

TOWN OF GRAND LAKE, COLORADO

Financial Statements

December 31, 2023

TOWN OF GRAND LAKE COLORADO

Board of Trustees

Steve Kudron	Mayor
Christina Bergquist	Mayor Pro-Tem
Michael Arntson	Trustee
Erick Bishop	Trustee
Julie Causseaux	Trustee
Michael Sobon	Trustee
Baxter Strachan	Trustee

Town Officials

John Crone	Town Manager
Heike Wilson	Town Treasurer
Alayna Carrell	Town Clerk

TOWN OF GRAND LAKE COLORADO

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Dazzo & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Trustees
Town of Grand Lake, Colorado

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4–15 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Duggio & Associates, P.C.

March 29, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF GRAND LAKE, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Town's management is pleased to provide this narrative discussion and analysis of the financial activities of the Town for the fiscal year ended December 31, 2023. The Town's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

➤ The Town's assets exceeded its liabilities by \$17,891,150 (net position) for the fiscal year reported.

➤ Total net position is comprised of the following:

Net investment in capital assets in the amount of \$10,400,134 including property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.

Net position of \$1,247,992 is restricted to parks and open space, debt service, capital projects and emergency reserves.

Net position of \$6,243,024 which includes committed funds for attainable housing and the cemetery, represents the portion available to maintain the Town's continuing obligations to citizens.

➤ Sales tax collections decreased \$59,473 or 2% from 2022.

➤ The Town's governmental funds (the General and Capital Improvement Funds) report a total ending fund balance of \$4,451,589 this year. The General Fund ending fund balance of \$3,507,097 compares to the prior year ending fund balance of \$3,319,754, an increase of \$187,343 during the current year. In 2023, \$687,119 of the remaining unassigned General Fund balance was assigned to the 2024 budget. The Capital Improvement Fund was created in 2017 by voter approval of the sale of bonds to fund streetscape improvements primarily along Grand Avenue. The ending fund balance for this fund was \$944,492 for 2023 compared to \$754,235 in 2022.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Town's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Town also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available. All applicable tables will present comparative data for fiscal year 2023 versus fiscal year 2022.

Government-wide Financial Statements

The Town's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Town's overall financial status. Financial reporting at this level uses a perspective like that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the ***Statement of Net Position***. This presents information that includes all the Town's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. Evaluation of the overall fiscal health of the Town would extend to other non-financial factors such as diversification of the taxpayer base or the condition of Town infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the ***Statement of Activities***, which reports how the Town's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the Town's distinct activities or functions on revenues provided by the Town's taxpayers.

Both government-wide financial statements distinguish the governmental activities of the Town that are principally supported by sales and use taxes from the business-type activities that are intended to recover all, or a significant portion, of their costs through user fees and charges. Governmental activities include general government, public safety, public works, parks and recreation, community services, and economic development. Business-type activities, through established Enterprise Funds, include the Water Department, the Marina, and the Pay-As-You-Throw ("PAYT") trash system.

The government-wide financial statements are presented in a later section of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Town uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Town's most significant funds rather than the Town as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The Town has two types of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different, with fund financial statements providing a distinctive view of the Town's governmental funds. These statements report short-term fiscal accountability, focusing on the use of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and the governmental funds operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental funds financial statements are presented in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the Town charges customers a fee. The three Town proprietary funds: Water Fund, Marina Fund, and PAYT Fund are classified as Enterprise Funds. The Enterprise Funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the governmental activities of the Town as described above.

The basic financial statements for the three enterprise funds are presented in a later section of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements are included in a later section of this report.

Supplementary Information

Budget to actual comparisons for the Capital Improvement Fund and the Enterprise Funds are presented in the supplementary section of this report, as well as the Local Highway Finance Report.

Financial Analysis of the Town as a Whole

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the Town as a whole.

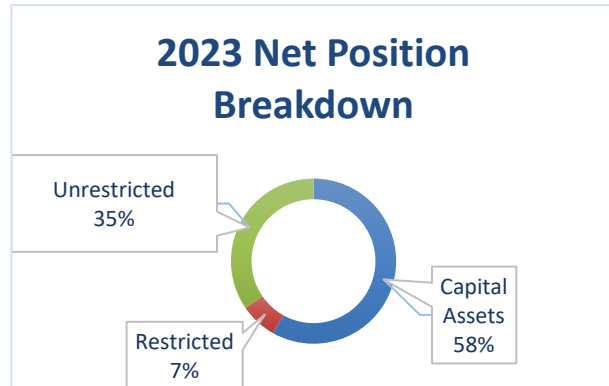
The Town's *combined* net position at fiscal year-end is \$17,891,150. The following table provides a summary of the Town's net position for 2023, compared to 2022.

	Net Position					
	Governmental Activities		Business Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current Assets	\$ 5,210,150	\$ 5,020,524	\$3,192,607	\$3,097,637	\$ 8,402,757	\$ 8,118,161
Capital Assets	14,479,486	14,676,106	2,098,162	2,261,598	16,577,648	16,937,704
Total Assets	<u>19,689,636</u>	<u>19,696,630</u>	<u>5,290,769</u>	<u>5,359,235</u>	<u>24,980,405</u>	<u>25,055,865</u>
Liabilities						
Current Liabilities	326,980	544,178	123,791	141,582	450,771	685,760
Long-Term	4,821,241	5,086,937	1,126,874	1,223,530	5,948,115	6,310,467
Total Liabilities	<u>5,148,221</u>	<u>5,631,115</u>	<u>1,250,665</u>	<u>1,365,112</u>	<u>6,398,886</u>	<u>6,996,227</u>
Deferred Inflows of Resources	690,369	644,645	-	-	690,369	644,645
Net Position						
Net Investment in						
Capital Assets	9,489,941	9,592,064	910,193	1,003,652	10,400,134	10,595,716
Restricted	1,094,777	922,742	153,215	124,100	1,247,992	1,046,842
Unrestricted	<u>3,266,328</u>	<u>2,906,064</u>	<u>2,976,696</u>	<u>2,866,371</u>	<u>6,243,024</u>	<u>5,772,435</u>
Total Net Position	<u>\$ 13,851,046</u>	<u>\$ 13,420,870</u>	<u>\$ 4,040,104</u>	<u>\$ 3,994,123</u>	<u>\$ 17,891,150</u>	<u>\$ 17,414,993</u>

Total assets amounted to \$24,980,405 in the current year, a decrease of \$75,460 from the prior year total of \$25,055,865. Total liabilities of \$6,398,886, a decrease of \$597,341 from the prior year total of \$6,996,227. Total net position increased about 3% in the current fiscal year.

Current assets totaled \$8,402,757 an increase of \$284,596 and current liabilities of \$450,771 decreased by \$234,989 in the current year.

The largest portion of the Town’s net position (58%) reflects its net investment of \$10,400,134 in capital assets less the related debt used to acquire some of those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Grand Lake’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.



The Town continues to maintain a high current ratio, the current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The Town’s current ratio of 19:1 is an indicator of a strong liquid financial position.

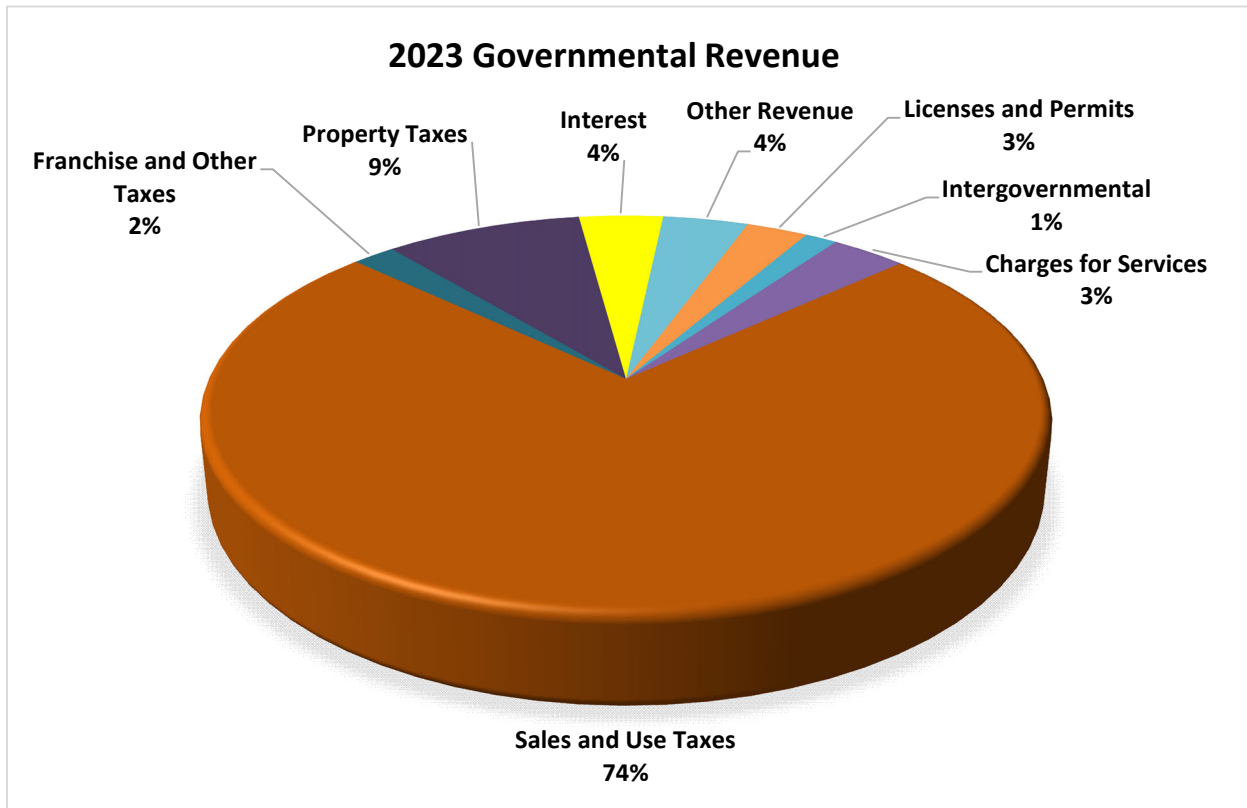
The Town reported a net position of \$13,851,046 for governmental activities. Sales and use tax revenue increased \$81,524. Governmental activities expenses increased \$237,189 mainly in the areas of public works, public safety, park and the Grand Lake Center. The Water Enterprise net position increased \$102,925. The net position for the Marina Enterprise decreased \$65,165. Marina operating expenses were \$518,065 this year compared to \$499,545 in 2022, a 4% increase. This is due to increased personnel and operating costs. The PAYT Enterprise saw a net position increase of \$8,221. PAYT sales this year were \$68,214 compared to \$76,671 in 2022.

The following table provides a summary of the Town's changes in net position for 2023, with a comparison to 2022.

	Changes in Net Position					
	Governmental Activities		Business Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Permits, Fees, Fines and Charges For Services	\$ 293,331	\$ 269,123	\$ 1,192,101	\$ 1,147,288	\$ 1,485,432	\$ 1,416,411
Operating Grants and Contributions	75,008	118,395	-	-	75,008	118,395
Capital Grants and Contributions	-	1,566,286	110,500	93,449	110,500	1,659,735
General Revenues						
Taxes	4,013,804	3,935,959	-	-	4,013,804	3,935,959
Net Investment Income	180,737	42,361	101,849	35,128	282,586	77,489
Other	179,461	151,366	-	-	179,461	151,366
Gain (Loss) on Disposition of Assets	-	-	-	9,551	-	9,551
Total Revenues	4,742,341	6,083,490	1,404,450	1,285,416	6,146,791	7,368,906
Expenses						
General Government	1,413,869	1,861,158	-	-	1,413,869	1,861,158
Public Safety	277,858	222,333	-	-	277,858	222,333
Public Works	1,777,858	1,330,732	-	-	1,777,858	1,330,732
Grand Lake Center	390,458	306,554	-	-	390,458	306,554
Parks	276,379	202,422	-	-	276,379	202,422
Interest/Related Costs on Long-term Debt	175,743	151,777	-	-	175,743	151,777
Water	-	-	780,411	666,296	780,411	666,296
Marina	-	-	518,065	499,545	518,065	499,545
PAYT	-	-	59,993	59,750	59,993	59,750
Total Expenses	4,312,165	4,074,976	1,358,469	1,225,591	5,670,634	5,300,567
Change In Net Position	430,176	2,008,514	45,981	59,825	476,157	2,068,339
Net Position - Beginning	13,420,870	11,412,356	3,994,123	3,934,298	17,414,993	15,346,654
Net Position - Ending	\$ 13,851,046	\$ 13,420,870	\$ 4,040,104	\$ 3,994,123	\$ 17,891,150	\$ 17,414,993

GOVERNMENTAL REVENUES

The Town relies heavily on sales and use taxes to support governmental operations. In 2023, sales and use taxes were 74% of total governmental revenues for the Town which increased from the 2022 calculation of 62%. Overall, governmental activities revenues decreased 22% when compared with 2022. Sales and use taxes increased \$81,524 (2%) over 2022. Grants and contributions revenue decreased \$1,609,673 from the prior year.



GOVERNMENTAL EXPENSES

Overall operating costs increased \$237,189 from the prior year. Public Safety accounts for approximately (6%) of the Town's total governmental expenses and Grand Lake Center accounts for (9%), while General Government (33%) and Public Works/Parks (48%) expenses together comprise (96%) of the total governmental activity costs. The remaining (4%) of costs are attributed to interest on the Town's long-term obligations.

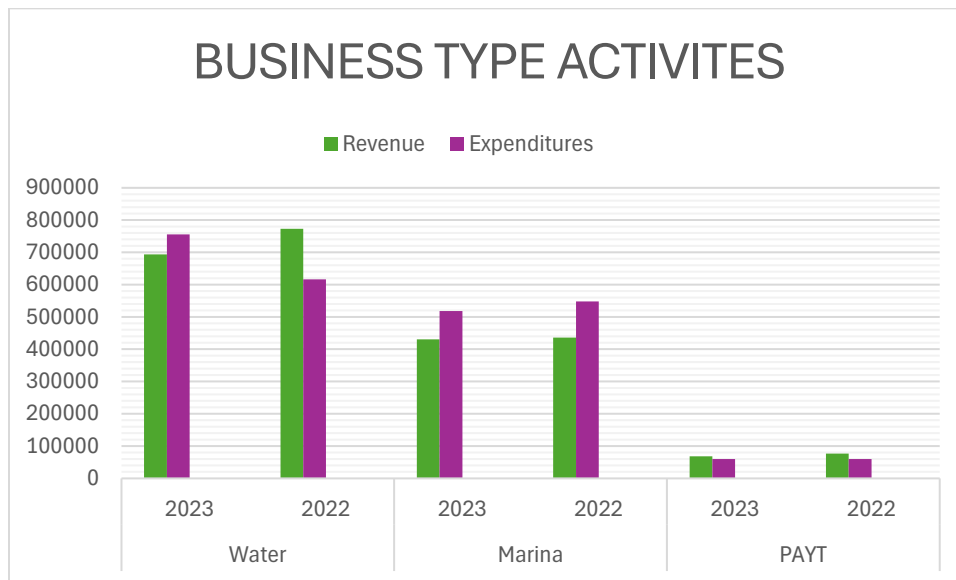
BUSINESS-TYPE ACTIVITIES

Revenues vs. Costs

Water Enterprise Fund: Operating revenues increased 2%, or \$13,802 from the prior year. Operating costs increased by \$115,494 or 18%. This business-type activity reported an operating loss of \$61,986 in the current year, compared to an operating income of \$39,706 in 2022. Increased personnel and operating cost have contributed to the increase.

Marina Enterprise Fund: The Marina Enterprise Fund was established in 2007. Pontoon Boats, lake tours and pedal boat rentals generated operating revenue in the amount of \$430,273, increased 10% from 2022. Operating costs were \$518,065, up \$18,420 (4%) in the current year, resulting in operating loss of \$87,792 for 2023. Increased personnel costs and fireworks celebration costs contributed to the increase.

PAYT Enterprise Fund: The Pay-As-You-Throw Enterprise Fund was established in August 2010. PAYT is a self-service trash disposal system. Revenues are derived from trash bags sold wholesale to various vendors for resale and from bags purchased retail by individuals directly from the Town. PAYT Enterprise reported operating revenue of \$68,214 down 11% from 2022 and expenses increased \$243, with a resulting operating income of \$8,221 for the current year.



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

Governmental Funds

Currently the Town has two governmental funds: The General Fund and the Capital Improvement Fund. These are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. The General Fund reported a total ending fund balance of \$3,507,097 of which \$687,119 is intended for fiscal year 2024 expenditures. The Capital Improvement Fund reported an ending fund balance of \$944,492 of which \$663,992 is restricted for street improvements and \$280,500 is restricted for the Surplus Fund set forth in the 2017 Sales Tax Revenue Bond Indenture.

The General Fund is the Town's primary operating fund and the largest source of day-to-day service delivery. The total ending fund balance of the General Fund increased \$187,343 in 2023, compared with a fiscal year 2022 fund balance increase of \$174,703.

Total revenues in the General Fund of \$4,001,083 decreased \$840,473, about 17% less than 2022 total revenues. Grants were awarded in 2022 which contributed significantly to the previous year's higher revenue, leading to a decrease in the current year. General Fund expenditures of \$3,813,740, a decrease of \$853,113, about 18% less than the prior year. There was a substantial decrease in Capital Outlay in 2023 from 2022.

The Capital Improvement Fund is the Town's 2017 bond sales and 1% sales and use tax increase fund and accounts exclusively for the collection, debt service, maintenance and capital outlay expenditures relating to these funds. Total revenues in the Capital Improvement Fund amounted to \$741,258 an increase of \$45,467 (7%) from 2022 due to increased use tax. Expenditures from the Capital Improvement Fund totaled \$551,001, marking a \$260,415 increase from the previous year. This rise was primarily attributed to expenses related to paving and road base hauling for the Lucy Love Tract road.

Proprietary Funds

The Town's proprietary funds provide the same type of information in the government-wide financial statements, but in more detail.

Net position of the enterprise operations on December 31, 2023, follow:

	Net Position	Change in Net Position
Water	\$ 2,887,893	\$ 102,925
Marina	966,834	(65,165)
PAYT	185,377	8,221

Factors concerning the finances of the enterprise funds have already been addressed in the discussion of the Town's business-type activities.

Budgetary Highlights

General Fund — General Fund revenue of \$4,001,083 was \$380,503 more than the budgeted amount of \$3,620,580 (as amended). Higher than estimated revenues were realized in a number of categories. Significant and encouraging unbudgeted revenues (in the range of \$10,000 or more) were received in: Sales Tax (\$216,310), Building Use Tax (\$172,391) Specific Ownership Tax (\$10,441), Grand Lake Center (\$51,673), Franchise Tax (\$11,656), Nightly Rental License (\$34,075), and Interest (\$129,081).

The total General Fund expenditures of \$3,813,740 were under budget by \$443,208. Additional savings were due to budget management in administration (\$68,122), and parks (\$105,544).

Capital Improvement Fund — The Capital Improvement Fund was created in January 2017 to collect, account for and service debt in relation to a bond initiative (inception of this fund is discussed later in the Long-term Debt portion of this analysis). Sales and use taxes revenue was \$115,352 more than budgeted and expenditures were under budget by \$39,349.

Water Enterprise Fund — The Water Enterprise Fund revenue of \$883,336 was \$162,336 more than budgeted, water sales revenue was \$11,024 more than expected and plant investment fees (more commonly known as tap fees) were \$78,000 more than expected. Water Fund expenses of \$750,745 came in about 4% under the budgeted amount of \$784,110.

Marina Enterprise Fund — The Marina Enterprise Fund had revenues of \$452,900 were over budget by \$84,816 (23%). Marina Fund expenses of \$454,272 were under budget by \$45,426 (9%) when compared to a budget of \$499,698.

PAYT Enterprise Fund — The PAYT Enterprise Fund fell short of the budget by \$10,786, with sales reaching only \$68,214 against a budget of \$79,000. However, expenses were well managed, totaling \$59,993, which was \$32,073 (35%) less than the budgeted \$92,066. This significant underspending was primarily due to the non-utilization of the \$20,000 budget allocated for Capital Outlay. Additionally, expenditures on bags and trash services were lower than anticipated.

Capital Assets and Debt Administration

Capital Assets

The Town's net investment in capital assets as of December 31, 2023, was \$9,489,941 for governmental activities and \$910,193 for business-type activities. The governmental activities capital assets include infrastructure that was first reported in 2004.

The following table provides a summary of capital asset activity.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Non-depreciable assets:						
Land	\$ 2,245,719	\$ 2,245,719	\$ 2,270	\$ 2,270	\$ 2,247,989	\$ 2,247,989
CIP	798,411	3,499,361	-	-	798,411	3,499,361
Total non-depreciable	<u>3,044,130</u>	<u>5,745,080</u>	<u>2,270</u>	<u>2,270</u>	<u>3,046,400</u>	<u>5,747,350</u>
Depreciable assets:						
Buildings	1,524,044	1,524,044	26,935	26,935	1,550,979	1,550,979
Improvements	1,429,183	1,342,888	-	-	1,429,183	1,342,888
Equipment	2,064,837	1,891,448	455,988	412,890	2,520,825	2,304,338
Infrastructure	12,766,820	9,930,043	4,553,530	4,553,530	17,320,350	14,483,573
Marina Equipment	-	-	530,771	505,438	530,771	505,438
Total depreciable assets	<u>17,784,884</u>	<u>14,688,423</u>	<u>5,567,224</u>	<u>5,498,793</u>	<u>23,352,108</u>	<u>20,187,216</u>
Less accumulated depreciation	<u>(6,349,528)</u>	<u>(5,757,397)</u>	<u>(3,471,332)</u>	<u>(3,239,465)</u>	<u>(9,820,860)</u>	<u>(8,996,862)</u>
Book Value - Depreciable assets	<u>11,435,356</u>	<u>8,931,026</u>	<u>2,095,892</u>	<u>2,259,328</u>	<u>13,531,248</u>	<u>11,190,354</u>
Percentage depreciated	36%	39%	62%	59%	42%	45%
Total Book Value	<u>\$14,479,486</u>	<u>\$14,676,106</u>	<u>\$2,098,162</u>	<u>\$2,261,598</u>	<u>\$16,577,648</u>	<u>\$16,937,704</u>

On December 31, 2023, the depreciable capital assets for governmental activities were 36% depreciated. As for the Town's business-type activities, 62% of the asset values were depreciated on December 31, 2023. Governmental activities include new equipment for Public Works, park enhancements, paving of streets, boardwalk improvements, passenger vans for the Grand Lake Center, dock replacement, and a Board Room sound system. In the business-type activities, there are additions such as a Zamboni and ice-skating hut for the Marina, along with a new truck for the Water Department.

A water rate study was conducted in 2008 in order to evaluate the implementation of the capital improvement plan that was completed in 2006. As a result of the study, the Board of Trustees adopted a 6% annual increase in water rate fees. Although the study recommended a 9% increase in order to fully implement the capital improvements recommended by the 2006 plan, the Board of Trustees approved annual increases of 6%. The increase schedule began in April

2009 and would have been effective through April 1, 2018; however, the Town opted-out of the increase for 2015 and 2017, resulting in an extension of the schedule through April 1, 2020. Currently no increases are scheduled.

Long-term Debt

On November 8, 2016, the citizens of Grand Lake passed a ballot question to increase sales and use tax from 4% to 5%, effective January 1, 2017, and to incur debt for the purpose of financing improvements to streets, boardwalks, sidewalks, multi-use pathways, streetscapes, signage and drainage. These bonds were sold in May 2017 and generated an additional premium of \$385,090. Debt service began in December 2017. These funds are used first to pay debt service on the bonds in, then to fund the Surplus Fund requirement of \$280,500 (as mentioned previously) and finally to operate and maintain the infrastructure installed. At the end of this year, the Town had total governmental activities bonded debt outstanding of \$3,450,000 which is being retired with the pledged revenues.

In 2021 the Town entered a certificate of participation (COP) for the purchase of the 21 acres named the Matthews property in the amount of \$1,570,000. A portion of the proceeds of the COP paid the remaining amount due on the Thomasson property lease of \$217,700. The end of year balance is \$1,299,937.

On April 9, 2018, the Town issued a note with the CWR&PDA, Drinking Water Revolving Fund, in the original amount of \$1,600,000. The proceeds of the loan were used to construct a new underground water storage tank and associated piping and appurtenances, including demolition of the current storage tank. During 2023, the Town made the required principal and interest payments on the note leaving a principal balance due of \$1,187,969 on December 31, 2023.

Economic Factors and Next Year's Budgets and Rates

Grand Lake's economy relies heavily on three key factors: tourism, the housing market, and local spending, with additional support from a sizable population of second homeowners. However, the past few years have presented challenges in accurately forecasting the impacts of global, national, state, and local economic events.

Despite the unprecedented challenges of the previous years, Grand Lake remains in a strong financial position. In 2023, the 4% sales tax for the General Fund ended the year 1.83% lower, amounting to a decrease of \$47,578 compared to 2022 collections. 2022 had been a record year for sales tax revenues. 4% tax generated \$2,554,277 in revenue in 2023. The 1% Capital Improvement Fund sales tax generated \$638,569, a decrease of \$11,895 from 2022.

The Town of Grand Lake has experienced a notable increase in tourism over the past few years, particularly as more people engage in outdoor activities. Anticipating the effects of inflation, rising interest rates, and labor shortages may be challenging, but the town is prepared to adapt quickly if necessary. Rocky Mountain National Park will continue to implement reservations and

timed entry during peak hours. Interestingly, this measure did not seem to impact the local economy in previous years. However, the impact of the lack of affordable housing on businesses' ability to hire and retain employees is difficult to predict. This may result in changes to the operating hours of local businesses.

In 2024, several factors will influence the Town of Grand Lake's economic situation:

*The town will see an increase in assessed property values, which will positively impact property tax revenue.

*Inflation is decreasing at the national and state levels, which can affect consumer spending and business operations.

*Sales tax revenue is expected to remain flat in 2024, with retail sales down but lodging and restaurants showing modest growth.

*Labor shortage may impact businesses' ability to remain open, potentially leading to lower sales tax revenues.

*The town will actively pursue grant opportunities, including the Space to Create program, to support economic development.

*The Grand Lake Center has experienced an increase in memberships, which is anticipated to continue.

*Building in Grand Lake has been growing and use tax revenue is expected to continue to increase.

*Voters approved the retail sale of marijuana, which is expected to contribute to an increase in tax revenue.

These factors collectively contribute to the economic landscape of Grand Lake in 2024, shaping its fiscal outlook and growth potential.

Contacting the Town's Financial Management

This financial report is designed to provide a general overview of the Town's finances, comply with finance-related laws and regulations, and demonstrate the Town's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Town Treasurer at P.O. Box 99, Grand Lake, CO 80447.

BASIC FINANCIAL STATEMENTS

TOWN OF GRAND LAKE, COLORADO

**STATEMENT OF NET POSITION
December 31, 2023**

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Investments	\$ 3,439,986	\$ 3,164,470	\$ 6,604,456
Cash and Investments - Restricted	886,867	-	886,867
Receivables:			
Property Taxes	530,203	-	530,203
Sales Taxes	293,127	-	293,127
Accounts	24,611	18,312	42,923
Intergovernmental	7,335	-	7,335
Other	-	1,965	1,965
Prepaid Items	23,688	-	23,688
Inventory	4,333	7,860	12,193
Capital Assets Not Being Depreciated	3,044,130	2,270	3,046,400
Capital Assets, Net of Accumulated Depreciation	11,435,356	2,095,892	13,531,248
Total Assets	19,689,636	5,290,769	24,980,405
Liabilities			
Accounts Payable	29,103	6,017	35,120
Accrued Interest Payable	12,788	-	12,788
Deposits and Prepaid Fees	39,089	8,390	47,479
Noncurrent Liabilities:			
Due Within One Year	246,000	109,384	355,384
Due In More Than One Year	4,821,241	1,126,874	5,948,115
Total Liabilities	5,148,221	1,250,665	6,398,886
Deferred Inflows of Resources			
Unavailable Revenue - Property Tax	530,203	-	530,203
Unavailable Revenue - Use Tax	160,166	-	160,166
Total Deferred Inflows of Resources	690,369	-	690,369
Net Position			
Net Investment in Capital Assets	9,489,941	910,193	10,400,134
Restricted			
Parks and Open Space	46,073	-	46,073
Debt Service	267,712	153,215	420,927
Capital Projects	663,992	-	663,992
Emergency Reserves	117,000	-	117,000
Unrestricted	3,266,328	2,976,696	6,243,024
Total Net Position	\$ 13,851,046	\$ 4,040,104	\$ 17,891,150

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

**STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023**

Function/Program Activities	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Permits, Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Administration	\$ 1,413,869	\$ 180,702	\$ 20,601	\$ -	\$ (1,212,566)	\$ -	\$ (1,212,566)
Public Safety	277,858	-	-	-	(277,858)	-	(277,858)
Public Works	1,777,858	-	45,445	-	(1,732,413)	-	(1,732,413)
Grand Lake Center	390,458	112,629	6,044	-	(271,785)	-	(271,785)
Parks	276,379	-	2,918	-	(273,461)	-	(273,461)
Interest and Related Costs on Long-term Debt	175,743	-	-	-	(175,743)	-	(175,743)
Total Governmental Activities	4,312,165	293,331	75,008	-	(3,943,826)	-	(3,943,826)
Business-type Activities							
Water	780,411	693,614	-	110,500	-	23,703	23,703
Marina	518,065	430,273	-	-	-	(87,792)	(87,792)
Pay As You Throw	59,993	68,214	-	-	-	8,221	8,221
Total Business-type Activities	1,358,469	1,192,101	-	110,500	-	(55,868)	(55,868)
Total	\$ 5,670,634	\$ 1,485,432	\$ 75,008	\$ 110,500	(3,943,826)	(55,868)	(3,999,694)
General Revenues:							
					398,010	-	398,010
					25,441	-	25,441
					3,498,008	-	3,498,008
					92,345	-	92,345
					180,737	101,849	282,586
					179,461	-	179,461
					<u>4,374,002</u>	<u>101,849</u>	<u>4,475,851</u>
					430,176	45,981	476,157
					13,420,870	3,994,123	17,414,993
					<u>\$ 13,851,046</u>	<u>\$ 4,040,104</u>	<u>\$ 17,891,150</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

**BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2023**

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Total Governmental Funds</u>
Assets			
Cash and Investments	\$ 3,439,986	\$ -	\$ 3,439,986
Cash and Investments - Restricted	-	886,867	886,867
Receivables:			
Property Taxes	530,203	-	530,203
Sales Taxes	234,502	58,625	293,127
Accounts	24,611	-	24,611
Intergovernmental	7,335	-	7,335
Prepaid Items	23,688	-	23,688
Inventory	4,333	-	4,333
Total Assets	<u>\$ 4,264,658</u>	<u>\$ 945,492</u>	<u>\$ 5,210,150</u>
Liabilities			
Accounts Payable	\$ 28,103	\$ 1,000	\$ 29,103
Deposits and Prepaid Fees	39,089	-	39,089
Total Liabilities	<u>67,192</u>	<u>1,000</u>	<u>68,192</u>
Deferred Inflows of Resources			
Unavailable Revenue - Property Tax	530,203	-	530,203
Unavailable Revenue - Use Tax	160,166	-	160,166
Total Deferred Inflows of Resources	<u>690,369</u>	<u>-</u>	<u>690,369</u>
Fund Balances			
Nonspendable	28,021	-	28,021
Restricted for:			
Emergency Reserves	117,000	-	117,000
Parks and Open Space	46,073	-	46,073
Capital Projects	-	663,992	663,992
Debt Service	-	280,500	280,500
Committed to:			
Affordable Housing	282,006	-	282,006
Cemetery Operations	119,257	-	119,257
Assigned to:			
Subsequent Year's Budget	687,119	-	687,119
Unassigned	2,227,621	-	2,227,621
Total Fund Balances	<u>3,507,097</u>	<u>944,492</u>	<u>4,451,589</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,264,658</u>	<u>\$ 945,492</u>	<u>\$ 5,210,150</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2023**

Total Fund Balance - Governmental Funds		\$ 4,451,589
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital Assets	\$ 20,829,014	
Less Accumulated Depreciation	<u>(6,349,528)</u>	14,479,486
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. However, all liabilities - both current and long-term - are reported in the statement of net position.		
Balances at year-end are:		
Sales Tax Bonds	(3,450,000)	
Premium on Sales Tax Bonds	(239,608)	
Certificates of Participation	(1,299,937)	
Compensated Absences	<u>(77,696)</u>	(5,067,241)
Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due		<u>(12,788)</u>
Net Position - Governmental Activities		<u><u>\$ 13,851,046</u></u>

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2023

	General Fund	Capital Improvement Fund	Total Governmental Funds
Revenues			
Taxes	\$ 3,314,202	\$ 699,602	\$ 4,013,804
Licenses and Permits	132,216	-	132,216
Intergovernmental	68,964	-	68,964
Charges for Services	162,899	-	162,899
Fines and Forfeitures	1,760	-	1,760
Fees and Leases	2,500	-	2,500
Net Investment Income	139,081	41,656	180,737
Other Revenue	150,331	-	150,331
Proceeds from Sale of Assets	29,130	-	29,130
Total Revenues	4,001,083	741,258	4,742,341
Expenditures			
Current			
Boards and Committees	226,717	-	226,717
Administration	1,142,149	-	1,142,149
Public Safety	277,858	-	277,858
Public Works	1,073,296	-	1,073,296
Grand Lake Center	382,657	-	382,657
Parks	180,220	-	180,220
Capital Outlay	401,230	273,951	675,181
Debt service			
Principal	90,000	120,000	210,000
Interest and Fees	39,613	157,050	196,663
Total Expenditures	3,813,740	551,001	4,364,741
Net Change in Fund Balances	187,343	190,257	377,600
Fund Balances - Beginning	3,319,754	754,235	4,073,989
Fund Balances - Ending	\$ 3,507,097	\$ 944,492	\$ 4,451,589

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023**

Net Change in Fund Balances - Governmental Funds	\$	377,600
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.</p>		
Capital Outlay	\$ 655,518	
Depreciation	<u>(852,138)</u>	(196,620)
<p>Long-term debt (e.g., issuance of bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>		
Principal Payment - Sales Tax Bonds	120,000	
Principal payment - Certificates of Participation	<u>90,000</u>	210,000
<p>Interest expense in the statement of activities differs from the amount reported in governmental funds because of additional accrued and accreted interest, amortization of bond premiums, issue costs and refunding losses.</p>		
Decrease in accrued interest on long-term debt	300	
Amortization of premium on bonds	<u>20,620</u>	20,920
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Adjustment to compensated absences liability		<u>18,276</u>
Change in Net Position - Governmental Activities	\$	<u><u>430,176</u></u>

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2023
(With Comparative Totals for December 31, 2022)**

Revenues	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	2022 Actual
Taxes					
Property Tax	\$ 396,973	\$ 396,973	\$ 398,010	\$ 1,037	\$ 401,485
Specific Ownership Tax	15,000	15,000	25,441	10,441	24,660
General Sales Tax	2,337,967	2,337,967	2,554,277	216,310	2,601,855
Building Use Tax	25,000	25,000	197,391	172,391	56,281
Motor Vehicle Use Tax	40,000	40,000	46,738	6,738	75,175
Cigarette Tax	3,000	3,000	5,689	2,689	2,952
Franchise Tax	75,000	75,000	86,656	11,656	90,378
Subtotal Taxes	<u>2,892,940</u>	<u>2,892,940</u>	<u>3,314,202</u>	<u>421,262</u>	<u>3,252,786</u>
Licenses & Permits					
Business Licenses	30,000	30,000	36,044	6,044	28,837
Rental Licenses	50,000	50,000	84,075	34,075	73,522
Liquor License	3,750	3,750	8,494	4,744	9,845
Other Licenses	3,175	3,175	3,603	428	4,275
Subtotal Licenses & Permits	<u>86,925</u>	<u>86,925</u>	<u>132,216</u>	<u>45,291</u>	<u>116,479</u>
Intergovernmental					
County Road and Bridge	9,520	9,520	9,372	(148)	9,520
Grants	250,000	250,000	20,601	(229,399)	1,083,734
Highway Users Tax	31,952	31,952	32,716	764	33,097
Conservation Trust Fund	3,000	3,000	2,918	(82)	2,603
Other Intergovernmental	1,000	1,000	3,357	2,357	2,198
Subtotal Intergovernmental	<u>295,472</u>	<u>295,472</u>	<u>68,964</u>	<u>(226,508)</u>	<u>1,131,152</u>
Charges for Services					
Attainable Housing Fee	2,000	2,000	8,837	6,837	22,184
Zoning and Subdivision Review	2,000	2,000	6,537	4,537	3,875
Cemetery	18,000	18,000	13,125	(4,875)	18,240
Grand Lake Center	67,000	67,000	118,673	51,673	99,823
Other Charges for Services	11,000	11,000	15,727	4,727	13,203
Subtotal Charges for Services	<u>100,000</u>	<u>100,000</u>	<u>162,899</u>	<u>62,899</u>	<u>157,325</u>
Fines and Forfeitures	1,500	1,500	1,760	260	205
Fees and Leases	2,500	2,500	2,500	-	2,500
Net Investment Income	10,000	10,000	139,081	129,081	29,743
Other Revenue	4,002	206,243	150,331	(55,912)	151,366
Proceeds from Sale of Assets	25,000	25,000	29,130	4,130	-
Total Revenues	<u>\$ 3,418,339</u>	<u>\$ 3,620,580</u>	<u>\$ 4,001,083</u>	<u>\$ 380,503</u>	<u>\$ 4,841,556</u>

(Continued)

TOWN OF GRAND LAKE, COLORADO

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2023
(With Comparative Totals for December 31, 2022)**

(Continued)

Expenditures	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	2022 Actual
Current:					
Boards and Committees					
Board of Trustees	\$ 111,950	\$ 111,950	\$ 112,301	\$ (351)	\$ 217,117
Cemetery Committee	8,000	8,000	261	7,739	11,335
Planning Commission & Board of Adjustment	41,600	41,600	43,915	(2,315)	91,717
Greenways Committee	68,918	68,918	70,240	(1,322)	57,088
Subtotal Boards and Committees	<u>230,468</u>	<u>230,468</u>	<u>226,717</u>	<u>3,751</u>	<u>377,257</u>
Administration					
Personnel	553,839	613,839	582,645	31,194	525,127
Supplies	40,000	40,000	52,544	(12,544)	37,823
Repairs and Maintenance	17,200	17,200	18,525	(1,325)	7,747
Purchased Services	66,350	66,350	53,575	12,775	58,501
Utility Services	20,500	20,500	29,405	(8,905)	22,073
Professional Services	49,000	49,000	57,259	(8,259)	52,500
Marketing	161,732	161,732	160,748	984	204,370
Transit	-	50,000	-	50,000	-
Economic Development Grants	135,000	135,000	135,000	-	32,200
Other	56,650	56,650	52,448	4,202	41,367
Subtotal Administration	<u>1,100,271</u>	<u>1,210,271</u>	<u>1,142,149</u>	<u>68,122</u>	<u>981,708</u>
Public Safety					
Purchased Services	277,858	277,858	277,858	-	222,333
Subtotal Public Safety	<u>277,858</u>	<u>277,858</u>	<u>277,858</u>	<u>-</u>	<u>222,333</u>
Public Works					
Personnel	568,710	610,398	677,408	(67,010)	524,473
Supplies	23,000	23,000	22,482	518	6,900
Repairs and Maintenance	275,500	275,500	253,802	21,698	139,078
Purchased Services	22,440	22,440	27,454	(5,014)	30,291
Utility Services	43,700	43,700	36,069	7,631	34,520
Professional Services	5,000	5,000	-	5,000	285
Other	10,000	60,000	56,081	3,919	40,867
Subtotal Public Works	<u>\$ 948,350</u>	<u>\$ 1,040,038</u>	<u>\$ 1,073,296</u>	<u>\$ (33,258)</u>	<u>\$ 776,414</u>

(Continued)

TOWN OF GRAND LAKE, COLORADO

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2023
(With Comparative Totals for December 31, 2022)**

(Continued)

Expenditures (continued)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	2022 Actual
Grand Lake Center					
Personnel	\$ 205,640	\$ 218,060	\$ 221,726	\$ (3,666)	\$ 181,020
Supplies	5,700	5,700	6,219	(519)	6,321
Repairs and Maintenance	47,458	47,458	50,455	(2,997)	11,020
Utility Services	43,300	43,300	32,605	10,695	35,931
Professional Services	5,600	5,600	15,233	(9,633)	11,186
Other	47,300	52,300	56,419	(4,119)	59,736
Subtotal Grand Lake Center	<u>354,998</u>	<u>372,418</u>	<u>382,657</u>	<u>(10,239)</u>	<u>305,214</u>
Parks					
Personnel	79,464	79,464	-	79,464	63,647
Supplies	42,500	42,500	37,963	4,537	36,734
Repairs and Maintenance	129,760	129,760	92,643	37,117	17,985
Utility Services	24,040	24,040	29,295	(5,255)	26,013
Other	10,000	10,000	20,319	(10,319)	6,972
Subtotal Parks	<u>285,764</u>	<u>285,764</u>	<u>180,220</u>	<u>105,544</u>	<u>151,351</u>
Capital Outlay	<u>527,500</u>	<u>710,516</u>	<u>401,230</u>	<u>309,286</u>	<u>1,540,891</u>
Debt service					
Lease Principal	90,000	90,000	90,000	-	264,856
Lease Interest	39,615	39,615	39,613	2	46,829
Lease Issue Costs	-	-	-	-	-
Subtotal Debt Service	<u>129,615</u>	<u>129,615</u>	<u>129,613</u>	<u>2</u>	<u>311,685</u>
Total Expenditures	<u>3,854,824</u>	<u>4,256,948</u>	<u>3,813,740</u>	<u>443,208</u>	<u>4,666,853</u>
Net Change in Fund Balance	(436,485)	(636,368)	187,343	823,711	174,703
Fund Balance - Beginning	2,237,132	2,237,132	3,319,754	1,082,622	3,145,051
Fund Balance - Ending	<u>\$ 1,800,647</u>	<u>\$ 1,600,764</u>	<u>\$ 3,507,097</u>	<u>\$ 1,906,333</u>	<u>\$ 3,319,754</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2023**

	Business-type Activities - Enterprise Funds			Total
	Water	Marina	Pay As You Throw	
Assets				
Current Assets				
Cash and Investments	\$ 2,207,255	\$ 781,591	\$ 175,624	\$ 3,164,470
Accounts Receivable	14,412	-	3,900	18,312
Other Receivables	1,965	-	-	1,965
Inventory	-	-	7,860	7,860
Total Current Assets	2,223,632	781,591	187,384	3,192,607
Noncurrent Assets				
Capital Assets Not Being Depreciated	2,270	-	-	2,270
Capital Assets, Net of Accumulated Depreciation	1,906,446	189,446	-	2,095,892
Total Noncurrent Assets	1,908,716	189,446	-	2,098,162
Total Assets	4,132,348	971,037	187,384	5,290,769
Liabilities				
Current Liabilities				
Accounts Payable	3,143	867	2,007	6,017
Compensated Absences	36,300	1,700	-	38,000
Prepaid Fees	8,390	-	-	8,390
Note Payable - Current	71,384	-	-	71,384
Total Current Liabilities	119,217	2,567	2,007	123,791
Noncurrent Liabilities				
Compensated Absences	8,653	1,636	-	10,289
Note Payable	1,116,585	-	-	1,116,585
Total Noncurrent Liabilities	1,125,238	1,636	-	1,126,874
Total Liabilities	1,244,455	4,203	2,007	1,250,665
Net Position				
Net Investment in Capital Assets	720,747	189,446	-	910,193
Restricted for Debt Service	153,215	-	-	153,215
Unrestricted	2,013,931	777,388	185,377	2,976,696
Total Net Position	\$ 2,887,893	\$ 966,834	\$ 185,377	\$ 4,040,104

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2023**

	Business-type Activities - Enterprise Funds			Total
	Water	Marina	Pay As You Throw	
Operating Revenues				
Charges for Sales and Services				
Water Sales	\$ 686,024	\$ -	\$ -	\$ 686,024
Marina Rentals	-	430,273	-	430,273
PAYT Bag Sales	-	-	68,214	68,214
Other	7,590	-	-	7,590
Total Operating Revenues	<u>693,614</u>	<u>430,273</u>	<u>68,214</u>	<u>1,192,101</u>
Operating Expenses				
Personnel	449,877	238,452	-	688,329
Operations	162,982	190,487	59,993	413,462
Depreciation	142,741	89,126	-	231,867
Total Operating Expenses	<u>755,600</u>	<u>518,065</u>	<u>59,993</u>	<u>1,333,658</u>
Operating Income	<u>(61,986)</u>	<u>(87,792)</u>	<u>8,221</u>	<u>(141,557)</u>
Nonoperating Revenues (Expenses)				
Net Investment Income	79,222	22,627	-	101,849
Interest Expense	(24,811)	-	-	(24,811)
Total Nonoperating Revenues (Expenses)	<u>54,411</u>	<u>22,627</u>	<u>-</u>	<u>77,038</u>
Income Before Capital Contributions	<u>(7,575)</u>	<u>(65,165)</u>	<u>8,221</u>	<u>(64,519)</u>
Capital Contributions - Tap Fees	110,500	-	-	110,500
Change In Net Position	102,925	(65,165)	8,221	45,981
Net Position - Beginning	2,784,968	1,031,999	177,156	3,994,123
Net Position - Ending	<u>\$ 2,887,893</u>	<u>\$ 966,834</u>	<u>\$ 185,377</u>	<u>\$ 4,040,104</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds			Total
	Water	Marina	Pay As You Throw	
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 693,279	\$ 430,273	\$ 69,114	\$ 1,192,666
Cash Payments to Suppliers for Goods and Services	(207,210)	(192,435)	(61,272)	(460,917)
Cash Payments to Employees for Services	(447,312)	(237,189)	-	(684,501)
Net Cash Provided by Operating Activities	<u>38,757</u>	<u>649</u>	<u>7,842</u>	<u>47,248</u>
Cash Flows from Capital and Related Financing Activities				
Capital Contributions	110,500	-	-	110,500
Acquisition and Construction of Capital Assets	(43,098)	(25,333)	-	(68,431)
Principal Paid on Long-Term Debt	(69,977)	-	-	(69,977)
Interest Paid on Long-Term Debt	(24,811)	-	-	(24,811)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(27,386)</u>	<u>(25,333)</u>	<u>-</u>	<u>(52,719)</u>
Cash Flows from Investing Activities				
Net Investment Income	<u>79,222</u>	<u>22,627</u>	<u>-</u>	<u>101,849</u>
Net Increase (Decrease) In Cash and Cash Equivalents	90,593	(2,057)	7,842	96,378
Cash and Cash Equivalents - Beginning	<u>2,116,662</u>	<u>783,648</u>	<u>167,782</u>	<u>3,068,092</u>
Cash and Cash Equivalents - Ending	<u>\$ 2,207,255</u>	<u>\$ 781,591</u>	<u>\$ 175,624</u>	<u>\$ 3,164,470</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	<u>\$ (61,986)</u>	<u>\$ (87,792)</u>	<u>\$ 8,221</u>	<u>\$ (141,557)</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities				
Depreciation	142,741	89,126	-	231,867
Effect of Changes In Operating Assets and Liabilities				
Accounts Receivable	4,313	-	900	5,213
Inventory	-	-	(1,840)	(1,840)
Other Receivables	(1,965)	-	-	(1,965)
Accounts Payable	(44,228)	(1,948)	561	(45,615)
Compensated Absences	2,565	1,263	-	3,828
Deferred Revenue	(2,683)	-	-	(2,683)
Total Adjustments	<u>100,743</u>	<u>88,441</u>	<u>(379)</u>	<u>188,805</u>
Net Cash Provided by Operating Activities	<u>\$ 38,757</u>	<u>\$ 649</u>	<u>\$ 7,842</u>	<u>\$ 47,248</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 1 REPORTING ENTITY

The Town of Grand Lake, Colorado (the Town) was incorporated on June 9, 1944 in Grand County, Colorado and is governed by a seven-member elected Board of Trustees. The Town provides public works (roads and streets), trash, parks and recreation, water, and general administrative services. The Town contracts with Grand County for police protection services. Fire protection is provided by the Grand Lake Fire Protection District. Sanitary sewer services are provided by the Three Lakes Water and Sanitation District.

The Town follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The reporting entity consists of (a) the primary government, i.e., the Town, and (b) organizations for which the Town is financially accountable. The Town is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town. Organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based upon the above criteria, the Town is not financially accountable for any other organization, nor is the Town a component unit of any other primary governmental entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the Town are described as follows:

Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all the activities of the Town. Governmental activities, which normally are supported by taxes and intergovernmental

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

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 and capital resources of the Town. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported in 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. Revenues are recorded when earned and expenses are recorded when a 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 revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days after year-end. The major sources of revenue susceptible to accrual are property, sales and franchise taxes. All other revenue items are considered to be measurable and available only when cash is received by the Town. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

The Town reports the following major governmental funds:

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

The *Capital Improvement Fund* (a capital projects fund) accounts for the proceeds of the Town's 2017 Sales Tax Revenue Bonds and the additional 1% sales tax approved by the voters in November 2016 restricted to construction and maintenance of the Town's roads and repayment of the 2017 Bonds.

The Town reports the following major enterprise funds:

The *Water Fund* accounts for revenues and expenses associated with providing water services to Town residents.

The *Marina Fund* accounts for revenues and expenses associated with providing recreational activities to Town residents and visitors at the Town's Headwaters Marina.

The *Pay As You Throw Fund* was established in August 2010 and is used to account for revenues and expenses associated with providing trash service to the Town's residents.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Town's enterprise functions and various other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish between operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise funds are charges to customers for sales and services. 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. The Town's water fund recognizes as capital contributions the entire portion of tap fees, as they are intended to recover the cost of the capital investment in the water distribution system.

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

Pooled Cash and Investments

The Town follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

Cash and investments are presented in the basic financial statements at fair value.

For purposes of the statement of cash flows, the Town considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

Restricted Assets

Cash and investments whose use is restricted for bonded debt service by debt indentures are segregated on the government-wide statement of net position and the fund balance sheets.

Property Taxes

Property taxes are levied by the Town's Board of Trustees. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the Town.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of fuel and expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town currently capitalizes expenditures that cost more than \$5,000 and have a life of one year or more. Such capital assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capital assets because their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities. Generally accepted accounting principles require the Town to report general infrastructure assets obtained subsequent to January 1, 2004, but allows the Town to retroactively capitalize general infrastructure assets obtained prior to that date. The Town elected to not report general infrastructure assets retroactively.

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. Major outlays for capital assets and improvements are capitalized as projects are constructed and depreciated over their remaining useful lives.

Capital assets of the Town are depreciated, using the straight-line method over their estimated useful lives:

Infrastructure:	
Bridges	40 years
Roads	20 years
Parking Lots	20 years
Storm Drainage Systems	20 years
Buildings	40 – 75 years
Buildings Improvements	20 – 75 years
Water Distribution Systems	30 years
Water Storage Facilities	30 – 55 years
Vehicles, Machinery and Equipment	5 – 7 years

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position/balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports unavailable revenue for property taxes to be collected in the subsequent period and building use tax that is subject to refund and therefore not yet available.

Compensated Absences

During 2022, the Town adopted a Paid Time Off (PTO) benefit program to replace the vacation, holiday, and compensatory time benefit programs. Full-time non-exempt employees and exempt employees accrue Paid Time Off (PTO) at the rate of 10 hours per pay period. Full-time employees may bank up to 328 hours of PTO. Certain part-time employees accrue PTO at the rate of 3 hours per pay period and may bank up to 100 hours of PTO. PTO may be used at the request of the employee and at the convenience of the Town. For employees hired prior to February 14, 2022, employees had the option to convert their sick leave balances to PTO hours on a 2-for-1 basis or leave their balances intact.

Upon termination, employees are paid for all accrued PTO. For separating employees hired before February 14, 2022, sick leave is paid at two hours for one.

Accumulated unpaid PTO and sick leave amounts are accrued as a liability as the benefits are earned, if the employees' rights to receive compensation are attributable to services already rendered, and it is probable that the employer will compensate employees for the benefits through paid time off or some other means. The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated liability at the fund reporting level only when due. Proprietary funds report the liability when incurred.

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

Long-term Obligations

In the government-wide financial statements and proprietary fund types 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 position. Bond premiums and discounts are deferred and amortized over the term of the bonds. The balance of these deferrals is combined with the corresponding long-term debt in the financial statements.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as 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, even if withheld from the actual new proceeds received, are reported as debt service expenditures.

Net Position and Fund Equity

Net Position

The government-wide 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 consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation.

Unrestricted net position represents assets that do not have any third-party limitations on their use.

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

Fund Balances

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

The Town reports the following Restricted Fund Balances:

Restricted for TABOR Emergencies – Emergency reserves have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 10).

Restricted for Parks and Open Space – Represents the balance of funds remaining from the Conservation Trust (State Lottery) Fund proceeds.

Restricted for Capital Projects – Represents funds restricted for road improvements pursuant to the November 2016 election.

Restricted for Debt Service – Represents the portion of fund balance that is legally restricted to payment of principal and interest on long-term debt maturing in future years.

Committed fund balance – The portion of fund balance that can be used only for the specific purposes determined by a formal action of the Town's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the Town that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

The following fund balances are committed:

Affordable Housing – Represents the accumulation of funds collected by the Town from affordable housing fees. The funds are to be utilized for the purpose of providing affordable housing.

Cemetery Operations – committed to the operations of the Grand Lake Cemetery.

Assigned fund balance – The portion of fund balance that reflects the Town's intended use of resources as determined by the Board of Trustees. These amounts are constrained by the Town's intent to be used for specific purposes, but do not meet the criteria to be classified as committed. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The following fund balances are assigned:

Subsequent Year's Budget – Represents the gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the Town's practice to use the most restrictive classification first.

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. An example of such an estimate that has been made by management is depreciation expense.

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

NOTE 3 BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds. The enterprise funds adopt budgets on the Non-GAAP basis wherein tap fees are recognized as revenue, principal payments on debt and capital expenditures are recognized as expenditures, and depreciation expense is not budgeted. All annual appropriations lapse at fiscal year-end. Not later than the first regular meeting in September, the Town Manager submits a proposed operating budget for the fiscal year commencing the following January 1 to the Board of Trustees. The operating budget for all budgeted funds includes proposed expenditures and the means of financing. Public hearings are held at the regular Trustee meetings to obtain taxpayer input. Prior to December 15, the budget is legally enacted through passage of a budget resolution. The appropriation can only be modified upon completion of notification and publication requirements.

The Town amended its annual budget for the year ended December 31, 2023.

NOTE 4 CASH AND INVESTMENTS

Cash and investments as of December 31, 2023, are classified in the accompanying financial statements as follows:

	Governmental Activities	Business- type Activities	Total
Cash and Investments	\$ 3,439,986	\$ 3,164,470	\$ 6,604,456
Cash and Investments - Restricted	886,867	-	886,867
Total	<u>\$ 4,326,853</u>	<u>\$ 3,164,470</u>	<u>\$ 7,491,323</u>

Cash and investments as of December 31, 2023, consist of the following:

	Governmental Activities	Business- type Activities	Total
On-hand	\$ 200	\$ 50	\$ 250
Deposits with Financial Institutions	410,026	1,012,891	1,422,917
Investments	3,916,627	2,151,529	6,068,156
Total	<u>\$ 4,326,853</u>	<u>\$ 3,164,470</u>	<u>\$ 7,491,323</u>

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

Cash Deposits

Custodial credit risk

Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party.

The Colorado Public Deposit Protection Act (PDPA) governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and as such, these deposits are considered to be uninsured but collateralized.

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, the Town's cash deposits had a bank balance of \$1,496,557 and a carrying balance of \$1,422,917. At December 31, 2023, the Town's deposits were both insured by federal depository insurance and collateralized with securities held by third parties not in the Town's name, and consequently were not exposed to custodial credit risk.

Investments

The Town has not adopted a formal investment policy; however, the Town follows state statutes regarding investments.

The Town generally limits its concentration of investments to obligations of the United States, certain U.S. government agency securities and Local Government Investment Pools, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the Town is not subject to concentration risk disclosure requirements or subject to investment custodial credit 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.

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- General obligation and revenue bonds of US local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

At December 31, 2023, the Town had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Government Liquid Asset Trust (COLOTRUST PLUS+)	Weighted Average under 60 Days	\$ 3,856,223
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted Average under 60 Days	<u>2,211,933</u>
		<u>\$ 6,068,156</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601. As of December 31, 2023, COLOTRUST EDGE possessed a weighted average maturity of 176 days and a weighted average life of 203 days.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAaf/S1 by FitchRatings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing CSAF. CSAF currently offers two portfolios – CSAF CASH FUND and CSAF CORE.

CSAF CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAF may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAF CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAF CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for CSAF's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAF's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAF. CSAF CASH FUND is

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

rated AAmmf by Fitch Ratings and CSAFE CORE is rated AAf/S1 by FitchRatings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 for the Town’s governmental activities was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 2,245,719	\$ -	\$ -	\$ 2,245,719
Construction in Progress	3,499,361	195,802	2,896,752	798,411
Total Capital Assets Not Being Depreciated	<u>5,745,080</u>	<u>195,802</u>	<u>2,896,752</u>	<u>3,044,130</u>
Depreciable Capital Assets:				
Buildings	1,524,044	-	-	1,524,044
Improvements	1,342,888	247,022	160,727	1,429,183
Equipment	1,891,448	272,669	99,280	2,064,837
Infrastructure	9,930,043	2,836,777	-	12,766,820
Total Depreciable Capital Assets	<u>14,688,423</u>	<u>3,356,468</u>	<u>260,007</u>	<u>17,784,884</u>
Accumulated Depreciation:				
Buildings	(521,540)	(27,858)	-	(549,398)
Improvements	(685,430)	(92,178)	(160,727)	(616,881)
Equipment	(1,124,960)	(213,525)	(99,280)	(1,239,205)
Infrastructure	(3,425,467)	(518,577)	-	(3,944,044)
Total Accumulated Depreciation	<u>(5,757,397)</u>	<u>(852,138)</u>	<u>(260,007)</u>	<u>(6,349,528)</u>
Net Depreciable Capital Assets	<u>8,931,026</u>	<u>2,504,330</u>	<u>-</u>	<u>11,435,356</u>
Total Net Governmental Activities	<u>\$ 14,676,106</u>	<u>\$ 2,700,132</u>	<u>\$ 2,896,752</u>	<u>\$ 14,479,486</u>

Depreciation expense is allocated to specific departments as follows.

Administration	\$ 39,222
Grand Lake Center	5,963
Public Works	714,077
Parks	92,876
Total Depreciation Expense	<u>\$ 852,138</u>

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

Capital asset activity for the year ended December 31, 2023 for the Town's business-type activities was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 2,270	\$ -	\$ -	\$ 2,270
Depreciable Capital Assets:				
Water Utility System	4,553,530	-	-	4,553,530
Water Equipment	412,890	43,098	-	455,988
Water Buildings	26,935	-	-	26,935
Marina Equipment	505,438	25,333	-	530,771
Total Depreciable Capital Assets	<u>5,498,793</u>	<u>68,431</u>	<u>-</u>	<u>5,567,224</u>
Accumulated Depreciation:				
Water Utility System	(2,618,008)	(104,722)	-	(2,722,730)
Water Equipment	(342,323)	(38,019)	-	(380,342)
Water Buildings	(26,935)	-	-	(26,935)
Marina Equipment	(252,199)	(89,126)	-	(341,325)
Total Accumulated Depreciation	<u>(3,239,465)</u>	<u>(231,867)</u>	<u>-</u>	<u>(3,471,332)</u>
Net Depreciable Capital Assets	<u>2,259,328</u>	<u>(163,436)</u>	<u>-</u>	<u>2,095,892</u>
Total Business-Type Activities	<u>\$ 2,261,598</u>	<u>\$ (163,436)</u>	<u>\$ -</u>	<u>\$ 2,098,162</u>

Depreciation was charged to functions/programs as follows:

Water Fund	\$ 142,741
Marina Fund	<u>89,126</u>
Total Depreciation Expense	<u>\$ 231,867</u>

TOWN OF GRAND LAKE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023**

NOTE 6 LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term debt for the year ended December 31, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
2017 Sales Tax Bonds	\$ 3,570,000	\$ -	\$ 120,000	\$ 3,450,000	\$ 125,000
2017 Sales Tax Bonds Premium	260,228	-	20,620	239,608	-
2021 Certificates of Participation	1,389,937	-	90,000	1,299,937	90,000
Compensated Absences	95,972	131,766	150,042	77,696	31,000
Total	\$ 5,316,137	\$ 131,766	\$ 380,662	\$ 5,067,241	\$ 246,000
Business-type Activities					
Colorado Water Resources & Power Development Authority Water Fund, 2018	\$ 1,257,946	\$ -	\$ 69,977	\$ 1,187,969	\$ 71,384
Compensated Absences	44,461	26,172	22,344	48,289	38,000
	\$ 1,302,407	\$ 26,172	\$ 92,321	\$ 1,236,258	\$ 109,384

Sales Tax Revenue Bonds

Sales Tax Revenue Bonds, Series 2017 (the Bonds), issued on May 9, 2017, in the original principal amount of \$4,300,000. The Bonds consist of \$1,105,000 of serial bonds due annually in varying amounts from 2017 through 2025 and term bonds due annually in varying amounts from 2026 through 2042 in the amount of \$3,195,000. Interest on the serial and term bonds are payable semiannually at rates ranging from 3.0% to 5.0%, beginning December 1, 2017. The Bonds maturing on and after December 1, 2026 are subject to redemption prior to maturity, at the option of the Town, in whole or in part, and if in part in such order of maturities as the Town shall determine and by lot within a maturity, on December 1, 2025 and on any date thereafter, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date. The Bonds maturing on December 1, 2027, December 1, 2029, December 1, 2031, December 1, 2034, December 1, 2037 and December 1, 2042 (the "Term Bonds") are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof, plus accrued interest to the redemption date.

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

The Bonds were issued to finance the construction, maintenance, repair, replacement, expansion, acquisition, rehabilitation and renovation of existing and planned streets, boardwalks, sidewalks, pathways, streetscapes, signage, drainage and other street-related capital improvements within the Town.

The Bonds are revenue obligations of the Town payable solely from the pledged revenue, consisting of an additional 1% sales tax approved at an election held on November 8, 2016, an additional 1% sales tax which was being imposed and collected prior to the 2016 election, if necessary, and amounts on deposit in a Surplus Account, if any. Pursuant to the Bond Ordinance, the Town is required to establish a Surplus Fund for the Bonds that will be built up over time from excess pledged revenues to a maximum of \$280,500 in reserve. Monies in the Surplus Fund will be used solely for the purpose of paying the principal or interest on the Series 2017 bonds. Repayment of both principal and interest on the Certificates are insured by Municipal Assurance Corp. The bonds are rated "AA" by Standard & Poor's.

The Bonds mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 125,000	\$ 153,450	\$ 278,450
2025	130,000	149,700	279,700
2026	130,000	145,800	275,800
2027	135,000	140,600	275,600
2028	145,000	135,200	280,200
2029-2033	630,000	480,800	1,110,800
2034-2038	950,000	442,400	1,392,400
2039-2042	1,205,000	186,250	1,391,250
	<u>\$ 3,450,000</u>	<u>\$ 1,834,200</u>	<u>\$ 5,284,200</u>

Certificates of Participation

\$1,570,000 Certificates of Participation, Series 2021, dated March 9, 2021, with interest of 2.85%, due annually through 2035. The certificates are subject to redemption prior to their respective maturity dates at the option of the District, on June 1, 2026, and on any date thereafter, at a redemption price equal to the principal amount of the certificates. The Certificates have been issued in connection with a lease of the Grand Lake Center from the District to NBH Bank, and a lease back to the District from NBH Bank. Pursuant to the provisions of the Lease, the 2021 Certificates shall be called for redemption in the event that the 2021 Lease Term is terminated by reason of the occurrence of an Event of Nonappropriation or an Event of Default under the 2021 lease. If called for redemption, the Certificates shall be redeemed in whole on such date for a redemption price equal to 100% of

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

the principal amount plus accrued interest to the redemption date. The certificates were issued to finance the acquisition of land to be used for Town purposes and pay the remaining principal due on the Thomasson Park lease.

The Certificates mature as follows:

	Principal	Interest	Total
2024	\$ 90,000	\$ 37,048	\$ 127,048
2025	95,000	34,483	129,483
2026	100,000	31,776	131,776
2027	100,000	28,926	128,926
2028	105,000	26,076	131,076
2029-2033	565,000	84,209	649,209
2034-2035	244,937	10,541	255,478
	\$ 1,299,937	\$ 253,059	\$ 1,552,996

Colorado Water Resources and Power Development Authority (CWR&PDA)

On April 9, 2018, the Town issued a note with the CWR&PDA, Drinking Water Revolving Fund, in the original amount of \$1,600,000. The proceeds of the loan were used to construct a new underground water storage tank and associated piping and appurtenances, including demolition of the current storage tank. A total of \$1,532,453 was advanced to the Town consisting of payments of \$248,643 in 2019 and \$1,283,810 in 2018. The remaining amount of unused loan funds amounting to \$67,547 were used to reduce the original loan amount. The remaining payments on the note are payable in semi-annual installments of \$47,394 beginning on May 1, 2020 through May 1, 2038, including interest at 2.00%. The loan matures as follows:

	Principal	Interest	Total
2024	\$ 71,384	\$ 23,404	\$ 94,788
2025	72,819	21,969	94,788
2026	74,282	20,506	94,788
2027	75,775	19,013	94,788
2028	77,298	17,490	94,788
2029-2033	410,432	63,508	473,940
2034-2038	405,979	20,567	426,546
	\$ 1,187,969	\$ 186,457	\$ 1,374,426

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

A provision of the note with the CWR&PDA requires the net revenues (total revenues less operating expenses) be at least 110% of the annual debt service due in any one year. During the year ended December 31, 2023, the Town complied with the rate covenant.

Additionally, the note requires the Town to maintain an operations and reserve fund in an amount equal to three months of operations and maintenance expenses, excluding depreciation. Accordingly, the Town has restricted \$153,215 of the Water Fund's net position, calculated as follows:

Total Operating Expenses	\$ 755,600
Less Depreciation	<u>(142,741)</u>
Operations and Maintenance Expenses	<u>\$ 612,859</u>
3 Months of Operations and Maintenance	<u>\$ 153,215</u>

The Town has pledged the revenue from the operation and use of the water system and other legally available revenue, after the payment of operation and maintenance expenses of the system, for the repayment of the loan.

NOTE 7 RISK MANAGEMENT

The Town is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are financed and funded through participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution.

CIRSA is a joint self-insurance pool created by intergovernmental agreement to provide property, general and automobile liability and public official's coverage to its members. A seven-member Board elected by and from its members governs CIRSA.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and those amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

TOWN OF GRAND LAKE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023**

The Town has not been informed of any excess losses that may have been incurred by the pool; there have been no claims in excess of insurance coverage in any of the past three years. There have been no significant changes in insurance coverage from the prior year in any of the major categories of risk.

NOTE 8 COMMITMENTS AND CONTINGENCIES

Grant Programs

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

NOTE 9 DEFERRED COMPENSATION PLAN

The Town has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the MissionSquare Retirement (formerly International City/County Management Association Retirement Corporation). Benefit terms, including contribution requirements, for the plan are established and may be amended by the Board of Trustees. Full-time employees are eligible to participate in the plan. The Town matches employee contributions up to 8%. All amounts contributed are vested immediately. The Town contributed \$72,184 in matching contributions and participating employees contributed \$78,592 for the year ending December 31, 2023.

NOTE 10 TAX SPENDING AND DEBT LIMITATIONS

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

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

TOWN OF GRAND LAKE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

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

The Town's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, may require judicial interpretation.

On November 8, 1994, a majority of the Town's electors approved a ballot issue permitting the Town, without increasing or adding any taxes of any kind, to collect, retain, and expend the full proceeds of the Town's fees, revenues and non-federal grants and to spend such revenue for debt service, municipal operations, capital projects, and any other lawful municipal operations, notwithstanding any state restrictions on fiscal year spending, including, without limitation the restrictions of Article X, Section 20, of the Colorado Constitution from the date of January 1, 1994 and thereafter.

SUPPLEMENTARY INFORMATION

TOWN OF GRAND LAKE, COLORADO

**CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2023
(With Comparative Totals for December 31, 2022)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget	2022 Actual
Revenues				
General Sales Tax	\$ 551,250	\$ 638,570	\$ 87,320	\$ 650,464
Building Use Tax	14,000	49,348	35,348	13,915
Motor Vehicle Use Tax	19,000	11,684	(7,316)	18,794
Net Investment Income	6,000	41,656	35,656	12,618
Total Revenues	<u>590,250</u>	<u>741,258</u>	<u>151,008</u>	<u>695,791</u>
Expenditures				
Capital Outlay	313,300	273,951	39,349	15,086
Debt service				
Bond Principal	120,000	120,000	-	115,000
Bond Interest	157,050	157,050	-	160,500
Subtotal Debt Service	<u>277,050</u>	<u>277,050</u>	<u>-</u>	<u>275,500</u>
Total Expenditures	<u>590,350</u>	<u>551,001</u>	<u>39,349</u>	<u>290,586</u>
Net Change in Fund Balance	(100)	190,257	190,357	405,205
Fund Balance - Beginning	<u>365,769</u>	<u>754,235</u>	<u>388,466</u>	<u>349,030</u>
Fund Balance - Ending	<u><u>\$ 365,669</u></u>	<u><u>\$ 944,492</u></u>	<u><u>\$ 578,823</u></u>	<u><u>\$ 754,235</u></u>

See the Independent Auditor's Report

TOWN OF GRAND LAKE, COLORADO

WATER FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE -
BUDGET AND ACTUAL (BUDGETARY BASIS)**

**For the Year Ended December 31, 2023
(With Comparative Totals for December 31, 2022)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>2022 Actual</u>
Revenues					
Water Sales	\$ 675,000	\$ 675,000	\$ 686,024	\$ 11,024	\$ 664,617
Tap Fees	32,500	32,500	110,500	78,000	65,000
Resale Meters	3,000	3,000	6,149	3,149	14,489
Bulk Water Permits	500	500	656	156	706
Miscellaneous	-	-	785	785	-
Interest Income	10,000	10,000	79,222	69,222	27,847
Total Revenues	<u>721,000</u>	<u>721,000</u>	<u>883,336</u>	<u>162,336</u>	<u>772,659</u>
Expenditures					
Personnel	394,589	453,722	449,877	3,845	336,831
Office Supplies	33,000	33,000	7,981	25,019	1,871
Operations Supplies	17,300	17,300	21,971	(4,671)	15,243
Repairs and Maintenance	45,850	45,850	37,450	8,400	34,774
Resale Supplies	6,150	11,150	10,529	621	17,669
Purchased Services	19,100	19,100	20,686	(1,586)	16,963
Utilities	32,500	32,500	43,112	(10,612)	42,360
Professional Services	8,600	8,600	3,713	4,887	15,085
Other Expenses	20,100	20,100	17,540	2,560	15,601
Capital Outlay	48,000	48,000	43,098	4,902	24,886
Debt Service-Principal	69,977	69,977	69,977	-	68,598
Debt Service-Interest	24,811	24,811	24,811	-	26,190
Total Expenditures	<u>719,977</u>	<u>784,110</u>	<u>750,745</u>	<u>33,365</u>	<u>616,071</u>
Excess Revenues Over (Under)					
Expenditures	1,023	(63,110)	132,591	195,701	156,588
Funds Available - Beginning	<u>2,099,971</u>	<u>2,099,971</u>	<u>2,034,555</u>	<u>(65,416)</u>	<u>1,877,967</u>
Funds Available - Ending	<u>\$ 2,100,994</u>	<u>\$ 2,036,861</u>	<u>\$ 2,167,146</u>	<u>\$ 130,285</u>	<u>\$ 2,034,555</u>
Funds Available is Computed as Follows:					
Current Assets			\$ 2,223,632		\$ 2,135,387
Liabilities			(127,870)		(170,809)
Add Current Portion of Long-Term Debt			<u>71,384</u>		<u>69,977</u>
			<u>\$ 2,167,146</u>		<u>\$ 2,034,555</u>

See the Independent Auditor's Report

TOWN OF GRAND LAKE, COLORADO

MARINA FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE -
BUDGET AND ACTUAL (BUDGETARY BASIS)**

For the Year Ended December 31, 2023

(With Comparative Totals for December 31, 2022)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>2022 Actual</u>
Revenues					
Marina Rentals	\$ 300,000	\$ 300,000	\$ 344,460	\$ 44,460	\$ 321,706
Tours	55,000	55,000	74,150	19,150	59,750
Rentals	8,084	8,084	11,663	3,579	8,984
Miscellaneous	1,000	1,000	-	(1,000)	365
Interest Income	4,000	4,000	22,627	18,627	7,281
Sale of Assets	-	-	-	-	38,000
Total Revenues	<u>368,084</u>	<u>368,084</u>	<u>452,900</u>	<u>84,816</u>	<u>436,086</u>
Expenditures					
Personnel	264,059	264,059	238,452	25,607	210,504
Office Supplies	1,100	1,100	1,097	3	1,050
Operations Supplies	15,000	15,000	15,366	(366)	12,189
Repairs and Maintenance	17,500	17,500	43,499	(25,999)	19,416
Permits and Fees	1,000	1,000	904	96	6,386
Purchased Services	13,575	13,575	19,477	(5,902)	15,917
Utilities	3,163	3,163	6,600	(3,437)	4,440
Professional Services	2,000	2,000	2,439	(439)	2,029
Other Expenses	56,301	102,301	101,105	1,196	80,422
Capital Outlay	80,000	80,000	25,333	54,667	195,729
Total Expenditures	<u>453,698</u>	<u>499,698</u>	<u>454,272</u>	<u>45,426</u>	<u>548,082</u>
Excess Revenues Over (Under)					
Expenditures	(85,614)	(131,614)	(1,372)	130,242	(111,996)
Funds Available - Beginning	<u>868,043</u>	<u>868,043</u>	<u>778,760</u>	<u>(89,283)</u>	<u>890,756</u>
Funds Available - Ending	<u>\$ 782,429</u>	<u>\$ 736,429</u>	<u>\$ 777,388</u>	<u>\$ 40,959</u>	<u>\$ 778,760</u>
Funds Available is Computed as Follows:					
Current Assets			\$ 781,591		\$ 783,648
Liabilities			<u>(4,203)</u>		<u>(4,888)</u>
			<u>\$ 777,388</u>		<u>\$ 778,760</u>

See the Independent Auditor's Report

TOWN OF GRAND LAKE, COLORADO

PAY AS YOU THROW FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE -
BUDGET AND ACTUAL (BUDGETARY BASIS)**

For the Year Ended December 31, 2023

(With Comparative Totals for December 31, 2022)

	Original & Final Budget	Actual Amounts	Variance with Final Budget	2022 Actual
Revenues				
Bag Sales	\$ 79,000	\$ 68,214	\$ (10,786)	\$ 76,671
Interest Income	300	-	(300)	-
Total Revenues	<u>79,300</u>	<u>68,214</u>	<u>(11,086)</u>	<u>76,671</u>
Expenditures				
Operations Supplies	8,800	2,009	6,791	6,552
Repairs and Maintenance	25,000	25,049	(49)	20,066
Purchased Services	36,950	32,291	4,659	32,219
Professional Services	450	450	-	420
Other Expenses	866	194	672	493
Capital Outlay	20,000	-	20,000	-
Total Expenditures	<u>92,066</u>	<u>59,993</u>	<u>32,073</u>	<u>59,750</u>
Excess Revenues Over Expenditures	(12,766)	8,221	20,987	16,921
Funds Available - Beginning	<u>170,659</u>	<u>177,156</u>	<u>6,497</u>	<u>160,235</u>
Funds Available - Ending	<u>\$ 157,893</u>	<u>\$ 185,377</u>	<u>\$ 27,484</u>	<u>\$ 177,156</u>
Funds Available is Computed as Follows:				
Current Assets		\$ 187,384		\$ 178,602
Liabilities		<u>(2,007)</u>		<u>(1,446)</u>
		<u>\$ 185,377</u>		<u>\$ 177,156</u>

See the Independent Auditor's Report

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

LOCAL HIGHWAY FINANCE REPORT	City or County:
	YEAR ENDING : December 2023
This Information From The Records of Town of Grand Lake	Prepared By: Heike Wilson, Town Treasurer Phone: 970-627-3435

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)	352,352
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	536,787
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	59,850
2. General fund appropriations	1,051,215	b. Snow and ice removal	351,621
3. Other local imposts (from page 2)	734,765	c. Other	20,132
4. Miscellaneous local receipts (from page 2)	51,361	d. Total (a. through c.)	431,603
5. Transfers from toll facilities	0	4. General administration & miscellaneous:	60,794
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	27,786
a. Bonds - Original Issues	0	6. Total (1 through 5)	1,409,322
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	158,325
7. Total (1 through 6)	1,837,341	b. Redemption	120,000
B. Private Contributions	0	c. Total (a. + b.)	278,325
C. Receipts from State government (from page 2)	40,563	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	1,877,904	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	278,325
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	1,687,647

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	3,570,000	0	120,000	3,450,000
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	754,235	1,877,904	1,687,647	944,492	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 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	0	a. Interest on investments	41,657
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	699,602	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	350	f. Charges for Services	9,704
5. Specific Ownership &/or Other	34,813	g. Other Misc. Receipts	0
6. Total (1. through 5.)	734,765	h. Other	0
c. Total (a. + b.)	734,765	i. Total (a. through h.)	51,361
	(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	32,716	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	2,158	d. Federal Transit Admin	0
d. Other (Specify) - DOLA/CDOT	0	e. U.S. Corps of Engineers	0
e. Other (Specify) - Cigarette Sales	5,689	f. Other Federal - FHWA	0
f. Total (a. through e.)	7,847	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	40,563	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	0	0	0
b. Engineering Costs	0	0	0
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	0	0	0
(3). System Preservator	0	352,352	352,352
(4). System Enhancement & Operator	0	0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	352,352	352,352
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	352,352	352,352
			(Carry forward to page 1)

Notes and Comments: