

**TOWN OF MEAD, COLORADO**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2022**



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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the Town Board  
Town of Mead  
Mead, Colorado

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Mead, Colorado (the Town), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, effective January 1, 2022, the Town adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

#### ***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.

Honorable Mayor and Members of the Town Board  
Town of Mead, Colorado

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

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

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

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the Local Highway Finance Report but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



**CliftonLarsonAllen LLP**

Broomfield, Colorado  
September 21, 2023

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

This discussion and analysis of the financial performance of the Town of Mead, Colorado (Town) provides an overview of the Town's financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the financial statements.

**FINANCIAL HIGHLIGHTS**

- The Net Position of the Town increased by \$10,065,390 (23.4%) during 2022.
- At December 31, 2022, the Town's governmental funds reported combined ending fund balances of \$25,812,816. This marked an increase of \$4,018,237 (18.4%) from the prior year's ending governmental fund balances due primarily to increases in the General Fund, Street Improvement Fund, Transportation Fund, and Capital Improvement Fund.
- The Town's Sewer Fund's net position increased by \$1,180,222 (23.6%) during 2022 primarily due to an increase in plant investment fees.

**USING THIS ANNUAL REPORT**

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

**Government-wide financial statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all the Town's assets and liabilities and deferred inflows and outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused employee leave).

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

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

**Fund financial statements**

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

**Governmental Funds** – Most of the Town's basic services are reported in governmental funds that focus on how money flows into and out of those funds. The unrestricted balances left at year-end are available for spending in future years. These funds are reported using the modified accrual accounting method that measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide detailed short-term views of cash, operations, and basic services provided. Governmental fund statements show the reader whether there are more or fewer financial resources available at the end of a fiscal year that can be spent in the near future to finance government programs and objectives.

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

The Town of Mead maintains eleven individual governmental funds. Information for these funds is presented by fund name in the *Governmental Fund Balance Sheet* and the *Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances* for five of the twelve governmental funds that meet the criteria to be designated as major funds (General Fund, Municipal Facilities Fund, Transportation Fund, Street Improvement Fund, and MURA Fund). The other governmental funds (Capital Improvement Fund, Conservation Trust Fund, Art in Public Places, and four Impact Fee Funds for Downtown Revitalization, Storm Drainage, Parks & Open Space, and Police Impact) are shown in a column titled "Nonmajor Governmental Funds." Individual fund data for these nonmajor governmental funds are provided in the back of this report following the "Notes to Financial Statements."

**Proprietary Fund** – The Town's sewer utility is reported in a proprietary fund; it focuses on overall economic position rather than year-end fund balances. An enterprise fund is the type of proprietary fund used to account for the Town's Sewer Fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements, but in a bit more detail.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately after the basic financial statements.



**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

**Other information**

Budgetary comparison statements or schedules for all funds with budgeted expenditures/expenses are included following the "Notes to Financial Statements" to demonstrate each fund's compliance with adopted budgets and appropriations. For the year ended December 31, 2022, all funds had budgeted expenditures/expenses.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Mead, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$53,156,748 at the close of 2022. As shown below, the Town's financial position improved by \$10,065,390 (23.4%) during 2022.

**Town of Mead's Net Position**

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 35,190,614	\$ 28,983,522	\$ 1,726,310	\$ 1,284,372	\$ 36,916,924	\$ 30,267,894
Capital Assets, Net	21,493,251	16,582,462	6,059,457	5,378,002	27,552,708	21,960,464
Total Assets	<u>56,683,865</u>	<u>45,565,984</u>	<u>7,785,767</u>	<u>6,662,374</u>	<u>64,469,632</u>	<u>52,228,358</u>
Deferred Outflows of Resources	316,133	285,297	-	-	316,133	285,297
Current Liabilities	4,189,810	3,353,707	66,791	44,943	4,256,601	3,398,650
Noncurrent Liabilities	674,954	454,018	1,532,139	1,610,816	2,207,093	2,064,834
Total Liabilities	<u>4,864,764</u>	<u>3,807,725</u>	<u>1,598,930</u>	<u>1,655,759</u>	<u>6,463,694</u>	<u>5,463,484</u>
Deferred Inflows of Resources	5,165,323	3,958,813	-	-	5,165,323	3,958,813
Net Position:						
Net Investment in Capital Assets	20,692,184	15,861,458	4,538,268	3,776,256	25,230,452	19,637,714
Restricted	13,429,874	11,260,869	175,559	151,444	13,605,433	11,412,313
Unrestricted	12,847,853	10,962,416	1,473,010	1,078,915	14,320,863	12,041,331
Total Net Position	<u>\$ 46,969,911</u>	<u>\$ 38,084,743</u>	<u>\$ 6,186,837</u>	<u>\$ 5,006,615</u>	<u>\$ 53,156,748</u>	<u>\$ 43,091,358</u>

47.5% of the Town's total net position at December 31, 2022 is represented by its investment in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment). The Town uses these capital assets to provide services to residents and businesses; consequently, these assets are not available for future spending.

Approximately 25.6% (\$13,605,433) of the Town's total net position at the end of 2022 represents resources that are subject to external restrictions on how they may be used. They are net position restrictions of impact fees collected for future capital needs (\$12,808,746), an operations and maintenance reserve for the sewer fund (\$175,559), conservation trust fund revenues for parks and certain recreation purposes (\$36,128), and \$585,000 for emergencies.

The remaining amount of the Town's total net position at the end of 2022 (\$14,320,863) represents 26.9% of total net position and may be used to meet the Town's other ongoing obligations to residents and creditors.

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

The following chart displays the changes in net position experienced by the Town over the last two fiscal years. An analysis of these changes follows for both its Governmental and Business-type Activities.

**Town of Mead's Changes in Net Position**

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
<b>Program Revenues:</b>						
Charges for Services	\$ 2,382,151	\$ 2,546,089	\$ 922,408	\$ 833,165	\$ 3,304,559	\$ 3,379,254
Operating Grants and Contributions	887,889	682,270	-	-	887,889	682,270
Capital Grants and Contributions	489,047	58,750	1,266,628	284,701	1,755,675	343,451
<b>General Revenues:</b>						
Property Taxes	3,751,396	3,429,903	-	-	3,751,396	3,429,903
Sales and Use Taxes	7,066,788	4,138,571	-	-	7,066,788	4,138,571
Other Taxes	250,030	207,560	-	-	250,030	207,560
Investment Income	447,075	12,587	25,798	433	472,873	13,020
Other General Revenues	3,331,311	4,674,561	-	-	3,331,311	4,674,561
<b>Total Revenues</b>	<b>18,605,687</b>	<b>15,750,291</b>	<b>2,214,834</b>	<b>1,118,299</b>	<b>20,820,521</b>	<b>16,868,590</b>
<b>Program Expenses:</b>						
General Government	3,153,471	3,023,756	-	-	3,153,471	3,023,756
Community Development	864,505	985,641	-	-	864,505	985,641
Public Safety	1,855,968	1,613,247	-	-	1,855,968	1,613,247
Public Works	2,820,984	1,437,601	-	-	2,820,984	1,437,601
Parks and Recreation	1,109,879	780,884	-	-	1,109,879	780,884
Sewer Utility	-	-	934,612	849,529	934,612	849,529
Interest on Long-Term Debt	15,712	5,784	-	-	15,712	5,784
<b>Total Expenses</b>	<b>9,820,519</b>	<b>7,846,913</b>	<b>934,612</b>	<b>849,529</b>	<b>10,755,131</b>	<b>8,696,442</b>
Transfers	100,000	125,000	(100,000)	(125,000)	-	-
<b>Increase in Net Position</b>	<b>8,885,168</b>	<b>8,028,378</b>	<b>1,180,222</b>	<b>143,770</b>	<b>10,065,390</b>	<b>8,172,148</b>
<b>Net Position - Beginning</b>	<b>38,084,743</b>	<b>30,056,365</b>	<b>5,006,615</b>	<b>4,862,845</b>	<b>43,091,358</b>	<b>34,919,210</b>
<b>Net Position - Ending</b>	<b>\$ 46,969,911</b>	<b>\$ 38,084,743</b>	<b>\$ 6,186,837</b>	<b>\$ 5,006,615</b>	<b>\$ 53,156,748</b>	<b>\$ 43,091,358</b>

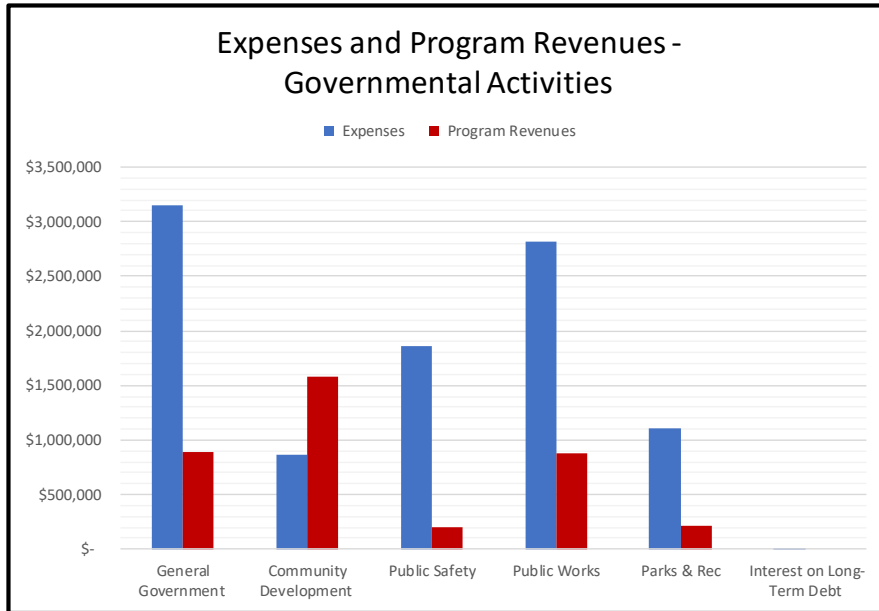
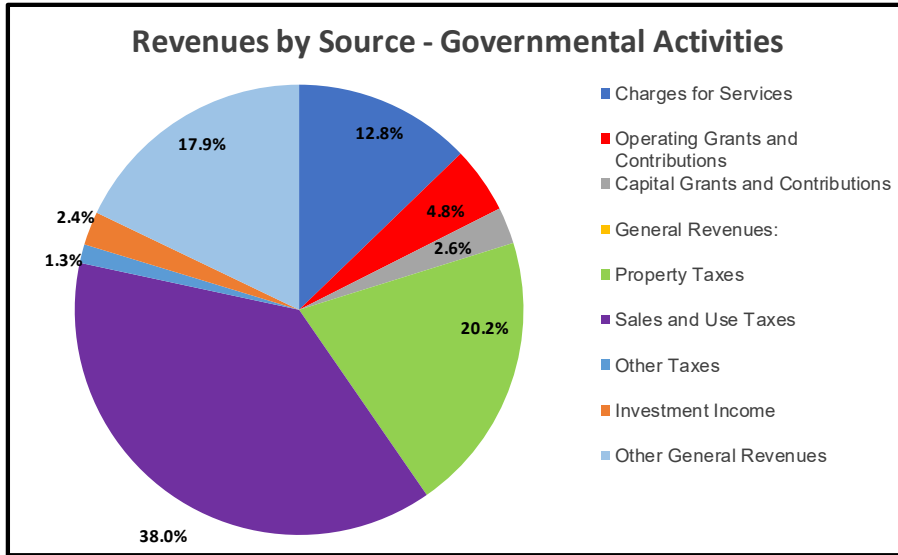
**Governmental Activities**

The Town's Governmental Activities increased in net position by \$10,065,390 (23.4%) in 2022. Key elements of this increase are as follows:

- Sales and use taxes increased by \$2,928,217 due to the additional 1% sales and use tax approved by voters in November 2021 that established the Street Improvement Fund, and due to a 12% increase in taxable sales over 2021.

The following two charts illustrate the Governmental Activities revenues and expenses. As in most municipalities, the expenses of governmental activities are not fully supported through program revenues but are largely financed through taxes.

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

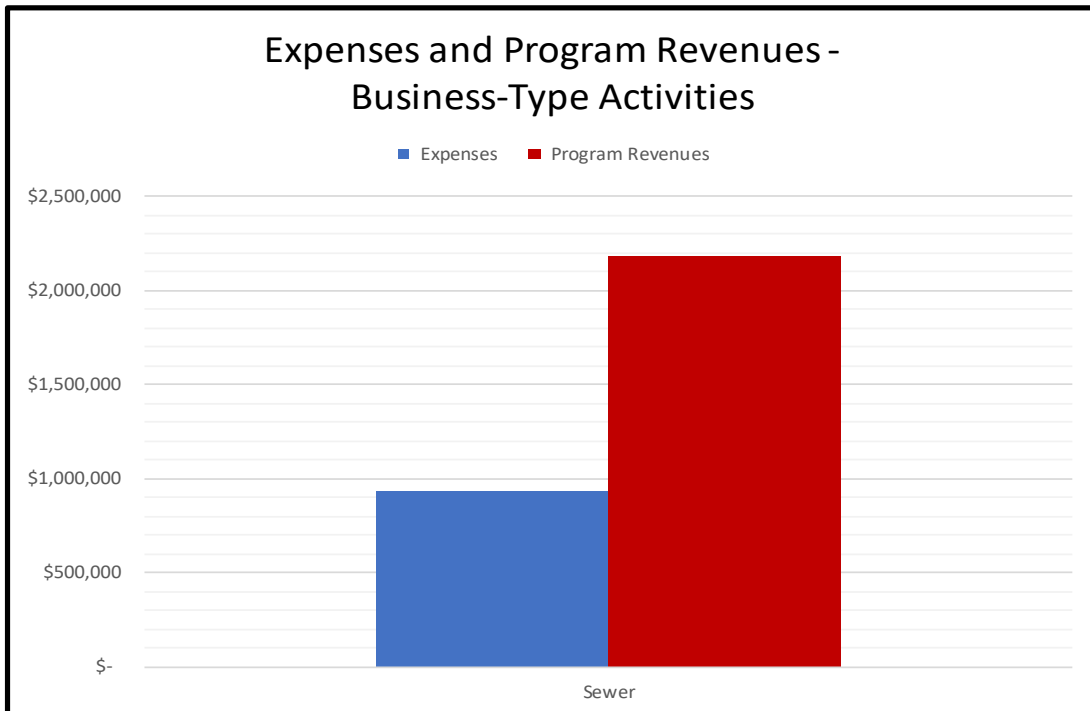
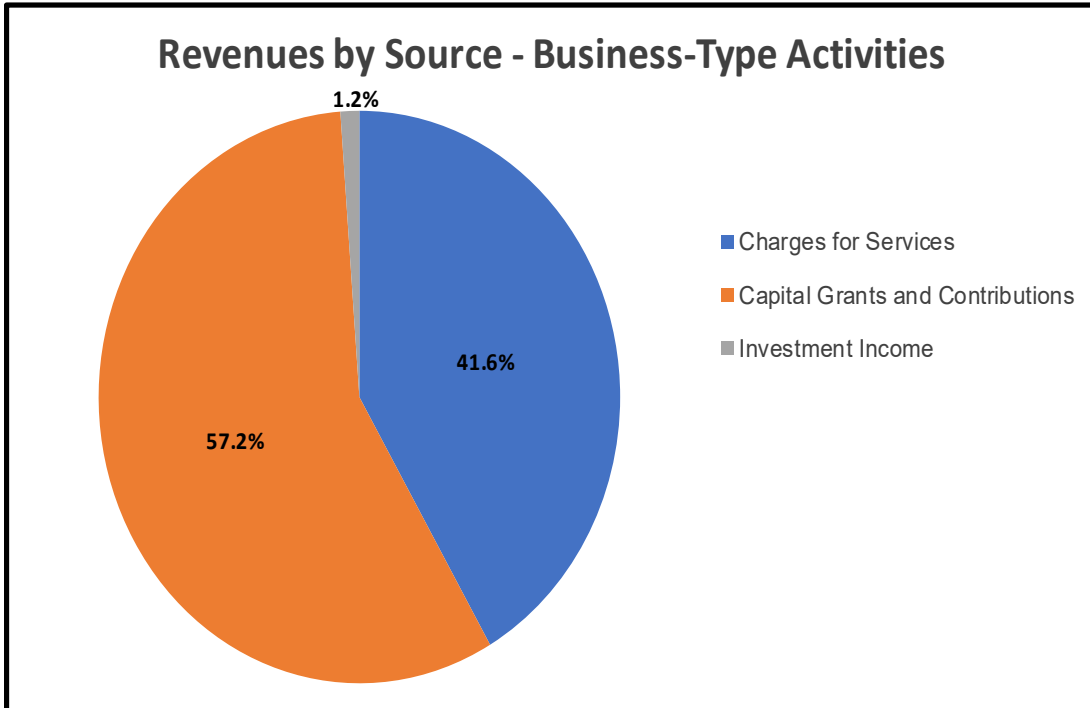


**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

**Business-type Activities**

Business-type Activities increased in net position by \$1,180,222 (23.6%) during 2022. Operating revenues exceeded operating expenses in the Sewer Fund by \$36,277.

The following two charts illustrate the Business-type Activities revenues and expenses for 2022.

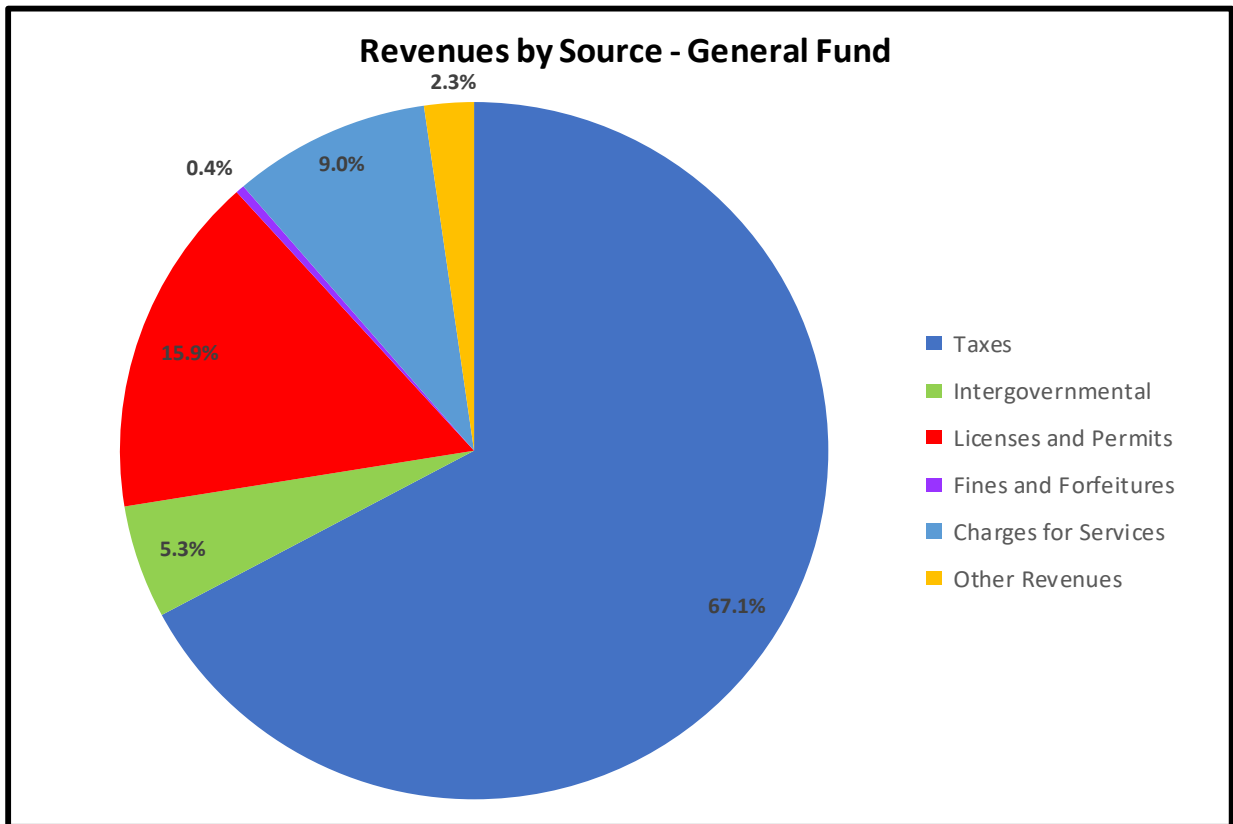


**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

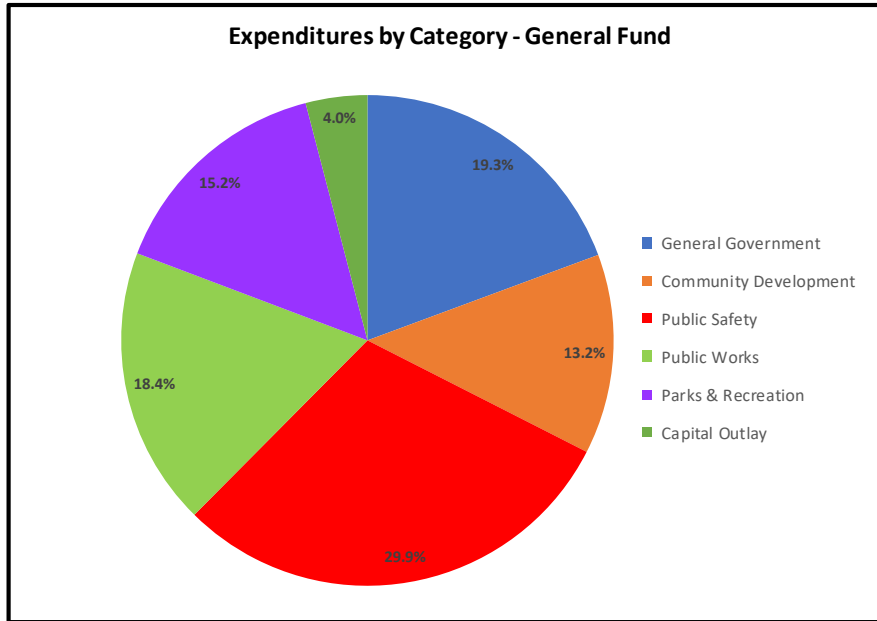
**THE TOWN'S FUNDS**

As noted earlier, the Town of Mead uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Governmental Funds utilize the modified accrual basis of accounting, and the balances of the spendable resources (unrestricted fund balance) in each fund are shown at year end. At December 31, 2022 the Town's five major Governmental funds reported combined ending fund balances of \$20,490,057. These funds are discussed below.

*General Fund.* The General Fund is the chief operating fund of the Town of Mead. It accounts for all the general services provided by the Town. At the end of 2022, the fund balance of the General Fund totaled \$6,562,354. This was a \$80,738 (1.2%) increase from 2021 primarily due to an increase in taxes. The following two tables illustrate General Fund revenues and expenditures during 2022.



**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**



*Mead Urban Renewal Authority (MURA) Fund.* This fund is utilized to account for the property tax increment received from the taxing jurisdictions within the Authority boundaries and the capital projects and/or development expenses it incurs to stimulate urban renewal. Much of its revenue is shared with overlapping jurisdictions. Fund expenditures exceeded fund revenues by \$427,103 in 2022.

*Municipal Facilities Fund.* The Municipal Facilities Fund is utilized to accumulate Impact Fees paid by new development for capital improvements and equipment necessitated by growth. During 2022, the Fund also received a transfer from the Sewer Fund of \$100,000. Expenditures were made for the purchase of land, construction on the Public Works Facility and the Mead Community Center, and other public works improvements.

*Transportation Fund.* The Transportation Fund is utilized to accumulate Impact Fees paid by new development for transportation infrastructure improvements necessitated by growth. During 2022, the Fund also received transfers from the Storm Drainage Fund and Mead Urban Renewal Authority Fund of \$85,639 and \$1,250,000 respectively. Expenditures were made for construction of improvements to/extension of 3rd Street & its trail and the North Creek wing wall, and engineering design for improvements to the 3rd St. and Welker intersection.

*Street Improvement Fund.* The Street Improvement Fund is utilized to account for sales and use tax used for maintaining and improving roadways in the Town. During 2022, the Fund also received a transfer from the General Fund of \$375,000. Expenditures were made for Public Works repairs and maintenance.

*Sewer Fund.* At December 31, 2022 the net position of the Sewer Fund was \$6,186,837. This was an increase of \$1,180,222 (23.6%) over 2021. The net operating income was \$36,277, and debt service payments of \$130,155 were made during the year.

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets.* At December 31, 2022 the Town had invested in a range of capital assets including land, buildings and improvements, vehicles, office equipment, right-to-use lease assets, sewer system lines and treatment plants, infrastructure, and park equipment. Note 3 of these financial statements provides a summary of changes in capital assets during the year. In 2022, the Town completed the new Public Works Facility, purchased a vacant lot on Main Street for future municipal use, made security and other improvements at Town Hall and the Police station, completed improvements at Highland Lake, purchased park maintenance equipment, completed street, trail, and Wayfinding improvements around town, continued the 3rd & Welker intersection improvement design, and completed storm drainage improvements on North Street.

*Debt Administration.* The Town's long-term debt primarily consists of a loan, financed purchases, and leases payable. Compensated absences are also recorded. At the end of 2022, the governmental activities had a balance of \$82,637 owed on a 2020 financed purchase for a dump truck, \$122,107 owed on a 2021 financed purchase for a dump truck, and \$247,645 for leases payable. See Note 4 for more detailed information.

In business-type activities at December 31, 2022, the Town had a balance of \$1,471,196 owed on its 2007 loan from the Colorado Water Resources & Power Development Authority. This debt was incurred to finance a wastewater treatment system project. See Note 4 for more detailed information.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The 2022 adopted budget was considered a balanced budget with estimated revenues of \$9,298,691 and estimated expenditures of \$9,298,691. Actual results for 2022 in the General Fund was a surplus of \$80,738. Revenues exceeded budget in taxes, charges for services, and investment income. Fiscal year 2022 budgeted current expenditures for the General Fund totaled \$9,298,691, while actual current expenditures, including transfers out, totaled \$9,298,691. For general government, budgeted expenditures totaled \$4,028,565, while actual general government expenditures totaled \$1,267,706.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Continued measurable growth in the residential and commercial sectors of Mead's economy is occurring. The 2023 Budget anticipates continued improvement in the General Fund and Impact Fund balances due to such growth.

Federal spending, unemployment insurance policies, restrictions on domestic energy production, and considerable expansion of the monetary supply is causing significant inflation throughout all sectors of the economy. The full economic impact of these state- and federal-imposed policies and restrictions on the Town's 2023 and future budgets has yet to be determined.

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2022**

**REQUESTS FOR INFORMATION**

This financial report is designed to provide the Town of Mead's residents, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds it receives and assets it maintains. If you have questions about this report, or should you desire additional financial information, contact the Town's management at Town of Mead, 441 Third Street, P.O. Box 626, Mead, CO 80542 or call Town Hall at (970) 535-4477.



## **BASIC FINANCIAL STATEMENTS**

**TOWN OF MEAD, COLORADO**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 28,548,651	\$ 1,633,727	\$ 30,182,378
Accounts Receivable	1,410,704	90,164	1,500,868
Property Taxes Receivable	4,656,167	-	4,656,167
Deposits	1,500	-	1,500
Prepaid Expenses	47,418	2,419	49,837
Net Pension Asset	526,174	-	526,174
Capital Assets, Not Being Depreciated	3,995,366	336,939	4,332,305
Capital Assets, Net of Accumulated Depreciation/Amortization	17,497,885	5,722,518	23,220,403
Total Assets	<u>56,683,865</u>	<u>7,785,767</u>	<u>64,469,632</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Amounts	316,133	-	316,133
<b>LIABILITIES</b>			
Accounts Payable	906,927	39,652	946,579
Accrued Interest Payable	-	21,393	21,393
Accrued Salaries	112,865	5,746	118,611
Deposits	2,007,187	-	2,007,187
Unearned Revenue	1,162,831	-	1,162,831
Noncurrent Liabilities:			
Due Within One Year	157,686	84,355	242,041
Due in More Than One Year	517,268	1,447,784	1,965,052
Total Liabilities	<u>4,864,764</u>	<u>1,598,930</u>	<u>6,463,694</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	4,656,167	-	4,656,167
Pension Related Amounts	509,156	-	509,156
Total Deferred Inflows of Resources	<u>5,165,323</u>	<u>-</u>	<u>5,165,323</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	20,692,184	4,538,268	25,230,452
Restricted for:			
Emergencies	585,000	-	585,000
Conservation Trust	36,128	-	36,128
Municipal Facilities	2,394,772	-	2,394,772
Transportation	6,403,668	-	6,403,668
Street Improvements	2,028,978	-	2,028,978
Parks and Open Space	1,730,660	-	1,730,660
Police Impact	250,668	-	250,668
Operations and Maintenance	-	175,559	175,559
Unrestricted	<u>12,847,853</u>	<u>1,473,010</u>	<u>14,320,863</u>
Total Net Position	<u><u>\$ 46,969,911</u></u>	<u><u>\$ 6,186,837</u></u>	<u><u>\$ 53,156,748</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating	Capital	Primary Government		
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 3,153,471	\$ 483,770	\$ 411,039	\$ -	\$ (2,258,662)	\$ -	\$ (2,258,662)
Community Development	864,505	1,581,806	-	-	717,301	-	717,301
Public Safety	1,855,968	198,858	-	-	(1,657,110)	-	(1,657,110)
Public Works	2,820,984	63,872	410,227	399,422	(1,947,463)	-	(1,947,463)
Parks and Recreation	1,109,879	53,845	66,623	89,625	(899,786)	-	(899,786)
Interest on Long-Term Debt	15,712	-	-	-	(15,712)	-	(15,712)
Total Governmental Activities	9,820,519	2,382,151	887,889	489,047	(6,061,432)	-	(6,061,432)
Business-Type Activities:							
Sewer	934,612	922,408	-	1,266,628	-	1,254,424	1,254,424
Total Business-Type Activities	934,612	922,408	-	1,266,628	-	1,254,424	1,254,424
Total Primary Government	<u>\$ 10,755,131</u>	<u>\$ 3,304,559</u>	<u>\$ 887,889</u>	<u>\$ 1,755,675</u>	(6,061,432)	1,254,424	(4,807,008)
<b>GENERAL REVENUES</b>							
Property Taxes					3,662,829	-	3,662,829
Specific Ownership Taxes					88,567	-	88,567
Sales and Use Taxes					7,066,788	-	7,066,788
Franchise Fees					250,030	-	250,030
Impact Fees					3,300,665	-	3,300,665
Investment Income					447,075	25,798	472,873
Miscellaneous					22,451	-	22,451
Gain on Sale of Capital Assets					8,195	-	8,195
Transfers					100,000	(100,000)	-
Total General Revenues					<u>14,946,600</u>	<u>(74,202)</u>	<u>14,872,398</u>
<b>CHANGE IN NET POSITION</b>					8,885,168	1,180,222	10,065,390
Net Position - Beginning of Year					<u>38,084,743</u>	<u>5,006,615</u>	<u>43,091,358</u>
<b>NET POSITION - END OF YEAR</b>					<u>\$ 46,969,911</u>	<u>\$ 6,186,837</u>	<u>\$ 53,156,748</u>

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

	General	Mead Urban Renewal Authority	Municipal Facilities	Transportation	Street Improvement	Nonmajor Governmental Funds	Total
<b>ASSETS</b>							
Cash and Investments	\$ 9,080,345	\$ 3,106,090	\$ 2,657,210	\$ 6,652,949	\$ 1,712,420	\$ 5,339,637	\$ 28,548,651
Property Taxes Receivable	1,614,049	3,042,118	-	-	-	-	4,656,167
Prepaid Expenditures	37,766	842	-	-	8,810	-	47,418
Accounts Receivable	1,026,560	219	38,347	-	345,578	-	1,410,704
Deposits	1,500	-	-	-	-	-	1,500
Total Assets	<u>\$ 11,760,220</u>	<u>\$ 6,149,269</u>	<u>\$ 2,695,557</u>	<u>\$ 6,652,949</u>	<u>\$ 2,066,808</u>	<u>\$ 5,339,637</u>	<u>\$ 34,664,440</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 301,506	\$ 9,457	\$ 300,785	\$ 249,281	\$ 29,020	\$ 16,878	\$ 906,927
Accrued Salaries	106,646	6,219	-	-	-	-	112,865
Deposits	2,007,187	-	-	-	-	-	2,007,187
Unearned Revenue	1,162,831	-	-	-	-	-	1,162,831
Total Liabilities	<u>3,578,170</u>	<u>15,676</u>	<u>300,785</u>	<u>249,281</u>	<u>29,020</u>	<u>16,878</u>	<u>4,189,810</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Property Taxes	1,614,049	3,042,118	-	-	-	-	4,656,167
Unavailable Revenue	5,647	-	-	-	-	-	5,647
Total Deferred Inflows of Resources	<u>1,619,696</u>	<u>3,042,118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,661,814</u>
<b>FUND BALANCES</b>							
Nonspendable	37,766	842	-	-	8,810	-	47,418
Restricted for:							
Emergencies	585,000	-	-	-	-	-	585,000
Conservation Trust	-	-	-	-	-	36,128	36,128
Municipal Facilities	-	-	2,394,772	-	-	-	2,394,772
Transportation	-	-	-	6,403,668	-	-	6,403,668
Street Improvements	-	-	-	-	2,028,978	-	2,028,978
Parks and Open Space	-	-	-	-	-	1,730,660	1,730,660
Police Impact	-	-	-	-	-	250,668	250,668
Assigned to:							
Urban Renewal Projects	-	3,090,633	-	-	-	-	3,090,633
Future Projects	-	-	-	-	-	3,305,303	3,305,303
Unassigned	5,939,588	-	-	-	-	-	5,939,588
Total Fund Balances	<u>6,562,354</u>	<u>3,091,475</u>	<u>2,394,772</u>	<u>6,403,668</u>	<u>2,037,788</u>	<u>5,322,759</u>	<u>25,812,816</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,760,220</u>	<u>\$ 6,149,269</u>	<u>\$ 2,695,557</u>	<u>\$ 6,652,949</u>	<u>\$ 2,066,808</u>	<u>\$ 5,339,637</u>	<u>\$ 34,664,440</u>

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

Total Fund Balances for Governmental Funds \$ 25,812,816

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.

Capital Assets, Not Being Depreciated	\$ 3,995,366	
Capital Assets, Being Depreciated	24,014,846	
Less Accumulated Depreciation	<u>(6,516,961)</u>	21,493,251

Certain revenues not available to pay liabilities of the current period are deferred in the governmental funds as unavailable revenue.		5,647
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Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds.

Net Pension Asset	526,174	
Deferred Outflows of Resources Related to Pensions	316,133	
Deferred Inflows of Resources Related to Pensions	<u>(509,156)</u>	333,151

Long-term liabilities are not reported in governmental funds.

Financed Purchases	(204,744)	
Leases Payable	(247,645)	
Accrued Compensated Absences	<u>(222,565)</u>	<u>(674,954)</u>

Total Net Position of Governmental Activities		<u>\$ 46,969,911</u>
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**TOWN OF MEAD, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2022**

	General	Mead Urban Renewal Authority	Municipal Facilities	Transportation	Street Improvement	Nonmajor Governmental Funds	Total
<b>REVENUES</b>							
Taxes	\$ 6,296,607	\$ 2,416,249	\$ -	\$ -	\$ 2,355,358	\$ -	\$ 11,068,214
Impact Fees	-	-	929,894	1,947,061	-	423,710	3,300,665
Intergovernmental	492,300	-	-	86,796	242,063	61,083	882,242
Licenses and Permits	1,486,408	-	-	-	-	-	1,486,408
Fines and Forfeitures	37,238	-	-	-	-	-	37,238
Charges for Services	846,109	12,396	-	-	-	-	858,505
Capital Contributions	-	-	389,822	9,600	-	89,625	489,047
Investment Income	190,121	58,551	51,689	98,613	-	48,101	447,075
Miscellaneous	22,451	-	-	-	-	-	22,451
Total Revenues	<u>9,371,234</u>	<u>2,487,196</u>	<u>1,371,405</u>	<u>2,142,070</u>	<u>2,597,421</u>	<u>622,519</u>	<u>18,591,845</u>
<b>EXPENDITURES</b>							
Current:							
General Government	1,267,706	1,637,066	-	-	-	-	2,904,772
Community Development	864,505	-	-	-	-	-	864,505
Public Safety	1,960,845	-	-	-	-	489	1,961,334
Public Works	1,204,690	-	133,234	7,726	934,633	421	2,280,704
Parks and Recreation	995,001	-	-	-	-	-	995,001
Capital Outlay	265,474	27,233	4,336,277	471,564	-	671,218	5,771,766
Debt Service:							
Principal	-	-	119,678	-	-	22,629	142,307
Interest	-	-	13,977	-	-	1,735	15,712
Total Expenditures	<u>6,558,221</u>	<u>1,664,299</u>	<u>4,603,166</u>	<u>479,290</u>	<u>934,633</u>	<u>696,492</u>	<u>14,936,101</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,813,013	822,897	(3,231,761)	1,662,780	1,662,788	(73,973)	3,655,744
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	-	-	100,000	1,335,639	375,000	2,365,470	4,176,109
Transfers Out	(2,740,470)	(1,250,000)	-	-	-	(85,639)	(4,076,109)
Sale of Capital Assets	8,195	-	-	-	-	-	8,195
Leases	-	-	213,337	-	-	40,961	254,298
Total Other Financing Sources (Uses)	<u>(2,732,275)</u>	<u>(1,250,000)</u>	<u>313,337</u>	<u>1,335,639</u>	<u>375,000</u>	<u>2,320,792</u>	<u>362,493</u>
<b>NET CHANGE IN FUND BALANCES</b>	80,738	(427,103)	(2,918,424)	2,998,419	2,037,788	2,246,819	4,018,237
Fund Balances - Beginning of Year	6,481,616	3,518,578	5,313,196	3,405,249	-	3,075,940	21,794,579
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 6,562,354</u>	<u>\$ 3,091,475</u>	<u>\$ 2,394,772</u>	<u>\$ 6,403,668</u>	<u>\$ 2,037,788</u>	<u>\$ 5,322,759</u>	<u>\$ 25,812,816</u>

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Total Governmental Funds		\$ 4,018,237
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.</p>		
Capital Outlays	\$ 5,771,766	
Depreciation Expense	<u>(918,874)</u>	4,852,892
<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>		
Change in Net Pension Asset	354,210	
Change in Deferred Outflows of Resources Related to Pensions	30,836	
Change in Deferred Inflows of Resources Related to Pensions	<u>(213,615)</u>	171,431
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the fund financial statements.</p>		
		5,647
<p>Debt proceeds provide current financial resources to governmental funds but issuing debt increases long-term liabilities in the statement of net position:</p>		
Lease Proceeds		(254,298)
<p>Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.</p>		
Principal Payments on Financed Purchases		77,757
Principal Payments on Leases		64,550
Change in Accrued Compensated Absences		<u>(51,048)</u>
Change in Net Position of Governmental Activities		<u>\$ 8,885,168</u>

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
DECEMBER 31, 2022**

	Sewer
<b>ASSETS</b>	
Current Assets:	
Cash and Investments	\$ 1,633,727
Receivables:	
Utility	90,164
Prepaid Expenses	2,419
Total Current Assets	1,726,310
Noncurrent Assets:	
Capital Assets, Not Being Depreciated	336,939
Capital Assets, Net of Accumulated Depreciation	5,722,518
Total Noncurrent Assets	6,059,457
Total Assets	\$ 7,785,767
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	39,652
Accrued Salaries and Benefits	5,746
Accrued Interest Payable	21,393
Compensated Absences, Current Portion	1,095
Notes Payable, Current Portion	83,260
Total Current Liabilities	151,146
Noncurrent Liabilities:	
Compensated Absences	9,855
Notes Payable	1,437,929
Total Noncurrent Liabilities	1,447,784
Total Liabilities	1,598,930
<b>NET POSITION</b>	
Net Investment in Capital Assets	4,538,268
Restricted for Operations and Maintenance	175,559
Unrestricted	1,473,010
Total Net Position	\$ 6,186,837

See accompanying Notes to Financial Statements.



**TOWN OF MEAD, COLORADO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**YEAR ENDED DECEMBER 31, 2022**

	Sewer
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 905,554
Miscellaneous	16,854
Total Operating Revenues	922,408
<b>OPERATING EXPENSES</b>	
Operations	304,798
Administration	272,572
Depreciation	308,761
Total Operating Expenses	886,131
<b>OPERATING INCOME</b>	36,277
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Investment Income	25,798
Interest Expense	(48,481)
Total Nonoperating Revenues (Expenses)	(22,683)
<b>LOSS BEFORE CONTRIBUTED CAPITAL AND TRANSFERS</b>	13,594
<b>CONTRIBUTED CAPITAL</b>	
Plant Investment Fees	1,266,628
<b>TRANSFERS OUT</b>	(100,000)
<b>CHANGE IN NET POSITION</b>	1,180,222
Net Position - Beginning of Year	5,006,615
<b>NET POSITION - END OF YEAR</b>	\$ 6,186,837

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED DECEMBER 31, 2022**

	Sewer
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers	\$ 919,418
Cash Paid to Suppliers	(375,611)
Cash Paid to Employees	(178,884)
Net Cash Provided by Operating Activities	364,923
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Received	25,798
Net Cash Provided by Investing Activities	25,798
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Cash Paid to Other Funds	(100,000)
Tap Fees Received	1,266,628
Acquisition and Construction of Capital Assets	(990,216)
Debt Principal Payments	(76,794)
Debt Interest Payments	(53,361)
Net Cash Provided by Capital and Related Financing Activities	46,257
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	436,978
Cash and Cash Equivalents - Beginning of Year	1,196,749
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 1,633,727
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Income	\$ 36,277
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	308,761
Changes in Operating Assets and Liabilities:	
Utility Receivable	(3,157)
Other Receivables	167
Prepaid Expenses	(1,970)
Accounts Payable	21,764
Accrued Salaries and Benefits	1,201
Compensated Absences	1,880
Net Cash Provided by Operating Activities	\$ 364,923

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Town of Mead, Colorado, (the Town), have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Town are described below:

**Reporting Entity**

The financial reporting entity consists of the Town, organizations for which the Town is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the Town. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Town. Legally separate organizations for which the Town is financially accountable are considered part of the reporting entity. Financial accountability exists if the Town appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the Town.

Based on the application of these criteria, there is one component unit over which the Town exercises significant influence which is the Town of Mead Urban Renewal Authority. Significant influence or accountability is based primarily on operational or financial relationships with the Town (as distinct from legal relationships). The component unit is reported as a fund of the Town and separate financial statements are not issued.

**Government-Wide and Fund Financial Statements**

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

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

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

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year. Taxes, intergovernmental revenues, billed accounts and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered measurable and available only when cash is received by the Town.

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

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

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

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

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

The *Mead Urban Renewal Authority Fund* accounts for operations of the Mead Urban Renewal Authority (MURA) component unit. The revenues are derived from specific taxes or other designated revenues that are legally restricted to expenditures for specific purposes.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

The *Municipal Facilities Fund* is a special revenue fund to account for capital improvements and equipment needed due to increases in the Town's population and businesses and is primarily funded through impact fees and interfund transfers.

The *Transportation Fund* is a special revenue fund to account for street and road capital improvement projects needed due to increases in the Town's population and businesses and is primarily funded through impact fees, developer payments in lieu of construction, and interfund transfers.

The *Street Improvement Fund* is a special revenue fund to account for street maintenance and improvement projects and is primarily funded through sales and use taxes.

Additionally, the Town reports the following major proprietary fund:

The *Sewer Fund* was established to account for the acquisition, operation and maintenance of the Town's sewage treatment plant and infrastructure.

**Assets, Liabilities, and Net Position/Fund Balance**

Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of three months or less.

Receivables

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

Capital Assets

Capital assets, which include land, buildings, plant, infrastructure, equipment and right-to-use lease assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation.

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

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

Buildings	30 to 40 Years
Plant	40 Years
Sewer Main	20 to 25 Years
Machinery, Equipment and Vehicles	3 to 20 Years
Infrastructure	40 Years
Improvements	20 to 25 Years
Right-to-Use Lease Assets	Shorter of lease term or useful life

**Deferred Outflows and Inflows of Resources**

The Town has certain items related to its pension plan that qualify for reporting as a deferred outflow of resources and a deferred inflow of resources. See Note 7 for more information.

In addition, deferred inflows of resources include property taxes levied for a subsequent year.

**Compensated Absences**

Employees of the Town are allowed to accumulate unused paid time off (PTO) for up to 1.5 times their annual rate of accrual. Upon termination or resignation of employment from the Town, an employee will be compensated for all accrued PTO. Accumulated, unpaid PTO is accrued when earned in the government-wide and proprietary fund financial statements. A liability is reported in the governmental fund financial statements only when payment is due.

**Long-Term Obligations**

In the government-wide financial statements and the proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method, which approximates the effective interest rate method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financial uses.

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

**Net Position/Fund Balance**

In the government-wide and fund financial statements, net position and fund balance are restricted when constraints placed on the use of resources are externally imposed.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

Net Position/Fund Balance (Continued)

The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes prepaid expenditures.

Governmental funds report committed fund balances when the Town formally commits resources for a specific purpose through passage of a resolution or approval of contractual agreements with third parties. No amounts were reported as committed at year-end.

Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications.

The Town Board is authorized to informally assign amounts to a specific purpose and has assigned this authority to the Town Manager or other designee. Such fund balance assignments are reported in the governmental fund financial statements.

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

**Property Taxes**

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer’s Office collects property taxes and remits to the Town on a monthly basis.

**Adoption of New Accounting Standards**

In June 2017, the GASB issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principal that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. The Town adopted the requirements of the guidance effective January 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

The Town determines if an arrangement is a lease at inception. For leasing arrangements where the Town is the lessee, leases are included in capital assets and noncurrent liabilities in the statement of net position.

Lease assets represent the Town's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date on the initial measurement of the lease liabilities, plus any payment made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. Leased assets are defined by the Town as assets with an initial, individual cost of more than \$5,000.

Lease liabilities represent the Town's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the Town will exercise that option.

For individual lease contracts where information about the discount rate implicit in the lease is not included, the Town has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

**NOTE 2 CASH AND INVESTMENTS**

At December 31, 2022, cash and investments consisted of the following:

Petty Cash	\$ 600
Cash Deposits	1,983,790
Investments	28,197,988
Total	<u>\$ 30,182,378</u>

Cash and investments are reported in the financial statements as follows:

Cash and Investments	<u>\$ 30,182,378</u>
Total	<u>\$ 30,182,378</u>



**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. As of December 31, 2022, balances in excess of federal insurance limits and covered by PDPA were \$2,080,264.

**Investments**

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

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

The Town's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above.

**Interest Rate Risk**

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

**Credit Risk**

State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations. At December 31, 2022, the Town's investment of \$10,794,975 in the Colorado Local Government Liquid Asset Trust (Colotrust) and \$5,134,619 in the Colorado Statewide Investment Pool (CSIP) were rated AAAM by Standard and Poor's. At December 31, 2022, the Town's investment of \$12,268,394 in the Colorado Surplus Asset Fund Trust (CSAFE) was rated AAAMmf by Fitch Ratings.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Concentration of Credit Risk

State statutes do not limit the amount the Town may invest in a single issuer of investment securities, except for corporate securities.

Local Government Investment Pools

At December 31, 2022, the Town had a total of \$28,197,988 invested in Colotrust, CSAFE, and CSIP. The Town's investments in ColoTrust Plus and ColoTrust Prime are measured at net asset value, equal to \$1.00 per share. The Town's investment in CSAFE CORE is measured at net asset value, equal to \$2.00 per share. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. The Town's investments in CSIP Liquid Portfolio is valued at amortized cost. Based on the valuation method, additional disclosures are not required under GASB Statement No. 72. The pools are an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7. Colotrust and CSIP are rated AAAM by Standard and Poor's. CSAFE is rated AAmmf by Fitch Ratings. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 3 CAPITAL ASSETS**

Capital asset governmental activity for the year ended December 31, 2022, is summarized below.

	Beginning of Year, Restated (1)	Additions	Deletions	End of Year
Governmental Activities:				
Capital Assets, Not Being Depreciated/ Amortized:				
Land	\$ 2,658,885	\$ 219,958	\$ -	\$ 2,878,843
Water Rights	73,095	-	-	73,095
Construction Progress	3,415,971	755,258	(3,127,801)	1,043,428
Total Capital Assets, Not Being Depreciated/Amortized	6,147,951	975,216	(3,127,801)	3,995,366
Capital Assets, Being Depreciated/Amortized:				
Buildings	4,026,553	4,548,147	-	8,574,700
Improvements	271,171	27,857	-	299,028
Equipment	963,571	322,927	-	1,286,498
Vehicles	1,363,141	-	(5,500)	1,357,641
Infrastructure	9,413,662	2,771,122	-	12,184,784
Right-to-Use Lease Assets	57,897	254,298	-	312,195
Total Capital Assets, Being Depreciated/Amortized	16,095,995	7,924,351	(5,500)	24,014,846
Less: Accumulated Depreciation/Amortized:				
Buildings	(733,600)	(247,959)	-	(981,559)
Improvements	(187,691)	(9,883)	-	(197,574)
Equipment	(728,843)	(47,667)	-	(776,510)
Vehicles	(567,611)	(149,088)	5,500	(711,199)
Infrastructure	(3,385,842)	(401,754)	-	(3,787,596)
Right-to-Use Lease Assets	-	(62,523)	-	(62,523)
Total Accumulated Depreciation/ Amortized	(5,603,587)	(918,874)	5,500	(6,516,961)
Total Capital Assets, Being Depreciated/Amortized, Net	10,492,408	7,005,477	-	17,497,885
Governmental Activities Capital Assets, Net	<u>\$ 16,640,359</u>	<u>\$ 7,980,693</u>	<u>\$ (3,127,801)</u>	<u>\$ 21,493,251</u>

(1) As a result of implementation of GASB Statement No. 87 (GASB 87), *Leases*, \$57,897 in lease assets for leases of vehicles has been added to the beginning balance presented above. As the adjustment to the beginning balance for this asset is offset by an equal amount of lease liabilities, the Town did not report a restatement of beginning net position for the implementation of GASB 87.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 3 CAPITAL ASSETS (CONTINUED)**

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

Governmental Activities:

General Government	\$	197,651
Public Safety		66,065
Public Works		540,280
Parks and Recreation		114,878
Total		918,874

Capital asset business-type activity for the year ended December 31, 2022, is summarized below.

	Beginning of Year	Additions	Deletions	End of Year
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Land (Sewer)	\$ 294,835	\$ -	\$ -	\$ 294,835
Construction Progress	5,794	42,104	(5,794)	42,104
Total Capital Assets, Not Being Depreciated	300,629	42,104	(5,794)	336,939
Capital Assets, Being Depreciated:				
Buildings	281,751	-	-	281,751
Improvements	322,159	-	-	322,159
Sewer Mains	1,025,309	728,238	-	1,753,547
Treatment Plant	6,496,731	225,668	-	6,722,399
Equipment and Vehicles	179,757	-	-	179,757
Total Capital Assets, Being Depreciated	8,305,707	953,906	-	9,259,613
Less: Accumulated Depreciation	(3,228,334)	(308,761)	-	(3,537,095)
Total Capital Assets, Being Depreciated, Net	5,077,373	645,145	-	5,722,518
Business-Type Activities Capital Assets, Net	\$ 5,378,002	\$ 687,249	\$ (5,794)	\$ 6,059,457

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 4 LONG-TERM DEBT**

**Governmental Activities**

Following is a summary of long-term debt transactions of the governmental activities for the year ended December 31, 2022.

	Beginning of Year Restated (1)	Increases	Decreases	End of Year	Due within One Year
Governmental Activities:					
2021 Financed Purchase - Dump Truck	\$ 160,394	\$ -	\$ (38,287)	\$ 122,107	\$ 39,470
2020 Financed Purchase - Dump Truck	122,107	-	(39,470)	82,637	40,690
Leases Payable	57,897	254,298	(64,550)	247,645	77,526
Compensated Absences	171,517	245,755	(194,707)	222,565	-
Total	<u>\$ 511,915</u>	<u>\$ 500,053</u>	<u>\$ (337,014)</u>	<u>\$ 674,954</u>	<u>\$ 157,686</u>

(1) As a result of the implementation of GASB Statement No. 87 (GASB 87), *Leases*, \$57,897 in lease liabilities for leases of vehicles was added to the long-term debt schedule above. As these lease liabilities are offset by an equal amount of lease assets, the Town does not report a restatement of beginning net position for the implementation of GASB 87.

Compensated absences are expected to be liquidated primarily with resources of the General Fund.

**Governmental Activities (Continued)**

In December 2020, the Town entered into a financed purchase agreement for financing the acquisition of a dump truck valued at \$204,373. The agreement has an interest rate of 3.03% and requires annual payments of principal and interest through December 2024 of \$43,243. The vehicle has an estimated useful life of fifteen years. During the year ended December 31, 2022, \$13,625 was included in depreciation expense. The net book value of the asset is \$177,124 as of December 31, 2022. It is the policy of the Town to make the payments under this agreement from the Municipal Facilities Fund.

In May 2021, the Town entered into a financed purchase agreement for financing the acquisition of a dump truck valued at \$203,637. The agreement has an interest rate of 3.03% and requires annual payments of principal and interest through May 2025 of \$43,243. The vehicle has an estimated useful life of fifteen years. During the year ended December 31, 2022, \$13,576 was included in depreciation expense. The net book value of the asset is \$183,273 as of December 31, 2022. It is the policy of the Town to make the payments under this agreement from the Municipal Facilities Fund.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 4 LONG-TERM DEBT (CONTINUED)**

The future minimum lease payments of principal and interest as of December 31, 2022, are as follows:

<u>Year Ending December 31,</u>	<u>Financed Purchases - Dump Trucks</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 80,160	\$ 6,327
2024	82,637	3,850
2025	41,947	1,296
Totals	\$ 204,744	\$ 11,473

**Business-Type Activities**

Following are the changes to long-term debt of the business-type activities for the year ended December 31, 2022:

	<u>Beginning of Year</u>	<u>Increases</u>	<u>Decreases</u>	<u>End of Year</u>	<u>Due within One Year</u>
Business-Type Activities:					
Direct Borrowing:					
CWRPDA Note Payable	\$ 1,547,990	\$ -	\$ (76,794)	\$ 1,471,196	\$ 79,497
CWRPDA Premium	53,756	-	(3,763)	49,993	3,763
Total Direct Borrowing	\$ 1,601,746	\$ -	\$ (80,557)	\$ 1,521,189	\$ 83,260
Compensated Absences	9,070	1,880	-	10,950	1,095
Total	\$ 1,610,816	\$ 1,880	\$ (80,557)	\$ 1,532,139	\$ 84,355

**Note from Direct Borrowing**

In May 2007, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority (the Authority) for financing a wastewater treatment system project. This loan was restructured in April 2017 to extend the term an additional ten years. The loan has an interest rate of 3.49% and requires semi-annual payments of principal and interest of \$65,077 through February 2037. The Town has recorded a premium associated with this loan that is being amortized over the loan period. This loan is repaid through the Sewer Fund. The loan requires an operations and maintenance reserve equal to three months of budgeted operations and maintenance expenses excluding depreciation not to exceed \$1,250,000. At December 31, 2022, this amount has been recorded as restricted net position in the Sewer Fund. The Town has pledged all sewer revenues to the repayment of this debt. There are no unused lines of credit. In the event of default, the Authority shall have the right to take any action permitted or required pursuant to the Loan Agreement and to take whatever other action at law or in equity to collect amounts then due and thereafter become due.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 4 LONG-TERM DEBT (CONTINUED)**

**Business-Type Activities (Continued)**

Note from Direct Borrowing (Continued)

Future debt service requirements are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 79,497	\$ 50,657	\$ 130,154
2024	82,296	47,858	130,154
2025	85,193	44,961	130,154
2026	88,192	41,962	130,154
2027	91,297	38,857	130,154
2028 to 2032	507,021	143,752	650,773
2033 to 2037	537,700	47,996	585,696
Total	<u>\$ 1,471,196</u>	<u>\$ 416,043</u>	<u>\$ 1,887,239</u>

The 2007 Colorado Water Resources and Power Development Authority sewer loan agreement includes a rate maintenance coverage covenant that requires the Town to maintain a coverage ratio of Net Revenues equal to 110% of the maximum annual debt service of the loan when due and any parity debt coming due.

The computation of the rate maintenance is as follows:

Revenues:	
Operating Revenues	\$ 922,408
System Improvement Fees	1,266,628
Investment Earnings	25,798
Total Revenues	<u>2,214,834</u>
Expenses:	
Operating Expenses	(886,131)
Less: Depreciation	308,761
Net Expenses	<u>(577,370)</u>
Net Revenues	1,637,464
Debt Services Requirements (Parity and Subordinate):	
2007 CWRPDA Note Payable	130,155
Required Coverage	110%
Debt Service Coverage Amount	<u>143,171</u>
Net Revenue Excess (Shortfall)	<u>\$ 1,494,293</u>

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 INTERFUND TRANSACTIONS**

Interfund transfers during the year ended December 31, 2022, consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Transportation Fund	Storm Drainage Fund	\$ 85,639
Transportation Fund	Mead Urban Renewal Authority Fund	1,250,000
Municipal Facilities Fund	Sewer Fund	100,000
Street Improvement Fund	General Fund	375,000
Capital Improvement Fund	General Fund	2,365,470
Total		<u>\$ 4,176,109</u>

Transfers In to the Transportation Fund from the Transportation Fund and Mead Urban Renewal Authority Fund were to assist with the 3<sup>rd</sup> Street Improvement project expenditures. Transfers In to the Municipal Facilities Fund from the Sewer Fund were to assist with the Public Works Facility expenditures. Transfers In to the Street Improvement Fund from the General Fund were related to the establishment of the Fund in 2022. Transfers in to the Capital Improvement Fund from the General Fund were to assist with future capital improvement projects.

**NOTE 6 DEFERRED COMPENSATION PLAN**

Under Resolution No. 30-R-2015, the Town established a 457 deferred compensation plan. Participation in the plan is at the employee’s option and contributions are limited to the IRS maximum. Under the plan, the Town matches on a one-to-one percentage basis up to 5% of an employee’s salary. During the year, employees deferred \$118,479 including \$19,873 of Roth contributions and the Town’s match was \$75,743.

**NOTE 7 DEFINED BENEFIT PENSION PLAN**

**State Fire and Police Pension Plan (FPPA)**

The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan (SWDB) provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by the FPPA. This is a noncontributory plan. All full-time, paid police officers of the Town members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Local revenue sources are responsible for funding of the Death and Disability benefits for firefighters hired on or after January 1, 1997.

Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA’s website at <http://www.fppaco.org>.



**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 7    DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Description of Benefits**

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for an early retirement at age 50 with at least five years of credited service or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

**Contributions**

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

Members of the SWDB plan and their employers are contributing at the rate of 12.0 percent and 9.0 percent, respectively, of base salary for a total contribution rate of 21.0 percent in 2022. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates are 12.0 percent of pensionable earnings for the foreseeable future. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings. Contributions to the SWDB plan from the Town were \$90,426 for the year ended December 31, 2022.

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2022, the Town reported an asset of \$526,174 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Town's proportion of the net pension asset was based on the Town's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2021, the Town's proportion was 0.09709 percent, which was an increase of 0.01788 percent from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Town recognized pension expense of \$81,005. At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 150,671	\$ 12,272
Changes of Assumptions and Other Inputs	75,036	-
Net Difference Between Projected and Actual Earnings on Plan Investments	-	352,145
Changes in Proportion	-	144,739
Contributions Subsequent to the Measurement Date	90,426	-
Total	<u>\$ 316,133</u>	<u>\$ 509,156</u>

\$90,426 in total reported as deferred outflows of resources related to pension resulting from Town contributions subsequent to measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ (69,226)
2024	(105,651)
2025	(68,816)
2026	(34,947)
2027	11,291
Thereafter	(16,100)
Total	<u>\$ (283,449)</u>

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Actuarial Assumptions**

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Total Pension Liability</u>	<u>Actuarial Determined Contributions</u>
Actuarial Valuation Date	January 1, 2022	January 1, 2021
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25 - 11.25%	4.25 - 11.25%
Cost of Living Adjustments (COLA)	0.0%	0.0%
*Includes Inflation at	2.5%	2.5%

For determining the total pension liability and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The preretirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Actuarial Assumptions (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global Equity	39.00 %	8.23 %
Equity Long/Short	8.00	6.87
Private markets	26.00	10.63
Fixed Income - Rates	10.00	4.01
Fixed Income - Credit	5.00	5.25
Absolute Return	10.00	5.60
Cash	2.00	2.32
Total	<u>100.00 %</u>	

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Town's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the Town's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Town's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<u>One Percent Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>One Percent Increase (8.00%)</u>
Town's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ (72,563)</u>	<u>\$ (526,174)</u>	<u>\$ (901,966)</u>

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Pension Plan Fiduciary Net Position**

Detailed information about the SWDB's fiduciary net position is available in FPPA's annual comprehensive financial report, which can be obtained at <http://www.fppaco.org>.

**NOTE 8 NET INVESTMENT IN CAPITAL ASSETS**

The Net Investment in Capital Assets amounts reported on the government-wide and business-type statement of net position as of December 31, 2022, consist of the following:

	Governmental Activities	Business-Type Activities
Net Investment in Capital Assets:		
Cost of Capital Assets	\$ 28,010,212	\$ 9,596,552
Less: Accumulated Depreciation/Amortization	(6,516,961)	(3,537,095)
Book Value	21,493,251	6,059,457
Capital Related Debt	(452,389)	(1,471,196)
Capital Related Payables	(348,678)	-
Debt Premium	-	(49,993)
Net Investment in Capital Assets	\$ 20,692,184	\$ 4,538,268

**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description**

The Town contributes to the Statewide Death and Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan administered by the Fire & Police Pension Association of Colorado (FPPA). All full-time police officers are members of the plan. Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by State statute and generally allow for benefits upon the death or disability of a plan member prior to retirement. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by contacting FPPA as described previously.

**Funding Policy**

The contribution requirements are established by State statute. The Town Board determines the contribution split between members and the Town. For members hired on or after January 1, 1997, the Town contributed 2.8% of base salaries during the years ended December 31, 2022 and 2021. The Town's contributions to the plan for the years ended December 31, 2022 and 2021 were \$32,673 and \$23,509, respectively, equal to the required contributions.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 10 RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town purchases commercial insurance for its workers compensation claims.

**Public Entity Risk Pool**

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

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

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

**NOTE 11 COMMITMENTS AND CONTINGENCIES**

**Claims and Judgments**

The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. Management believes that additional disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

**TABOR Amendment**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. On April 5, 1994, voters within the Town approved the collection, retention and expenditure of the full revenues generated by the Town in 1994 and subsequent years, notwithstanding the provisions of the Amendment.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 11 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. On April 5, 1994, voters within the Town approved the collection, retention and expenditure of the full revenues generated by the Town in 1994 and subsequent years, notwithstanding the provisions of the Amendment.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2022, the emergency reserve of \$585,000 was reported as restricted fund balance in the General Fund.

**REQUIRED SUPPLEMENTARY INFORMATION**



**TOWN OF MEAD, COLORADO**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION**  
**ASSET (LIABILITY) AND CONTRIBUTIONS**  
**FPPA STATEWIDE DEFINED BENEFIT PLAN**  
**YEAR ENDED DECEMBER 31, 2022**

Fiscal Year	2022	2021	2020	2019	2018
Plan Measurement Date	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>	<u>December 31, 2017</u>
<b>Proportionate Share of the Net Pension Asset (Liability)</b>					
Town's Proportion of the Net Pension Asset (Liability)	0.09709193%	0.07920886%	0.06352669%	0.03626892%	0.03490164%
Town's Proportionate Share of the Net Pension Asset (Liability)	\$ 526,174	\$ 171,963	\$ 35,928	\$ (45,854)	\$ 50,212
Town's Covered Payroll	\$ 780,216	\$ 643,912	\$ 494,759	\$ 248,950	\$ 164,885
Town's Proportionate Share of the Net Pension Asset (Liability) as a Percentage of its Covered Payroll	67.4%	26.7%	7.3%	(18.4%)	30.5%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	116.2%	106.7%	101.9%	95.2%	106.3%
<b>Town Contributions</b>					
Statutorily Required Contribution	\$ 90,426	\$ 66,318	\$ 51,513	\$ 37,457	\$ 19,436
Contribution in Relation to the Statutorily Required Contribution	<u>90,426</u>	<u>66,318</u>	<u>51,513</u>	<u>37,457</u>	<u>19,436</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 1,006,248	\$ 780,216	\$ 643,912	\$ 494,759	\$ 248,950
Contributions as a Percentage of Covered Payroll	9.0%	8.5%	8.0%	7.6%	7.8%

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

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Taxes:			
Property Taxes	\$ 1,368,243	\$ 1,246,580	\$ (121,663)
Specific Ownership Taxes	70,000	88,567	18,567
Sales and Use Taxes	4,327,805	4,711,430	383,625
Franchise Fees	200,573	250,030	49,457
Other Taxes	4,000	-	(4,000)
Total Taxes	<u>5,970,621</u>	<u>6,296,607</u>	<u>325,986</u>
Intergovernmental:			
Highway Users	232,092	-	(232,092)
Cigarette Taxes	12,000	9,915	(2,085)
Road and Bridges Fees	80,000	81,368	1,368
Federal Grants	594,568	12,363	(582,205)
Mineral Lease	25,000	189,805	164,805
Other Intergovernmental	-	198,849	198,849
Total Intergovernmental	<u>943,660</u>	<u>492,300</u>	<u>(451,360)</u>
Licenses and Permits:			
Liquor Licenses	2,634	3,308	674
Building Permits	1,379,517	859,516	(520,001)
Business Licenses	30,000	10,500	(19,500)
Clerk/Motor Vehicle Fees	25,000	27,135	2,135
Animal Licenses	650	585	(65)
Other Licenses and Permits	394,859	585,364	190,505
Total Licenses and Permits	<u>1,832,660</u>	<u>1,486,408</u>	<u>(346,252)</u>
Fines and Forfeitures	47,100	37,238	(9,862)
Charges for Services:			
Recreation Fees	32,000	52,032	20,032
Other Charges for Services	45,000	794,077	749,077
Total Charges for Services	<u>77,000</u>	<u>846,109</u>	<u>769,109</u>
Investment Income	5,400	190,121	184,721
Other Revenues:			
Reimbursement and refunds	366,500	-	(366,500)
Donations	15,750	-	(15,750)
Other Miscellaneous Revenues	10,000	22,451	12,451
Total Other Revenues	<u>392,250</u>	<u>22,451</u>	<u>(369,799)</u>
Total Revenues	<u>9,268,691</u>	<u>9,371,234</u>	<u>102,543</u>

**TOWN OF MEAD, COLORADO  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual	Variance with Final Budget
<b>EXPENDITURES</b>			
Current:			
General Government	\$ 4,028,565	\$ 1,267,706	\$ 2,760,859
Community Development	1,152,628	864,505	288,123
Public Safety	2,223,173	1,960,845	262,328
Public Works	671,163	1,204,690	(533,527)
Parks and Recreation	598,162	995,001	(396,839)
Total Current	<u>8,673,691</u>	<u>6,292,747</u>	<u>2,380,944</u>
Capital Outlay	250,000	265,474	(15,474)
Total Expenditures	<u>8,923,691</u>	<u>6,558,221</u>	<u>2,365,470</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	345,000	2,813,013	2,468,013
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(375,000)	(2,740,470)	(2,365,470)
Sale of Capital Assets	30,000	8,195	(21,805)
<b>NET CHANGE IN FUND BALANCE</b>	-	80,738	80,738
Fund Balance - Beginning of Year	<u>6,721,628</u>	<u>6,481,616</u>	<u>(240,012)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 6,721,628</u>	<u>\$ 6,562,354</u>	<u>\$ (159,274)</u>

**TOWN OF MEAD, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
MEAD URBAN RENEWAL AUTHORITY FUND  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Property Taxes	\$ 2,424,921	\$ 2,416,249	\$ (8,672)
Charges for Services	12,396	12,396	-
Investment Income	3,153	58,551	55,398
Total Revenues	<u>2,440,470</u>	<u>2,487,196</u>	<u>46,726</u>
<b>EXPENDITURES</b>			
General Government:			
Administration	2,734,932	1,637,066	1,097,866
Capital Outlay	33,333	27,233	6,100
Total Expenditures	<u>2,768,265</u>	<u>1,664,299</u>	<u>1,103,966</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	(327,795)	822,897	(1,057,240)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	<u>(1,250,000)</u>	<u>(1,250,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,577,795)	(427,103)	(1,057,240)
Fund Balance - Beginning of Year	<u>3,500,426</u>	<u>3,518,578</u>	<u>18,152</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,922,631</u>	<u>\$ 3,091,475</u>	<u>\$ (1,039,088)</u>

**TOWN OF MEAD, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
MUNICIPAL FACILITIES FUND  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Impact Fees	\$ 1,560,103	\$ 929,894	\$ (630,209)
Intergovernmental	350,000	-	(350,000)
Capital Contributions	-	389,822	389,822
Investment Income	2,269	51,689	49,420
Total Revenues	1,912,372	1,371,405	(540,967)
<b>EXPENDITURES</b>			
Public Works	195,047	133,234	61,813
Capital Outlay	6,020,249	4,336,277	1,683,972
Debt Service	86,486	133,655	(47,169)
Total Expenditures	6,301,782	4,603,166	1,698,616
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	(4,389,410)	(3,231,761)	(2,239,583)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	100,000	100,000	-
Leases	-	213,337	213,337
Total Other Financing Sources (Uses)	100,000	313,337	213,337
<b>NET CHANGE IN FUND BALANCE</b>	(4,289,410)	(2,918,424)	(2,026,246)
Fund Balance - Beginning of Year	5,697,019	5,313,196	(383,823)
<b>FUND BALANCE - END OF YEAR</b>	\$ 1,407,609	\$ 2,394,772	\$ (2,410,069)

**TOWN OF MEAD, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
TRANSPORTATION FUND  
YEAR ENDED DECEMBER 31, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Impact Fees	\$ 2,682,344	\$ 2,682,344	\$ 1,947,061	\$ (735,283)
Intergovernmental	620,000	620,000	86,796	(533,204)
Capital Contributions	-	-	9,600	9,600
Investment Income	2,000	2,000	98,613	96,613
<b>Total Revenues</b>	<u>3,304,344</u>	<u>3,304,344</u>	<u>2,142,070</u>	<u>(1,162,274)</u>
<b>EXPENDITURES</b>				
Public Works	30,000	30,000	7,726	22,274
Capital Outlay	5,825,000	5,825,000	471,564	5,353,436
Contingency Reserve	47,500	47,500	-	47,500
<b>Total Expenditures</b>	<u>5,902,500</u>	<u>5,902,500</u>	<u>479,290</u>	<u>5,423,210</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	(2,598,156)	(2,598,156)	1,662,780	(6,585,484)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,317,001	1,337,001	1,335,639	18,638
<b>NET CHANGE IN FUND BALANCE</b>	(1,281,155)	(1,261,155)	2,998,419	(6,566,846)
Fund Balance - Beginning of Year	<u>3,456,076</u>	<u>3,456,076</u>	<u>3,405,249</u>	<u>(50,827)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 2,174,921</u>	<u>\$ 2,194,921</u>	<u>\$ 6,403,668</u>	<u>\$ (6,617,673)</u>

**TOWN OF MEAD, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
STREET IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Sales and Use Taxes	\$ 2,228,438	\$ 2,355,358	\$ 126,920
Intergovernmental	-	242,063	242,063
Total Revenues	<u>2,228,438</u>	<u>2,597,421</u>	<u>368,983</u>
<b>EXPENDITURES</b>			
General Government:			
Public Works	<u>2,603,438</u>	<u>934,633</u>	<u>1,668,805</u>
Total Expenditures	<u>2,603,438</u>	<u>934,633</u>	<u>1,668,805</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	(375,000)	1,662,788	(1,299,822)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	<u>375,000</u>	<u>375,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	2,037,788	(1,299,822)
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ 2,037,788</u></u>	<u><u>\$ (1,299,822)</u></u>

**TOWN OF MEAD, COLORADO**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2022**

**NOTE 1 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgets**

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

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

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

**NOTE 2 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET AND CONTRIBUTIONS**

The Fire & Police Pension Association of Colorado (FPPA) Statewide Defined Benefit Plan's net pension liability and associated amounts are measured annually on December 31, based on an actuarial valuation as of the previous December 31. The Town's contributions and related ratios represent cash contributions and any related accruals that coincide with the Town's fiscal year ending on December 31.

**Changes in Assumptions and Other Inputs**

For the year ended December 31, 2022, the total pension asset was determined by an actuarial valuation as of January 1, 2022. The following revised economic and demographic assumptions were effective as of December 31, 2017.

- Investment rate of return assumption of 7.00% per year, compounded annually. This assumption did not change from the prior year.
- Price inflation assumption of 2.5% per year. This assumption did not change from the prior year.
- Healthy and disabled mortality assumptions are based on the RP-2014 Mortality Tables.



**SUPPLEMENTARY INFORMATION**

**TOWN OF MEAD, COLORADO  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2022  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Conservation Trust</u>	<u>Downtown Revitalization</u>	<u>Capital Improvement</u>	<u>Storm Drainage</u>	<u>Parks and Open Space</u>	<u>Art in Public Places</u>	<u>Police Impact</u>	<u>Total</u>
<b>ASSETS</b>								
Cash and Investments	\$ 36,128	\$ -	\$ 3,305,303	\$ -	\$ 1,747,538	\$ -	\$ 250,668	\$ 5,339,637
Total Assets	<u>\$ 36,128</u>	<u>\$ -</u>	<u>\$ 3,305,303</u>	<u>\$ -</u>	<u>\$ 1,747,538</u>	<u>\$ -</u>	<u>\$ 250,668</u>	<u>\$ 5,339,637</u>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 16,878	\$ -	\$ -	\$ 16,878
<b>FUND BALANCES</b>								
Restricted	36,128	-	-	-	1,730,660	-	250,668	2,017,456
Assigned to Future Projects	-	-	3,305,303	-	-	-	-	3,305,303
Total Fund Balances	<u>36,128</u>	<u>-</u>	<u>3,305,303</u>	<u>-</u>	<u>1,730,660</u>	<u>-</u>	<u>250,668</u>	<u>5,322,759</u>
Total Liabilities and Fund Balances	<u>\$ 36,128</u>	<u>\$ -</u>	<u>\$ 3,305,303</u>	<u>\$ -</u>	<u>\$ 1,747,538</u>	<u>\$ -</u>	<u>\$ 250,668</u>	<u>\$ 5,339,637</u>

**TOWN OF MEAD, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2022**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Conservation Trust	Downtown Revitalization	Capital Improvement	Storm Drainage	Parks and Open Space	Art in Public Places	Police Impact	Total
<b>REVENUES</b>								
Impact Fees	\$ -	\$ -	\$ -	\$ -	\$ 284,618	\$ -	\$ 139,092	\$ 423,710
Intergovernmental	61,083	-	-	-	-	-	-	61,083
Capital Contributions	-	-	-	-	89,625	-	-	89,625
Investment Income	901	263	14,418	852	27,704	6	3,957	48,101
Total Revenues	<u>61,984</u>	<u>263</u>	<u>14,418</u>	<u>852</u>	<u>401,947</u>	<u>6</u>	<u>143,049</u>	<u>622,519</u>
<b>EXPENDITURES</b>								
Current:								
Public Safety	-	-	-	-	-	-	489	489
Public Works	-	421	-	-	-	-	-	421
Capital Outlay	90,179	31,975	-	26,085	475,911	6,107	40,961	671,218
Debt Service:								
Principal	-	-	-	-	-	-	22,629	22,629
Interest	-	-	-	-	-	-	1,735	1,735
Total Expenditures	<u>90,179</u>	<u>32,396</u>	<u>-</u>	<u>26,085</u>	<u>475,911</u>	<u>6,107</u>	<u>65,814</u>	<u>696,492</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	(28,195)	(32,133)	14,418	(25,233)	(73,964)	(6,101)	77,235	(73,973)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	2,365,470	-	-	-	-	2,365,470
Transfers Out	-	-	-	(85,639)	-	-	-	(85,639)
Lease Proceeds	-	-	-	-	-	-	40,961	40,961
Total Other Financing Sources (Uses)	-	-	2,365,470	(85,639)	-	-	40,961	2,320,792
<b>NET CHANGE IN FUND BALANCE</b>	(28,195)	(32,133)	2,379,888	(110,872)	(73,964)	(6,101)	118,196	2,246,819
Fund Balance - Beginning of Year	<u>64,323</u>	<u>32,133</u>	<u>925,415</u>	<u>110,872</u>	<u>1,804,624</u>	<u>6,101</u>	<u>132,472</u>	<u>3,075,940</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 36,128</u>	<u>\$ -</u>	<u>\$ 3,305,303</u>	<u>\$ -</u>	<u>\$ 1,730,660</u>	<u>\$ -</u>	<u>\$ 250,668</u>	<u>\$ 5,322,759</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**CONSERVATION TRUST FUND**  
**YEAR ENDED DECEMBER 31, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Intergovernmental	\$ 60,000	\$ 61,083	\$ 1,083
Investment Income	20	901	881
Total Revenues	<u>60,020</u>	<u>61,984</u>	<u>1,964</u>
<b>EXPENDITURES</b>			
Capital Outlay	106,000	90,179	15,821
Total Expenditures	<u>106,000</u>	<u>90,179</u>	<u>15,821</u>
<b>NET CHANGE IN FUND BALANCE</b>	(45,980)	(28,195)	17,785
Fund Balance - Beginning of Year	<u>46,031</u>	<u>64,323</u>	<u>18,292</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 51</u></u>	<u><u>\$ 36,128</u></u>	<u><u>\$ 36,077</u></u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**DOWNTOWN REVITALIZATION FUND**  
**YEAR ENDED DECEMBER 31, 2022**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Investment Income	\$ -	\$ -	\$ 263	\$ 263
<b>EXPENDITURES</b>				
General Government	8,652	8,652	-	8,652
Public Works	-	-	421	(421)
Capital Outlays	15,000	25,000	31,975	(16,975)
Total Expenditures	<u>23,652</u>	<u>33,652</u>	<u>32,396</u>	<u>(8,744)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(23,652)	(33,652)	(32,133)	(8,481)
Fund Balance - Beginning of Year	<u>23,652</u>	<u>23,652</u>	<u>32,133</u>	<u>8,481</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ (10,000)</u>	<u>\$ -</u>	<u>\$ -</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**STORM DRAINAGE FUND**  
**YEAR ENDED DECEMBER 31, 2022**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Investment Income	\$ 150	\$ 150	\$ 852	\$ 702
Total Revenues	<u>150</u>		<u>852</u>	<u>702</u>
<b>EXPENDITURES</b>				
Capital Outlay	25,000	25,000	26,085	(1,085)
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>26,085</u>	<u>(1,085)</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	(24,850)	(25,000)	(25,233)	1,787
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>(67,001)</u>	<u>(87,001)</u>	<u>(85,639)</u>	<u>1,362</u>
<b>NET CHANGE IN FUND BALANCE</b>	(91,851)	(112,001)	(110,872)	3,149
Fund Balance - Beginning of Year	<u>91,851</u>	<u>91,851</u>	<u>110,872</u>	<u>19,021</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ (20,150)</u>	<u>\$ -</u>	<u>\$ 22,170</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**PARKS AND OPEN SPACE FUND**  
**YEAR ENDED DECEMBER 31, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Impact Fees	\$ 744,077	\$ 284,618	\$ (459,459)
Capital Contributions	-	89,625	89,625
Investment Income	1,200	27,704	26,504
Total Revenues	<u>745,277</u>	<u>401,947</u>	<u>(343,330)</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>786,333</u>	<u>475,911</u>	<u>310,422</u>
Total Expenditures	<u>786,333</u>	<u>475,911</u>	<u>310,422</u>
<b>NET CHANGE IN FUND BALANCE</b>	(41,056)	(73,964)	(32,908)
Fund Balance - Beginning of Year	<u>2,079,133</u>	<u>1,804,624</u>	<u>(274,509)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 2,038,077</u></u>	<u><u>\$ 1,730,660</u></u>	<u><u>\$ (307,417)</u></u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL IMPROVEMENT FUND**  
**YEAR ENDED DECEMBER 31, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Investment Income	\$ 3,500	\$ 14,418	\$ 10,918
Total Revenues	<u>3,500</u>	<u>14,418</u>	<u>10,918</u>
<b>Expenditures</b>			
Public Works	-	-	-
Capital Outlay	-	-	-
Contingency Reserve	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess Revenues Over (Under) Expenditures</b>	3,500	14,418	10,918
<b>Other Financing Sources (Uses)</b>			
Transfers In	<u>-</u>	<u>2,365,470</u>	<u>2,365,470</u>
<b>NET CHANGE IN FUND BALANCE</b>	3,500	2,379,888	2,376,388
Fund Balance - Beginning of Year	<u>926,011</u>	<u>925,415</u>	<u>(596)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 929,511</u>	<u>\$ 3,305,303</u>	<u>\$ 2,375,792</u>



**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**ART IN PUBLIC PLACES FUND**  
**YEAR ENDED DECEMBER 31, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Investment Income	\$ 6	\$ 6	\$ -
<b>EXPENDITURES</b>			
Capital Outlay	6,107	6,107	-
Total Expenditures	<u>6,107</u>	<u>6,107</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(6,101)	(6,101)	-
Fund Balance - Beginning of Year	<u>6,101</u>	<u>6,101</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**POLICE IMPACT FUND**  
**YEAR ENDED DECEMBER 31, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Impact Fees	\$ 196,101	\$ 139,092	\$ (57,009)
Investment Income	25	3,957	3,932
Total Revenues	<u>196,126</u>	<u>143,049</u>	<u>(53,077)</u>
<b>EXPENDITURES</b>			
Public Safety	41,120	489	40,631
Capital Outlay	209,725	40,961	168,764
Debt Service	-	24,364	(24,364)
Total Expenditures	<u>250,845</u>	<u>65,814</u>	<u>185,031</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	(54,719)	77,235	(238,108)
<b>OTHER FINANCING SOURCES (USES)</b>			
Lease Proceeds	-	40,961	40,961
<b>NET CHANGE IN FUND BALANCE</b>	(54,719)	118,196	(197,147)
Fund Balance - Beginning of Year	<u>185,544</u>	<u>132,472</u>	<u>(53,072)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 130,825</u>	<u>\$ 250,668</u>	<u>\$ (250,219)</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**SEWER FUND**  
**YEAR ENDED DECEMBER 31, 2022**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 888,667	\$ 1,429,215	\$ 905,554	\$ (523,661)
Miscellaneous	19,092	19,092	16,854	(2,238)
Total Operating Revenues	<u>907,759</u>	<u>1,448,307</u>	<u>922,408</u>	<u>(525,899)</u>
<b>EXPENDITURES</b>				
Operations	408,100	408,100	304,798	103,302
Administration	294,137	294,137	272,572	21,565
Capital Outlay	625,000	1,166,073	990,216	175,857
Total Expenditures	<u>1,327,237</u>	<u>1,868,310</u>	<u>1,567,586</u>	<u>300,724</u>
<b>NET OPERATING INCOME</b>	(419,478)	(420,003)	(645,178)	(225,175)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Income	1,000	1,000	25,798	24,798
Debt Service	(130,155)	(130,155)	(130,155)	-
Total Nonoperating Revenues (Expenses)	<u>(129,155)</u>	<u>(129,155)</u>	<u>(104,357)</u>	<u>24,798</u>
<b>NET INCOME (LOSS) BEFORE CONTRIBUTED CAPITAL</b>	(548,633)	(549,158)	(749,535)	(200,377)
<b>CONTRIBUTED CAPITAL</b>				
Plant Investment Fees	480,745	480,745	1,266,628	785,883
<b>TRANSFERS OUT</b>	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
<b>CHANGE IN NET POSITION - BUDGETARY BASIS</b>	<u>\$ (167,888)</u>	<u>\$ (168,413)</u>	417,093	<u>\$ 585,506</u>
<b>RECONCILIATION TO GAAP BASIS</b>				
Capital Outlay			990,216	
Debt Service Principal			76,794	
Bond Premium Amortization			3,763	
Change in Accrued Interest			1,117	
Depreciation			<u>(308,761)</u>	
<b>CHANGE IN NET POSITION - GAAP BASIS</b>			<u>\$ 1,180,222</u>	

## **COMPLIANCE SECTION**

## **STATE COMPLIANCE**

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County:	Town of Mead
		YEAR ENDING :	December 2022
This Information From the Records of Town of Mead, Colorado		Prepared By:	Lorraine Trotter, Prof'l Mgmt Solutions
		Phone:	303-910-9197

**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
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	497,649
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,287,762
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	318,003
2. General fund appropriations	0	b. Snow and ice removal	95,608
3. Other local imposts (from page 2)	4,396,649	c. Other	
4. Miscellaneous local receipts (from page 2)	222,414	d. Total (a. through c.)	413,612
5. Transfers from toll facilities		4. General administration & miscellaneous	58,999
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,004,136
a. Bonds - Original Issues		6. Total (1 through 5)	3,262,158
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest & Costs of Issuance	
7. Total (1 through 6)	4,619,063	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	355,994	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	12,403
<b>E. Total receipts (A.7 + B + C + D)</b>	4,975,057	b. Redemption	107,102
		c. Total (a. + b.)	119,504
		3. Total (1.c + 2.c)	119,504
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	
			3,381,662

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>	282,501	149,336	107,102	324,735

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	4,975,057	3,381,662	1,593,395	0

Notes and Comments:

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: Colorado
	YEAR ENDING (mm/yy): December 2022

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	99,464
b. Other local imposts:		b. Traffic Fines & Penalties	31,982
1. Sales Taxes & Use Taxes	2,356,356	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	1,947,061	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	4,665	f. Charges for Services	
5. Specific Ownership &/or Other	88,567	g. Other Mis Developer Contrib's in Lieu	9,600
6. Total (1. through 5.)	4,396,649	h. Other County Road & Bridge Tax	81,368
c. Total (a. + b.)	4,396,649	i. Total (a. through h.)	222,414
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	242,063	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	27,135	d. Federal Transit Admin	
d. Other State of Colorado Grants	86,796	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	113,931	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	355,994	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)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		313,293	313,293
(3). System Preservation			0
(4). System Enhancement & Operation		184,356	184,356
(5). Total Construction (1) + (2) + (3) + (4)	0	497,649	497,649
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	497,649	497,649
			(Carry forward to page 1)

**Notes and Comments:**



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