

City of Montrose, Colorado

Financial Statements
with Independent Auditor's Report

December 31, 2023



City of Montrose, Colorado

Table of Contents
December 31, 2023

Independent Auditor's Report	1
Management's Discussion and Analysis	i
Basic Financial Statements	
<i>Government-wide Financial Statements</i>	
Statement of Net Position	4
Statement of Activities	5
<i>Governmental Funds</i>	
Balance Sheet	6
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balance	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	9
<i>Proprietary Fund</i>	
Statement of Net Position	10
Statement of Revenues, Expenses and Changes in Net Position	11
Statement of Cash Flows.....	12
<i>Fiduciary Fund Financial Statements - Custodial Funds</i>	
Statement of Fiduciary Net Position	13
Statement of Changes in Fiduciary Net Position	14
<i>Notes to Financial Statements</i>	15
Required Supplementary Information	
<i>Schedule of Proportionate Share of the Net Pension Asset (Liability) and Contributions - Fire & Police Pension Association of Colorado Statewide</i>	
<i>Defined Benefit Plan</i>	31
<i>Budgetary Comparison Schedules</i>	
General Fund.....	32
Montrose Urban Renewal Authority Fund.....	34
Public Safety Fund.....	35
<i>Notes to Required Supplementary Information</i>	36
Supplementary Information	
<i>Nonmajor Governmental Funds</i>	
Combining Balance Sheet	37
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	40

City of Montrose, Colorado

Table of Contents

December 31, 2023

Budgetary Comparison Schedules

Special Revenue Funds:

Retail Sales Enhancement Fund	43
Capital Improvement Fund	44
Downtown Opportunity Fund	45
Downtown Improvement Fund	46
Public Education / Government Fund	47
Surplus and Deficiency Fund	48
Conservation Trust Fund	49
Pavilion Improvement Fund	50
Special Benefits Fund	51
Tourism Promotional Fund	52

Debt Service Funds:

2017 Certificates of Participation Fund	53
---	----

Permanent Funds:

Demoret Trust Fund	54
Cemetery Perpetual Care Fund	55

Capital Projects Funds:

Special Improvements Revolving Fund	56
Grand / Rio Grande Project Fund	57

Nonmajor Proprietary Funds

Combining Statement of Net Position	58
Combining Statement of Revenues, Expenses and Changes in Net Position	59
Combining Statement of Cash Flows	60

Budgetary Comparison Schedules

Water Fund	61
Sewer Fund	62
Trash / Recycling Fund	63
Black Canyon Golf Course Fund	64

Internal Service Funds

Combining Statement of Net Position	65
Combining Statement of Revenues, Expenses and Changes in Net Position	66
Combining Statement of Cash Flows	67

Budgetary Comparison Schedules

Fleet Management Fund	68
Employee Insurance Fund	69

Compliance Section

State Compliance

Local Highway Finance Report	70
------------------------------------	----



**HINKLE &
COMPANY**
Strategic ^{PC}
Business Advisors

Independent Auditor's Report

Honorable Mayor and Members of the Board of Trustees
City of Montrose, Colorado
Montrose, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Montrose, Colorado (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

The City's 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's ability to continue as a going concern for one year after the date that the financial statements are issued.

Office Locations:

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

Denver Office:

750 W. Hampden Avenue,
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, 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'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's ability to continue as a going concern for a reasonable period of time.

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



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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.

Other Information

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

Management is responsible for the other information included in the Supplementary Information and the local highway finance report, as listed in the table of contents. The other information comprises the Supplementary Information and the local highway finance report but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Hick & Company, PC

Englewood, Colorado
December 13, 2024



Management's Discussion and Analysis

As management of the City of Montrose (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Montrose for the fiscal year ended December 31, 2023.

Financial Highlights

- The assets of the City exceeded its liabilities as of December 31, 2023, by \$180,562,252. Of this amount, \$37,077,444 is unrestricted to meet the City's ongoing obligations to its citizens and creditors.
- Sales and Use taxes make up a super majority of the revenue collected in the General and Public Safety Funds. This is revenue that is collected by businesses that conduct business within the City of Montrose. In 2020, the City Council approved a change to section 5-15 of the Municipal Code basing nexus on economic sales not physical presence.
- Sales and Use tax is collected at 3% for the General Fund on tangible personal property. In 2023, \$27,027,573 was collected which represents an increase of 3.7% over 2022 collections.
- After a vote of the people in November of 2019, sales and use taxes in Montrose increased by .58%. In 2023, \$5,405,779 was collected to finance Public Safety in our community which is an increase of 5.2% over 2022 collections.
- In 2020, the City issued \$15,980,000 of Certificate of Participation debt to build the new public safety facility. Payments have been made in accordance with the amortization schedule.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$23,763,285, a decrease of \$200,623 over the prior year. Approximately 48% of this total amount, \$11,490,549 is available for spending at the City Council's discretion (unassigned fund balance) for general government functions such as streets, parks, and public safety.
- The fund balance policy requires 6 months of reserves for the General Fund. At the end of 2023, the unassigned fund balance for the general fund was \$23,074,358 which is approximately 9 months of operating expenditures.
- Maintaining existing street and sidewalk infrastructure is a high priority for the City. In 2023, the City spent \$9.5 million on infrastructure upgrades to streets and sidewalks as well as paid the debt service on the \$10 million dollar loan from Vectra Bank.
- The City's total long-term liabilities decreased by \$1,123,727 during the current fiscal year. This is due to annual payments made on long-term debt.
- The City collects a capacity fee when a water and/or sewer tap is issued. This fee is to recover the cost of the new connector's proportionate share of capacity in the infrastructure and to fund growth related capital improvements. In 2023, the City collected \$431,805 in water capacity fees and \$1.27 million in sewer capacity fees which is a decrease of 2.0% and an increase of 11% respectively over the 2022 collections.
- Water Fund capital project investments totaled \$1.27 million and included the following: San Juan to the Airport waterline, 6700 Road Extension, Southeast transmission waterline, Valve replacements, Hydrant replacements, and waterline improvements for MoveMo projects.
- Sewer Fund capital project investment totaled \$698,286 and included the following: Block 93 sewer line improvements, 6700 Road Extension, Sanitary Sewer CIP 3 NE Trunkline and Manhole Rehabilitation & H2S lining. Upgrades to the Wastewater Treatment Plant included Perimeter fencing.

Overview of the Financial Statements

The management discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide the reader with a broad overview of the City’s finances, in a manner like a private-sector business.

The *statement of net position* presents information on all the City’s assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing 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 only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City of Montrose 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, Pavilion operations, parks maintenance and street maintenance. The business-type activities of the City of Montrose include Water distribution, Sewer collection and treatment, Trash and Recycling, Black Canyon Golf Course, Fleet Management, Information Services, and Facilities management.

The government-wide financial statements can be found on pages 4 and 5 of the financial statements.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a City’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 20 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, public safety fund, Montrose urban renewal authority, and capital improvement fund because they are major funds for the 2023 fiscal year. Data from the other 17 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in the report.

The City adopts an annual appropriated budget for all funds at the fund level. Budgetary comparison statements have been provided to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 6-9 of this report.

Proprietary funds. The City maintains two (2) different types of proprietary funds, enterprise and internal service funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water distribution, Sewer collection and treatment, Trash and Recycling services and Black Canyon Golf Course. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles, information services, facilities maintenance and employee health and dental insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Water, Sewer, Trash & Recycling services, and the Black Canyon Golf Course which are major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 10-12 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15-30 of the report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's budgetary comparisons. Required supplementary information can be found on page 31-46 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on budgetary comparisons. Combining and individual fund statements and schedules can be found on pages 37-69 of the report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a City's financial position. Approximately 75% of the City's net position reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

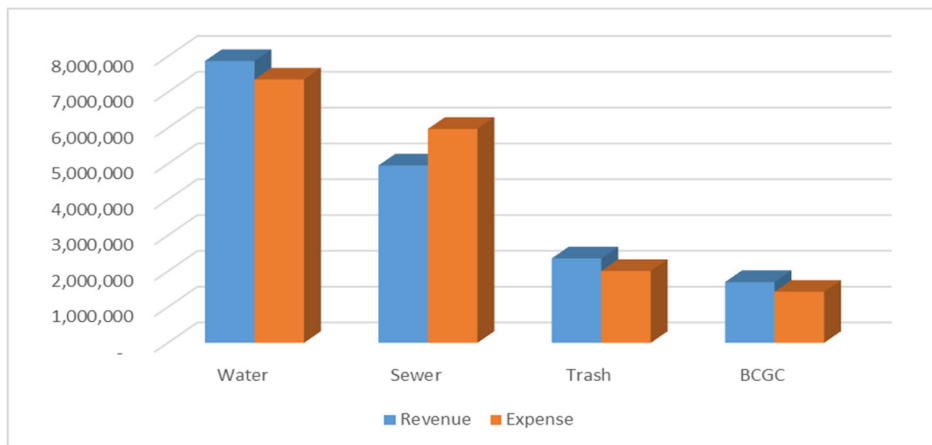
City of Montrose Statement of Net Position								
	Governmental		Business-type		Total		Amount of	%
	activities		activities				Change	Change
	2023	2022	2023	2022	2023	2022		
Current assets	\$ 34,271,510	\$ 43,745,809	\$ 14,498,734	\$ 12,221,444	\$ 48,770,244	\$ 55,967,253	\$ (7,197,009)	-14.8%
Noncurrent assets	\$101,166,066	\$ 89,600,670	\$ 57,996,945	\$ 60,628,369	\$ 159,163,011	\$ 150,229,039	\$ 8,933,972	5.6%
Total assets	\$135,437,576	\$133,346,479	\$ 72,495,679	\$ 72,849,813	\$ 207,933,255	\$ 206,196,292	\$ 1,736,963	0.8%
Deferred Outflows	\$ 1,833,276	\$ 717,473			\$ 1,833,276	\$ 717,473	\$ 1,115,803	60.9%
Current liabilities	\$ 5,536,315	\$ 13,528,822	\$ 895,442	\$ 1,262,644	\$ 6,431,757	\$ 14,791,466	\$ (8,359,709)	-130.0%
Noncurrent liabilities	\$ 22,620,544	\$ 22,818,930	\$ 104,487	\$ 336,707	\$ 22,725,031	\$ 23,155,637	\$ (430,606)	-1.9%
Total liabilities	\$ 28,156,859	\$ 36,347,752	\$ 999,929	\$ 1,599,351	\$ 29,156,788	\$ 37,947,103	\$ (8,790,315)	-30.1%
Deferred Inflows								
Pension	\$ 47,491	\$ 1,243,676			\$ 47,491	\$ 1,243,676	\$ (1,196,185)	
Total Deferred inflow	\$ 47,491	\$ 1,243,676	\$ -	\$ -	\$ 47,491	\$ 1,243,676	\$ (1,196,185)	
Net Position:								
Net Investment in								
Capital Assets	\$ 78,346,947	\$ 64,202,296	\$ 57,660,238	\$ 59,951,662	\$ 136,007,185	\$ 124,153,958	\$ 11,853,227	8.7%
Restricted	\$ 7,477,623	\$ 7,008,623			\$ 7,477,623	\$ 7,008,623	\$ 469,000	6.3%
Unrestricted	\$ 23,241,932	\$ 25,261,605	\$ 13,835,512	\$ 11,298,800	\$ 37,077,444	\$ 36,560,405	\$ 517,039	1.4%
Total Net Position	\$109,066,502	\$ 96,472,524	\$ 71,495,750	\$ 71,250,462	\$ 180,562,252	\$ 167,722,986	\$ 12,839,266	7.1%

At the end of the current fiscal year, the City’s net position government-wide has increased over the net position reported in 2023. Under GASB 34 the audit shows the City’s net position increased by \$12,839,266 during the current fiscal year. This increase is partially due to investments in capital and debt payments to reduce liability.

Governmental activities increased the City’s net position by \$12,593,978 and business type activities increased the City’s net position by \$245,288.

City of Montrose Changes in Net Position							
	Governmental activities		Business-type activities		Total		Amount of Change
	2023	2022	2023	2022	2023	2022	
Revenues:							
Program revenues:							
Charges for services	\$ 1,295,169	\$ 1,628,430	\$ 13,766,137	\$ 12,750,538	\$ 15,061,306	\$ 14,378,968	\$ 682,338
Operating grants and contributions	\$ 5,032,749	\$ 3,160,642			\$ 5,032,749	\$ 3,160,642	\$ 1,872,107
Capital Grants and contributions	\$ 39,375	\$ 44,943	\$ 1,844,911	\$ 1,871,778	\$ 1,884,286	\$ 1,916,721	\$ (32,435)
General revenues:							
Taxes							
Sales Tax	\$ 34,415,207	\$ 32,688,012			\$ 34,415,207	\$ 32,688,012	\$ 1,727,195
Franchise Fees	\$ 1,166,927	\$ 1,175,478			\$ 1,166,927	\$ 1,175,478	\$ (8,551)
Cigarette Tax	\$ 64,774	\$ 46,715			\$ 64,774	\$ 46,715	\$ 18,059
Earnings on Investments	\$ 2,808,982	\$ 738,061	\$ 565,564	\$ 190,030	\$ 3,374,546	\$ 928,091	\$ 2,446,455
Miscellaneous	\$ 874,045	\$ 332,237	\$ (1,850)	\$ (5,681)	\$ 872,195	\$ 326,556	\$ 545,639
Gain on disposal of assets	\$ 11	\$ 1,600			\$ 11	\$ 1,600	\$ (1,589)
Administrative Charges	\$ 593,765	\$ 581,373	\$ (593,765)	\$ (581,373)	\$ -	\$ -	\$ -
Contributions to Permanent Endowment	\$ 2,300	\$ -					
Other	\$ 287,665	\$ 4,135	\$ (77)		\$ 287,588	\$ 4,135	\$ 283,453
Total revenues	\$ 46,580,969	\$ 40,401,626	\$ 15,580,920	\$ 14,225,292	\$ 62,161,889	\$ 54,626,918	\$ 7,534,971
Expenses:							
General government	\$ 6,972,346	\$ 5,322,410			\$ 6,972,346	\$ 5,322,410	\$ 1,649,936
Community Development	\$ 2,284,973	\$ 2,096,086			\$ 2,284,973	\$ 2,096,086	\$ 188,887
Public Safety	\$ 11,348,836	\$ 9,596,725			\$ 11,348,836	\$ 9,596,725	\$ 1,752,111
Engineering & Inspection	\$ 412,984	\$ 360,513			\$ 412,984	\$ 360,513	\$ 52,471
Public Works	\$ 6,611,775	\$ 9,003,619			\$ 6,611,775	\$ 9,003,619	\$ (2,391,844)
Parks & Cemetery	\$ 2,814,016	\$ 2,058,358			\$ 2,814,016	\$ 2,058,358	\$ 755,658
Administration		\$ 156,584			\$ -	\$ 156,584	\$ (156,584)
Contributed Capital Assets		\$ 1,575,246			\$ -	\$ 1,575,246	\$ (1,575,246)
Interest	\$ 2,699,039	\$ 1,881,925			\$ 2,699,039	\$ 1,881,925	\$ 817,114
Water			\$ 7,062,437	\$ 5,996,559	\$ 7,062,437	\$ 5,996,559	\$ 1,065,878
Sewer			\$ 5,706,682	\$ 4,260,594	\$ 5,706,682	\$ 4,260,594	\$ 1,446,088
Trash & Recycling			\$ 1,849,113	\$ 1,841,858	\$ 1,849,113	\$ 1,841,858	\$ 7,255
Black Canyon Golf Course			\$ 1,412,484	\$ 1,299,199	\$ 1,412,484	\$ 1,299,199	\$ 113,285
Total expenses	\$ 33,143,969	\$ 32,051,466	\$ 16,030,716	\$ 13,398,210	\$ 49,174,685	\$ 45,449,676	\$ 3,725,009
Increase in net assets before transfers	\$ 13,437,000	\$ 8,350,160	\$ (449,796)	\$ 827,082	\$ 12,987,204	\$ 9,177,242	\$ 3,809,962
Transfers	\$ (695,084)	\$ (318,012)	\$ 695,084	\$ 318,012	\$ -	\$ -	\$ -
Change in Net Position	\$ 12,741,916	\$ 8,032,148	\$ 245,288	\$ 1,145,094	\$ 12,987,204	\$ 9,177,242	\$ 3,809,962
Net Position - 1/1	\$ 96,472,524	\$ 88,440,373	\$ 71,250,462	\$ 70,105,368	\$ 167,722,986	\$ 158,545,741	\$ 9,177,245
Prior Period restatement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Position, 1/1 (as restated)	\$ 96,472,524	\$ 88,440,373	\$ 71,250,462	\$ 70,105,368	\$ 167,722,986	\$ 158,545,741	\$ 9,177,245
Net Position - 12/31	\$ 109,214,440	\$ 96,472,521	\$ 71,495,750	\$ 71,250,462	\$ 180,710,190	\$ 167,722,983	\$ 12,987,207

Expenses and Program Revenues – Business type Activities



Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$23,763,285 a decrease of \$200,623 over the prior year. Approximately 48.4% of the governmental fund balance constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of the fund balance falls into one of four categories in accordance with GASB 54 to indicate that it is not available for new spending. *Unspendable fund balance* of \$543,332 is made up of prepaid expenses, interfund advances and inventory (\$91,996) and permanent funds (\$451,336). *Restricted fund balance* is for emergencies per TABOR (\$1,340,000), economic development (\$169,157) pays debt service (\$660,219), parks and open space (\$477,447), capital projects (\$986,314 and for public safety (3,844,486). *Committed fund balance* consists of economic development (\$947,621) and public education (\$25,904) and *Assigned*: capital project (\$1,458,344), parks improvements (\$1,647,888), and animal benefit (\$172,024).

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 \$23,074,358, while total fund balance reached \$24,760,743. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Due to sales and use tax increasing compared to 2022, the unassigned fund balance is more than adequate to meet the City's reserve policy of six months of operating expenditures or 65.9% of the fund balance.

Proprietary funds. The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Unrestricted net position of the Water Fund and Sewer Fund at the end of the year amounted to \$7,842,203 and \$3,616,776 respectively. Changes from year to year are mostly based on capital project completion.

General Fund Budgetary Highlights

The Final Budget for the General Fund including transfers was \$36,696,628. Actual expenditures totaled \$34,885,492 which is an increase of \$5,873,740 from 2022 actual expenditures. The budget was completed in accordance with the City’s Charter. The City has a six-year Capital Improvement Plan that is updated every two years and is a helpful budgetary planning tool. The City prioritizes these projects and budgets accordingly.

Capital Asset and Debt Administration

Capital Assets. The City’s gross investment in capital assets for its governmental and business type activities as of December 31, 2023, amounts to \$331,787,744. This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, bridges and water distribution, sewer collection and wastewater treatment plant infrastructure.

City of Montrose Capital Assets								
(does not include internal service funds or depreciation)								
	Governmental		Business-type		Total		Amount of	%
	Activities		Activities				Change	Change
	2023	2022	2023	2022	2023	2022		
Land	\$ 15,555,443	\$ 14,621,571	\$ 1,657,525	\$ 1,682,525	\$ 17,212,968	\$ 16,304,096	908,872	6%
Improvements other than buildings	\$ 12,947,738	\$ 10,945,935	\$ 14,433,127	\$ 14,433,127	\$ 27,380,865	\$ 25,379,062	2,001,803	8%
Infrastructure	\$ 158,985,750	\$ 147,461,838			\$ 158,985,750	\$ 147,461,838	11,523,912	8%
Buildings & System	\$ 27,058,549	\$ 26,300,905	\$ 90,624,339	\$ 89,746,843	\$ 117,682,888	\$ 116,047,748	1,635,140	1%
Machinery & Equipment	\$ 7,125,970	\$ 6,569,755	\$ 3,399,303	\$ 3,378,633	\$ 10,525,273	\$ 9,948,388	576,885	6%
Total Gross Investment	\$ 221,673,450	\$ 205,900,004	\$ 110,114,294	\$ 109,241,128	\$ 331,787,744	\$ 315,141,132	\$ 16,646,612	5%
Less								
Accum Depreciation	\$ (129,842,974)	\$ (119,611,180)	\$ (52,117,349)	\$ (52,393,004)	\$ (181,960,323)	\$ (172,004,183)	(9,956,140)	6%
Net Capital Investment	\$ 91,830,476	\$ 86,288,825	\$ 57,996,945	\$ 56,848,124	\$ 149,827,421	\$ 143,136,949	\$ 6,690,472	5%

Additional information on the City’s capital assets can be found in note 5 on pages 23-25 of this report.

Long-Term Debt. At the end of the current fiscal year, the City had a total debt outstanding of \$23,602,657 that is backed by the full faith and credit of the City.

City of Montrose Outstanding Debt						
General Obligation Bonds, Revenue Bonds, Capital Lease Payable and Notes Payable						
	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
General obligation bonds						
Special assessment debt with governmental commitment						
Revenue bonds	\$ -	\$ -			\$ -	\$ -
Certificate of Participation	\$ 15,305,000	\$ 15,650,000			\$ 15,305,000	\$ 15,650,000
Capital Lease Payable	\$ 7,513,930	\$ 7,952,657	\$ -	\$ -	\$ 7,513,930	\$ 7,952,657
Notes Payable	\$ -	\$ -	\$ 336,707	\$ 676,707	\$ 336,707	\$ 676,707
Total	\$ 22,818,930	\$ 23,602,657	\$ 336,707	\$ 676,707	\$ 23,155,637	\$ 24,279,364

The City’s debt decreased by \$1,123,727 during 2023.

The City of Montrose’s Charter limits general obligation debt issuance to 5% of its total assessed valuation. Using the assessed valuation from the County of \$368,491,221 the current general obligation debt limitation for the city is \$18,424,561. Currently the City does not have any General Obligation debt.

Additional information on the City’s long-term debt can be found in note 6 on pages 25 - 27 of this report.

Economic Factors and Next Year’s Budgets and Rates

- According to the USDA website (<https://data.ers.usda.gov/>), the 2022 unemployment rate for Montrose County was 3.4%. Montrose County had a slightly higher unemployment rate than the state’s average rate of 3.1%.
- Montrose County’s median household income in 2022 was \$56,686 which is 68.9% of the State’s median household income.
- The City is a regional retail center for Montrose, San Miguel, Ouray, and Gunnison counties with expansion of current businesses and the addition of retail and restaurant building permits.
- Single family residential building permits numbers decreased 31% over 2022 and non-residential construction remains consistent with the previous two years.
- Rates for Water and Sewer were increased by 5% plus .15 per thousand gallons of water usage and the rates for Trash and Recycling were increased 10% in 2023.

Requests for Information

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the City’s finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the City of Montrose, Office of the Finance Director, P. O. Box 790, 400 Main Street, Montrose, Colorado, 81402.

Basic Financial Statements

City of Montrose, Colorado
Statement of Net Position
December 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 22,078,471	\$ 8,922,363	\$ 31,000,834
Investments	6,347,683	1,863,758	8,211,441
Accounts Receivable, <i>net</i>	481,035	1,051,515	1,532,550
Sales Tax Receivable	6,740,058	-	6,740,058
Franchise Fee Receivable	159,416	-	159,416
Special Assessments Receivable	215,301	-	215,301
Interest Receivable	-	6,380	6,380
Due from Other Governments	136,467	132,000	268,467
Due from Other Funds	(2,166,237)	2,166,237	-
Inventory	66,704	319,426	386,130
Prepaid Expenses	360,750	37,055	397,805
Capital Assets, <i>Not being depreciated</i>	15,555,443	1,657,525	17,212,968
<i>Being depreciated, net</i>	<u>85,610,323</u>	<u>56,339,420</u>	<u>141,949,743</u>
 Total Assets	 <u>135,585,414</u>	 <u>72,495,679</u>	 <u>208,081,093</u>
Deferred Outflow of Resources			
Pensions	<u>1,833,276</u>	<u>-</u>	<u>1,833,276</u>
Liabilities			
Accounts Payable	1,983,604	357,566	2,341,170
Accrued Salaries and Benefits	256,197	54,904	311,101
Accrued Interest Payable	-	15,078	15,078
Claims Payable	599,310	-	599,310
Unearned Revenue	657,906	16,148	674,054
Customer Deposits	939,155	115,039	1,054,194
Noncurrent Liabilities	-	-	-
Net Pension Asset	289,402	-	289,402
Due Within One Year	810,741	336,707	1,147,448
Due in More Than One Year	<u>22,620,544</u>	<u>104,487</u>	<u>22,725,031</u>
 Total Liabilities	 <u>28,156,859</u>	 <u>999,929</u>	 <u>29,156,788</u>
Deferred Inflows of Resources			
Pensions	<u>47,491</u>	<u>-</u>	<u>47,491</u>
Total Deferred Inflows of Resources	<u>47,491</u>	<u>-</u>	<u>47,491</u>
Net Position			
Net Investment in Capital Assets	78,346,947	57,660,238	136,007,185
Restricted for:	7,477,623	-	7,477,623
Unrestricted, Unreserved	<u>23,389,770</u>	<u>13,835,512</u>	<u>37,225,282</u>
 Total Net Position	 <u>\$ 109,214,340</u>	 <u>\$ 71,495,750</u>	 <u>\$ 180,710,090</u>

See Notes to the Financial Statements.

City of Montrose, Colorado
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total 2023
Primary Government							
Governmental Activities							
General Government	\$ 6,972,346	\$ 1,014,703	\$ 4,026,887	\$ -	\$ (1,930,756)	\$ -	\$ (1,930,756)
Community Development	2,285,073	13,345	-	-	(2,271,728)	-	(2,271,728)
Public Safety	11,348,836	119,141	96,125	-	(11,133,570)	-	(11,133,570)
Public Works	6,611,775	-	909,737	-	(5,702,038)	-	(5,702,038)
Parks, Recreation and Cemetery	2,814,016	147,980	-	39,375	(2,626,661)	-	(2,626,661)
Engineering & Inspection	412,984	-	-	-	(412,984)	-	(412,984)
Interest on Long-Term Debt	2,699,039	-	-	-	(2,699,039)	-	(2,699,039)
Total Governmental Activities	<u>33,144,069</u>	<u>1,295,169</u>	<u>5,032,749</u>	<u>39,375</u>	<u>(26,776,776)</u>	<u>-</u>	<u>(26,776,776)</u>
Business-Type Activities							
Water	7,062,437	6,921,022	-	526,500	-	385,085	385,085
Sewer	5,706,682	3,522,878	-	1,318,411	-	(865,393)	(865,393)
Trash/Recycling	1,849,113	2,324,437	-	-	-	475,324	475,324
Black Canyon Golf Course	1,412,484	997,800	-	-	-	(414,684)	(414,684)
Total Business-Type Activities	<u>16,030,716</u>	<u>13,766,137</u>	<u>-</u>	<u>1,844,911</u>	<u>-</u>	<u>(419,668)</u>	<u>(419,668)</u>
Total Primary Government	<u>\$ 49,174,785</u>	<u>\$ 15,061,306</u>	<u>\$ 5,032,749</u>	<u>\$ 1,884,286</u>	<u>(26,776,776)</u>	<u>(419,668)</u>	<u>(27,196,444)</u>
General Revenues							
Taxes							
Sales and Use Taxes					34,415,207	-	34,415,207
Franchise Taxes					1,166,927	-	1,166,927
Cigarette Taxes					64,774	-	64,774
Other Taxes					874,045	-	874,045
Investment Income					2,808,982	565,564	3,374,546
Gain on Disposal of Assets					11	(1,850)	(1,839)
Administrative Charges					593,765	(593,765)	-
Contributions to Permanent Endowment					2,300	-	2,300
Miscellaneous					287,665	(77)	287,588
Transfers					<u>(695,084)</u>	<u>695,084</u>	<u>-</u>
Total General Revenues and Transfers					<u>39,518,592</u>	<u>664,956</u>	<u>40,183,548</u>
Change in Net Position					<u>12,741,816</u>	<u>245,288</u>	<u>12,987,104</u>
Net Position, Beginning of Year					<u>96,472,524</u>	<u>71,250,462</u>	<u>167,722,986</u>
Net Position, End of Year					<u>\$ 109,214,340</u>	<u>\$ 71,495,750</u>	<u>\$ 180,710,090</u>

See Notes to the Financial Statements.

City of Montrose, Colorado
Balance Sheet
Governmental Funds
December 31, 2023

	General	Capital Improvement	Public Safety	Montrose Urban Renewal Authority	Nonmajor Funds	Total
Assets						
Cash and Cash Equivalents	\$ 8,654,920	\$ 264,316	\$ 4,362,650	\$ -	\$ 3,589,428	\$ 16,871,314
Investments	4,584,189	-	-	-	1,233,846	5,818,035
Accounts Receivable, <i>net</i>	225,753	16	26,902	-	59,077	311,748
Sales Tax Receivable	5,525,469	-	961,225	4,078	249,286	6,740,058
Franchise Fee Receivable	159,294	-	-	-	122	159,416
Special Assessments Receivable	-	-	-	-	215,301	215,301
Due from Other Governments	82,723	-	11,353	89	42,302	136,467
Due from Other Funds	7,307,610	5,898,688	-	-	-	13,206,298
Inventory	16,263	-	904	-	44,937	62,104
Prepaid Expenses	9,034	-	13,244	-	7,614	29,892
Total Assets	\$ 26,565,255	\$ 6,163,020	\$ 5,376,278	\$ 4,167	\$ 5,441,913	\$ 43,550,633
Liabilities						
Accounts Payable	\$ 270,443	\$ 990,137	\$ 242,562	\$ 116,059	\$ 20,588	\$ 1,639,789
Accrued Salaries and Benefits	107,164	-	122,090	-	12,757	242,011
Due to Other Funds	-	-	-	16,160,649	-	16,160,649
Unearned Revenue	387,136	-	1,200	-	269,570	657,906
Deposits	891,831	-	-	-	47,324	939,155
Total Liabilities	1,656,574	990,137	365,852	16,276,708	350,239	19,639,510
Fund Balance						
Unspendable:						
Prepaid Expenses and Inventory	25,297	-	14,148	-	52,551	91,996
Permanent Fund	-	-	-	-	451,336	451,336
Restricted for:						
Emergencies	1,340,000	-	-	-	-	1,340,000
Economic Development	-	-	-	-	169,156	169,156
Debt Service	-	-	-	-	660,220	660,220
Beautification	-	469,000	-	-	8,447	477,447
Capital Projects	321,088	-	-	-	665,226	986,314
Public Safety	-	-	3,844,486	-	-	3,844,486
Committed:						
Economic Development	-	-	-	-	947,621	947,621
Public Education	-	-	-	-	25,904	25,904
Assigned						
Capital Projects	-	-	-	-	1,458,344	1,458,344
Parks/Pavilion Improvements	-	-	-	1,417,736	230,152	1,647,888
Animal Shelter	-	-	-	-	172,024	172,024
Unrestricted, Unassigned	23,222,296	4,703,883	1,151,792	(17,690,277)	250,693	11,638,387
Total Fund Balance	24,908,681	5,172,883	5,010,426	(16,272,541)	5,091,674	23,911,123
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 26,565,255	\$ 6,163,020	\$ 5,376,278	\$ 4,167	\$ 5,441,913	\$ 43,550,633

See Notes to the Financial Statements.

City of Montrose, Colorado
 Reconciliation of the Balance Sheet of the Governmental Funds
 to the Statement of Net Position
 December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balance of Governmental Funds	\$ 23,911,123
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.	91,830,476
Internal service funds are used by the City to charge the costs of vehicles and employee health and dental costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	15,348,772
Certain long-term pension and related costs and adjustments are not available to pay or are payable currently and are, therefore, not reported in the funds financial statements.	
Net deferred FPPA pension outflows	1,833,276
FPPA pension asset (liabilities)	(289,402)
Net deferred FPPA pension inflows	(47,491)
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Long-Term Debt	(22,818,819)
Accrued Compensated Absences	(553,595)
	(23,371,814)
Total Net Position of Governmental Activities	\$ <u>109,214,340</u>

City of Montrose, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023

	General	Capital Improvement	Public Safety	Montrose Urban Renewal Authority	Nonmajor Funds	Total
Revenues						
Taxes	\$ 28,998,058	\$ -	\$ 5,405,782	\$ 437,810	\$ 1,679,303	\$ 36,520,953
Licenses and Permits	487,168	-	4	-	-	487,172
Intergovernmental	4,943,865	-	96,125	-	39,375	5,079,365
Charges for Services	233,722	-	115,089	-	1,050	349,861
Fines and Forfeitures	90,375	-	-	-	-	90,375
Special Assessments	-	-	-	-	2,149	2,149
Contributions and Donations	13,136	200,000	4,048	-	150,577	367,761
Permanently Restricted Contributions	-	-	-	-	2,300	2,300
Administrative Reimbursement	593,765	-	-	-	-	593,765
Investment Income	2,120,231	373,268	145,145	-	170,338	2,808,982
Miscellaneous	217,021	-	52,040	-	7,920	276,981
Total Revenues	<u>37,697,341</u>	<u>573,268</u>	<u>5,818,233</u>	<u>437,810</u>	<u>2,053,012</u>	<u>46,579,664</u>
Expenditures						
Current						
General Government	8,028,754	7,248	-	-	8,351	8,044,353
Community Development	472,707	-	-	273,604	1,541,697	2,288,008
Public Safety	-	-	10,806,185	-	-	10,806,185
Public Works	3,958,570	-	-	-	-	3,958,570
Parks, Recreation and Cemetery	2,760,184	-	-	-	-	2,760,184
Engineering and Inspection	412,984	-	-	-	-	412,984
Capital Outlay	-	11,653,658	1,134,319	1,150,496	247,035	14,185,508
Debt Service						
Principal	-	-	-	-	783,834	783,834
Interest and Fiscal Charges	-	-	-	1,895,740	803,303	2,699,043
Total Expenditures	<u>15,633,199</u>	<u>11,660,906</u>	<u>11,940,504</u>	<u>3,319,840</u>	<u>3,384,220</u>	<u>45,938,669</u>
Excess Revenues Over (Under) Expenditures	<u>22,064,142</u>	<u>(11,087,638)</u>	<u>(6,122,271)</u>	<u>(2,882,030)</u>	<u>(1,331,208)</u>	<u>640,995</u>
Other Financing Sources (Uses)						
Debt Proceeds	-	-	-	-	1,293	1,293
Gain on Sale of Assets	11	-	-	-	-	11
Transfers (In)	2,000	9,715,539	8,360,085	-	1,578,587	19,656,211
Transfers (Out)	(19,252,335)	-	(1,077,113)	-	(21,847)	(20,351,295)
Other Financing Sources (Uses)	<u>(19,250,324)</u>	<u>9,715,539</u>	<u>7,282,972</u>	<u>-</u>	<u>1,558,033</u>	<u>(693,780)</u>
Net Change in Fund Balance	2,813,818	(1,372,099)	1,160,701	(2,882,030)	226,825	(52,785)
Fund Balance, Beginning of Year	<u>22,094,863</u>	<u>6,544,982</u>	<u>3,849,725</u>	<u>(13,390,511)</u>	<u>4,864,849</u>	<u>23,963,908</u>
Fund Balance, End of Year	<u>\$ 24,908,681</u>	<u>\$ 5,172,883</u>	<u>\$ 5,010,426</u>	<u>\$ (16,272,541)</u>	<u>\$ 5,091,674</u>	<u>\$ 23,911,123</u>

City of Montrose, Colorado
 Reconciliation of the Statement of Revenues, Expenditures and Changes in
 Fund Balance of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balance of Governmental Funds	\$	(52,785)
<p>Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.</p>		
Capital Outlays		15,773,446
Depreciation Expense		(3,941,518)
<p>Internal service funds are used by the City to charge the costs of vehicles and employee health and dental costs to individual funds. The net revenue (expense) of internal service funds is reported</p>		
		28,705
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This includes changes in the following:</p>		
Change in net pension asset		(2,085,119)
Change in deferred outflows related to pensions		1,115,803
Change in deferred inflows related to pensions		1,196,185
<p>Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.</p>		
Principal payments on capital leases		783,838
Change in accrued compensated absences		(76,739)
		12,741,816
Change in Net Position of Governmental Activities	\$	12,741,816

City of Montrose, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2023

	Water Fund	Sewer Fund	Nonmajor Funds	Total	Internal Service Funds
Assets					
<i>Current Assets</i>					
Cash and Cash Equivalents	\$ 4,938,525	\$ 2,290,977	\$ 1,692,861	\$ 8,922,363	\$ 6,121,508
Investments	661,135	1,202,623	-	1,863,758	529,648
Accounts Receivable	496,626	344,722	210,167	1,051,515	169,287
Interest Receivable	-	6,380	-	6,380	-
Due from Other Governments	132,000	-	-	132,000	-
Due from Other Funds	2,040,000	-	-	2,040,000	-
Inventory	66,484	91,227	161,715	319,426	4,600
Prepaid Expenses	14,741	22,282	32	37,055	330,858
Total Current Assets	8,349,511	3,958,211	2,064,775	14,372,497	7,155,901
<i>Noncurrent Assets</i>					
Capital Assets, <i>Not being depreciated</i>	526,338	936,752	194,435	1,657,525	-
Capital Assets, <i>Net of accumulated depreciation</i>	31,182,865	24,514,053	642,502	56,339,420	9,335,292
Total Noncurrent Assets	31,709,203	25,450,805	836,937	57,996,945	9,335,292
Total Assets	40,058,714	29,409,016	2,901,712	72,369,442	16,491,193
Liabilities					
<i>Current Liabilities</i>					
Accounts Payable	128,625	144,810	84,131	357,566	343,815
Accrued Salaries and Benefits	19,327	16,864	18,713	54,904	21,514
Accrued Interest	8,293	6,785	-	15,078	-
Claims Payable	-	-	-	-	599,310
Unearned Revenue	-	4,800	11,348	16,148	-
Deposits	114,839	200	-	115,039	-
Current Portion of Long-Term Debt	181,457	155,250	-	336,707	-
Total Current Liabilities	452,541	328,709	114,192	895,442	964,639
<i>Noncurrent Liabilities</i>					
Accrued Compensated Absences	54,767	12,726	36,994	104,487	51,543
Total Noncurrent Liabilities	54,767	12,726	36,994	104,487	51,543
Total Liabilities	507,308	341,435	151,186	999,929	1,016,182
Net Position					
Net Investment in Capital Assets	31,709,203	25,450,805	836,937	57,996,945	9,335,292
Unrestricted	7,842,203	3,616,776	1,913,589	13,372,568	6,139,719
Total Net Position	\$ 39,551,406	\$ 29,067,581	\$ 2,750,526	\$ 71,369,513	\$ 15,475,011

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

	Water Fund	Sewer Fund	Nonmajor Funds	Total	Internal Service Funds
Operating Revenues					
Charges for Services	\$ 6,921,022	\$ 3,522,878	\$ 3,322,237	\$ 13,766,137	\$ -
Interfund Charges	-	-	-	-	8,432,000
Other Charges	-	-	-	-	284,076
Miscellaneous	202	150	11,902	12,254	223,090
Total Operating Revenues	<u>6,921,224</u>	<u>3,523,028</u>	<u>3,334,139</u>	<u>13,778,391</u>	<u>8,939,166</u>
Operating Expenses					
Administrative and General	284,115	181,534	410,192	875,841	3,573,379
Operations and Maintenance	4,611,499	3,301,678	2,836,927	10,750,104	1,843,870
Medical Claims	-	-	-	-	2,374,104
Insurance Premiums	-	-	-	-	858,413
Capital Outlay	905,367	647,738	67,077	1,620,182	296,851
Depreciation	1,546,803	1,838,217	119,570	3,504,590	938,936
Total Operating Expenses	<u>7,347,784</u>	<u>5,969,167</u>	<u>3,433,766</u>	<u>16,750,717</u>	<u>9,885,553</u>
Net Operating Income	<u>(426,560)</u>	<u>(2,446,139)</u>	<u>(99,627)</u>	<u>(2,972,326)</u>	<u>(946,387)</u>
Non-Operating Revenues (Expenses)					
Intergovernmental Revenues					7,548
Interest Income	425,428	111,106	29,030	565,564	283,075
Gain (Loss) on Sale of Asset	(2,076)	226	-	(1,850)	(284,393)
Interest Expense	(6,782)	(5,549)	-	(12,331)	-
Net Income (Loss) Before Contributed Capital	<u>(9,990)</u>	<u>(2,340,356)</u>	<u>(70,597)</u>	<u>(2,420,943)</u>	<u>(940,157)</u>
Contributed Capital and Transfers					
Capital Contributions	526,500	1,318,411	-	1,844,911	1,095,102
Transfers In	-	-	695,083	695,083	-
Total Capital Contributions and Transfers	<u>526,500</u>	<u>1,318,411</u>	<u>695,083</u>	<u>2,539,994</u>	<u>1,095,102</u>
Change in Net Position	<u>516,510</u>	<u>(1,021,945)</u>	<u>624,486</u>	<u>119,051</u>	<u>154,945</u>
Net Position, Beginning of Year	<u>39,034,896</u>	<u>30,089,526</u>	<u>2,126,040</u>	<u>71,250,462</u>	<u>15,320,066</u>
Net Position, End of Year	<u>\$ 39,551,406</u>	<u>\$ 29,067,581</u>	<u>\$ 2,750,526</u>	<u>\$ 71,369,513</u>	<u>\$ 15,475,011</u>

Amounts Reported for Business-Type Activities in the Statement of Activities are Different Because:

Change in Net Position of the Enterprise Funds	\$ 119,051
A portion of the net income of the internal service fund is included in business-type activities in the statement of activities	<u>126,237</u>
Change in Net Position of Business Type Activities	<u>\$ 245,288</u>

City of Montrose, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Water Fund	Sewer Fund	Nonmajor Funds	Total	Internal Service Funds
Cash Flows From Operating Activities					
Cash Received from Customers	\$ 6,671,727	\$ 3,459,829	\$ 3,293,637	\$ 13,425,193	\$ 37,037
Cash Received from Others	202	150	11,902	12,254	6,195,851
Cash Paid to Suppliers	(5,268,619)	(3,510,192)	(2,409,354)	(11,188,165)	(8,979,006)
Cash Paid to Employees	(682,286)	(663,366)	(888,746)	(2,234,398)	3,816
Payments for Internal Services	-	-	-	-	2,750,740
Net Cash Provided by Operating Activities	<u>721,024</u>	<u>(713,579)</u>	<u>7,439</u>	<u>14,884</u>	<u>8,438</u>
Cash Flows From Noncapital Financing Activities					
Transfers In	-	-	695,083	695,083	-
Transfers Out	(68,000)	-	-	(68,000)	-
Net Cash Provided by Noncapital Financing Activities	<u>(68,000)</u>	<u>-</u>	<u>695,083</u>	<u>627,083</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities					
Acquisition and Construction of Capital Assets	(406,998)	(482,240)	(11,004)	(900,242)	(3,021,982)
Proceeds from Sale of Capital Assets	-	226	25,000	25,226	269,768
Tap Fees and Capital Contributions	526,500	1,318,411	-	1,844,911	1,102,650
Investment Income	425,428	111,106	29,030	565,564	283,075
Debt Principal Payments	(187,000)	(153,000)	-	(340,000)	-
Debt Interest Payments	(6,782)	(5,549)	-	(12,331)	-
Net Cash Used by Capital and Related Financing Activities	<u>351,148</u>	<u>788,954</u>	<u>43,026</u>	<u>1,183,128</u>	<u>(1,366,489)</u>
Net Change in Cash and Cash Equivalents	<u>1,004,172</u>	<u>75,375</u>	<u>745,548</u>	<u>1,825,095</u>	<u>(1,358,051)</u>
Cash and Cash Equivalents, Beginning of Year	<u>4,595,488</u>	<u>3,418,225</u>	<u>947,273</u>	<u>8,960,986</u>	<u>8,009,207</u>
Cash and Cash Equivalents, End of Year	<u>\$ 5,599,660</u>	<u>\$ 3,493,600</u>	<u>\$ 1,692,821</u>	<u>\$ 10,786,081</u>	<u>\$ 6,651,156</u>
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:					
Net Operating Income	\$ (426,560)	\$ (2,446,139)	\$ (99,627)	\$ (2,972,326)	\$ (946,387)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities					
Depreciation Expense	1,546,803	1,838,217	119,570	3,504,590	938,936
Changes in:					
Accounts Receivable	(239,060)	(63,049)	(23,985)	(326,094)	44,462
Inventories	(35,776)	81,962	47,338	93,524	(325,382)
Prepaid Expenses	(3,034)	(22,282)	(72)	(25,388)	165,547
Accounts Payable	(109,025)	(93,176)	(22,603)	(224,804)	127,446
Accrued Salaries	3,238	(355)	(1,115)	1,768	820
Deposits / Unearned Revenue	(10,235)	-	(4,615)	(14,850)	-
Accrued Compensated Absences	(5,327)	(8,757)	(7,452)	(21,536)	2,996
Net Cash Provided by Operating Activities	<u>\$ 721,024</u>	<u>\$ (713,579)</u>	<u>\$ 7,439</u>	<u>\$ 14,884</u>	<u>\$ 8,438</u>

City of Montrose, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Fund
December 31, 2023

	<u>Tax Pass-through</u>
Assets	
Cash and Cash Equivalents	\$ (3,575)
Sales Tax Receivable	<u>497,185</u>
 Total Assets	 <u>493,610</u>
Liabilities	
Sales Tax Payable	<u>487,844</u>
 Total Liabilities	 <u>487,844</u>
 Net Position	 \$ <u><u>5,766</u></u>

City of Montrose, Colorado
Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
December 31, 2023

	<u>Tax Pass-through</u>
Additions	
Contributions:	
Taxes Collected for Other Governments	\$ <u>2,796,229</u>
Total Additions	<u>2,796,229</u>
Deductions	
Taxes Distributed to Other Governments	<u>2,813,235</u>
Total Liabilities	<u>2,813,235</u>
Changes in Net Position	(17,006)
Net Position, <i>Beginning of Year</i>	<u>22,772</u>
Net Position, <i>End of Year</i>	\$ <u><u>5,766</u></u>

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies

The City of Montrose, Colorado (the City) is incorporated as a home-rule city under the laws of the State of Colorado with a Council-Manager form of government.

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

Reporting Entity

In accordance with governmental accounting standards, the City has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The City is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if City officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the City. The City may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Included within the reporting entity, in blended presentation:

Montrose Urban Renewal Authority (MURA) - The Authority was organized pursuant to Colorado Revised Statutes, Part I, Article 25, Title 31 to finance various improvement projects within the Authority's boundaries. The Authority is fiscally dependent upon Montrose because the City Council approves the Authority's boundaries. The Authority is fiscally dependent upon the City because the City Council approves the Authority's budget, levies taxes, and must approve any debt issuances. MURA is presented as a major governmental fund and is a component unit of the City because the governing bodies are substantively the same. Also, there is either a financial benefit or burden relationship between MURA and the City of Montrose.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. 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.

The statement of net position reports all financial, capital and debt resources of the City. The difference between assets, liabilities and deferred inflows of the City is net position.

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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

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

City of Montrose, Colorado

Notes to Financial Statements

December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(Continued)

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

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

General Fund - This is the City's primary operating fund. It accounts for all the financial resources of the City, except those required to be accounted for in another fund.

Public Safety Fund - In November of 2019, the voters approved a .58% sales and use tax to be collected and fund public safety. The fund issued certificates of participation in 2020 to fund capital improvements.

Montrose Urban Renewal Authority - The Montrose Urban Renewal Authority (MURA) was formed in late 2016 by a resolution of the Montrose City Council. MURA encompasses approximately 150 acres along the Uncompahgre River northwest of downtown Montrose.

Capital Improvement Fund - This fund accounts for the City's major Capital Improvements not accounted for in an enterprise or dedicated fund.

The City also reports the following major proprietary fund:

Water Fund - This fund accounts for the financial activities associated with the provision of water services.

Sewer Fund - This fund accounts for the financial activities associated with the sanitation services.

The City reports the following fund types:

Government-wide and Proprietary Fund Financial Statements - The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and *the accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include sales taxes, grants, entitlements, and donations. On an accrual basis, revenue from sales taxes is recognized in the period for which the taxes are collected by vendors. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

City of Montrose, Colorado

Notes to Financial Statements

December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(Continued)

Governmental Fund Financial Statements - Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 120 days after year-end, with the exception of sales taxes, which must be within 90 days. Sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual.

Fiduciary Funds - As required under GASB Statement No. 84, the City created one new fiduciary fund in 2020, the Tax Passthrough Fund. This fund records the activity related to sales tax collected by the City on behalf of other entities. The City then passes these tax payments along to these entities.

Internal Service Funds - These funds account for facilities, equipment purchased for fleet and technology, and medical insurance coverage provided to other departments on a cost-reimbursement basis.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Property and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Building and Improvements	30 years
Infrastructure	10 – 25 years
Transmission and Distribution Lines and Meters	12 – 30 years
Treatment and Filtration Plants	20 – 40 years
Reservoirs and Storage Facilities	50 – 100 years

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Compensated Absences

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

Long-Term Obligations

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

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

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

The classifications used in the governmental fund financial statements are as follows:

Nonspendable - This classification includes amounts that are not in spendable form (such as inventory or prepaid expenses) or are required to be maintained intact.

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. In addition, the City has classified the fund balance in the Conservation Trust Fund as restricted because their use is restricted by State Statute.

City of Montrose, Colorado

Notes to Financial Statements

December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balance Classification (Continued)

Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. These amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City's committed resources are presented in the governmental fund balance sheet as of December 31, 2023.

Unassigned - This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The City would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned.

Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted. Net investment in capital assets is intended to reflect the portion of net position, which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost. Restricted net position is liquid assets, which have third party limitations on their use. Unrestricted net position represents assets that do not have any third-party limitations on their use.

Subsequent Events

The City has evaluated subsequent events through December 13, 2024, the date the financial statements were available to be issued.

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 2: Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

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

- In October, the City staff 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 30, the budget is legally enacted through passage of an ordinance.
- The City Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council.
- Budgets are legally adopted for all funds of the City. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the Enterprise Fund is presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the City Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

Note 3: Cash and Investments

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

Petty Cash	\$	3,868
Cash Held in Checking Accounts		(560,788)
Cash Held in Deposits		31,385,180
Investments		8,384,075
Total	\$	<u><u>39,212,335</u></u>

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. The FDIC insures depositors' accounts up to \$250,000 for each financial institution. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group.

City of Montrose, Colorado

Notes to Financial Statements

December 31, 2023

Note 3: Cash and Investments (Continued)

The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2023, the City had deposits with financial institutions with a carrying amount of \$2,003,724. The bank balances with the financial institutions totaling \$2,003,724 of which \$500,000 were covered by the FDIC and \$1,482,041 were collateralized with securities held by the financial institution's agent but not in the City's name.

Investments

The City does not have a formal investment policy; however, the City follows state statutes regarding investments. The City generally limits its concentration risk of investments to Local Government Investment Pools, obligations of the United States and certain U.S. government agency securities, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the City is not subject to concentration of risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Trustees. Such actions are generally associated with a debt service reserve or sinking fund requirements.

State statutes specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following.

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

During the year ended December 31, 2022, the City closed its account with ColoTrust and invested the funds in a series of Certificates of Deposits (CD) ranging from \$50,000 to \$100,000. All CDs have an original maturity of 3 years maturing on March 25, 2025.

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 4: Interfund Transfers

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

Transfers In	Transfers Out	Amount
General Fund	Public Safety Fund	\$ 8,360,085
General Fund	2017 Certification of Participation Fund	1,470,541
General Fund	Capital Improvement Fund	9,695,692
General Fund	Black Canyon Golf Course Fund	695,083
General Fund	Retail Sales Enhancement Fund	108,046
Downtown Improvement Fund	Capital Improvement Fund	19,847
Cemetery Fund	General Fund	2,000
Total		<u>\$ 20,351,294</u>

Note 5: Capital Assets

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

	Balance 12/31/22	Additions	Deletions	Balance 12/31/23
Governmental Activities				
Capital Assets, <i>Not Being Depreciated</i>				
Land	\$ 14,621,571	\$ 933,872	\$ -	\$ 15,555,443
Construction in Progress	-	-	-	-
Total Capital Assets, <i>Not Being Depreciated</i>	<u>14,621,571</u>	<u>933,872</u>	<u>-</u>	<u>15,555,443</u>
Capital Assets, <i>Being Depreciated</i>				
Infrastructure	147,461,838	11,523,912	-	158,985,750
Land Improvements	10,945,935	2,001,803	-	12,947,738
Buildings	26,300,905	757,644	-	27,058,549
Equipment	6,569,755	556,215	-	7,125,970
Internal Service				
Vehicles	12,316,601	2,943,858	(856,024)	14,404,435
Equipment	4,313,447	78,124	(42,938)	4,348,633
Total Capital Assets, <i>Being Depreciated</i>	<u>207,908,481</u>	<u>17,861,556</u>	<u>(898,962)</u>	<u>224,871,075</u>
Less Accumulated Depreciation				
Infrastructure	(105,718,801)	(2,633,145)	-	(108,351,946)
Land Improvements	(2,237,976)	(542,012)	-	(2,779,988)
Buildings	(12,380,240)	(577,499)	-	(12,957,739)
Equipment	(5,564,439)	(188,862)	-	(5,753,301)
Internal Service				
Vehicles	(7,608,736)	(778,188)	321,928	(8,064,996)
Equipment	(1,214,907)	(160,748)	22,873	(1,352,782)
Total Accumulated Depreciation	<u>(134,725,099)</u>	<u>(4,880,454)</u>	<u>344,801</u>	<u>(139,260,752)</u>
Total Capital Assets, <i>Being Depreciated, net</i>	<u>73,183,382</u>	<u>12,981,102</u>	<u>(554,161)</u>	<u>85,610,323</u>
Governmental Activities Capital Assets, <i>net</i>	<u>\$ 87,804,953</u>	<u>\$ 13,914,974</u>	<u>\$ (554,161)</u>	<u>\$ 101,165,766</u>

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 5: Capital Assets (Continued)

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

Governmental Activities	
General Government	\$ 1,596,598
Public Safety	533,474
Public Works	2,669,593
Parks, Recreation and Cemetery	<u>80,789</u>
 Total	 <u>\$ 4,880,454</u>

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

	Balance 12/31/22	Additions	Deletions	Balance 12/31/23
Business-Type Activities				
Capital Assets, <i>Not Being Depreciated</i>				
Land and Easements	\$ 1,682,525	\$ -	\$ (25,000)	\$ 1,657,525
 Total Capital Assets, <i>Not Being Depreciated</i>	 <u>1,682,525</u>	 <u>-</u>	 <u>(25,000)</u>	 <u>1,657,525</u>
 Capital Assets, <i>Being Depreciated</i>				
Reservoirs	14,433,127	-	-	14,433,127
Land Improvements	205,268	-	-	205,268
Buildings	502,605	11,004	-	513,609
Transmissions, Collections and Distribution Lines	74,211,651	483,514	(2,074)	74,693,091
Treatment Plant	14,827,319	385,052	-	15,212,371
Equipment	3,378,633	20,670	-	3,399,303
Total Capital Assets, <i>Being Depreciated</i>	<u>107,558,603</u>	<u>900,240</u>	<u>(2,074)</u>	<u>108,456,769</u>
 Total Capital Assets	 <u>109,241,128</u>	 <u>900,240</u>	 <u>(27,074)</u>	 <u>110,114,294</u>
 Less: Accumulated depreciation				
Reservoirs	(9,494,667)	(1,300,296)	-	(10,794,963)
Land Improvements	(76,209)	(22,045)	-	(98,254)
Buildings	(259,029)	(32,904)	-	(291,933)
Transmissions, Collections and Distribution Lines	(21,129,109)	(482,972)	-	(21,612,081)
Treatment Plant	(17,111,836)	(1,546,803)	-	(18,658,639)
Equipment	(541,909)	(119,570)	-	(661,479)
	<u>(48,612,759)</u>	<u>(3,504,590)</u>	<u>-</u>	<u>(52,117,349)</u>
 Business-Type Activities Capital Assets, <i>net</i>	 <u>\$ 60,628,369</u>	 <u>\$ (2,604,350)</u>	 <u>\$ (27,074)</u>	 <u>\$ 57,996,945</u>

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 5: Capital Assets (Continued)

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

Business-type Activities	
Water	\$ 1,546,803
Sewer	1,838,217
Trash	-
Black Canyon Golf Course	<u>119,570</u>
Total	<u>\$ 3,504,590</u>

Note 6: Long-Term Debt

Governmental Activities

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

Governmental Activities	Balance 12/31/22	Additions	Deletions	Balance 12/31/23	Due Within One Year
2020 Certification of Participation	\$ 15,650,000	\$ -	\$ (345,000)	\$ 15,305,000	\$ 360,000
2017 Certification of Participation	<u>7,952,657</u>	<u>-</u>	<u>(438,838)</u>	<u>7,513,819</u>	<u>450,741</u>
	23,602,657	-	(783,838)	22,818,819	810,741
Compensated Absences	<u>532,566</u>	<u>133,157</u>	<u>(53,257)</u>	<u>612,466</u>	<u>-</u>
Total	<u>\$ 24,135,223</u>	<u>\$ 133,157</u>	<u>\$ (837,095)</u>	<u>\$ 23,431,285</u>	<u>\$ 810,741</u>

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

2020 Certification of Participation

During 2020, the City entered into a Certification of Participation (COP) for the acquisition and construction of major public safety capital facilities and improvements. The debt is secured by the constructed facilities and improvements. Debt service payments are made from the rents collected by U.S. Bank, based upon the lease agreements between the City and UMB Bank.

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 6: Long-Term Debt (Continued)

2020 Certification of Participation (Continued)

Following is a schedule of the future minimum lease payments required under the outstanding 2020 Certification of Participation at December 31, 2023:

Year Ended December 31,	Principal	Interest	Total
2024	\$ 360,000	\$ 538,794	\$ 898,794
2025	375,000	524,394	899,394
2026	390,000	509,394	899,394
2027	405,000	493,794	898,794
2028	420,000	477,594	897,594
2029-2033	2,360,000	2,122,570	4,482,570
2034-2038	2,855,000	1,628,970	4,483,970
2039-2043	3,340,000	1,147,892	4,487,892
2044-2048	3,930,000	553,498	4,483,498
2049	870,000	29,362	899,362
Total	<u>\$ 15,305,000</u>	<u>\$ 8,026,262</u>	<u>\$ 23,331,262</u>

2017 Certification of Participation

During 2017, the City and the MURA entered into a Certification of Participation (COP) for infrastructure improvements total \$10,000,000. The City Hall portion of the lease requires bi-annual payments on April and October 1st and does not begin principal payments until 2033. Principal payments of \$298,050 will be made until maturity in 2037. The lender will recalculate the interest component for each five-year period using the Index Rate established on each Rental Adjustment Date. The interest rate as of December 31, 2023 is 2.72%. The City Hall building is used as collateral.

The Pavilion portion of the agreement includes an original principal balance of \$7,019,496 and bears interest at 2.72%. The Pavilion lease requires bi-annual payments on April and October 1st. Total debt service payments of \$285,465 will be made until maturity in 2032. The Pavilion building is used as collateral.

Following is a schedule of the future minimum lease payments required under the outstanding 2017 Certification of Participation at December 31, 2023:

Year Ended December 31,	Principal	Interest	Total
2024	\$ 450,741	\$ 177,116	\$ 627,857
2025	463,084	164,773	627,857
2026	475,766	152,091	627,857
2027	488,795	139,062	627,857
2028	502,180	125,677	627,857
2029-2033	2,723,718	415,569	3,139,287
2034-2037	2,409,535	104,581	2,514,116
Total	<u>\$ 7,513,819</u>	<u>\$ 1,278,869</u>	<u>\$ 8,792,688</u>

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 6: Long-Term Debt (Continued)

Business-Type Activities

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

Revenue Bonds

Revenue Bonds in the amount of \$6,045,000 were issued on March 15, 2004 for the purpose of refunding the City's outstanding 1993 water and sewer revenue refunding bonds and financing an additional \$4,000,000 in improvements to the City's water and sewer systems. In 2016, the remaining debt was refunded by a note with a principal balance of \$2,855,000 which resulted in a savings of \$295,000. This note is paid from the net revenue derived from the operation and use of the City's water and sewer enterprise system. Interest rate for this note is 1.8% payable semi-annually.

Following is a schedule of the future minimum lease payments required under the outstanding capital lease agreement:

Business-Type Activities	Balance 12/31/22	Additions	Deletions	Balance 12/31/23	Due Within One Year
2004 Revenue Bonds	\$ 676,707	\$ -	\$ (340,000)	\$ 336,707	\$ 336,707
Compensated Absences	65,929	45,151	(6,593)	104,487	-
Total	\$ 742,636	\$ 45,151	\$ (346,593)	\$ 441,194	\$ 336,707

The annual requirements to service this loan as of December 31, 2023 are as follows:

Year Ended December 31,	Principal	Interest	Total
<u>2024</u>	<u>\$ 336,707</u>	<u>\$ 6,210</u>	<u>\$ 342,917</u>
Total	\$ 336,707	\$ 6,210	\$ 342,917

Note 7: Retirement Commitments

Deferred Compensation Plan

The City offers its employees a deferred compensation (IRC Section 457) plan, which is a defined contribution plan. The plan is available to all City employees. The City matches employee contributions up to 8% of eligible salary and this contribution is fully vested after 10 years of service. During the year ended December 31, 2023, the City contributions were \$534,867 equal to the required contribution.

City of Montrose, Colorado

Notes to Financial Statements

December 31, 2023

Note 8: Public Entity Risk Pool

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. For these risks of loss, the City is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

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

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity, and the City does not approve budgets, nor does it have the ability to significantly affect the operations of the entity.

Note 9: Commitments and Contingencies

Public Entity Risk Pool

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 is a participant in the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

CIRSA operates as a common risk management and insurance program for 281 members participating in the Property & Casualty Pool and 128 members in the Workers' Compensation Pool. The City pays an annual premium to CIRSA for its general insurance coverage and workers' compensation insurance coverage. The agreement for formation of CIRSA provides that CIRSA will be financed by member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. The City has other commercial insurance for other risks including employee health and accident insurance.

The City is not involved in any pending and threatened litigation as of December 31, 2023.

City of Montrose, Colorado
Notes to Financial Statements
December 31, 2023

Note 9: Commitments and Contingencies (Continued)

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. In November 1996, voters within the City approved the collection, retention, and expenditure of all the revenues generated by the City in 1996 and subsequent years through 2019, notwithstanding the provisions of the Amendment.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2023, the emergency reserve of \$136,400 was recorded in the General Fund.

Raw Water Purchase

The City has entered into a contract with the Tri-County Conservancy District to purchase water from the Dallas Creek Project. The contract requires an annual purchase, operation and maintenance commitment for the Block One, Two and Three 10,000 acre feet from 2008 through 2049. The annual payments are \$841,135. The purchase price per acre-foot shall not exceed the average cost of all municipal and industrial water for which the Tri-County Water Conservancy District is obligated to pay the United States for such water, which is limited to \$38,000,000. The purchase price is currently \$77.61 per acre-foot, with potential cost adjustments at no longer than five-year intervals. Such annual payments are subject adjustments as a result of rate adjustment. In addition, the City pays the District a proportionate amount of the operations, maintenance and replacement costs of the project attributable to operations and maintenance was \$8.50 per acre-foot.

Note 10: Jointly Governed Organization

Project 7 Water Authority

In 1977, the City along with the City of Delta, the Town of Olathe, the Tri-County Water Conservancy District, Chipeta Water District, and the Menoken Water District entered into a contract to create a separate governmental entity; the Project 7 Water Authority, which owns and operates a water treatment facility. This Authority is governed by a board consisting of appointed representatives from each of the contracting entities. The City is obligated by contract to purchase the treatment of 825 million gallons of water annually from the Authority so long as the Authority has any unpaid debt, other than from operating expenses. During 2023, the City purchased treatment of 1,261,655,001 gallons for \$1,829,400. At December 31, 2023, the City owed the Authority \$67,806 for 46,763,000 gallons of water. Separate financial statements of Project 7 Water Authority are available from the City or the Authority.

City of Montrose, Colorado

Notes to Financial Statements

December 31, 2023

Note 11: Intergovernmental Agreements

In 2017, the City and Montrose Recreation District (MRD) determined there were cost savings to the taxpayers in Montrose if certain City services were made available to MRD for a fee. This arrangement has continued with small amendments to the IGA annually. In 2023, the City provided MRD fleet, information services, facility and finance services for \$43,388.

Note 12: Related Parties

In 2016, the City along with the Montrose Fire Protection District, the town of Mountain Village, the Town of Telluride, the Telluride Fire Protection District and the Town of Olathe created a new dispatch center; the Western Colorado Regional Dispatch Center (WestCO), to provide emergency services. Article VII, section 3 of the bylaws provides the City services to WestCO without compensation. WestCO employees participate in the City's self-insurance plan and WestCO reimburses the City for all costs paid on their behalf. In 2023, WestCO paid \$230,936 related to the self-insurance plan.

Required Supplementary Information

City of Montrose, Colorado
 Required Supplementary Information
 Schedule of Proportionate Share of the Net Pension Asset (Liability) and Contributions
 Fire & Police Pension Association of Colorado Statewide Defined Benefit Plan
 For the Year Ended December 31, 2023

	<u>12/31/22</u>	<u>12/31/21</u>	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>
Proportionate Share of the Net Pension Asset					
City's Proportion of the Net Pension Assets	0.32604592%	0.33135000%	0.44624000%	0.47717000%	0.50725000%
City's Proportion Share of the Net Pension Asset (Liability)	\$ (289,402)	\$ 968,788	\$ (252,377)	\$ (603,272)	\$ 641,298
City's Covered Payroll	\$ 2,352,977	\$ 2,803,766	\$ 2,697,715	\$ 2,601,018	\$ 3,397,825
City's Proportionate Share of the Net Pension Asset (liability) as a Percentage of Covered Payroll	-12.3%	34.6%	-9.4%	-23.2%	18.9%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.7%	100.7%	106.7%	101.9%	95.2%
City Contribution					
Statutorily Required Contribution	\$ 255,298	\$ 305,649	\$ 283,402	\$ 281,351	\$ 271,826
Contributions in Relation to the Statutorily Required Contribution	<u>(255,298)</u>	<u>(305,649)</u>	<u>(283,402)</u>	<u>(281,351)</u>	<u>(271,826)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 2,352,977	\$ 2,803,766	\$ 2,697,715	\$ 2,601,018	\$ 3,397,825
Contributions as a Percentage of Covered Payroll	10.85%	10.90%	10.51%	10.82%	8.00%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years information is available.

City of Montrose, Colorado
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2023

	Original	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 25,541,663	\$ 25,541,663	\$ 28,998,058	\$ 3,456,395
Licenses and Permits	687,197	687,197	487,168	(200,029)
Intergovernmental	915,624	915,624	4,943,865	4,028,241
Charges for Services	175,646	175,646	233,722	58,076
Fines and Forfeitures	144,500	144,500	90,375	(54,125)
Contributions and Donations	7,500	7,500	13,136	5,636
Administrative Reimbursement	593,765	593,765	593,765	-
Investment Income	50,000	50,000	2,120,231	2,070,231
Miscellaneous	68,080	68,080	217,021	148,941
Total Revenues	<u>28,183,975</u>	<u>28,183,975</u>	<u>37,697,341</u>	<u>9,513,366</u>
Expenditures				
Current				
General Government				
City Council	173,478	173,478	170,136	3,342
Youth Council	16,950	16,950	4,512	12,438
Economic Support	2,470,023	3,211,499	2,642,172	569,327
City Attorney	510,197	577,517	557,732	19,785
City Manager	387,452	420,795	424,452	(3,657)
Website/Communications	151,048	151,048	147,903	3,145
Human Resources	525,273	531,271	498,444	32,827
Montrose Pavilion	629,853	659,407	626,560	32,847
GIS	437,060	437,060	405,479	31,581
Finance	847,411	884,535	802,905	81,630
Municipal Court	272,116	311,430	279,095	32,335
Teen Court	7,225	7,225	2,100	5,125
Innovation and Citizens Engagement	166,272	500,033	1,145,603	(645,570)
City Clerk	328,527	339,702	321,661	18,041
Total General Government	<u>6,922,885</u>	<u>8,221,950</u>	<u>8,028,754</u>	<u>193,196</u>
Community Development				
Planning Services	581,159	615,704	472,707	142,997
Total community development	<u>581,159</u>	<u>615,704</u>	<u>472,707</u>	<u>142,997</u>
Engineering and Inspection				
Building Services	\$ 418,790	\$ 463,850	\$ 412,984	\$ 50,866

City of Montrose, Colorado
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2023
 (Continued)

	Original	Final Budget	Actual	Variance Positive (Negative)
Expenditures				
Current				
Public Works				
Engineer	\$ 377,956	\$ 417,756	\$ 391,441	\$ 26,315
Administration	456,761	500,902	480,101	20,801
Street Maintenance	3,188,099	3,214,594	2,751,061	463,533
Street Cleaning	500,701	536,537	335,967	200,570
Total General Government	<u>4,523,517</u>	<u>4,669,789</u>	<u>3,958,570</u>	<u>711,219</u>
Parks, Recreation and Cemetery				
Parks Maintenance	2,625,080	2,675,165	2,227,725	447,440
Tree Program	112,000	129,257	99,769	29,488
Sunset Mesa Maintenance	176,168	205,134	165,361	39,773
Cemetery	162,728	162,728	72,005	90,723
Competitive Youth Sports	55,064	55,064	39,086	15,978
Total Parks and Cemetery	<u>3,131,040</u>	<u>3,227,348</u>	<u>2,603,946</u>	<u>623,402</u>
Insurance	262,733	262,733	156,238	106,495
Total Expenditures	<u>15,840,124</u>	<u>17,461,374</u>	<u>15,633,199</u>	<u>1,828,175</u>
Excess Revenues Over (Under) Expenditures	12,343,851	10,722,601	22,064,142	11,341,541
Other Financing Sources (Uses)				
Proceeds from the Sale of Assets	1,000	1,000	11	(989)
Transfers In	2,000	2,000	2,000	-
Transfers Out	<u>(19,186,764)</u>	<u>(19,186,764)</u>	<u>(19,252,335)</u>	<u>(65,571)</u>
Net Change in Fund Balance	(6,839,913)	(8,461,163)	2,813,818	11,274,981
Fund Balance, Beginning of Year	<u>22,094,863</u>	<u>22,094,863</u>	<u>22,094,863</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 15,254,950</u>	<u>\$ 13,633,700</u>	<u>\$ 24,908,681</u>	<u>\$ 11,274,981</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Montrose Urban Renewal Authority Fund
 For the Year Ended December 31, 2023

	Original	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 408,000	\$ 408,000	\$ 437,810	\$ 29,810
Total Revenues	408,000	408,000	437,810	29,810
Expenditures				
Community Development	250,000	267,408	273,604	(6,196)
Capital Outlay	950,000	1,359,924	1,150,496	209,428
Debt Service				
Principal	-	-	-	-
Interest	-	-	1,895,740	(1,895,740)
Total Expenditures	1,200,000	1,627,332	3,319,840	(1,692,508)
Net Change in Fund Balance	(792,000)	(1,219,332)	(2,882,030)	(1,662,698)
Fund Balance, Beginning of Year	(13,390,511)	(13,390,511)	(13,390,511)	-
Fund Balance, End of Year	\$ (14,182,511)	\$ (14,609,843)	\$ (16,272,541)	\$ (1,662,698)

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Public Safety Fund
 For the Year Ended December 31, 2023

	Original	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 4,796,132	\$ 4,796,132	\$ 5,405,782	\$ 609,650
Intergovernmental Revenue	88,000	88,000	96,125	8,125
Charges for Services	80,000	80,000	115,089	35,089
Investment Income	-	-	145,145	145,145
Miscellaneous	69,300	69,300	56,092	(13,208)
Total Revenues	<u>5,033,432</u>	<u>5,033,432</u>	<u>5,818,233</u>	<u>784,801</u>
Expenditures				
Public Safety	12,045,586	12,045,586	10,806,185	1,239,401
Capital Outlay	427,593	427,593	1,134,319	(706,726)
Total Expenditures	<u>12,473,179</u>	<u>12,473,179</u>	<u>11,940,504</u>	<u>532,675</u>
Excess Revenues Over (Under) Expenditures	(7,439,747)	(7,439,747)	(6,122,271)	1,317,476
Other Financing Sources (Uses)				
Transfers In	8,360,085	8,360,085	8,360,085	-
Transfers Out	(897,594)	(897,594)	(1,077,113)	(179,519)
Net Change in Fund Balance	22,744	22,744	1,160,701	1,137,957
Fund Balance, Beginning of Year	<u>3,849,725</u>	<u>3,849,725</u>	<u>3,849,725</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 3,872,469</u>	<u>\$ 3,872,469</u>	<u>\$ 5,010,426</u>	<u>\$ 1,137,957</u>

City of Montrose, Colorado
Notes to Required Supplementary Information
December 31, 2023

Note 1: Stewardship, Compliance, and Accountability

Budgets

Budgets are legally adopted for all funds of the City. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis, whereby capital outlay and debt principal are budgeted as expenditures.

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

- Management submits to the City Board a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Board.
- All appropriations lapse at year end.

Supplementary Information

City of Montrose, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds					
	Retail Sales Enhancement	Downtown Opportunity Fund	Downtown Improvement Fund	Surplus & Deficiency Fund	Conservation Trust Fund	Pavilion Improvement Fund
Assets						
Cash and Cash Equivalents	\$ 615,462	\$ 96,135	\$ -	\$ 13,810	\$ 245,606	\$ 17,048
Investments	-	88,855	-	51,445	-	-
Accounts Receivable, <i>net</i>	11,060	15,056	-	-	-	-
Sales Tax Receivable	129,127	-	-	-	-	-
Franchise Fee Receivable	-	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	42,302	-
Inventory	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-
Total Assets	\$ 755,649	\$ 200,046	\$ -	\$ 65,255	\$ 287,908	\$ 17,048
Liabilities						
Accounts Payable	\$ 5,671	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	2,398	-	-	-	-	-
Unearned Revenue	-	24,906	-	-	-	-
Deposits	50	-	-	-	-	-
Total Liabilities	8,119	24,906	-	-	-	-
Fund Balance						
Unspendable:						
Prepaid Expenses and Inventory	-	-	-	-	-	-
Permanent Fund	-	-	-	-	-	-
Restricted for:						
Economic Development	-	169,156	-	-	-	-
Debt Service	-	-	-	-	-	-
Beautification	-	-	-	-	-	-
Capital Projects	-	-	19,233	63,065	346,720	-
Committed:						
Economic Development	609,909	-	-	-	-	-
Public Education	-	-	-	-	-	-
Assigned						
Capital Projects	-	-	-	-	-	-
Parks/Pavilion Improvements	-	-	-	-	-	16,482
Animal Shelter	-	-	-	-	-	-
Unrestricted, Unassigned	137,621	5,984	(19,233)	2,190	(58,812)	566
Total Fund Balance	747,530	175,140	-	65,255	287,908	17,048
Total Liabilities and Fund Balance	\$ 755,649	\$ 200,046	\$ -	\$ 65,255	\$ 287,908	\$ 17,048

City of Montrose, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023
(Continued)

	Public Education Fund	Special Benefits Fund	Tourism Promotional Fund	2017 Certificates of Participation Fund	Capital Project Funds	
					Special Improvements Fund	Grand / Rio Grande Project Fund
Assets						
Cash and Cash Equivalents	\$ 36,782	\$ 538,881	\$ 232,632	\$ 541,490	\$ 87,623	\$ 1,023,152
Investments	-	-	50,928	-	203,709	511,565
Accounts Receivable, <i>net</i>	-	19,600	13,361	-	-	-
Sales Tax Receivable	-	-	120,159	-	-	-
Franchise Fee Receivable	122	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	215,301	-
Due from Other Governments	-	-	-	-	-	-
Inventory	-	-	44,937	-	-	-
Prepaid Expenses	-	-	7,614	-	-	-
Total Assets	\$ 36,904	\$ 558,481	\$ 469,631	\$ 541,490	\$ 506,633	\$ 1,534,717
Liabilities						
Accounts Payable	\$ -	\$ 7,403	\$ 7,514	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	-	-	10,359	-	-	-
Unearned Revenue	-	-	-	-	244,664	-
Deposits	-	46,684	590	-	-	-
Total Liabilities	-	54,087	18,463	-	244,664	-
Fund Balance						
Unspendable:						
Prepaid Expenses and Inventory	-	-	52,551	-	-	-
Permanent Fund	-	-	-	-	-	-
Restricted for:						
Economic Development	-	-	-	-	-	-
Debt Service	-	-	-	660,220	-	-
Beautification	-	-	-	-	-	-
Capital Projects	-	-	-	-	236,208	-
Committed:						
Economic Development	-	-	337,712	-	-	-
Public Education	25,904	-	-	-	-	-
Assigned						
Capital Projects	-	-	-	-	-	1,458,344
Parks/Pavilion Improvements	-	213,670	-	-	-	-
Animal Shelter	-	172,024	-	-	-	-
Unrestricted, Unassigned	11,000	118,700	60,905	(118,730)	25,761	76,373
Total Fund Balance	36,904	504,394	451,168	541,490	261,969	1,534,717
Total Liabilities and Fund Balance	\$ 36,904	\$ 558,481	\$ 469,631	\$ 541,490	\$ 506,633	\$ 1,534,717

City of Montrose, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023
(Continued)

	Permanent Funds		
	Demoret	Cemetery	Total
	Trust Fund	Fund	
Assets			
Cash and Cash Equivalents	\$ 4,015	\$ 136,792	\$ 3,589,428
Investments	327,344	-	1,233,846
Accounts Receivable, <i>net</i>	-	-	59,077
Sales Tax Receivable	-	-	249,286
Franchise Fee Receivable	-	-	122
Special Assessments Receivable	-	-	215,301
Due from Other Governments	-	-	42,302
Inventory	-	-	44,937
Prepaid Expenses	-	-	7,614
Total Assets	\$ 331,359	\$ 136,792	\$ 5,441,913
Liabilities			
Accounts Payable	\$ -	\$ -	\$ 20,588
Accrued Salaries and Benefits	-	-	12,757
Unearned Revenue	-	-	269,570
Deposits	-	-	47,324
Total Liabilities	-	-	350,239
Fund Balance			
Unspendable:			
Prepaid Expenses and Inventory	-	-	52,551
Permanent Fund	321,381	129,955	451,336
Restricted for:			
Economic Development	-	-	169,156
Debt Service	-	-	660,220
Beautification	8,447	-	8,447
Capital Projects	-	-	665,226
Committed:			
Economic Development	-	-	947,621
Public Education	-	-	25,904
Assigned			
Capital Projects	-	-	1,458,344
Parks/Pavilion Improvements	-	-	230,152
Animal Shelter	-	-	172,024
Unrestricted, Unassigned	1,531	6,837	250,693
Total Fund Balance	331,359	136,792	5,091,674
Total Liabilities and Fund Balance	\$ 331,359	\$ 136,792	\$ 5,441,913

City of Montrose, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds					
	Retail Sales Enhancement	Downtown Opportunity Fund	Downtown Improvement Fund	Surplus and Deficiency Fund	Conservation Trust Fund	Pavilion Improvement Fund
Assets						
Taxes	\$ 658,291	\$ -	\$ -	\$ -	\$ 145,279	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for Services	100	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Contributions and Donations	14,610	-	-	-	-	-
Permanently Restricted Contributions	-	-	-	-	-	-
Investment Income	12,354	4,691	614	2,190	35,935	566
Miscellaneous	2,368	-	-	-	-	-
Total Revenue	<u>687,723</u>	<u>4,691</u>	<u>614</u>	<u>2,190</u>	<u>181,214</u>	<u>566</u>
Expenditures						
Current						
General Government	-	-	-	-	-	-
Community Development	651,138	-	-	-	-	-
Capital Outlay	7,010	-	-	-	240,025	-
Debt Service						
Principal	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Total Expenditures	<u>658,148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>240,025</u>	<u>-</u>
Excess Revenues Over (Under) Expenditures	29,575	4,691	614	2,190	(58,811)	566
Other Financing Sources (Uses)						
Proceeds from Issuance of Debt	-	1,293	-	-	-	-
Transfers (In)	108,046	-	-	-	-	-
Transfers (Out)	-	-	(19,847)	-	-	-
Other Financing Sources (Uses)	<u>108,046</u>	<u>1,293</u>	<u>(19,847)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	137,621	5,984	(19,233)	2,190	(58,811)	566
Fund Balance, Beginning of Year	<u>609,909</u>	<u>169,156</u>	<u>19,233</u>	<u>63,065</u>	<u>346,719</u>	<u>16,482</u>
Fund Balance, End of Year	<u>\$ 747,530</u>	<u>\$ 175,140</u>	<u>\$ -</u>	<u>\$ 65,255</u>	<u>\$ 287,908</u>	<u>\$ 17,048</u>

City of Montrose, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
December 31, 2023
(Continued)

	Public Education Fund	Special Benefits Fund	Tourism Promotional Fund	2017 Certificates of Participation Fund	Capital Project Funds	
					Special Improvements Fund	Grand / Rio Grande Project Fund
Assets						
Taxes	\$ 14,188	\$ -	\$ 861,545	\$ -	\$ -	\$ -
Intergovernmental	-	39,375	-	-	-	-
Charges for Services	-	-	950	-	-	-
Special Assessments	-	-	-	-	2,149	-
Contributions and Donations	-	135,967	-	-	-	-
Permanently Restricted Contributions	-	-	-	-	-	-
Investment Income	2,836	2,837	69	-	23,805	76,373
Miscellaneous	-	-	5,552	-	-	-
Total Revenue	17,024	178,179	868,116	-	25,954	76,373
Expenditures						
Current						
General Government	6,024	-	-	2,134	193	-
Community Development	-	59,479	831,080	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service						
Principal	-	-	-	783,834	-	-
Interest and Fiscal Charges	-	-	-	803,303	-	-
Total Expenditures	6,024	59,479	831,080	1,589,271	193	-
Excess Revenues Over (Under) Expenditures	11,000	118,700	37,036	(1,589,271)	25,761	76,373
Other Financing Sources (Uses)						
Debt Proceeds	-	-	-	-	-	-
Transfers (In)	-	-	-	1,470,541	-	-
Transfers (Out)	-	-	-	-	-	-
Other Financing Sources (Uses)	-	-	-	1,470,541	-	-
Net Change in Fund Balance	11,000	118,700	37,036	(118,730)	25,761	76,373
Fund Balance, Beginning of Year	25,904	385,694	414,132	660,220	236,208	1,458,344
Fund Balance, End of Year	\$ 36,904	\$ 504,394	\$ 451,168	\$ 541,490	\$ 261,969	\$ 1,534,717

City of Montrose, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
December 31, 2023
(Continued)

	Permanent Funds		Total
	Demoret Trust Fund	Cemetery Fund	
Assets			
Taxes	\$ -	\$ -	\$ 1,679,303
Intergovernmental	-	-	39,375
Charges for Services	-	-	1,050
Special Assessments	-	-	2,149
Contributions and Donations	-	-	150,577
Permanently Restricted Contributions	-	2,300	2,300
Investment Income	1,531	6,537	170,338
Miscellaneous	-	-	7,920
Total Revenue	<u>1,531</u>	<u>8,837</u>	<u>2,053,012</u>
Expenditures			
Current			
General Government	-	-	8,351
Community Development	-	-	1,541,697
Capital Outlay	-	-	247,035
Debt Service			
Principal	-	-	783,834
Interest and Fiscal Charges	-	-	803,303
Total Expenditures	<u>-</u>	<u>-</u>	<u>3,384,220</u>
Excess Revenues Over (Under) Expenditures	1,531	8,837	(1,331,208)
Other Financing Sources (Uses)			
Debt Proceeds	-	-	1,293
Transfers (In)	-	-	1,578,587
Transfers (Out)	-	(2,000)	(21,847)
Other Financing Sources (Uses)	<u>-</u>	<u>(2,000)</u>	<u>1,558,033</u>
Net Change in Fund Balance	1,531	6,837	226,825
Fund Balance, Beginning of Year	<u>329,828</u>	<u>129,955</u>	<u>4,864,849</u>
Fund Balance, End of Year	<u>\$ 331,359</u>	<u>\$ 136,792</u>	<u>\$ 5,091,674</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Retail Sales Enhancement Fund
 For the Year Ended December 31, 2023

	Original	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 580,400	\$ 580,400	\$ 658,291	\$ 77,891
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	100	100
Contributions and Donations	17,000	17,000	14,610	(2,390)
Investment Income	1,300	1,300	12,354	11,054
Miscellaneous	-	-	2,368	2,368
	<u>598,700</u>	<u>598,700</u>	<u>687,723</u>	<u>89,023</u>
Total Revenues				
Expenditures				
Community Development	670,282	670,282	651,138	19,144
Capital Outlay	35,000	35,000	7,010	27,990
	<u>705,282</u>	<u>705,282</u>	<u>658,148</u>	<u>47,134</u>
Total Expenditures				
Excess Revenues Over (Under) Expenditures	(106,582)	(106,582)	29,575	136,157
Other Financing Sources (Uses)				
Transfers In	88,200	88,200	108,046	19,846
	<u>88,200</u>	<u>88,200</u>	<u>108,046</u>	<u>19,846</u>
Net Change in Fund Balance	(18,382)	(18,382)	137,621	156,003
Fund Balance, Beginning of Year	609,909	609,909	609,909	-
	<u>609,909</u>	<u>609,909</u>	<u>609,909</u>	<u>-</u>
Fund Balance, End of Year	\$ <u>591,527</u>	\$ <u>591,527</u>	\$ <u>747,530</u>	\$ <u>156,003</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Capital Improvement Fund
 For the Year Ended December 31, 2023

	Original	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental Revenue	\$ 1,800,000	\$ 1,800,000	\$ -	\$ (1,800,000)
Contributions and Donations	-	-	200,000	200,000
Investment Income	20,000	20,000	373,268	353,268
Total Revenues	<u>1,820,000</u>	<u>1,820,000</u>	<u>573,268</u>	<u>(1,246,732)</u>
Expenditures				
General Government	290,000	290,000	7,248	282,752
Capital Outlay	11,210,000	11,210,000	11,653,658	(443,658)
Total Expenditures	<u>11,500,000</u>	<u>11,500,000</u>	<u>11,660,906</u>	<u>(160,906)</u>
Excess Revenues Over (Under) Expenditures	(9,680,000)	(9,680,000)	(11,087,638)	(1,407,638)
Other Financing Sources (Uses)				
Transfers In	9,715,539	9,715,539	9,715,539	-
Net Change in Fund Balance	35,539	35,539	(1,372,099)	(1,407,638)
Fund Balance, Beginning of Year	<u>6,544,982</u>	<u>6,544,982</u>	<u>6,544,982</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 6,580,521</u>	<u>\$ 6,580,521</u>	<u>\$ 5,172,883</u>	<u>\$ (1,407,638)</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Downtown Opportunity Fund
 For the Year Ended December 31, 2023

	Original	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ -	\$ -	\$ 4,691	\$ 4,691
Total Revenues	-	-	4,691	4,691
Expenditures				
Capital Outlay	60,000	60,000	-	(60,000)
Total Expenditures	60,000	60,000	-	(60,000)
Excess Revenues Over (Under) Expenditures	(60,000)	(60,000)	4,691	64,691
Other Financing Sources (Uses)				
Proceeds from Issuance of Debt	3,800	3,800	1,293	(2,507)
Net Change in Fund Balance	(56,200)	(56,200)	5,984	62,184
Fund Balance, Beginning of Year	169,156	169,156	169,156	-
Fund Balance, End of Year	\$ 112,956	\$ 112,956	\$ 175,140	\$ 62,184

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Downtown Improvement Fund
 For the Year Ended December 31, 2023

	Original	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ -	\$ -	\$ 614	\$ 614
Total Revenues	<u>-</u>	<u>-</u>	<u>614</u>	<u>614</u>
Expenditures				
Excess Revenues Over (Under) Expenditures	-	-	614	614
Other Financing Sources (Uses)				
Transfers Out	<u>-</u>	<u>-</u>	<u>(19,847)</u>	<u>(19,847)</u>
Net Change in Fund Balance	-	-	(19,233)	(19,233)
Fund Balance, Beginning of Year	<u>19,233</u>	<u>19,233</u>	<u>19,233</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 19,233</u>	<u>\$ 19,233</u>	<u>\$ -</u>	<u>\$ (19,233)</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Public Education Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 16,000	\$ 16,000	\$ 14,188	\$ (1,812)
Investment Income	150	150	2,836	2,686
	16,150	16,150	17,024	874
Expenditures				
General Government	14,005	14,005	6,024	7,981
	14,005	14,005	6,024	7,981
Excess Revenues Over (Under) Expenditures	2,145	2,145	11,000	8,855
Fund Balance, Beginning of Year	25,904	25,904	25,904	-
Fund Balance, End of Year	\$ 28,049	\$ 28,049	\$ 36,904	\$ 8,855

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Surplus and Deficiency Fund
 For the Year Ended December 31, 2023

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment Income	\$ 300	\$ 300	\$ 2,190	\$ 1,890
Total Revenues	<u>300</u>	<u>300</u>	<u>2,190</u>	<u>1,890</u>
Net Change in Fund Balance	300	300	2,190	1,890
Fund Balance, Beginning of Year	<u>63,065</u>	<u>63,065</u>	<u>63,065</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 63,365</u>	<u>\$ 63,365</u>	<u>\$ 65,255</u>	<u>\$ 1,890</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Conservation Trust Fund
 For the Year Ended December 31, 2023

	Original	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 115,000	\$ 115,000	\$ 145,279	\$ 30,279
Investment Income	1,000	1,000	35,935	34,935
Total Revenues	<u>116,000</u>	<u>116,000</u>	<u>181,214</u>	<u>65,214</u>
Expenditures				
Capital Outlay	<u>-</u>	<u>245,000</u>	<u>240,025</u>	<u>4,975</u>
Total Expenditures	<u>-</u>	<u>245,000</u>	<u>240,025</u>	<u>4,975</u>
Excess Revenues Over Net Change in Fund Balance	116,000	(129,000)	(58,811)	70,189
Fund Balance, Beginning of Year	<u>346,719</u>	<u>346,719</u>	<u>346,719</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 462,719</u>	<u>\$ 217,719</u>	<u>\$ 287,908</u>	<u>\$ 70,189</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Pavilion Improvement Fund
 For the Year Ended December 31, 2023

	Original	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ -	\$ -	\$ 566	\$ 566
Total Revenues	-	-	566	566
Net Change in Fund Balance	-	-	566	566
Fund Balance, Beginning of Year	16,482	16,482	16,482	-
Fund Balance, End of Year	\$ 16,482	\$ 16,482	\$ 17,048	\$ 566

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Special Benefits Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 31,100	\$ 31,100	\$ 39,375	\$ 8,275
Contributions and Donations	20,000	20,000	135,967	115,967
Investment Income	100	100	2,837	2,737
Total Revenues	<u>51,200</u>	<u>51,200</u>	<u>178,179</u>	<u>126,979</u>
Expenditures				
Community Development	87,189	87,189	59,479	27,710
Total Expenditures	<u>87,189</u>	<u>87,189</u>	<u>59,479</u>	<u>27,710</u>
Excess Revenues Over (Under) Expenditures	(35,989)	(35,989)	118,700	154,689
Fund Balance, Beginning of Year	<u>385,694</u>	<u>385,694</u>	<u>385,694</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 349,705</u>	<u>\$ 349,705</u>	<u>\$ 504,394</u>	<u>\$ 154,689</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Tourism Promotional Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 737,900	\$ 737,900	\$ 861,545	\$ 123,645
Charges for Services	1,000	1,000	950	(50)
Investment Income	1,000	1,000	69	(931)
Miscellaneous	10,000	10,000	5,552	(4,448)
	749,900	749,900	868,116	118,216
Expenditures				
Community Development	785,573	785,573	831,080	(45,507)
Capital Outlay	18,700	18,700	-	18,700
	804,273	804,273	831,080	(26,807)
Excess Revenues Over (Under) Expenditures	(54,373)	(54,373)	37,036	91,409
Fund Balance, Beginning of Year	414,132	414,132	414,132	-
Fund Balance, End of Year	\$ 359,759	\$ 359,759	\$ 451,168	\$ 91,409

City of Montrose, Colorado
 Budgetary Comparison Schedule
 2017 Certificates of Participation Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures				
General Government	\$ 4,000	\$ 4,000	\$ 2,134	\$ 1,866
Debt Service				
Principal	783,726	783,726	783,834	(108)
Interest	741,725	741,725	803,303	(61,578)
	<u>1,529,451</u>	<u>1,529,451</u>	<u>1,589,271</u>	<u>(59,820)</u>
Total Expenditures				
	<u>1,529,451</u>	<u>1,529,451</u>	<u>1,589,271</u>	<u>(59,820)</u>
Excess Revenues Over (Under) Expenditures	(1,529,451)	(1,529,451)	(1,589,271)	(59,820)
Other Financing Sources (Uses)				
Transfers In	<u>1,225,451</u>	<u>1,225,451</u>	<u>1,470,541</u>	<u>245,090</u>
Net Change in Fund Balance	(304,000)	(304,000)	(118,730)	185,270
Fund Balance, Beginning of Year	<u>660,220</u>	<u>660,220</u>	<u>660,220</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 356,220</u>	<u>\$ 356,220</u>	<u>\$ 541,490</u>	<u>\$ 185,270</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Demoret Trust Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ 1,000	\$ 1,000	\$ 1,531	\$ 531
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>1,531</u>	<u>531</u>
Net Change in Fund Balance	1,000	1,000	1,531	531
Fund Balance, Beginning of Year	<u>329,828</u>	<u>329,828</u>	<u>329,828</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 330,828</u>	<u>\$ 330,828</u>	<u>\$ 331,359</u>	<u>\$ 531</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Cemetery Perpetual Care Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Contributions to Permanent Endowment	\$ 2,000	\$ 2,000	\$ 2,300	\$ 300
Investment Income	200	200	6,537	6,337
Total Revenues	2,200	2,200	8,837	6,637
Excess Revenues Over (Under) Expenditures	2,200	2,200	8,837	6,637
Other Financing Sources (Uses)				
Transfers Out	(2,000)	(2,000)	(2,000)	-
Net Change in Fund Balance	200	200	6,837	6,637
Fund Balance, Beginning of Year	129,955	129,955	129,955	-
Fund Balance, End of Year	\$ 130,155	\$ 130,155	\$ 136,792	\$ 6,637

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Special Improvements Revolving Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Special Assessments	\$ 53,500	\$ 53,500	\$ 2,149	\$ (51,351)
Investment Income	2,500	2,500	23,805	21,305
Total Revenues	<u>56,000</u>	<u>56,000</u>	<u>25,954</u>	<u>(30,046)</u>
Expenditures				
General Government	1,200	1,298	193	1,105
Total Expenditures	<u>1,200</u>	<u>1,298</u>	<u>193</u>	<u>1,105</u>
Excess Revenues Over (Under) Expenditures	54,800	54,702	25,761	(28,941)
Fund Balance, Beginning of Year	<u>236,208</u>	<u>236,208</u>	<u>236,208</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 291,008</u>	<u>\$ 290,910</u>	<u>\$ 261,969</u>	<u>\$ (28,941)</u>

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Grand / Rio Grande Project Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Investment Income	\$ 6,000	\$ 6,000	\$ 76,373	\$ 70,373
Total Revenues	6,000	6,000	76,373	70,373
(Under) Expenditures	6,000	6,000	76,373	70,373
Fund Balance, Beginning of Year	1,458,344	1,458,344	1,458,344	-
Fund Balance, End of Year	\$ 1,464,344	\$ 1,464,344	\$ 1,534,717	\$ 70,373

City of Montrose, Colorado
Combining Statement of Net Position
Nonmajor Proprietary Funds
December 31, 2023

	Trash/Recycle Fund	Black Canyon Golf course Fund	Total
Assets			
<i>Current Assets</i>			
Cash and Cash Equivalents	\$ 913,721	\$ 779,140	\$ 1,692,861
Accounts Receivable	208,604	1,563	210,167
Inventory	106,086	55,629	161,715
Prepaid Expenses	-	32	32
	1,228,411	836,364	2,064,775
<i>Noncurrent Assets</i>			
Capital Assets, <i>Not being depreciated</i>	-	194,435	194,435
Capital Assets, <i>Net of accumulated depreciation</i>	-	642,502	642,502
	-	836,937	836,937
Total Noncurrent Assets	-	836,937	836,937
	1,228,411	1,673,301	2,901,712
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	61,647	22,484	84,131
Accrued Salaries and Benefits	9,948	8,765	18,713
Unearned Revenue	-	11,348	11,348
	71,595	42,597	114,192
Total Current Liabilities	71,595	42,597	114,192
<i>Noncurrent Liabilities</i>			
Accrued Compensated Absences	15,850	21,144	36,994
	15,850	21,144	36,994
Total Noncurrent Liabilities	15,850	21,144	36,994
	87,445	63,741	151,186
Total Liabilities	87,445	63,741	151,186
Net Position			
Net Investment in Capital Assets	-	836,937	836,937
Unrestricted	1,140,966	772,623	1,913,589
	1,140,966	1,609,560	2,750,526
Total Net Position	\$ 1,140,966	\$ 1,609,560	\$ 2,750,526

City of Montrose, Colorado
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Proprietary Funds
For the Year Ended December 31, 2023

	Trash/Recycle Fund	Black Canyon Golf Course Fund	Total
Operating Revenues			
Charges for Services	\$ 2,324,437	\$ 997,800	\$ 3,322,237
Miscellaneous	8,418	3,484	11,902
Total Operating Revenues	<u>2,332,855</u>	<u>1,001,284</u>	<u>3,334,139</u>
Operating Expenses			
Administrative and General	128,116	282,076	410,192
Operations and Maintenance	1,812,608	1,024,319	2,836,927
Capital Outlay	67,077	-	67,077
Depreciation	-	119,570	119,570
Total Operating Expenses	<u>2,007,801</u>	<u>1,425,965</u>	<u>3,433,766</u>
Net Operating Income	<u>325,054</u>	<u>(424,681)</u>	<u>(99,627)</u>
Non-Operating Revenues (Expenses)			
Intergovernmental Revenues	-	-	-
Interest Income	26,192	2,838	29,030
Net Income (Loss) Before Contributed Capital	<u>351,246</u>	<u>(421,843)</u>	<u>(70,597)</u>
Contributed Capital and Transfers			
Transfers In	-	695,083	695,083
Total Capital Contributions and Transfers	<u>-</u>	<u>695,083</u>	<u>695,083</u>
Change in Net Position	<u>351,246</u>	<u>273,240</u>	<u>624,486</u>
Net Position, Beginning of Year	<u>789,720</u>	<u>1,336,320</u>	<u>2,126,040</u>
Net Position, End of Year	<u>\$ 1,140,966</u>	<u>\$ 1,609,560</u>	<u>\$ 2,750,526</u>

City of Montrose, Colorado
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended December 31, 2023

	Trash/Recycle Fund	Black Canyon Golf Course Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Cash Flows From Operating Activities			
Cash Received from Customers	\$ 2,300,452	\$ 993,185	\$ 3,293,637
Cash Received from Others	8,418	3,484	11,902
Cash Paid to Suppliers	(1,593,045)	(816,309)	(2,409,354)
Cash Paid to Employees	<u>(421,839)</u>	<u>(466,907)</u>	<u>(888,746)</u>
Net Cash Provided by Operating Activities	<u>293,986</u>	<u>(286,547)</u>	<u>7,439</u>
Cash Flows From Noncapital Financing Activities			
Transfers In	<u>-</u>	<u>695,083</u>	<u>695,083</u>
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>695,083</u>	<u>695,083</u>
Cash Flows From Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	-	(11,004)	(11,004)
Proceeds from Sale of Capital Assets	-	25,000	25,000
Investment Income	<u>26,192</u>	<u>2,838</u>	<u>29,030</u>
Net Cash Used by Capital and Related Financing Activities	<u>26,192</u>	<u>16,834</u>	<u>43,026</u>
Net Change in Cash and Cash Equivalents	<u>320,178</u>	<u>425,370</u>	<u>745,548</u>
Cash and Cash Equivalents, Beginning of Year	<u>593,543</u>	<u>353,730</u>	<u>947,273</u>
Cash and Cash Equivalents, End of Year	<u>\$ 913,721</u>	<u>\$ 779,100</u>	<u>\$ 1,692,821</u>
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:			
Net Operating Income	\$ 325,054	\$ (424,681)	\$ (99,627)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities			
Depreciation Expense	-	119,570	119,570
Changes in Assets and Liabilities Related to Operations			
Accounts Receivable	(23,985)	-	(23,985)
Inventories	13,851	33,487	47,338
Prepaid Expenses	-	(72)	(72)
Accounts Payable	(4,975)	(17,628)	(22,603)
Accrued Salaries	(1,710)	595	(1,115)
Accrued Compensated Absences	(14,249)	6,797	(7,452)
Unearned Revenue	<u>-</u>	<u>(4,615)</u>	<u>(4,615)</u>
Net Cash Provided by Operating Activities	<u>\$ 293,986</u>	<u>\$ (286,547)</u>	<u>\$ 7,439</u>

City of Montrose, Colorado
Budgetary Comparison Schedule
Water Fund
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges For Services	\$ 6,584,827	\$ 6,584,827	\$ 6,921,022	\$ 336,195
Investment Income	12,500	12,500	425,428	412,928
Miscellaneous Revenue	-	-	202	202
Total Revenue	6,597,327	6,597,327	7,346,652	749,325
Expenses				
Enterprise Administration	284,115	284,115	284,115	-
Operations and Maintenance	5,278,550	5,278,550	4,611,499	667,051
Capital Outlay	2,058,500	2,058,500	4,979,499	(2,920,999)
Debt Services				
Principal	187,000	187,000	187,000	-
Interest	6,782	6,782	6,782	-
Total Expenses	7,814,947	7,814,947	10,068,895	(2,253,948)
Net Operating Income	(1,217,620)	(1,217,620)	(2,722,243)	(1,504,623)
Nonoperating Revenues (Expenses)				
Tap Fees	426,383	426,383	526,500	100,117
Gain on Sale of Assets	-	-	(2,076)	(2,076)
Total Nonoperating Revenues (Expenses)	426,383	426,383	524,424	98,041
Change in Net Position, Budgetary Basis	\$ (791,237)	\$ (791,237)	(2,197,819)	\$ (1,406,582)
Reconciliation to GAAP Basis				
Capital Outlay Capitalized			4,074,132	
Debt Service Principal			187,000	
Depreciation			(1,546,803)	
Change in Net Position, GAAP Basis			\$ 516,510	

City of Montrose, Colorado
Budgetary Comparison Schedule
Sewer Fund
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges For Services	\$ 3,737,122	\$ 3,737,122	\$ 3,522,878	\$ (214,244)
Investment Income	6,500	6,500	111,106	104,606
Miscellaneous Revenue	-	-	150	150
Total Revenue	3,743,622	3,743,622	3,634,134	(109,488)
Expenses				
Enterprise Administration	181,534	181,534	181,534	-
Operations and Maintenance	4,018,349	4,018,349	3,301,678	716,671
Capital Outlay	1,042,000	1,204,267	956,185	248,082
Debt Services				
Principal	153,000	153,000	153,000	-
Interest	8,302	8,302	5,549	2,753
Total Expenses	5,403,185	5,565,452	4,597,946	967,506
Net Operating Income	(1,659,563)	(1,821,830)	(963,812)	858,018
Nonoperating Revenues (Expenses)				
Tap Fees	774,859	774,859	1,318,411	543,552
Gain on Sale of Assets	-	-	226	226
Transfers Out	-	-	-	-
Total Nonoperating Revenues (Expenses)	774,859	774,859	1,318,637	543,778
Change in Net Position, Budgetary Basis	\$ (884,704)	\$ (1,046,971)	354,825	\$ 1,401,796
Reconciliation to GAAP Basis				
Capital Outlay Capitalized			308,447	
Debt Service Principal			153,000	
Depreciation			(1,838,217)	
Change in Net Position, GAAP Basis			\$ (1,021,945)	

City of Montrose, Colorado
Budgetary Comparison Schedule
Trash / Recycling Fund
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges For Services	\$ 2,247,795	\$ 2,247,795	\$ 2,324,437	\$ 76,642
Investment Income	1,000	1,000	26,192	25,192
Miscellaneous Income	5,495	5,495	8,418	2,923
Total Revenue	2,254,290	2,254,290	2,359,047	104,757
Expenses				
Enterprise Administration	128,116	128,116	128,116	-
Operations and Maintenance	2,037,748	2,037,748	1,812,608	225,140
Capital Outlay	384,000	384,000	67,077	316,923
Total Expenses	2,549,864	2,549,864	2,007,801	542,063
Change in Net Position, Budgetary Basis	\$ (295,574)	\$ (295,574)	351,246	\$ 646,820
Reconciliation to GAAP Basis				
Depreciation			-	
Change in Net Position, GAAP Basis			\$ 351,246	

City of Montrose, Colorado
Budgetary Comparison Schedule
Black Canyon Golf Course Fund
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges For Services	\$ 703,700	\$ 703,700	\$ 986,796	\$ 283,096
Investment Income	-	-	2,838	2,838
Miscellaneous Income	-	-	14,488	14,488
Total Revenue	<u>703,700</u>	<u>703,700</u>	<u>1,004,122</u>	<u>300,422</u>
Expenses				
Enterprise Administration	323,640	323,640	282,076	41,564
Operations and Maintenance	1,069,945	1,069,945	1,024,319	45,626
Total Expenses	<u>1,393,585</u>	<u>1,393,585</u>	<u>1,306,395</u>	<u>87,190</u>
Net Operating Income	<u>(689,885)</u>	<u>(689,885)</u>	<u>(302,273)</u>	<u>387,612</u>
Nonoperating Revenues (Expenses)				
Transfers In	<u>695,083</u>	<u>695,083</u>	<u>695,083</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>695,083</u>	<u>695,083</u>	<u>695,083</u>	<u>-</u>
Change in Net Position, Budgetary Basis	<u>\$ 5,198</u>	<u>\$ 5,198</u>	<u>392,810</u>	<u>\$ 387,612</u>
Reconciliation to GAAP Basis				
Depreciation			<u>(119,570)</u>	
Change in Net Position, GAAP Basis			<u>\$ 273,240</u>	

City of Montrose, Colorado
Combining Statement of Net Position
Internal Service Funds
December 31, 2023

	Fleet Management Fund	Employee Insurance Fund	Total
Assets			
<i>Current Assets</i>			
Cash and Cash Equivalents	\$ 3,431,397	\$ 2,690,111	\$ 6,121,508
Investments	529,648	-	529,648
Accounts Receivable	103,890	65,397	169,287
Prepaid Expenses	4,600	-	4,600
Inventory	330,858	-	330,858
Total Current Assets	4,400,393	2,755,508	7,155,901
<i>Noncurrent Assets</i>			
Capital Assets, <i>Net of accumulated depreciation</i>	9,335,292	-	9,335,292
Total Noncurrent Assets	9,335,292	-	9,335,292
Total Assets	13,735,685	2,755,508	16,491,193
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	342,348	1,467	343,815
Accrued Salaries and Benefits	21,514	-	21,514
Claims Payable	-	599,310	599,310
Current Portion of Long-term Debt	51,543	-	51,543
Total Current Liabilities	415,405	600,777	1,016,182
Total Liabilities	415,405	600,777	1,016,182
Net Position			
Net Investment in Capital Assets	9,335,292	-	9,335,292
Unrestricted	3,984,988	2,154,731	6,139,719
Total Net Position	\$ 13,320,280	\$ 2,154,731	\$ 15,475,011

City of Montrose, Colorado
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2023

	Fleet Management Fund	Employee Insurance Fund	Total
Operating Revenues			
Interfund Charges	\$ 5,813,460	\$ 2,618,540	\$ 8,432,000
Other Charges	53,140	230,936	284,076
Miscellaneous	124,775	98,315	223,090
 Total Operating Revenues	 <u>5,991,375</u>	 <u>2,947,791</u>	 <u>8,939,166</u>
Operating Expenses			
Administrative and General	3,383,922	189,457	3,573,379
Operations and Maintenance	1,803,155	40,715	1,843,870
Medical Claims	-	2,374,104	2,374,104
Insurance Premiums	-	858,413	858,413
Capital Outlay	296,851	-	296,851
Depreciation	938,936	-	938,936
 Total Operating Expenses	 <u>6,422,864</u>	 <u>3,462,689</u>	 <u>9,885,553</u>
 Net Operating Income	 <u>(431,489)</u>	 <u>(514,898)</u>	 <u>(946,387)</u>
Non-Operating Revenues (Expenses)			
Intergovernmental	-	7,548	7,548
Interest Income	141,674	141,401	283,075
Gain (Loss) on Sale of Asset	(284,393)	-	(284,393)
 Net Income (Loss) Before Contributed Capital	 <u>(574,208)</u>	 <u>(365,949)</u>	 <u>(940,157)</u>
Contributed Capital and Transfers			
Capital Contributions	1,095,102	-	1,095,102
 Total Capital Contributions and Transfers	 <u>1,095,102</u>	 <u>-</u>	 <u>1,095,102</u>
 Change in Net Position	 <u>520,894</u>	 <u>(365,949)</u>	 <u>154,945</u>
 Net Position, Beginning of Year	 <u>12,799,386</u>	 <u>2,520,680</u>	 <u>15,320,066</u>
 Net Position, End of Year	 <u>\$ 13,320,280</u>	 <u>\$ 2,154,731</u>	 <u>\$ 15,475,011</u>

City of Montrose, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2023

	Fleet Management Fund	Employee Insurance Fund	Total
Cash Flows From Operating Activities			
Cash Received from Customers	\$ 37,037	\$ -	\$ 37,037
Cash Received from Others	5,866,600	329,251	6,195,851
Cash Paid to Suppliers	(5,517,784)	(3,461,222)	(8,979,006)
Cash Paid to Employees	3,816	-	3,816
Payments for Internal Services	-	2,750,740	2,750,740
	<u>389,669</u>	<u>(381,231)</u>	<u>8,438</u>
Net Cash Provided by Operating Activities			
Cash Flows From Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	(3,021,982)	-	(3,021,982)
Proceeds from Sale of Capital Assets	269,768	-	269,768
Tap Fees and Capital contributions	1,095,102	7,548	1,102,650
	<u>(1,657,112)</u>	<u>7,548</u>	<u>(1,649,564)</u>
Net Cash Used by Capital and Related Financing Activities			
Cash Flows From Investing Activities			
Investment Income	141,674	141,401	283,075
	<u>141,674</u>	<u>141,401</u>	<u>283,075</u>
Net Cash Provided by Investing Activities			
Net Change in Cash and Cash Equivalents	<u>(1,125,769)</u>	<u>(232,282)</u>	<u>(1,358,051)</u>
Cash and Cash Equivalents, Beginning of Year	<u>5,086,814</u>	<u>2,922,393</u>	<u>8,009,207</u>
Cash and Cash Equivalents, End of Year	<u>\$ 3,961,045</u>	<u>\$ 2,690,111</u>	<u>\$ 6,651,156</u>
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:			
Net Operating Income	\$ (431,489)	\$ (514,898)	\$ (946,387)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities			
Depreciation Expense	938,936	-	938,936
Changes in Assets and Liabilities Related to Operations			
Accounts Receivable	(87,738)	132,200	44,462
Inventories	(325,382)	-	(325,382)
Prepaid Expenses	165,547	-	165,547
Accounts Payable	125,979	1,467	127,446
Accrued Expenses	820	-	820
Accrued Compensated Absences	2,996	-	2,996
	<u>389,669</u>	<u>(381,231)</u>	<u>8,438</u>
Net Cash Provided by Operating Activities			

City of Montrose, Colorado
Budgetary Comparison Schedule
Fleet Management Fund
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Interfund Charges	\$ 7,274,453	\$ 7,274,453	\$ 5,813,460	\$ (1,460,993)
Charges For Services	77,386	77,386	53,140	(24,246)
Contributions and Donations	-	-	1,095,102	1,095,102
Investment Income	18,000	18,000	141,674	123,674
Miscellaneous Income	-	-	124,775	124,775
Total Revenue	<u>7,369,839</u>	<u>7,369,839</u>	<u>7,228,151</u>	<u>(141,688)</u>
Expenses				
Administration	3,749,977	3,749,977	3,383,922	366,055
Operations and Maintenance	1,285,008	1,600,194	1,803,155	(202,961)
Capital Outlay	2,636,000	3,801,030	296,851	3,504,179
Total Expenses	<u>7,670,985</u>	<u>9,151,201</u>	<u>5,483,928</u>	<u>3,667,273</u>
Net Operating Income	<u>(301,146)</u>	<u>(1,781,362)</u>	<u>1,744,223</u>	<u>3,525,585</u>
Nonoperating Revenues (Expenses)				
Gain on Sale of Asses	105,000	105,000	(284,393)	(389,393)
Total Nonoperating Revenues (Expenses)	<u>105,000</u>	<u>105,000</u>	<u>(284,393)</u>	<u>(389,393)</u>
Change in Net Position, Budgetary Basis	<u>\$ (196,146)</u>	<u>\$ (1,676,362)</u>	<u>1,459,830</u>	<u>\$ 3,136,192</u>
Reconciliation to GAAP Basis				
Depreciation			<u>(938,936)</u>	
Change in Net Position, GAAP Basis			<u>\$ 520,894</u>	

City of Montrose, Colorado
 Budgetary Comparison Schedule
 Employee Insurance Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Interfund Charges	\$ 2,005,000	\$ 2,005,000	\$ 2,626,088	\$ 621,088
Charges For Services	300,000	300,000	230,936	(69,064)
Contributions and Donations	-	-	-	-
Investment Income	15,000	15,000	141,401	126,401
Miscellaneous Income	505,000	505,000	98,315	(406,685)
Total Revenue	<u>2,825,000</u>	<u>2,825,000</u>	<u>3,096,740</u>	<u>271,740</u>
Expenses				
Administration	149,500	149,500	189,457	(39,957)
Operations and Maintenance	41,000	41,000	40,715	285
Medical Claims	2,237,000	2,633,950	2,374,104	259,846
Insurance Premiums	668,100	668,100	858,413	(190,313)
Total Expenses	<u>3,095,600</u>	<u>3,492,550</u>	<u>3,462,689</u>	<u>29,861</u>
Change in Net Position, Budgetary Basis	<u>\$ (270,600)</u>	<u>\$ (667,550)</u>	<u>(365,949)</u>	<u>\$ 301,601</u>
Reconciliation to GAAP Basis				
Capital Outlay Capitalized			-	
Depreciation			-	
Change in Net Position, GAAP Basis			<u>\$ (365,949)</u>	

Compliance Section

State Compliance

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

LOCAL HIGHWAY FINANCE REPORT		City or County:	Montrose		
		YEAR ENDING :	Dec-23		
This Information From The Records Of (example - City of _ or County of _): City of Montrose		Prepared By:	Shani Wittenberg		
		Phone:	970-240-1462		
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. DISBURSEMENTS FOR ROAD AND STREET PURPOSES			
ITEM	AMOUNT	ITEM	AMOUNT		
A. Receipts from local sources:		A. Local highway disbursements:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	10,739,431		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,989,181		
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	19,815,843	b. Snow and ice removal	115,590		
3. Other local imposts (from page 2)	-	c. Other			
4. Miscellaneous local receipts (from page 2)	531,190	d. Total (a. through c.)	115,590		
5. Transfers from toll facilities		4. General administration & miscellaneous	480,099		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	6,246,419		
a. Bonds - Original Issues		6. Total (1 through 5)	20,570,720		
b. Bonds - Refunding Issues		B. Debt service on local obligations:			
c. Notes		1. Bonds:			
d. Total (a. + b. + c.)	-	a. Interest	-		
7. Total (1 through 6)	20,347,033	b. Redemption	-		
B. Private Contributions		c. Total (a. + b.)	-		
C. Receipts from State government (from page 2)	913,230	2. Notes:			
D. Receipts from Federal Government (from page 2)	-	a. Interest	250,709		
E. Total receipts (A.7 + B + C + D)	21,260,263	b. Redemption	438,834		
		c. Total (a. + b.)	689,543		
		3. Total (1.c + 2.c)	689,543		
		C. Payments to State for highways			
		D. Payments to toll facilities			
		E. Total disbursements (A.6 + B.3 + C + D)	21,260,263		
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)	7,952,657.00	-	438,834.21	7,513,822.79	
V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		21,260,263	21,260,263		0
Notes and Comments:					

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
12/31/2023

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	449,642
b. Other local imposts:		b. Traffic Fines & Penalties	81,548
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	0	h. Other	
c. Total (a. + b.)	0	i. Total (a. through h.)	531,190
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	829,257	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	83,973	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) Federal Earmark	-	f. Other Federal	
f. Total (a. through e.)	83,973	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	913,230	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS 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		119,141	119,141
b. Engineering Costs		68,508	68,508
c. Construction:			
(1). New Facilities		3,205,407	3,205,407
(2). Capacity Improvements		2,252,288	2,252,288
(3). System Preservation		4,690,516	4,690,516
(4). System Enhancement & Operation		403,570	403,570
(5). Total Construction (1) + (2) + (3) + (4)	0	10,551,782	10,551,782
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	10,739,431	10,739,431
			(Carry forward to page 1)

Notes and Comments: