\$ -
Economic Development	-	136,313	-	136,313
La Junta Urban Renewal Authority	-	497,865	-	497,865
La Junta Capital, Inc.	-	8,703	-	8,703
Moving Violation Surcharge	-	-	2,202	2,202
Lodging Tax Tourism	-	1,062,870	-	1,062,870
Total	\$ -	\$ 1,705,751	\$ 2,202	\$ 1,707,953

NOTE -13 RELATED PARTY TRANSACTIONS

The City had expenditures of \$43,000 made to related party of which \$0 is recorded in accounts payable. The City entered into a lease agreement with a related party and received \$12,000 in rent revenue of which \$0 is reported in lease receivable.

As indicated in Note -1, the City entered into an intergovernmental agreement with Otero County Landfill, Inc. (OCLI) regarding a landfill operation. For the year ended December 31, 2023, the City had paid OCLI \$222,136 for its share of the costs of which \$25,021 was due and recorded as accounts payable in the Sanitation Utility Fund. The City has recognized \$337,400 for its share of estimated closure and post closure care costs.

The City purchased \$8,237,332 of power from ARPA (a jointly governed entity), of which \$647,193 is recorded in accounts payable in the Electric Utility Fund, to be resold to its utility customers.

NOTE -14 UNEARNED LEASE REVENUES AND LEASES

Unearned Lease Revenue

The City's Property Management Fund has entered into lease agreements with entities for space in which the lessee paid advance amounts for improvements of \$1,938,666, \$65,000, and \$114,120 and rent of \$5,358. The City would be required to refund a proportion of this based on the life of the lease if they terminate the lease early. It is being recognized over the terms of the lease agreements of 20 to 40 years, as applicable, with the unamortized balance included in unearned lease revenues. As of December 31, 2023, the balance remaining was \$1,324,495 with \$179,504 reported in unearned revenue – current.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -14 UNEARNED LEASE REVENUES AND LEASES (Continued)

Leases

The future minimum rentals on noncancellable leases as of December 31, 2023 are as follows:

2024	\$ 1,060,377
2025	996,573
2026	786,191
2027	269,209
2028	248,782
Thereafter	1,256,189

NOTE -15 RISK MANAGEMENT

The City 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. The City joined the Colorado Intergovernmental Risk Agency (CIRSA), a public entity risk pool formed to provide property and liability and worker's compensation coverage and related services for its member municipalities. The City pays an annual premium to CIRSA for property and liability insurance coverage and risk management services.

All Colorado municipalities, which are members of the Colorado Municipal League, are eligible to participate in CIRSA. As of the most recent annual report filed, December 31, 2023, there were approximately 280 members in the Property/Casualty/Liability Pool. CIRSA's general objectives are to provide member municipalities and special districts defined property and liability and workers' compensation coverage through joint self-insurance and excess insurance.

Death and disability insurance for police officers hired prior to January 1997 is provided by the Fire and Police Pension Association (FPPA) on behalf of the City of La Junta. The state made one payment to the FPPA in 1997 to fully fund this insurance for officers hired before 1997.

Death and disability insurance for police officers hired after December 1996 is purchased from the FPPA. In 1996 the Colorado state legislature elected to cease providing state funding for disability insurance for police officers beginning with officers hired after December 31, 1996. The amount of settlements did not exceed insurance coverage during the past three fiscal years.

The City also handles health and life insurance claims for its employees. Premiums are charged to the employees as well as the City to cover medical claims with reinsurance provided by commercial carriers for claims in excess of \$35,000 annually. Incurred but not reported claims of \$375,000 have been accrued as a liability based primarily upon the claims administrator's historical estimate.

The following represents the changes in approximate aggregate liabilities for claims incurred but not reported for the City for the year ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Liability Balance January 1,	\$ 197,000	\$ 118,000
Claims and Changes in Estimates	1,823,779	2,199,337
Claims Payments	<u>(1,645,779)</u>	<u>(2,120,337)</u>
Liability Balance December 31,	<u>\$ 375,000</u>	<u>\$ 197,000</u>

NOTE -16 TAX SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -16 TAX SPENDING AND DEBT LIMITATIONS (Continued)

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The City's management believes a significant portion of its operations qualify for this exclusion.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation.

Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an enterprise will require judicial interpretation. Accordingly, the possibility exists that the City's interpretation of certain TABOR provisions may subsequently be determined to be incorrect. This could result in a potential refund of revenue unless voters approve retention of such revenue. The ultimate outcome of these matters cannot presently be determined and no provision for any liability for a refund of revenue has been made in the financial statements.

On November 2, 1993 the voters of the City approved an amendment to allow the collection, retention, and expenditure of the full proceeds of the City's sales and use tax and non-federal grants.

On November 3, 2020 the voters of the City approved an amendment to allow the City to retain and spend all revenues it receives from all sources, beginning in 2021 and thereafter, as a voter approved revenue change under Article X, Section 20 of the Colorado Constitution.

Emergency Reserves have been provided for as required by Article X, Section 20 of the constitution of the State of Colorado. \$335,000 of the fund balance has been reserved in compliance with this requirement.

NOTE -17 SUBSEQUENT EVENTS

Subsequent events have been evaluated through the report date, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LA JUNTA, COLORADO
 OLD HIRE FIRE PENSION FUND
 SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS

YEAR ENDED DECEMBER 31, 2023

MEASUREMENT PERIOD ENDED DECEMBER 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY									
SERVICE COST	\$ 80,584	\$ 79,973	\$ 82,039	\$ 102,107	\$ 103,396	\$ 101,662	\$ 102,500	\$ 95,494	\$ 96,307
INTEREST	-	-	-	-	-	-	-	-	-
CHANGES TO BENEFIT TERMS	-	-	-	-	-	-	-	-	-
DIFFERENCE BETWEEN EXPECTED AND ACTUAL EXPERIENCE OF THE TOTAL PENSION LIABILITY	-	65,392	-	45,580	-	38,548	-	32,911	-
ASSUMPTION CHANGES	-	-	-	438,644	-	-	-	75,370	-
BENEFIT PAYMENTS	(133,759)	(129,864)	(126,081)	(122,409)	(118,843)	(115,382)	(112,021)	(108,759)	(105,591)
NET CHANGE IN TOTAL PENSION LIABILITY	(53,175)	15,501	(44,042)	463,922	(15,447)	24,828	(9,521)	95,016	(9,284)
TOTAL PENSION LIABILITY - BEGINNING	1,856,901	1,841,400	1,885,442	1,421,520	1,436,967	1,412,139	1,421,660	1,326,644	1,335,928
TOTAL PENSION LIABILITY - ENDING (a)	\$ 1,803,726	\$ 1,856,901	\$ 1,841,400	\$ 1,885,442	\$ 1,421,520	\$ 1,436,967	\$ 1,412,139	\$ 1,421,660	\$ 1,326,644
PLAN FIDUCIARY NET POSITION									
CONTRIBUTIONS - EMPLOYER	\$ 74,822	\$ 74,822	\$ 71,924	\$ 71,924	\$ 60,388	\$ 60,388	\$ 48,084	\$ 48,084	\$ 44,595
CONTRIBUTIONS - EMPLOYEE	(89,089)	3,572	60,017	89,732	1,285	103,956	40,569	14,680	54,916
NET INVESTMENT INCOME	(133,759)	(129,864)	(126,081)	(122,409)	(118,843)	(115,382)	(112,021)	(108,759)	(105,591)
BENEFIT PAYMENTS	(3,345)	(1,679)	(2,935)	(1,794)	(3,616)	(1,253)	(3,084)	283	(4,139)
ADMINISTRATIVE EXPENSES									
NET CHANGE IN PLAN FIDUCIARY NET POSITION	(151,371)	(53,149)	2,925	37,453	(60,786)	47,709	(26,452)	(45,712)	(10,219)
PLAN FIDUCIARY NET POSITION - BEGINNING	735,609	788,758	785,833	748,380	809,166	761,457	787,909	833,621	843,840
PLAN FIDUCIARY NET POSITION - ENDING (b)	\$ 584,238	\$ 735,609	\$ 788,758	\$ 785,833	\$ 748,380	\$ 809,166	\$ 761,457	\$ 787,909	\$ 833,621
PLAN'S NET PENSION LIABILITY - BEGINNING	1,121,292	1,052,642	1,099,609	673,140	627,801	650,682	633,751	493,023	492,088
PLAN'S NET PENSION LIABILITY - ENDING (a) - (b)	\$ 1,219,488	\$ 1,121,292	\$ 1,052,642	\$ 1,099,609	\$ 673,140	\$ 627,801	\$ 650,682	\$ 633,751	\$ 493,023
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY (b) / (a)	32.39%	39.61%	42.83%	41.68%	52.65%	56.31%	53.92%	55.42%	62.84%
COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PLAN'S NET PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTE: THIS SCHEDULE IS INTENDED TO SHOW INFORMATION FOR TEN YEARS. ADDITIONAL YEARS' INFORMATION WILL BE DISPLAYED AS BECOMES AVAILABLE.

CITY OF LA JUNTA, COLORADO
 OLD HIRE POLICE PENSION FUND
 SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS
 YEAR ENDED DECEMBER 31, 2023

	2022	2021	2020	2019	2018	2017	2016	2015	2014
MEASUREMENT PERIOD ENDED DECEMBER 31,									
TOTAL PENSION LIABILITY	\$ 54,042	\$ 52,442	\$ 55,660	\$ 71,342	\$ 74,726	\$ 80,293	\$ 82,572	\$ 75,714	\$ 77,860
SERVICE COST	-	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-	-
CHANGES TO BENEFIT TERMS	-	114,079	-	85,518	-	(38,164)	-	61,291	-
DIFFERENCE BETWEEN EXPECTED AND ACTUAL	-	-	-	252,682	-	-	-	64,117	-
EXPERIENCE OF THE TOTAL PENSION LIABILITY	(132,930)	(129,058)	(125,299)	(121,649)	(118,106)	(114,666)	(111,327)	(108,084)	(104,936)
ASSUMPTION CHANGES	(78,888)	37,463	(69,639)	287,893	(43,380)	(72,537)	(28,755)	93,038	(27,076)
BENEFIT PAYMENTS									
NET CHANGE IN TOTAL PENSION LIABILITY	1,266,665	1,229,202	1,298,841	1,010,948	1,054,328	1,126,865	1,155,620	1,062,582	1,089,658
TOTAL PENSION LIABILITY - BEGINNING	\$ 1,487,777	\$ 1,266,665	\$ 1,229,202	\$ 1,298,841	\$ 1,010,948	\$ 1,054,328	\$ 1,126,865	\$ 1,155,620	\$ 1,062,582
TOTAL PENSION LIABILITY - ENDING (a)									
PLAN FIDUCIARY NET POSITION	\$ 65,180	\$ 65,180	\$ 54,550	\$ 55,128	\$ 55,128	\$ 55,128	\$ 37,190	\$ 37,190	\$ 29,105
CONTRIBUTIONS - EMPLOYER	(62,151)	2,446	45,493	70,887	1,334	87,372	34,775	13,305	50,250
CONTRIBUTIONS - EMPLOYEE	(132,930)	(129,058)	(125,299)	(121,649)	(118,106)	(114,666)	(111,327)	(108,084)	(104,936)
NET INVESTMENT INCOME	(3,074)	(1,445)	(2,723)	(1,585)	(3,401)	(1,065)	(2,918)	(1,302)	(4,030)
BENEFIT PAYMENTS									
ADMINISTRATIVE EXPENSES	(132,975)	(62,877)	(27,979)	2,781	(65,045)	26,769	(42,280)	(58,891)	(29,611)
NET CHANGE IN PLAN FIDUCIARY									
NET POSITION	522,788	585,665	613,644	610,863	675,908	649,139	691,419	750,310	779,921
PLAN FIDUCIARY NET POSITION - BEGINNING	\$ 389,813	\$ 522,788	\$ 585,665	\$ 613,644	\$ 610,863	\$ 675,908	\$ 649,139	\$ 691,419	\$ 750,310
PLAN FIDUCIARY NET POSITION - ENDING (b)									
PLAN'S NET PENSION LIABILITY - BEGINNING	743,877	643,537	685,197	400,085	378,420	477,726	464,201	312,272	309,737
PLAN'S NET PENSION LIABILITY - ENDING (a) - (b)	\$ 797,964	\$ 743,877	\$ 643,537	\$ 685,197	\$ 400,085	\$ 378,420	\$ 477,726	\$ 464,201	\$ 312,272
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF									
THE TOTAL PENSION LIABILITY (b) / (a)	32.82%	41.27%	47.65%	47.25%	60.42%	64.11%	57.61%	59.83%	70.61%
COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PLAN'S NET PENSION LIABILITY AS A PERCENTAGE									
OF COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTE: THIS SCHEDULE IS INTENDED TO SHOW INFORMATION FOR TEN YEARS. ADDITIONAL YEARS' INFORMATION WILL BE DISPLAYED AS BECOMES AVAILABLE.

CITY OF LA JUNTA, COLORADO
 OLD HIRE FIRE PENSION FUND
 SCHEDULE OF PLAN CONTRIBUTIONS
 LAST 10 FISCAL YEARS

<u>FY ENDING DECEMBER 31,</u> (a)	<u>ACTUARIALLY DETERMINED CONTRIBUTION</u> (b)	<u>ACTUAL CONTRIBUTION*</u> (c)	<u>CONTRIBUTION DEFICIENCY (EXCESS)</u> (d) = (b) - (c)	<u>COVERED PAYROLL</u> (e)	<u>ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL</u> (f)
2023	\$ 81,083	\$ 81,083	\$ -	N/A	N/A
2022	\$ 74,822	\$ 74,822	\$ -	N/A	N/A
2021	\$ 74,822	\$ 74,822	\$ -	N/A	N/A
2020	\$ 71,924	\$ 71,924	\$ -	N/A	N/A
2019	\$ 71,924	\$ 71,924	\$ -	N/A	N/A
2018	\$ 60,388	\$ 60,388	\$ -	N/A	N/A
2017	\$ 60,388	\$ 60,388	\$ -	N/A	N/A
2016	\$ 48,084	\$ 48,084	\$ -	N/A	N/A
2015	\$ 48,084	\$ 48,084	\$ -	N/A	N/A
2014	\$ 44,595	\$ 44,595	\$ -	N/A	N/A

** Actuarially Determined Contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.*

CITY OF LA JUNTA, COLORADO
 OLD HIRE POLICE PENSION FUND
 SCHEDULE OF PLAN CONTRIBUTIONS
 LAST 10 FISCAL YEARS

<u>FY ENDING DECEMBER 31,</u> (a)	<u>ACTUARIALLY DETERMINED CONTRIBUTION</u> (b)	<u>ACTUAL CONTRIBUTION*</u> (c)	<u>CONTRIBUTION DEFICIENCY (EXCESS)</u> (d) = (b) - (c)	<u>COVERED PAYROLL</u> (e)	<u>ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL</u> (f)
2023	\$ 75,594	\$ 75,594	\$ -	N/A	N/A
2022	\$ 65,180	\$ 65,180	\$ -	N/A	N/A
2021	\$ 65,180	\$ 65,180	\$ -	N/A	N/A
2020	\$ 54,550	\$ 54,550	\$ -	N/A	N/A
2019	\$ 54,550	\$ 55,128	\$ (578)	N/A	N/A
2018	\$ 55,128	\$ 55,128	\$ -	N/A	N/A
2017	\$ 55,128	\$ 55,128	\$ -	N/A	N/A
2016	\$ 37,190	\$ 37,190	\$ -	N/A	N/A
2015	\$ 37,190	\$ 37,190	\$ -	N/A	N/A
2014	\$ 29,105	\$ 29,105	\$ -	N/A	N/A

* Actuarially Determined Contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.

CITY OF LA JUNTA, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2023

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
TAXES	\$ 5,977,300	\$ 5,977,300	\$ 6,693,072	\$ 715,772
LICENSES AND PERMITS	24,500	24,500	69,153	44,653
INTERGOVERNMENTAL	2,858,400	3,162,500	1,615,405	(1,547,095)
CHARGES FOR SERVICES	1,722,600	1,732,600	2,024,172	291,572
FINES	45,000	45,000	71,993	26,993
INTEREST	10,000	10,000	103,916	93,916
MISCELLANEOUS AND RENTALS	81,000	81,000	77,341	(3,659)
TOTAL REVENUES	<u>10,718,800</u>	<u>11,032,900</u>	<u>10,655,052</u>	<u>(377,848)</u>
EXPENDITURES				
GENERAL GOVERNMENT	2,407,340	2,407,340	1,714,275	693,065
PUBLIC SAFETY	4,258,300	4,258,300	4,296,529	(38,229)
PUBLIC WORKS	2,945,500	3,242,500	1,863,549	1,378,951
HEALTH AND WELFARE	423,800	423,800	366,415	57,385
CULTURE AND RECREATION	3,899,100	3,916,200	2,908,430	1,007,770
TOTAL EXPENDITURES	<u>13,934,040</u>	<u>14,248,140</u>	<u>11,149,198</u>	<u>3,098,942</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(3,215,240)	(3,215,240)	(494,146)	2,721,094
OTHER FINANCING SOURCES				
TRANSFERS IN	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(3,205,240)	(3,205,240)	(484,146)	2,721,094
FUND BALANCE JANUARY 1	<u>3,205,240</u>	<u>3,205,240</u>	<u>3,205,240</u>	<u>-</u>
FUND BALANCE DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,721,094</u>	<u>\$ 2,721,094</u>

CITY OF LA JUNTA, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2023

NOTE -1 SCHEDULES OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS

Measurement Period: January 1, 2022 - December 31, 2022 for the Fiscal Year Ending December 31, 2023 (December 31, 2022 measurement date). The City elected the one-year lookback for measurement date and measurement period purposes.

NOTE -2 SCHEDULES OF PLAN CONTRIBUTIONS

Actuarial Assumptions

Valuation Date: January 1, 2020

Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2020, determines the contribution amounts for 2021 and 2022.

Significant actuarial methods and assumptions used to determine the contribution rates for the Old Hire Fire Pension Fund and Old Hire Police Pension Fund are as follows:

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	- Entry Age Normal
Amortization Method	- N/A
Remaining Amortization Period - Old Hire Fire	- N/A
Remaining Amortization Period - Old Hire Police	- N/A
Asset Valuation Method	- 5-Year smoothed fair value
Inflation	- 2.50%
Salary Increase	- N/A
Investment Rate of Return	- 4.50%
Retirement Age	- Any remaining actives are assumed to retire immediately
Mortality Rates	- Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Disabled (pre-1980): Post-retirement rates set forward three years.

SUPPLEMENTARY INFORMATION

CITY OF LA JUNTA, COLORADO

GENERAL FUND

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 653,959	\$ 1,182,038
CASH WITH TRUSTEE	3,094	4,783
RESTRICTED CASH	141,958	121,954
INVESTMENTS	629,476	1,104,203
RECEIVABLES:		
ACCOUNTS RECEIVABLE	111,576	76,810
GRANTS RECEIVABLE	464,239	18,721
ACCRUED INTEREST RECEIVABLE	-	290
PROPERTY TAXES RECEIVABLE	101,700	106,200
SALES TAX RECEIVABLE	886,238	845,930
DUE FROM OTHER GOVERNMENTS	281,741	132,048
DUE FROM OTHER FUND	55,214	-
	<u>3,329,195</u>	<u>3,592,977</u>
TOTAL ASSETS	\$ 3,329,195	\$ 3,592,977
LIABILITIES		
ACCOUNTS PAYABLE AND ACCRUED PAYROLL TAXES	\$ 481,287	\$ 276,073
UNEARNED REVENUE	25,114	5,464
	<u>506,401</u>	<u>281,537</u>
TOTAL LIABILITIES	506,401	281,537
DEFERRED INFLOWS OF RESOURCES		
DEFERRED REVENUES - PROPERTY TAXES	101,700	106,200
	<u>101,700</u>	<u>106,200</u>
FUND BALANCE		
RESTRICTED FOR EMERGENCIES - TABOR	335,000	318,000
RESTRICTED ASSETS	141,958	121,954
ASSIGNED FOR SUBSEQUENT YEARS' EXPENDITURES	-	2,765,286
UNASSIGNED	2,244,136	-
	<u>2,721,094</u>	<u>3,205,240</u>
TOTAL FUND BALANCE	2,721,094	3,205,240
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 3,329,195	\$ 3,592,977

CITY OF LA JUNTA, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
TAXES	\$ 6,693,072	\$ 6,357,869
LICENSES AND PERMITS	69,153	25,474
INTERGOVERNMENTAL	1,615,405	1,059,144
CHARGES FOR SERVICES	2,024,172	1,812,626
FINES	71,993	61,449
INTEREST	103,916	17,874
MISCELLANEOUS AND RENTALS	<u>77,341</u>	<u>205,568</u>
TOTAL REVENUES	<u>10,655,052</u>	<u>9,540,004</u>
EXPENDITURES		
GENERAL GOVERNMENT	1,714,275	1,816,780
PUBLIC SAFETY	4,296,529	3,711,607
PUBLIC WORKS	1,863,549	2,061,948
HEALTH AND WELFARE	366,415	398,905
CULTURE AND RECREATION	<u>2,908,430</u>	<u>2,608,193</u>
TOTAL EXPENDITURES	<u>11,149,198</u>	<u>10,597,433</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(494,146)	(1,057,429)
OTHER FINANCING SOURCES		
TRANSFERS IN	<u>10,000</u>	<u>10,000</u>
REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(484,146)	(1,047,429)
FUND BALANCE JANUARY 1	<u>3,205,240</u>	<u>4,252,669</u>
FUND BALANCE DECEMBER 31	<u>\$ 2,721,094</u>	<u>\$ 3,205,240</u>

CITY OF LA JUNTA, COLORADO

EXPLANATION OF FUNDS

DECEMBER 31, 2023

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Conservation Trust Fund – This fund is used to account for the collection and disbursement of revenues received from the Colorado state lottery and are restricted for parks and open space related projects.

Economic Development Fund – This fund is used to account for the collection and disbursement of specified federal and state grant revenues for the use of promoting the attraction of and retention of businesses.

La Junta Urban Renewal Authority Fund - This fund accounts for tax increment financing that is available to reinvest in the urban renewal district for property enhancements or new development incentives.

La Junta Capital Inc. Fund – This fund is used to account for the collection and disbursement of revenues received from donations and contributions for capital related projects.

Moving Violation Surcharge Fund – This fund accounts for the surcharge on certain fines and tickets to be used for the purchase of police department equipment and supplies.

Lodging Tax Tourism Fund – This fund is used for the collection and disbursement of lodging tax revenues to be used for the promotion and advertising of tourism for the City.

PERMANENT FUNDS

Library Endowment Fund – This fund accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes. Interest earnings are restricted for expenditures related to the library through a transfer to the General Fund.

Cemetery Endowment Fund - This fund accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes. Interest earnings are restricted for maintenance and operation of the cemetery through a transfer to the General Fund.

CITY OF LA JUNTA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

DECEMBER 31, 2023

	SPECIAL REVENUE FUNDS							PERMANENT FUNDS			TOTAL NONMAJOR GOVERNMENTAL FUND
	CONSERVATION TRUST	ECONOMIC DEVELOPMENT	URBAN RENEWAL AUTHORITY	LA JUNTA CAPITAL INC.	MOVING VIOLATION SURCHARGE	LODGING TAX TOURISM	LIBRARY ENDOWMENT	CEMETERY ENDOWMENT			
ASSETS											
CASH OR EQUIVALENTS	\$ 287,206	\$ 56,307	\$ 19,700	\$ -	\$ 2,202	\$ 273,707	\$ -	\$ 203,950	\$ 843,072		
INVESTMENTS	-	102,506	480,915	8,703	-	847,904	102,735	99,179	1,641,942		
RECEIVABLES:											
LODGING TAX RECEIVABLE	-	-	-	-	-	9,317	-	-	9,317		
NOTES RECEIVABLE	-	-	2,188	-	-	-	-	-	2,188		
GRANTS RECEIVABLE	89,790	-	-	-	-	-	-	-	89,790		
TOTAL ASSETS	\$ 376,996	\$ 158,813	\$ 502,803	\$ 8,703	\$ 2,202	\$ 1,130,928	\$ 102,735	\$ 303,129	\$ 2,586,309		
LIABILITIES											
ACCOUNTS PAYABLE	\$ -	\$ -	\$ 2,750	\$ -	\$ -	\$ 12,844	\$ -	\$ -	\$ 15,594		
UNEARNED REVENUE	33,322	22,500	-	-	-	-	-	-	55,822		
DUE TO OTHER FUND	-	-	-	-	-	55,214	-	-	55,214		
TOTAL LIABILITIES	33,322	22,500	2,750	-	-	68,058	-	-	126,630		
FUND BALANCE											
NONSPENDABLE FOR:											
NOTES	-	-	2,188	-	-	-	-	-	2,188		
RESTRICTED FOR:											
CONSERVATION TRUST	343,674	-	-	-	-	-	-	-	343,674		
ENDOWMENTS -											
NONEXPENDABLE	-	136,313	497,865	8,703	2,202	1,062,870	102,735	303,129	405,864		
ASSIGNED	-	-	-	-	-	-	-	-	1,707,953		
TOTAL FUND BALANCE	343,674	136,313	500,053	8,703	2,202	1,062,870	102,735	303,129	2,459,679		
TOTAL LIABILITIES AND FUND BALANCE	\$ 376,996	\$ 158,813	\$ 502,803	\$ 8,703	\$ 2,202	\$ 1,130,928	\$ 102,735	\$ 303,129	\$ 2,586,309		

CITY OF LA JUNTA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS BALANCE
YEAR ENDED DECEMBER 31, 2023

	SPECIAL REVENUE FUNDS							PERMANENT FUNDS			TOTAL
	CONSERVATION TRUST	ECONOMIC DEVELOPMENT	URBAN RENEWAL AUTHORITY	LA JUNTA CAPITAL INC.	MOVING VIOLATION SURCHARGE	LODGING TAX TOURISM	LIBRARY ENDOWMENT	CEMETERY ENDOWMENT	NONMAJOR GOVERNMENTAL FUNDS		
REVENUES											
TAXES	\$ -	\$ -	\$ 214,208	\$ -	\$ -	\$ 212,005	\$ -	\$ -	\$ 426,213		
INTERGOVERNMENTAL INTEREST	102,027	-	-	-	-	-	-	-	102,027		
INTEREST	3,110	2,659	22,160	298	-	39,968	1,960	6,531	76,686		
GRANTS AND OTHER	316,344	66,286	-	-	1,559	7,500	-	5,660	397,349		
TOTAL REVENUES	421,481	68,945	236,368	298	1,559	259,473	1,960	12,191	1,002,275		
EXPENDITURES											
GENERAL GOVERNMENT CULTURE AND RECREATION	-	-	5,060	-	-	111,618	-	-	116,678		
ECONOMIC DEVELOPMENT	312,271	-	-	-	-	-	-	-	312,271		
DEBT SERVICE	-	68,608	102,071	-	-	-	-	-	170,679		
	-	-	34,730	-	-	-	-	-	34,730		
TOTAL EXPENDITURES	312,271	68,608	141,861	-	-	111,618	-	-	634,358		
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	109,210	337	94,507	298	1,559	147,855	1,960	12,191	367,917		
OTHER FINANCING SOURCES (USES)											
TRANSFERS IN	-	10,000	-	-	-	-	-	-	10,000		
TRANSFERS OUT	-	-	(12,400)	-	-	-	-	-	(12,400)		
TOTAL OTHER FINANCING SOURCES	-	10,000	(12,400)	-	-	-	-	-	(2,400)		
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	109,210	10,337	82,107	298	1,559	147,855	1,960	12,191	365,517		
FUND BALANCE JANUARY 1	234,464	125,976	417,946	8,405	643	915,015	100,775	290,938	2,094,162		
FUND BALANCE DECEMBER 31	\$ 343,674	\$ 136,313	\$ 500,053	\$ 8,703	\$ 2,202	\$ 1,062,870	\$ 102,735	\$ 303,129	\$ 2,459,679		

CITY OF LA JUNTA, COLORADO

CONSERVATION TRUST FUND

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 287,206	\$ 154,668
GRANT RECEIVABLE	<u>89,790</u>	<u>349,889</u>
TOTAL ASSETS	<u>\$ 376,996</u>	<u>\$ 504,557</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ 93
UNEARNED REVENUE	<u>33,322</u>	<u>270,000</u>
TOTAL LIABILITIES	<u>33,322</u>	<u>270,093</u>
FUND BALANCE		
RESTRICTED	<u>343,674</u>	<u>234,464</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 376,996</u>	<u>\$ 504,557</u>

CITY OF LA JUNTA, COLORADO

CONSERVATION TRUST FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023		VARIANCE FAVORABLE (UNFAVORABLE)	2022 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
INTERGOVERNMENTAL	\$ 102,027	\$ 90,000	\$ 12,027	\$ 93,518
GRANTS	316,344	245,000	71,344	408,612
INTEREST	3,110	200	2,910	56
TOTAL REVENUES	421,481	335,200	86,281	502,186
EXPENDITURES				
CULTURE AND RECREATION	312,271	490,000	177,729	506,545
REVENUES OVER (UNDER) EXPENDITURES	109,210	(154,800)	264,010	(4,359)
FUND BALANCE JANUARY 1	234,464	234,464	-	238,823
FUND BALANCE DECEMBER 31	<u>\$ 343,674</u>	<u>\$ 79,664</u>	<u>\$ 264,010</u>	<u>\$ 234,464</u>

CITY OF LA JUNTA, COLORADO
ECONOMIC DEVELOPMENT FUND
BALANCE SHEET
DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 56,307	\$ 146,076
INVESTMENTS	<u>102,506</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 158,813</u>	<u>\$ 146,076</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ 7,314
UNEARNED REVENUE	<u>22,500</u>	<u>12,786</u>
TOTAL LIABILITIES	<u>22,500</u>	<u>20,100</u>
FUND BALANCE		
ASSIGNED	<u>136,313</u>	<u>125,976</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 158,813</u>	<u>\$ 146,076</u>

CITY OF LA JUNTA, COLORADO

ECONOMIC DEVELOPMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023		VARIANCE FAVORABLE (UNFAVORABLE)	2022 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
INTEREST INCOME	\$ 2,659	\$ 800	\$ 1,859	\$ 276
GRANT	66,286	120,000	(53,714)	44,114
OTHER	-	-	-	2,330
TOTAL REVENUES	68,945	120,800	(51,855)	46,720
EXPENDITURES				
CONTRACT SERVICES	1,376	16,000	14,624	11,665
GRANT	66,286	120,000	53,714	44,114
MISCELLANEOUS	946	10,500	9,554	4,648
TOTAL EXPENDITURES	68,608	146,500	77,892	60,427
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	337	(25,700)	26,037	(13,707)
OTHER FINANCING SOURCES				
TRANSFERS IN	10,000	24,000	(14,000)	10,000
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	10,337	(1,700)	12,037	(3,707)
FUND BALANCE JANUARY 1	125,976	125,976	-	129,683
FUND BALANCE DECEMBER 31	\$ 136,313	\$ 124,276	\$ 12,037	\$ 125,976

CITY OF LA JUNTA, COLORADO
 LA JUNTA URBAN RENEWAL AUTHORITY
 BALANCE SHEET
 DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
CASH OR EQUIVALENTS	\$ 19,700	\$ 40,207
INVESTMENTS	480,915	373,801
RECEIVABLES:		
NOTES RECEIVABLE	2,188	3,938
TOTAL ASSETS	\$ 502,803	\$ 417,946
LIABILITIES		
ACCOUNTS PAYABLE	\$ 2,750	\$ -
TOTAL LIABILITIES	2,750	-
FUND BALANCE		
NONSPENDABLE - NOTES RECEIVABLE	2,188	3,938
ASSIGNED	497,865	414,008
TOTAL FUND BALANCE	500,053	417,946
TOTAL LIABILITIES AND FUND BALANCE	\$ 502,803	\$ 417,946

CITY OF LA JUNTA, COLORADO

LA JUNTA URBAN RENEWAL AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023		VARIANCE FAVORABLE (UNFAVORABLE)	2022 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
PROPERTY TAXES	\$ 214,208	\$ 180,000	\$ 34,208	\$ 187,385
INTEREST	22,160	2,500	19,660	3,826
TOTAL REVENUES	236,368	182,500	53,868	191,211
EXPENDITURES				
ECONOMIC DEVELOPMENT	102,071	40,000	(62,071)	46,615
GENERAL GOVERNMENT	5,060	15,000	9,940	2,980
DEBT SERVICE	34,730	35,000	270	34,730
TOTAL EXPENDITURES	141,861	90,000	(51,861)	84,325
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	94,507	92,500	2,007	106,886
OTHER FINANCING SOURCES				
TRANSFER OUT	(12,400)	(12,400)	-	(12,400)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	82,107	80,100	2,007	94,486
FUND BALANCE JANUARY 1	417,946	417,946	-	323,460
FUND BALANCE DECEMBER 31	\$ 500,053	\$ 498,046	\$ 2,007	\$ 417,946

CITY OF LA JUNTA, COLORADO

LA JUNTA CAPITAL, INC.

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CASH OR EQUIVALENTS	\$ -	\$ 8,405
INVESTMENTS	<u>8,703</u>	<u>-</u>
	<u>\$ 8,703</u>	<u>\$ 8,405</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE ASSIGNED	<u>8,703</u>	<u>8,405</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 8,703</u>	<u>\$ 8,405</u>

CITY OF LA JUNTA, COLORADO

LA JUNTA CAPITAL, INC.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023		VARIANCE FAVORABLE (UNFAVORABLE)	2022 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
INTEREST	\$ 298	\$ -	\$ 298	\$ 1
OTHER	-	500	(500)	-
TOTAL REVENUES	298	500	(202)	1
EXPENDITURES				
ADMINISTRATION	-	500	500	-
REVENUES OVER (UNDER) EXPENDITURES	298	-	298	1
FUND BALANCE JANUARY 1	8,405	8,405	-	8,404
FUND BALANCE DECEMBER 31	<u>\$ 8,703</u>	<u>\$ 8,405</u>	<u>\$ 298</u>	<u>\$ 8,405</u>

CITY OF LA JUNTA, COLORADO
MOVING VIOLATION SURCHARGE
BALANCE SHEET
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
CASH OR EQUIVALENTS	\$ 2,202	\$ 643
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
ASSIGNED	2,202	643
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,202	\$ 643

CITY OF LA JUNTA, COLORADO

MOVING VIOLATION SURCHARGE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023		VARIANCE FAVORABLE (UNFAVORABLE)	2022 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
SURCHARGE	\$ 1,559	\$ 500	\$ 1,059	\$ 871
EXPENDITURES				
GENERAL GOVERNMENT	-	-	-	9,260
REVENUES OVER EXPENDITURES	1,559	500	1,059	(8,389)
FUND BALANCE JANUARY 1	643	643	-	9,032
FUND BALANCE DECEMBER 31	<u>\$ 2,202</u>	<u>\$ 1,143</u>	<u>\$ 1,059</u>	<u>\$ 643</u>

CITY OF LA JUNTA, COLORADO

LODGING TAX TOURISM FUND

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 273,707	\$ 67,327
INVESTMENTS	847,904	808,103
TAX RECEIVABLE	<u>9,317</u>	<u>49,435</u>
TOTAL ASSETS	<u>\$ 1,130,928</u>	<u>\$ 924,865</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ 12,844	\$ 2,350
UNEARNED REVENUE	-	7,500
DUE TO OTHER FUND	<u>55,214</u>	<u>-</u>
TOTAL LIABILITIES	<u>68,058</u>	<u>9,850</u>
FUND BALANCE		
ASSIGNED	<u>1,062,870</u>	<u>915,015</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,130,928</u>	<u>\$ 924,865</u>

CITY OF LA JUNTA, COLORADO

LODGING TAX TOURISM FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023		VARIANCE FAVORABLE (UNFAVORABLE)	2022 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
TOURISM TAX	\$ 212,005	\$ 200,000	\$ 12,005	\$ 234,437
GRANTS	7,500	126,000	(118,500)	12,500
INTEREST	39,968	3,000	36,968	10,820
TOTAL REVENUES	<u>259,473</u>	<u>329,000</u>	<u>(69,527)</u>	<u>257,757</u>
EXPENDITURES				
ADVERTISING	5,168	40,000	34,832	7,819
SUPPLIES	400	10,000	9,600	5,000
EVENT COORDINATOR	48,000	53,000	5,000	48,000
MARKETING AND PROMOTION	37,572	40,000	2,428	25,900
ADMINISTRATIVE FEES	7,214	6,000	(1,214)	5,924
GRANTS	12,509	139,000	126,491	12,500
MISCELLANEOUS	755	11,000	10,245	496
TOTAL EXPENDITURES	<u>111,618</u>	<u>299,000</u>	<u>187,382</u>	<u>105,639</u>
REVENUES OVER (UNDER) EXPENDITURES	147,855	30,000	117,855	152,118
FUND BALANCE JANUARY 1	<u>915,015</u>	<u>915,015</u>	-	<u>762,897</u>
FUND BALANCE DECEMBER 31	<u>\$ 1,062,870</u>	<u>\$ 945,015</u>	<u>\$ 117,855</u>	<u>\$ 915,015</u>

CITY OF LA JUNTA, COLORADO

LIBRARY ENDOWMENT FUND

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CASH IN SAVINGS	\$ -	\$ 100,775
INVESTMENTS	<u>102,735</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 102,735</u>	<u>\$ 100,775</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
RESTRICTED FOR ENDOWMENTS	<u>102,735</u>	<u>100,775</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 102,735</u>	<u>\$ 100,775</u>

CITY OF LA JUNTA, COLORADO

LIBRARY ENDOWMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023		VARIANCE FAVORABLE (UNFAVORABLE)	2022 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
INTEREST INCOME	\$ 1,960	\$ 500	\$ 1,460	\$ 202
EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	1,960	500	1,460	202
FUND BALANCE JANUARY 1	100,775	100,775	-	100,573
FUND BALANCE DECEMBER 31	<u>\$ 102,735</u>	<u>\$ 101,275</u>	<u>\$ 1,460</u>	<u>\$ 100,775</u>

CITY OF LA JUNTA, COLORADO
CEMETERY ENDOWMENT FUND
BALANCE SHEET
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
CASH AND EQUIVALENTS	\$ 203,950	\$ 290,938
INVESTMENTS	99,179	-
TOTAL ASSETS	\$ 303,129	\$ 290,938
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
RESTRICTED FOR ENDOWMENTS	303,129	290,938
TOTAL LIABILITIES AND FUND BALANCE	\$ 303,129	\$ 290,938

CITY OF LA JUNTA

CEMETERY ENDOWMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023		VARIANCE FAVORABLE (UNFAVORABLE)	2022 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
INTEREST INCOME	\$ 6,531	\$ 3,000	\$ 3,531	\$ 1,111
OTHER	5,660	5,000	660	7,987
TOTAL REVENUES	12,191	8,000	4,191	9,098
EXPENDITURES				
GENERAL GOVERNMENT	-	-	-	-
NET CHANGE IN FUND BALANCE	12,191	8,000	4,191	9,098
FUND BALANCE JANUARY 1	290,938	290,938	-	281,840
FUND BALANCE DECEMBER 31	\$ 303,129	\$ 298,938	\$ 4,191	\$ 290,938

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 2,479,683	\$ 2,122,529
INVESTMENTS	1,379,693	1,314,911
ACCOUNTS RECEIVABLE BILLED CUSTOMERS - NET	686,470	730,094
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	666,400	622,800
INVENTORIES	1,779,008	1,730,366
PREPAID AND ACCRUALS	7,673	682
DUE FROM OTHER FUND	100,000	-
	<u>7,098,927</u>	<u>6,521,382</u>
TOTAL CURRENT ASSETS		
PROPERTY AND EQUIPMENT		
LAND, ELECTRIC SYSTEM, AND EQUIPMENT	12,371,463	12,309,381
ACCUMULATED DEPRECIATION	<u>(8,030,239)</u>	<u>(7,635,402)</u>
	<u>4,341,224</u>	<u>4,673,979</u>
NET PROPERTY AND EQUIPMENT		
TOTAL ASSETS	<u>\$ 11,440,151</u>	<u>\$ 11,195,361</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 691,911	\$ 783,231
CUSTOMER DEPOSITS	<u>186,621</u>	<u>181,949</u>
	878,532	965,180
TOTAL CURRENT LIABILITIES		
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	<u>206,195</u>	<u>195,095</u>
	<u>1,084,727</u>	<u>1,160,275</u>
TOTAL LIABILITIES		
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	4,341,224	4,673,979
UNRESTRICTED	<u>6,014,200</u>	<u>5,361,107</u>
	<u>10,355,424</u>	<u>10,035,086</u>
TOTAL NET POSITION		
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,440,151</u>	<u>\$ 11,195,361</u>

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 11,699,971	\$ 11,588,060
OPERATING EXPENSES		
GENERATION	8,433,216	8,538,233
DISTRIBUTION	1,080,889	1,123,295
ACCOUNTING AND GENERAL ADMINISTRATION	1,559,454	1,457,198
DEPRECIATION	436,477	453,652
TOTAL OPERATING EXPENSES	<u>11,510,036</u>	<u>11,572,378</u>
OPERATING INCOME (LOSS)	<u>189,935</u>	<u>15,682</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	82,621	17,830
GRANTS AND OTHER	47,782	187,616
TOTAL NONOPERATING REVENUES	<u>130,403</u>	<u>205,446</u>
CHANGE IN NET POSITION	320,338	221,128
NET POSITION JANUARY 1	<u>10,035,086</u>	<u>9,813,958</u>
NET POSITION DECEMBER 31	<u>\$ 10,355,424</u>	<u>\$ 10,035,086</u>

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 11,699,995	\$ 11,494,823
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(10,047,300)	(9,742,327)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	<u>(1,161,795)</u>	<u>(1,218,563)</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	<u>490,900</u>	<u>533,933</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
OTHER REVENUES	47,782	155,608
CUSTOMER DEPOSITS	4,672	(16,463)
DUE TO OTHER FUND	<u>(100,000)</u>	<u>-</u>
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(47,546)</u>	<u>139,145</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	<u>(103,722)</u>	<u>(35,528)</u>
NET CASH FLOWS PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(103,722)</u>	<u>(35,528)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND LOANS	17,522	3,333
PURCHASE OF INVESTMENTS	(500,000)	(500,000)
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>500,000</u>	<u>-</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>17,522</u>	<u>(496,667)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	357,154	140,883
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>2,122,529</u>	<u>1,981,646</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 2,479,683</u>	<u>\$ 2,122,529</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ 189,935	\$ 15,682
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	436,477	453,652
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE AND PREPAIDS	(6,650)	(93,237)
(INCREASE) DECREASE IN INVENTORIES	(48,642)	6,406
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(91,320)	123,780
INCREASE (DECREASE) IN ACCRUED BENEFITS	<u>11,100</u>	<u>27,650</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 490,900</u>	<u>\$ 533,933</u>

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2023

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 12,339,500	\$ 12,339,500	\$ 11,699,971	\$ (639,529)
INTEREST INCOME	20,000	20,000	82,621	62,621
OTHER	93,000	93,000	47,782	(45,218)
TOTAL REVENUES	<u>12,452,500</u>	<u>12,452,500</u>	<u>11,830,374</u>	<u>(622,126)</u>
EXPENDITURES				
GENERATION	9,163,300	9,163,300	8,433,216	730,084
DISTRIBUTION	1,144,100	1,144,100	1,080,889	63,211
GENERAL ADMINISTRATION	1,478,600	1,518,600	1,559,454	(40,854)
DEPRECIATION	438,000	438,000	436,477	1,523
CAPITAL OUTLAY	228,500	335,500	103,722	231,778
TOTAL EXPENDITURES	<u>12,452,500</u>	<u>12,599,500</u>	<u>11,613,758</u>	<u>985,742</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ (147,000)</u>	<u>216,616</u>	<u>\$ 363,616</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR: CAPITALIZATION OF FIXED ASSETS			<u>103,722</u>	
CHANGE IN NET POSITION			320,338	
TOTAL NET POSITION JANUARY 1			<u>10,035,086</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 10,355,424</u>	

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 61,926	\$ 388,464
RESTRICTED CASH	-	638,465
ACCOUNTS RECEIVABLE - CUSTOMERS	186,142	188,366
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	97,500	90,100
GRANT RECEIVABLE	2,229	-
INVENTORIES	476,640	481,681
WATER INVENTORY	35,247	38,206
PREPAID AND ACCRUALS	35,741	88,013
	<u>895,425</u>	<u>1,913,295</u>
TOTAL CURRENT ASSETS		
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT	23,593,742	22,769,494
ACCUMULATED DEPRECIATION	(11,062,688)	(10,457,021)
	<u>12,531,054</u>	<u>12,312,473</u>
NET PROPERTY AND EQUIPMENT		
TOTAL ASSETS	<u>\$ 13,426,479</u>	<u>\$ 14,225,768</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 58,158	\$ 428,683
UNEARNED REVENUE	-	638,465
DUE TO OTHER FUNDS	-	647,383
CURRENT PORTION - LOAN PAYABLE	91,500	91,500
	<u>149,658</u>	<u>1,806,031</u>
TOTAL CURRENT LIABILITIES		
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	183,777	164,655
BORROWINGS TO OTHER FUND	603,031	-
LOAN PAYABLE	503,250	594,750
	<u>1,290,058</u>	<u>759,405</u>
TOTAL NONCURRENT LIABILITIES		
TOTAL LIABILITIES	<u>1,439,716</u>	<u>2,565,436</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	11,936,304	11,626,223
RESTRICTED FOR OPERATIONS & MAINTENANCE	681,900	668,300
UNRESTRICTED	(631,441)	(634,191)
	<u>11,986,763</u>	<u>11,660,332</u>
TOTAL NET POSITION		
TOTAL LIABILITIES AND NET POSITION	<u>\$ 13,426,479</u>	<u>\$ 14,225,768</u>

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 2,828,718	\$ 2,782,440
OTHER BILLINGS	146,167	200,236
	<u>2,974,885</u>	<u>2,982,676</u>
OPERATING EXPENSES		
SOURCE OF SUPPLY	205,975	181,532
POWER AND PUMPING	248,237	286,896
HOLBROOK	72,677	-
PURIFICATION	858,155	925,022
TRANSMISSION AND STORAGE	70,185	52,600
DISTRIBUTION	493,163	383,881
ACCOUNTING AND GENERAL ADMINISTRATION	779,056	843,201
DEPRECIATION	609,649	597,911
	<u>3,337,097</u>	<u>3,271,043</u>
TOTAL OPERATING EXPENSES		
	<u>(362,212)</u>	<u>(288,367)</u>
OPERATING INCOME (LOSS)		
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	14,219	1,027
INTEREST EXPENSE	(1,631)	(18,097)
RENT AND OTHER	20,736	19,852
GRANT INCOME	641,279	1,048,247
	<u>674,603</u>	<u>1,051,029</u>
TOTAL NONOPERATING REVENUES (EXPENSES)		
	<u>312,391</u>	<u>762,662</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS		
CAPITAL CONTRIBUTIONS	<u>14,040</u>	<u>77,359</u>
CHANGE IN NET POSITION	326,431	840,021
NET POSITION JANUARY 1	<u>11,660,332</u>	<u>10,820,311</u>
NET POSITION DECEMBER 31	<u>\$ 11,986,763</u>	<u>\$ 11,660,332</u>

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 2,823,542	\$ 2,776,701
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(1,664,014)	(1,792,210)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(966,102)	(1,028,303)
OTHER OPERATING REVENUES	146,167	159,293
	<u>339,593</u>	<u>115,481</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
RENTS RECEIVED AND OTHER	20,737	19,852
DUE TO OTHER FUNDS	(647,383)	647,383
BORROWINGS TO OTHER FUNDS	603,031	-
GRANT PROCEEDS	585	1,686,712
	<u>585</u>	<u>1,686,712</u>
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>(23,030)</u>	<u>2,353,947</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(1,216,694)	(805,970)
CAPITAL CONTRIBUTED	14,040	77,359
PRINCIPAL PAID ON LOANS PAYABLE	(91,500)	(751,428)
INTEREST PAID ON LOANS PAYABLE	(1,631)	(18,097)
	<u>(1,295,785)</u>	<u>(1,498,136)</u>
NET CASH FLOWS PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	14,219	1,027
	<u>14,219</u>	<u>1,027</u>
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(965,003)	972,319
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	1,026,929	54,610
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 61,926</u>	<u>\$ 1,026,929</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (362,212)	\$ (288,367)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	609,649	597,911
OTHER	-	(40,943)
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE AND PREPAIDS	2,824	(67,364)
(INCREASE) DECREASE IN INVENTORIES	52,271	(55,931)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	17,939	10,674
INCREASE (DECREASE) IN ACCRUED EXPENSES	19,122	(40,499)
	<u>19,122</u>	<u>(40,499)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 339,593</u>	<u>\$ 115,481</u>
SUPPLEMENTAL SCHEDULE OF NON-CASH ACTIVITIES		
EQUIPMENT ACQUISITIONS IN ACCOUNTS PAYABLE	<u>\$ -</u>	<u>\$ 388,464</u>

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2023

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 2,791,000	\$ 2,791,000	\$ 2,828,718	\$ 37,718
INTEREST INCOME	1,000	1,000	14,219	13,219
OTHER BILLINGS AND INCOME	156,000	156,000	166,903	10,903
GRANT INCOME	-	1,686,712	641,279	(1,045,433)
TOTAL REVENUES	<u>2,948,000</u>	<u>4,634,712</u>	<u>3,651,119</u>	<u>(983,593)</u>
EXPENDITURES				
SOURCE OF SUPPLY	229,700	229,700	205,975	23,725
POWER AND PUMPING	315,500	315,500	248,237	67,263
HOLBROOK	169,900	169,900	72,677	97,223
PURIFICATION	953,300	953,300	858,155	95,145
TRANSMISSION AND STORAGE	71,500	71,500	70,185	1,315
DISTRIBUTION	433,000	433,000	493,163	(60,163)
GENERAL ADMINISTRATION	826,500	826,500	779,056	47,444
DEPRECIATION AND AMORTIZATION	600,000	600,000	609,649	(9,649)
INTEREST	-	-	1,631	(1,631)
CAPITAL OUTLAY	795,000	2,481,712	824,248	1,657,464
DEBT SERVICE	91,500	91,500	108,469	(16,969)
TOTAL EXPENDITURES	<u>4,485,900</u>	<u>6,172,612</u>	<u>4,271,445</u>	<u>1,901,167</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(1,537,900)	(1,537,900)	(620,326)	917,574
OTHER FINANCING SOURCES (USES)				
CONTRIBUTIONS	5,000	5,000	14,040	9,040
PROCEEDS FROM INTERFUND BORROWINGS	-	-	620,000	620,000
	<u>\$ (1,532,900)</u>	<u>\$ (1,532,900)</u>	<u>13,714</u>	<u>\$ 1,546,614</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			824,248	
PRINCIPAL PAID ON LOANS			108,469	
PROCEEDS FROM INTERFUND BORROWINGS			(620,000)	
TOTAL ADJUSTMENTS TO BASIS			<u>312,717</u>	
CHANGE IN NET POSITION			326,431	
TOTAL NET POSITION JANUARY 1			<u>11,660,332</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 11,986,763</u>	

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ -	\$ 307,629
INVESTMENTS	17,570	73,304
ACCOUNTS RECEIVABLE - CUSTOMERS	221,193	188,475
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	112,400	98,000
INVENTORIES	<u>22,457</u>	<u>23,096</u>
TOTAL CURRENT ASSETS	<u>373,620</u>	<u>690,504</u>
PROPERTY AND EQUIPMENT		
LAND, SEWER SYSTEM, AND EQUIPMENT	27,543,587	27,499,818
ACCUMULATED DEPRECIATION	<u>(6,738,710)</u>	<u>(6,136,496)</u>
NET PROPERTY AND EQUIPMENT	<u>20,804,877</u>	<u>21,363,322</u>
TOTAL ASSETS	<u>\$ 21,178,497</u>	<u>\$ 22,053,826</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 43,258	\$ 33,625
ACCRUED INTEREST	84,531	88,665
DUE TO OTHER FUND	100,000	-
CURRENT PORTION - LOANS PAYABLE	<u>754,068</u>	<u>738,689</u>
TOTAL CURRENT LIABILITIES	<u>981,857</u>	<u>860,979</u>
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	100,419	179,232
LOANS PAYABLE	<u>12,819,112</u>	<u>13,573,180</u>
TOTAL NONCURRENT LIABILITIES	<u>12,919,531</u>	<u>13,752,412</u>
TOTAL LIABILITIES	<u>13,901,388</u>	<u>14,613,391</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	7,231,697	7,051,453
RESTRICTED FOR OPERATIONS & MAINTENANCE	499,700	426,500
UNRESTRICTED	<u>(454,288)</u>	<u>(37,518)</u>
TOTAL NET POSITION	<u>7,277,109</u>	<u>7,440,435</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 21,178,497</u>	<u>\$ 22,053,826</u>

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	<u>\$ 2,632,771</u>	<u>\$ 2,477,022</u>
OPERATING EXPENSES		
COLLECTION SYSTEM	415,149	342,400
PUMPING STATIONS	71,238	71,777
TREATMENT PLANT	958,988	792,408
PRETREATMENT	149,117	141,598
ACCOUNTING AND GENERAL ADMINISTRATION	404,082	357,639
DEPRECIATION	<u>602,214</u>	<u>600,066</u>
TOTAL OPERATING EXPENSES	<u>2,600,788</u>	<u>2,305,888</u>
OPERATING INCOME (LOSS)	<u>31,983</u>	<u>171,134</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	4,848	1,344
INTEREST EXPENSE	(214,816)	(224,202)
GRANTS AND OTHER	<u>11,732</u>	<u>6,146</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(198,236)</u>	<u>(216,712)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	(166,253)	(45,578)
CAPITAL CONTRIBUTIONS	<u>2,927</u>	<u>4,739</u>
CHANGE IN NET POSITION	(163,326)	(40,839)
NET POSITION JANUARY 1	<u>7,440,435</u>	<u>7,481,274</u>
NET POSITION DECEMBER 31	<u><u>\$ 7,277,109</u></u>	<u><u>\$ 7,440,435</u></u>

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 2,585,653	\$ 2,475,439
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(1,284,417)	(978,420)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	<u>(782,698)</u>	<u>(694,617)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>518,538</u>	<u>802,402</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
DUE TO OTHER FUND	100,000	-
OTHER INCOME	<u>11,732</u>	<u>6,146</u>
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>111,732</u>	<u>6,146</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(43,769)	(84,743)
CAPITAL CONTRIBUTED	2,927	4,739
PRINCIPAL PAID ON LOANS PAYABLE	(738,689)	(727,821)
INTEREST PAID ON LOANS PAYABLE	<u>(218,950)</u>	<u>(230,254)</u>
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(998,481)</u>	<u>(1,038,079)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	3,646	1,522
PURCHASE OF INVESTMENTS	(177,141)	(222,281)
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>234,077</u>	<u>223,937</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>60,582</u>	<u>3,178</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(307,629)	(226,353)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>307,629</u>	<u>533,982</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ -</u>	<u>\$ 307,629</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ 31,983	\$ 171,134
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	602,214	600,066
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(47,118)	(1,583)
(INCREASE) DECREASE IN INVENTORIES	639	(2,301)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	9,633	7,492
INCREASE (DECREASE) IN ACCRUED BENEFITS	<u>(78,813)</u>	<u>27,594</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 518,538</u>	<u>\$ 802,402</u>

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2023

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 2,485,000	\$ 2,485,000	\$ 2,632,771	\$ 147,771
INTEREST INCOME	500	500	4,848	4,348
OTHER INCOME	10,000	10,000	11,732	1,732
TOTAL REVENUES	<u>2,495,500</u>	<u>2,495,500</u>	<u>2,649,351</u>	<u>153,851</u>
EXPENDITURES				
COLLECTION SYSTEM	379,100	379,100	415,149	(36,049)
PUMPING STATION	85,300	85,300	71,238	14,062
TREATMENT PLANT	625,400	759,300	958,988	(199,688)
PRETREATMENT	199,600	199,600	149,117	50,483
GENERAL ADMINISTRATION	521,200	521,200	404,082	117,118
DEPRECIATION	600,000	600,000	602,214	(2,214)
INTEREST	222,300	222,300	214,816	7,484
CAPITAL OUTLAY	235,000	288,700	43,769	244,931
DEBT SERVICE	762,100	762,100	738,689	23,411
TOTAL EXPENDITURES	<u>3,630,000</u>	<u>3,817,600</u>	<u>3,598,062</u>	<u>219,538</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(1,134,500)	(1,322,100)	(948,711)	373,389
OTHER FINANCING SOURCES				
CONTRIBUTIONS	-	-	2,927	2,927
	<u>\$ (1,134,500)</u>	<u>\$ (1,322,100)</u>	<u>(945,784)</u>	<u>\$ 376,316</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			43,769	
PRINCIPAL PAID ON LOANS			738,689	
TOTAL ADJUSTMENTS TO BASIS			<u>782,458</u>	
CHANGE IN NET POSITION			(163,326)	
TOTAL NET POSITION JANUARY 1			<u>7,440,435</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 7,277,109</u>	

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 341,434	\$ 192,414
INVESTMENTS	1,167,201	1,347,491
ACCOUNTS RECEIVABLE - CUSTOMERS	90,793	71,875
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	44,800	36,600
INVENTORIES	<u>2,201</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>1,646,429</u>	<u>1,648,380</u>
PROPERTY AND EQUIPMENT		
STRUCTURES AND EQUIPMENT	972,552	954,578
ACCUMULATED DEPRECIATION	<u>(759,127)</u>	<u>(714,448)</u>
NET PROPERTY AND EQUIPMENT	<u>213,425</u>	<u>240,130</u>
TOTAL ASSETS	<u>\$ 1,859,854</u>	<u>\$ 1,888,510</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 27,762	\$ 32,977
CURRENT PORTION - LANDFILL COSTS	<u>37,400</u>	<u>50,400</u>
TOTAL CURRENT LIABILITIES	<u>65,162</u>	<u>83,377</u>
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	39,120	74,992
ACCRUED CLOSURE AND POST CLOSURE COSTS	<u>300,000</u>	<u>453,600</u>
TOTAL NONCURRENT LIABILITIES	<u>339,120</u>	<u>528,592</u>
TOTAL LIABILITIES	<u>404,282</u>	<u>611,969</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	213,425	240,130
UNRESTRICTED	<u>1,242,147</u>	<u>1,036,411</u>
TOTAL NET POSITION	<u>1,455,572</u>	<u>1,276,541</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,859,854</u>	<u>\$ 1,888,510</u>

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 1,089,692	\$ 945,297
OTHER BILLINGS	<u>92,870</u>	<u>50,667</u>
TOTAL OPERATING REVENUES	<u>1,182,562</u>	<u>995,964</u>
OPERATING EXPENSES		
SALARIES AND BENEFITS	567,829	531,942
SUPPLIES	72,284	82,924
MAINTENANCE	139,067	128,567
RECYCLING	49,674	49,642
LANDFILL AND POST CLOSURE COSTS	222,136	183,125
ACCOUNTING AND GENERAL ADMINISTRATION	135,691	133,058
DEPRECIATION	<u>44,679</u>	<u>46,493</u>
TOTAL OPERATING EXPENSES	<u>1,231,360</u>	<u>1,155,751</u>
OPERATING INCOME (LOSS)	<u>(48,798)</u>	<u>(159,787)</u>
NONOPERATING REVENUES		
INTEREST INCOME	<u>61,229</u>	<u>18,366</u>
TOTAL NONOPERATING REVENUES	<u>61,229</u>	<u>18,366</u>
INCOME BEFORE SPECIAL ITEM	12,431	(141,421)
SPECIAL ITEM		
CHANGE IN ACCOUNTING ESTIMATE	<u>166,600</u>	<u>(178,000)</u>
CHANGE IN NET POSITION	179,031	(319,421)
NET POSITION JANUARY 1	<u>1,276,541</u>	<u>1,595,962</u>
NET POSITION DECEMBER 31	<u>\$ 1,455,572</u>	<u>\$ 1,276,541</u>

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 1,062,574	\$ 940,531
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(628,429)	(582,687)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(603,701)	(514,817)
OTHER OPERATING REVENUES	<u>92,870</u>	<u>50,667</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(76,686)</u>	<u>(106,306)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	<u>(20,135)</u>	<u>(32,166)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	54,943	6,997
PURCHASE OF INVESTMENTS	(1,768,239)	(2,179,370)
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>1,959,137</u>	<u>2,193,583</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>245,841</u>	<u>21,210</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	149,020	(117,262)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>192,414</u>	<u>309,676</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 341,434</u>	<u>\$ 192,414</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (48,798)	\$ (159,787)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	44,679	46,493
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(27,118)	(4,766)
(INCREASE) DECREASE IN INVENTORIES	(2,201)	-
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(7,376)	(5,371)
INCREASE (DECREASE) IN ACCRUED BENEFITS	<u>(35,872)</u>	<u>17,125</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (76,686)</u>	<u>\$ (106,306)</u>
SUPPLEMENTAL SCHEDULE OF NON-CASH ACTIVITIES		
EQUIPMENT ACQUISITIONS IN ACCOUNTS PAYABLE	<u>\$ 2,161</u>	<u>\$ -</u>

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2023

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
CHARGES FOR SERVICES	\$ 927,300	\$ 927,300	\$ 1,089,692	\$ 162,392
INTEREST	2,000	2,000	61,229	59,229
OTHER BILLINGS	45,000	45,000	92,870	47,870
TOTAL REVENUES	974,300	974,300	1,243,791	269,491
EXPENDITURES				
SALARIES AND BENEFITS	602,900	602,900	567,829	35,071
SUPPLIES	75,500	75,500	72,284	3,216
MAINTENANCE	110,700	110,700	139,067	(28,367)
RECYCLING	35,000	35,000	49,674	(14,674)
LANDFILL AND POST CLOSURE COSTS	216,000	216,000	222,136	(6,136)
GENERAL ADMINISTRATION	143,300	143,300	135,691	7,609
DEPRECIATION	82,800	82,800	44,679	38,121
CAPITAL OUTLAY	50,000	50,000	20,135	29,865
TOTAL EXPENDITURES	1,316,200	1,316,200	1,251,495	64,705
REVENUE OVER (UNDER) EXPENDITURES	(341,900)	(341,900)	(7,704)	334,196
SPECIAL ITEM				
CHANGE IN ACCOUNTING ESTIMATE	(100)	(100)	166,600	166,700
	<u>\$ (342,000)</u>	<u>\$ (342,000)</u>	158,896	<u>\$ 500,896</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			20,135	
CHANGE IN NET POSITION			179,031	
TOTAL NET POSITION JANUARY 1			1,276,541	
TOTAL NET POSITION DECEMBER 31			<u>\$ 1,455,572</u>	

CITY OF LA JUNTA, COLORADO
PROPERTY MANAGEMENT FUND
BALANCE SHEET
DECEMBER 31, 2023 AND 2022

	2023	2022
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 438,931	\$ 717,806
INVESTMENTS	2,004,505	2,017,447
LEASE RECEIVABLES	774,086	649,971
TOTAL CURRENT ASSETS	3,217,522	3,385,224
NONCURRENT ASSETS		
LEASE RECEIVABLES	1,469,219	1,896,027
PROPERTY AND EQUIPMENT		
STRUCTURES AND EQUIPMENT	18,101,818	17,989,289
ACCUMULATED DEPRECIATION	(10,468,281)	(10,014,028)
NET PROPERTY AND EQUIPMENT	7,633,537	7,975,261
TOTAL ASSETS	\$ 12,320,278	\$ 13,256,512
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 4,895	\$ 17,732
ACCRUED PROPERTY TAXES	43,480	43,000
UNEARNED LEASE REVENUES - CURRENT	204,704	184,862
TOTAL CURRENT LIABILITIES	253,079	245,594
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	93,287	85,491
UNEARNED LEASE REVENUES	1,146,990	1,324,495
TOTAL NONCURRENT LIABILITIES	1,240,277	1,409,986
TOTAL LIABILITIES	1,493,356	1,655,580
DEFERRED INFLOW OF RESOURCES		
LEASES	2,194,840	2,483,353
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	7,633,537	7,975,261
UNRESTRICTED	998,545	1,142,318
TOTAL NET POSITION	8,632,082	9,117,579
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	\$ 12,320,278	\$ 13,256,512

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
RENT	<u>\$ 966,350</u>	<u>\$ 1,152,826</u>
OPERATING EXPENSES		
SALARIES AND BENEFITS	361,858	365,234
SUPPLIES	16,167	14,604
UTILITIES	147,517	120,999
MAINTENANCE	398,844	269,078
PROPERTY TAXES	43,480	47,330
GENERAL ADMINISTRATION	185,968	188,902
DEPRECIATION	<u>457,791</u>	<u>480,320</u>
TOTAL OPERATING EXPENSES	<u>1,611,625</u>	<u>1,486,467</u>
OPERATING INCOME (LOSS)	<u>(645,275)</u>	<u>(333,641)</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST	145,168	78,413
GAIN (LOSS) ON SALE OF ASSET	16,560	(145,282)
GRANTS AND OTHER	<u>5,650</u>	<u>16,951</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>167,378</u>	<u>(49,918)</u>
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	<u>(477,897)</u>	<u>(383,559)</u>
OTHER FINANCING SOURCES (USES)		
TRANSFERS IN	12,400	12,400
TRANSFERS OUT	<u>(20,000)</u>	<u>(20,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(7,600)</u>	<u>(7,600)</u>
CHANGE IN NET POSITION	(485,497)	(391,159)
NET POSITION JANUARY 1 - AS RESTATED	<u>9,117,579</u>	<u>9,508,738</u>
NET POSITION DECEMBER 31	<u><u>\$ 8,632,082</u></u>	<u><u>\$ 9,117,579</u></u>

CITY OF LA JUNTA, COLORADO
PROPERTY MANAGEMENT FUND
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM RENT	\$ 822,867	\$ 990,874
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(804,333)	(643,429)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(354,062)	(351,149)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(335,528)	(3,704)
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS IN	12,400	12,400
TRANSFERS OUT	(20,000)	(20,000)
OTHER	5,650	16,951
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	(1,950)	9,351
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(116,067)	(166,262)
CASH PROCEEDS FROM SALE OF ASSET	16,560	675,936
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(99,507)	509,674
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	142,140	75,647
PURCHASE OF INVESTMENTS	(1,384,540)	(1,194,346)
CASH PROCEEDS FROM SALE OF INVESTMENTS	1,400,510	579,801
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	158,110	(538,898)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(278,875)	(23,577)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	717,806	741,383
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 438,931	\$ 717,806
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (645,275)	\$ (333,641)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	457,791	480,320
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN RECEIVABLES AND PREPAIDS	302,693	603,567
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(12,837)	(510)
INCREASE (DECREASE) IN UNEARNED REVENUE	(157,663)	(174,146)
INCREASE (DECREASE) IN ACCRUED TAXES AND BENEFITS	8,276	12,079
INCREASE (DECREASE) IN DEFERRED INFLOW OF RESOURCES	(288,513)	(591,373)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (335,528)	\$ (3,704)

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2023

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
RENT	\$ 1,210,000	\$ 1,210,000	\$ 966,350	\$ (243,650)
INTEREST	2,000	2,000	145,168	143,168
OTHER	5,000	5,000	22,210	17,210
TOTAL REVENUES	<u>1,217,000</u>	<u>1,217,000</u>	<u>1,133,728</u>	<u>(83,272)</u>
EXPENDITURES				
SALARIES AND BENEFITS	406,600	406,600	361,858	44,742
SUPPLIES	18,000	18,000	16,167	1,833
UTILITIES	110,000	110,000	147,517	(37,517)
MAINTENANCE	159,000	159,000	398,844	(239,844)
PROPERTY TAXES	56,500	56,500	43,480	13,020
GENERAL ADMINISTRATION	202,000	202,000	185,968	16,032
DEPRECIATION	480,000	480,000	457,791	22,209
CAPITAL OUTLAY	267,000	427,000	116,067	310,933
TOTAL EXPENDITURES	<u>1,699,100</u>	<u>1,859,100</u>	<u>1,727,692</u>	<u>131,408</u>
REVENUES OVER (UNDER) EXPENDITURES	(482,100)	(642,100)	(593,964)	48,136
OTHER FINANCING SOURCES (USES) TRANSFERS	<u>2,400</u>	<u>2,400</u>	<u>(7,600)</u>	<u>(10,000)</u>
	<u>\$ (479,700)</u>	<u>\$ (639,700)</u>	<u>(601,564)</u>	<u>\$ 38,136</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR CAPITALIZATION OF FIXED ASSETS			<u>116,067</u>	
CHANGE IN NET POSITION			(485,497)	
TOTAL NET POSITION JANUARY 1			<u>9,117,579</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 8,632,082</u>	

CITY OF LA JUNTA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS MEMORANDUM ONLY	
			2023	2022
CURRENT ASSETS				
CASH OR EQUIVALENTS	\$ 1,081,961	\$ 585,345	\$ 1,667,306	\$ 1,506,496
INVESTMENTS	100,247	-	100,247	692,561
ACCOUNTS RECEIVABLE	6,264	-	6,264	5,354
INVENTORIES	26,928	-	26,928	30,943
DUE FROM OTHER FUND	-	-	-	647,383
TOTAL CURRENT ASSETS	1,215,400	585,345	1,800,745	2,882,737
PROPERTY AND EQUIPMENT				
LAND, BUILDINGS AND EQUIPMENT	6,881,184	-	6,881,184	6,526,298
ACCUMULATED DEPRECIATION	(4,556,723)	-	(4,556,723)	(4,131,224)
NET PROPERTY AND EQUIPMENT	2,324,461	-	2,324,461	2,395,074
OTHER ASSETS				
BORROWINGS FROM OTHER FUND	603,031	-	603,031	-
TOTAL ASSETS	\$ 4,142,892	\$ 585,345	\$ 4,728,237	\$ 5,277,811
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	\$ 11,599	\$ -	\$ 11,599	\$ 11,175
ACCRUED INTEREST PAYABLE	20,400	-	20,400	-
CLAIMS PAYABLE	-	375,000	375,000	197,000
CURRENT PORTION-LEASE PAYABLE	82,335	-	82,335	67,799
TOTAL CURRENT LIABILITIES	114,334	375,000	489,334	275,974
NONCURRENT LIABILITIES				
ACCRUED BENEFITS	11,738	-	11,738	75,028
LEASE PAYABLE	743,762	-	743,762	826,098
TOTAL NONCURRENT LIABILITIES	755,500	-	755,500	901,126
TOTAL LIABILITIES	869,834	375,000	1,244,834	1,177,100
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS UNRESTRICTED	1,498,364 1,774,694	- 210,345	1,498,364 1,985,039	1,501,177 2,599,534
TOTAL NET POSITION	3,273,058	210,345	3,483,403	4,100,711
TOTAL LIABILITIES AND NET POSITION	\$ 4,142,892	\$ 585,345	\$ 4,728,237	\$ 5,277,811

CITY OF LA JUNTA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS MEMORANDUM ONLY	
			2023	2022
OPERATING REVENUES				
CHARGES FOR SERVICES	\$ 1,774,760	\$ 1,936,456	\$ 3,711,216	\$ 3,646,044
OPERATING EXPENSES				
PERSONAL SERVICES, MATERIALS AND SUPPLIES	1,186,477	2,605,199	3,791,676	4,124,658
DEPRECIATION	512,025	-	512,025	418,371
TOTAL OPERATING EXPENSES	1,698,502	2,605,199	4,303,701	4,543,029
OPERATING INCOME (LOSS)	76,258	(668,743)	(592,485)	(896,985)
NONOPERATING REVENUES (EXPENSES)				
INTEREST INCOME	14,851	8,279	23,130	14,668
RENT AND OTHER	(47,953)	-	(47,953)	(38,854)
TOTAL NONOPERATING REVENUES (EXPENSES)	(33,102)	8,279	(24,823)	(24,186)
CHANGE IN NET POSITION	43,156	(660,464)	(617,308)	(921,171)
NET POSITION JANUARY 1	3,229,902	870,809	4,100,711	5,021,882
NET POSITION DECEMBER 31	\$ 3,273,058	\$ 210,345	\$ 3,483,403	\$ 4,100,711

CITY OF LA JUNTA, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS	
			MEMORANDUM ONLY 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
CASH RECEIVED FROM CUSTOMERS	\$ 1,773,844	\$ 1,936,462	\$ 3,710,306	\$ 3,644,688
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(817,866)	(2,427,199)	(3,245,065)	(3,720,499)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(427,462)	-	(427,462)	(345,943)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	528,516	(490,737)	37,779	(421,754)
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
DUE FROM OTHER FUND	647,383	-	647,383	(647,383)
BORROWINGS FROM OTHER FUNDS	(603,031)	-	(603,031)	-
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	44,352	-	44,352	(647,383)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
ACQUISITION OF CAPITAL ASSETS	(452,007)	-	(452,007)	(1,075,302)
LEASE PROCEEDS	-	-	-	893,897
PRINCIPAL PAID ON LEASE PAYABLE	(67,800)	-	(67,800)	-
INTEREST PAID ON LEASE PAYABLE	(36,792)	-	(36,792)	-
CASH PROCEEDS FROM SALE OF ASSETS	10,698	-	10,698	140,000
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(545,901)	-	(545,901)	(41,405)
CASH FLOWS FROM INVESTING ACTIVITIES				
INTEREST ON INVESTMENTS	14,851	8,279	23,130	8,491
PURCHASE OF INVESTMENTS	(192,721)	-	(192,721)	(1,636,725)
CASH PROCEEDS FROM SALE OF INVESTMENTS	202,000	592,171	794,171	1,801,063
NET CASH FLOWS FROM INVESTING ACTIVITIES	24,130	600,450	624,580	172,829
NET CHANGE IN CASH AND CASH EQUIVALENTS	51,097	109,713	160,810	(937,713)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	1,030,864	475,632	1,506,496	2,444,209
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 1,081,961	\$ 585,345	\$ 1,667,306	\$ 1,506,496
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
OPERATING LOSS	\$ 76,258	\$ (668,743)	\$ (592,485)	\$ (896,985)
ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
DEPRECIATION	512,025	-	512,025	418,371
CHANGE IN ASSETS AND LIABILITIES				
(INCREASE) DECREASE IN RECEIVABLES	(916)	6	(910)	(1,356)
(INCREASE) DECREASE IN INVENTORIES	4,015	-	4,015	3,304
INCREASE (DECREASE) IN PAYABLES	424	178,000	178,424	59,973
INCREASE (DECREASE) IN ACCRUED BENEFITS	(63,290)	-	(63,290)	(5,061)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 528,516	\$ (490,737)	\$ 37,779	\$ (421,754)

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

BALANCE SHEET

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 1,081,961	\$ 1,030,864
INVESTMENTS	100,247	100,390
ACCOUNTS RECEIVABLE	6,264	5,348
INVENTORIES	26,928	30,943
DUE FROM OTHER FUND	<u>-</u>	<u>647,383</u>
TOTAL CURRENT ASSETS	<u>1,215,400</u>	<u>1,814,928</u>
PROPERTY AND EQUIPMENT		
LAND, BUILDINGS AND EQUIPMENT	6,881,184	6,526,298
ACCUMULATED DEPRECIATION	<u>(4,556,723)</u>	<u>(4,131,224)</u>
NET PROPERTY AND EQUIPMENT	<u>2,324,461</u>	<u>2,395,074</u>
OTHER ASSETS		
BORROWINGS FROM OTHER FUND	<u>603,031</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 4,142,892</u>	<u>\$ 4,210,002</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 11,599	\$ 11,175
ACCRUED INTEREST PAYABLE	20,400	-
CURRENT PORTION - LEASE PAYABLE	<u>82,335</u>	<u>67,799</u>
TOTAL CURRENT LIABILITIES	<u>114,334</u>	<u>78,974</u>
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	11,738	75,028
LEASE PAYABLE	<u>743,762</u>	<u>826,098</u>
TOTAL NONCURRENT LIABILITIES	<u>755,500</u>	<u>901,126</u>
TOTAL LIABILITIES	<u>869,834</u>	<u>980,100</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	1,498,364	1,501,177
UNRESTRICTED	<u>1,774,694</u>	<u>1,728,725</u>
TOTAL NET POSITION	<u>3,273,058</u>	<u>3,229,902</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 4,142,892</u>	<u>\$ 4,210,002</u>

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
MAINTENANCE SERVICES AND RENTALS	\$ 1,296,660	\$ 1,068,800
PURCHASING DEPARTMENT	306,800	226,900
COMPUTER SERVICES	<u>171,300</u>	<u>129,200</u>
TOTAL OPERATING REVENUES	<u>1,774,760</u>	<u>1,424,900</u>
OPERATING EXPENSES		
MOTOR POOL SERVICES	803,470	820,497
PURCHASING DEPARTMENT	246,566	239,566
COMPUTER SUPPLIES AND TRAINING	136,441	153,695
DEPRECIATION	<u>512,025</u>	<u>418,371</u>
TOTAL OPERATING EXPENSES	<u>1,698,502</u>	<u>1,632,129</u>
OPERATING INCOME (LOSS)	<u>76,258</u>	<u>(207,229)</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	14,851	3,963
INTEREST EXPENSE	(57,192)	-
GAIN (LOSS) ON SALE OF ASSETS	<u>9,239</u>	<u>(38,854)</u>
TOTAL NONOPERATING REVENUES	<u>(33,102)</u>	<u>(34,891)</u>
CHANGE IN NET POSITION	43,156	(242,120)
NET POSITION JANUARY 1	<u>3,229,902</u>	<u>3,472,022</u>
NET POSITION DECEMBER 31	<u>\$ 3,273,058</u>	<u>\$ 3,229,902</u>

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 1,773,844	\$ 1,423,545
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(817,866)	(888,599)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	<u>(427,462)</u>	<u>(345,943)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>528,516</u>	<u>189,003</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
DUE FROM OTHER FUND	647,383	(647,383)
BORROWINGS FROM OTHER FUNDS	<u>(603,031)</u>	<u>-</u>
NET CASH USED BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>44,352</u>	<u>(647,383)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(452,007)	(1,075,302)
LEASE PROCEEDS	-	893,897
PRINCIPAL PAID ON LEASE PAYABLE	(67,800)	-
INTEREST PAID ON LEASE PAYABLE	(36,792)	-
CASH PROCEEDS FROM SALE OF ASSETS	<u>10,698</u>	<u>140,000</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(545,901)</u>	<u>(41,405)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	14,851	2,812
PURCHASE OF INVESTMENTS	(192,721)	(99,396)
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>202,000</u>	<u>101,063</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>24,130</u>	<u>4,479</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	51,097	(495,306)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>1,030,864</u>	<u>1,526,170</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 1,081,961</u>	<u>\$ 1,030,864</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ 76,258	\$ (207,229)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	512,025	418,371
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(916)	(1,355)
(INCREASE) DECREASE IN INVENTORIES	4,015	3,304
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	424	(19,027)
INCREASE (DECREASE) IN ACCRUED BENEFITS	<u>(63,290)</u>	<u>(5,061)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 528,516</u>	<u>\$ 189,003</u>

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND BUDGET COMPARISON

YEAR ENDED DECEMBER 31, 2023

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MAINTENANCE SERVICES	\$ 1,210,500	\$ 1,210,500	\$ 1,296,660	\$ 86,160
PURCHASING DEPARTMENT	306,900	306,900	306,800	(100)
COMPUTER RENTAL	171,300	171,300	171,300	-
INTEREST	20,000	20,000	14,851	(5,149)
OTHER	162,200	162,200	(47,953)	(210,153)
TOTAL REVENUES	<u>1,870,900</u>	<u>1,870,900</u>	<u>1,741,658</u>	<u>(129,242)</u>
EXPENDITURES				
MOTOR POOL SERVICES	1,036,100	1,036,100	803,470	232,630
PURCHASING DEPARTMENT	266,900	266,900	246,566	20,334
COMPUTER SUPPLIES AND TRAINING	171,200	171,200	136,441	34,759
DEPRECIATION	408,000	408,000	512,025	(104,025)
CAPITAL OUTLAY	497,000	497,000	452,007	44,993
TOTAL EXPENDITURES	<u>2,379,200</u>	<u>2,379,200</u>	<u>2,150,509</u>	<u>228,691</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (508,300)</u>	<u>\$ (508,300)</u>	(408,851)	<u>\$ 99,449</u>
ADJUSTMENT TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR CAPITALIZATION OF FIXED ASSETS			<u>452,007</u>	
CHANGE IN NET POSITION			43,156	
TOTAL NET POSITION JANUARY 1			<u>3,229,902</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 3,273,058</u>	

CITY OF LA JUNTA, COLORADO
EMPLOYEE BENEFIT CLAIM FUND
BALANCE SHEET
DECEMBER 31, 2023 AND 2022

	2023	2022
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 585,345	\$ 475,632
INVESTMENTS	-	592,171
ACCOUNTS RECEIVABLE	-	6
TOTAL CURRENT ASSETS	\$ 585,345	\$ 1,067,809
 CURRENT LIABILITIES		
CLAIMS PAYABLE	\$ 375,000	\$ 197,000
 NET POSITION		
UNRESTRICTED	210,345	870,809
TOTAL LIABILITIES AND NET POSITION	\$ 585,345	\$ 1,067,809

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
CHARGES FOR SERVICES-PREMIUMS	<u>\$ 1,936,456</u>	<u>\$ 2,221,144</u>
OPERATING EXPENSES		
INSURANCE	732,313	660,096
CLAIMS	1,823,779	2,199,337
ADMINISTRATION	<u>49,107</u>	<u>51,467</u>
TOTAL OPERATING EXPENSES	<u>2,605,199</u>	<u>2,910,900</u>
OPERATING INCOME (LOSS)	(668,743)	(689,756)
NONOPERATING REVENUES		
INTEREST	<u>8,279</u>	<u>10,705</u>
CHANGE IN NET POSITION	(660,464)	(679,051)
NET POSITION JANUARY 1	<u>870,809</u>	<u>1,549,860</u>
NET POSITION DECEMBER 31	<u><u>\$ 210,345</u></u>	<u><u>\$ 870,809</u></u>

CITY OF LA JUNTA, COLORADO
EMPLOYEE BENEFIT CLAIM FUND
STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 1,936,462	\$ 2,221,143
CASH PAYMENTS FOR PREMIUMS AND CLAIMS	(2,427,199)	(2,831,900)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	(490,737)	(610,757)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	8,279	5,679
PURCHASE OF INVESTMENTS	-	(1,537,329)
CASH PROCEEDS FROM SALE OF INVESTMENTS	592,171	1,700,000
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	600,450	168,350
NET CHANGE IN CASH AND CASH EQUIVALENTS	109,713	(442,407)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	475,632	918,039
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 585,345	\$ 475,632
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (668,743)	\$ (689,756)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
INCREASE (DECREASE) IN ACCOUNTS RECEIVABLE	6	(1)
INCREASE (DECREASE) IN CLAIMS PAYABLE	178,000	79,000
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (490,737)	\$ (610,757)

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

SCHEDULE OF REVENUES, EXPENDITURES AND BUDGET COMPARISON

YEAR ENDED DECEMBER 31, 2023

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		(NEGATIVE)
REVENUES				
CHARGES FOR SERVICES-PREMIUMS	\$ 2,556,600	\$ 2,556,600	\$ 1,936,456	\$ (620,144)
INTEREST	1,500	1,000	8,279	7,279
TOTAL REVENUES	2,558,100	2,557,600	1,944,735	(612,865)
EXPENSES				
INSURANCE	698,400	698,400	732,313	(33,913)
CLAIMS	1,800,000	1,800,000	1,823,779	(23,779)
ADMINISTRATION	59,700	59,700	49,107	10,593
TOTAL EXPENSES	2,558,100	2,558,100	2,605,199	(47,099)
CHANGE IN NET POSITION	-	(500)	(660,464)	(659,964)
NET POSITION JANUARY 1	870,809	870,809	870,809	-
NET POSITION DECEMBER 31	\$ 870,809	\$ 870,309	\$ 210,345	\$ (659,964)

SINGLE AUDIT SECTION

CITY OF LA JUNTA, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023

PROGRAM TITLE	Assistance Listing Number	Pass- Through Entity Identifying Number	Passed through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TREASURY				
Passed Through the Colorado Department of Local Affairs				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	NEU-CO0178	-	\$ 638,465
Total U.S. Department of Treasury				<u>638,465</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Airport Improvement Program	20.106	3-08-0035-018-2023		<u>86,126</u>
Passed Through the Colorado Department of Transportation				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	23-HA2-XC-00164-M0001	-	587,358
COVID-19 Formula Grants for Rural Areas and Tribal Transit Program	20.509	20-HTR-ZL-00241	-	34,970
COVID-19 Formula Grants for Rural Areas and Tribal Transit Program	20.509	20-HTR-ZL-00103	-	141,684
Total Passed Through Colorado Department of Transportation				<u>764,012</u>
Total U.S. Department of Transportation				<u>850,138</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	-	-	33,336
Total U.S. Environmental Protection Agency				<u>33,336</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed Through the Colorado Department of Local Affairs				
Community Development Block Grants/ State's Program - CDBG	14.228	-	-	105,095
Total U.S. Department of Housing and Urban Development				<u>105,095</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u><u>\$ 1,627,034</u></u>

CITY OF LA JUNTA, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE -1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of La Junta, Colorado under programs of the federal government for the year ended December 31, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the schedule presents only a selected portion of the operations of the City of La Junta, Colorado, it is not intended to and does not present the financial position, changes in net assets of the City of La Junta, Colorado.

NOTE – 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE – 3 INDIRECT COST RATES

The City of La Junta, Colorado has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE – 4 SUB-RECIPIENTS

No payments were made to sub-recipients in the fiscal year ended December 31, 2023.

HANCOCK FROESE & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS
601 SOUTH EIGHTH STREET
ROCKY FORD, COLORADO 81067

Patrick A. Hancock CPA 719-688-0812
Andrew H. Froese CPA 719-980-1962

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the City Council
La Junta, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of La Junta, Colorado, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise City of La Junta, Colorado's basic financial statements, and have issued our report thereon dated May 24, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of La Junta, Colorado's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of La Junta, Colorado's internal control. Accordingly, we do not express an opinion on the effectiveness of City of La Junta, Colorado's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of La Junta, Colorado's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Hancock Froese & Company LLC
Rocky Ford, Colorado
May 24, 2024

HANCOCK FROESE & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS
601 SOUTH EIGHTH STREET
ROCKY FORD, COLORADO 81067

Patrick A. Hancock CPA 719-688-0812
Andrew H. Froese CPA 719-980-1962

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the City Council
La Junta, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of La Junta, Colorado's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of La Junta, Colorado's major federal programs for the year ended December 31, 2023. City of La Junta, Colorado's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of La Junta, Colorado complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of La Junta, Colorado and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of La Junta, Colorado's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of La Junta, Colorado's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of La Junta, Colorado's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of La Junta, Colorado's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 City of La Junta, Colorado's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of La Junta, Colorado's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of La Junta, Colorado's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

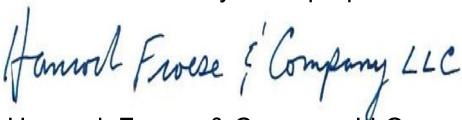
Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Hancock Froese & Company LLC

Rocky Ford, Colorado
May 24, 2024

City of La Junta, Colorado

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued Unmodified
 Internal control over financial reporting as reported in the INDEPENDENT AUDITORS’ REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ___yes X no

Noncompliance material to financial statements noted ___yes X no

Federal Awards

Internal control over major programs as reported in the INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ___yes X no

Type of auditor’s report issued on compliance for major program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) ___yes X no

Assisted Listing Number	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualified as low-risk auditee	___yes <u>X</u> no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Prior Year Findings

There were no findings in the prior year that were required to be reported.

LOCAL HIGHWAY FINANCE REPORT

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

This Information From The Records Of: CITY OF LA JUNTA	Prepared By: ALIZA LIBBY
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ -
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 354,677.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ -
2. General fund appropriations	\$ 476,790.00	b. Snow and ice removal	\$ 1,873.00
3. Other local imposts (from page 2)	\$ 95,625.00	c. Other	\$ 146,909.00
4. Miscellaneous local receipts (from page 2)	\$ -	d. Total (a. through c.)	\$ 148,782.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 90,899.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 245,932.00
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 840,290.00
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 572,415.00	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 267,875.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 840,290.00	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 840,290.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ -	\$ 840,290.00	\$ 840,290.00	\$ -	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
 YEAR ENDING (mm/yy):
12/23

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assesments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 95,625.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 95,625.00	h. Other	
c. Total (a. + b.)	\$ 95,625.00	i. Total (a. through h.)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 244,391.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 23,484.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 23,484.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 267,875.00	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)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation			\$ -
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ -	\$ -
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ -	\$ -

(Carry forward to page 1)

Notes and Comments: