



BOARD OF TRUSTEES MEETING

Thursday, July 28, 2022 at 5:00 PM

Palmer Lake Town Hall – 28 Valley Crescent, Palmer Lake, Colorado

In-person & LIVE STREAM available at Town website

AGENDA

This agenda is subject to revision 24 hours prior to commencement of the meeting.

Call to Order

Pledge of Allegiance

Roll Call

Introduction/Presentation

- [1.](#) Presentation of 2021 Financial Audit, Green & Associates
- [2.](#) Presentation of Draft Water Accounting Study, GMS Engineering

Consent Agenda

Items under the consent agenda may be acted upon by one motion. If, in the judgment of a board member, a consent agenda item requires discussion, the item can be placed on the regular agenda for discussion and/or action.

- [3.](#) Minutes from July 14, 2022 Meeting
4. Checks over \$15,000 - Visual Labs (\$19,229.12); Peak Fencing (\$24,000)
- [5.](#) Financials (June)

Staff/Department Reports

6. Attorney
7. Administrator/Clerk

Public Comment

Public comments are encouraged to be emailed to the Town office at info@palmerlake.org with subject line of Public Comment (48 hour prior to meeting) and shall be announced, distributed, and addressed at the meeting. Otherwise, please step to the microphone, state your name and address for the record and address the Board on matters not on the agenda. Please note that the Board will not take action

on your concern but may refer it to staff and/or to a future meeting agenda. Public members are allowed up to 3 minutes for comments. Thank you!

Business Items

- [8.](#) Special Event - National Night Out (8/02)
- [9.](#) Special Event - Palmer Lake Historical Society Chautauqua Assembly (8/06)
- [10.](#) Special Event - Pikes Peak Library Concert Series (8/12, 8/19, 8/26)
- [11.](#) Request for Public Display - Landscaping at Museum/Library
12. Request for Public Display - Wall Art in Town Lobby
- [13.](#) Review of Guidelines for Questions on the Ballot
- [14.](#) Direction on Tri-lakes Fire District Proposal
- [15.](#) Direction on Mill Levy Increase
- [16.](#) Direction on Adult Use Cannabis Sales

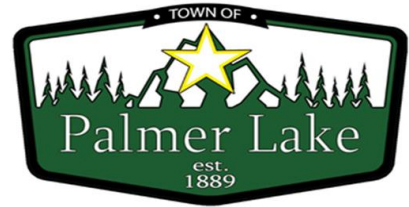
Board Reports**Convene to Executive Session**

For the purpose of receiving legal advice on specific legal questions under C.R.S. 24-6-402(4)(b) - rezoning of Lakeview Heights (R-3 to R-10,000)

Reconvene to Open Session**Adjourn**

Americans with Disabilities Act

Reasonable accommodations for persons with a disability will be made upon request. Please notify the Town of Palmer Lake (at 719-481-2953) at least 48 hours in advance. The Town of Palmer Lake will make every effort to accommodate the needs of the public.



Item 1.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: July 28, 2022	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Presentation of 2021 Financial Audit, Green & Associates

Background

The 2021 financials have been audited and Mr. David Green will be present to speak to the Town's financial health.

DRAFT

TOWN OF PALMER LAKE, COLORADO

FINANCIAL STATEMENTS

December 31, 2021



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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Town of Palmer Lake, Colorado

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 Palmer Lake, Colorado as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the Town of Palmer Lake, Colorado's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Palmer Lake, Colorado as of December 31, 2021, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the *Audit of the Financial Statements* section of our report. We are required to be independent of the Town of Palmer Lake, Colorado and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures of 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 of Palmer Lake, Colorado's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Palmer Lake, Colorado's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, GASB required pension schedules, and the General Fund Budgetary Information, as 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

DRAFT

Longmont, Colorado
July xx, 2022

Management's Discussion and Analysis

Town of Palmer Lake, Colorado

Management's Discussion and Analysis

Introduction:

Management's Discussion and Analysis is intended to provide the reader and user of our financial statements with a narrative overview of the Town's financial activities. Management's Discussion and Analysis (MD&A) should be read in conjunction with the Town's financial statements and notes to the financial statements, beginning on page 8.

The Town of Palmer Lake was founded in 1871 by General William Jackson Palmer and was incorporated in 1889 as a political subdivision of the State of Colorado. The Town operates under a Mayor-Council form of government. Under the guidance of the central administration which includes financial and technical support, the Town provides a range of services. The services include public safety (police and volunteer fire), public utilities (water), infrastructure (drainage, streets and public buildings) and cultural and recreational activities (parks, trails, recreation programs and library). The Town is nestled at the base of the pike National Forest in the northwest corner of El Paso County, Colorado. The population of Palmer Lake, Colorado is estimated at approximately 2,420 people.

Financial Highlights

- Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources (Net Position) by \$10,111,894 at December 31, 2021. Of this amount \$2,715,428 was unrestricted and available to fund future obligations of the Town.
- Net position of governmental activities increased by \$408,147 and net position of business-type activities increased by \$510,027.
- As of December 31, 2021, the General Fund had a fund balance of \$2,749,080. Of this amount \$2,541,930 was unassigned and available for use to meet the Town's current obligations.
- As of December 31, 2021, the Water Enterprise Fund had a fund balance of \$4,339,801 which is an increase of \$510,027 from December 31, 2020.

Overview of the Financial Statements of the Town:

The audited financial statements of the Town are:

- Statement of Net Position
- Statement of Activities
- Balance Sheet – Governmental Funds
- Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Funds
- Statement of Net Position – Proprietary Fund
- Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund
- Statement of Cash Flows – Proprietary Fund
- Notes to the Financial Statements

The financial statements of the Town are presented as a special purpose government engaged in business and government type activities. These financial statements distinguish between the functions of the Town that will be principally supported by taxes.

The **Statement of Net Position** is prepared using the full accrual basis of accounting and provides information about what is owned (assets) by the Town, what is owed (liabilities) by the Town, and what is the Town's equity in its assets (net position). Over time, the comparison of changes in net position may provide a useful method of evaluating whether the financial position of the Town is improving, deteriorating, or maintaining a status quo.

The **Statement of Activities** provides information about the components – Program Expenses, Program Revenue and General Revenue – of the Town's annual operating activities and how those activities affected net position during the current fiscal year.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town are governmental or proprietary funds.

Governmental Funds

The **Balance Sheet – Governmental Funds** presents the financial position of the Town's funds using the traditional government modified accrual method of accounting, which does not reflect capital assets and debt obligations.

The **Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds** presents the activities of the Town's funds using the modified accrual method of accounting which includes expenditures for capital assets and debt service obligations. This method approximates the reporting on a cash basis and closely follows the budgetary method.

The two reconciliations, which accompany these governmental funds statements, provide explanations of the specific differences in these statements as compared to the Statement of Net position and the Statement of Activities.

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 governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds

Enterprise funds are used to report any activity for which it is primarily funded by charging a fee to external users for goods and services, and operate in a manner similar to private sector businesses. The Town utilizes one enterprise fund to account for water operations. The proprietary fund financial statements provide the same type of information as shown in the government-wide financial statements.

The **Notes to Financial Statements** provide additional, required disclosures about the Town, its accounting policies and practices, its financial position and operating activities, and other required information. The information included in these notes is essential to a full understanding of the information contained in the financial statements.

Condensed Comparative Financial Information:**Statement of Net Position**

	Governmental Activities		Business-type Activities		Primary Government	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 3,481,311	\$ 3,547,591	\$ 1,098,910	\$ 986,478	\$ 4,580,221	\$ 4,534,069
Noncurrent Assets	3,598,550	2,823,268	5,848,206	5,380,698	9,446,756	8,203,966
Total Assets	<u>7,079,861</u>	<u>6,370,859</u>	<u>6,947,116</u>	<u>6,367,176</u>	<u>14,026,977</u>	<u>12,738,035</u>
Deferred Outflows	<u>183,436</u>	<u>133,862</u>	<u>-</u>	<u>-</u>	<u>167,585</u>	<u>133,862</u>
Long-Term Debt	98,907	140,244	2,306,404	2,444,690	2,405,311	2,584,934
Other Liabilities	285,139	141,868	300,911	92,712	586,050	234,580
Total Liabilities	<u>384,046</u>	<u>282,112</u>	<u>2,607,315</u>	<u>2,537,402</u>	<u>2,991,361</u>	<u>2,819,514</u>
Deferred Inflows	<u>1,107,158</u>	<u>856,663</u>	<u>-</u>	<u>-</u>	<u>1,107,158</u>	<u>856,663</u>
Net Position						
Net investment in capital assets	2,935,088	2,214,799	4,041,802	3,436,008	6,976,890	5,650,807
Restricted	210,288	153,086	209,288	209,288	419,576	362,374
Unrestricted	<u>2,626,717</u>	<u>2,996,061</u>	<u>88,711</u>	<u>184,478</u>	<u>2,715,428</u>	<u>3,180,539</u>
Total Net Position	<u>\$ 5,772,093</u>	<u>\$ 5,363,946</u>	<u>\$ 4,339,801</u>	<u>\$ 3,829,774</u>	<u>\$ 10,111,894</u>	<u>\$ 9,193,720</u>

Statement of Activities

	Governmental Activities		Business-type Activities		Primary Government	
	2021	2020	2021	2020	2021	2020
Program Expenses	\$ 2,210,136	\$ 2,135,627	\$ 1,061,177	\$ 1,168,390	\$ 3,271,313	\$ 3,304,017
Program Revenue	<u>262,507</u>	<u>656,746</u>	<u>1,372,231</u>	<u>1,195,019</u>	<u>1,634,738</u>	<u>1,851,765</u>
Net Program Expense(Revenue)	<u>1,947,629</u>	<u>1,478,881</u>	<u>(311,054)</u>	<u>(26,629)</u>	<u>1,636,575</u>	<u>1,452,252</u>
General Revenue	<u>2,355,776</u>	<u>2,613,049</u>	<u>198,973</u>	<u>151,831</u>	<u>2,554,749</u>	<u>2,764,880</u>
Change in Net Position	408,147	1,134,168	510,027	178,460	918,174	1,312,628
Net Position, Beginning of Year	5,363,946	4,229,778	3,829,774	3,651,314	9,193,720	7,881,092
Net Position, End of Year	<u>\$ 5,772,093</u>	<u>\$ 5,363,946</u>	<u>\$ 4,339,801</u>	<u>\$ 3,829,774</u>	<u>\$ 10,111,894</u>	<u>\$ 9,193,720</u>

This foregoing information is a summary of the financial information contained in the Town's financial statements. For more about the information contained in this condensed, comparative financial information, we recommend a close review of the accompanying audited financial statements beginning on page 8

Discussion of Financial Position and Operating Activities

The Town restricted three percent (3%) of its general revenues for emergencies in accordance with TABOR requirements. The Town had a TABOR reserve of \$90,000 at December 31, 2021.

The Town's total assets are comprised primarily cash and equivalents, receivables for water service and long-term capital assets. The Town's total liabilities are comprised primarily of long-term debt and current liabilities related to ongoing operations.

In 2021, program expense exceeded program revenues by \$1,947,629 for the primary government. This was offset by net general revenues of \$2,355,776, which resulted in an overall increase in net position. See page 8 of the accompanying Financial Statements for details of these revenues and expenses.

Fund Discussion

Governmental Funds

The Governmental Fund – General Fund balance decreased to \$2,749,080 in 2021, primarily due to increased capital outlay spending in 2021 versus 2020. The fund balance includes \$90,000 for emergencies in accordance with TABOR requirements. The assets and liabilities are comprised primarily of cash and property tax revenues to be realized in 2022. As of December 31, 2021, the Town's combined fund balance for all governmental funds was \$2,785,220.

General Fund Budgetary Discussion

Actual revenues for 2021 were \$137,684 more than the final budget primarily due to increased sales tax revenue. Actual expenditures for 2021 were \$260,269 less than the final budget primarily due to capital outlay expenditures being less than anticipated. See page 33 of the accompanying financial statements for more detail.

Proprietary Fund

The Water Enterprise Fund balance was \$4,339,801 at December 31, 2021. The assets and liabilities are comprised primarily of cash, water accounts receivable and capital assets. Actual revenues for 2021 were \$114,954 higher than the final budget. Actual expenses for 2021 were \$134,424 less than the final budget. See the accompanying financial statements for more detail.

Capital Assets and Long-term Obligations

Capital Assets.

At the end of 2021, the Town had \$8,862,608 invested in a broad range of capital assets including major infrastructure such as buildings, roads, bridges, storm water drainage, parks and recreation facilities and water lines and distribution systems. More detailed information on the Town's capital assets is presented in the accompanying notes to the financial statements.

Long-term Debt.

In 2019, the General Fund loaned the Water Enterprise Fund \$500,000. The proceeds of the loan were used to complete the Water Tank project. The loan is secured by a twenty year note that bears interest at 2% per annum. The remaining activity relating to long-term debt was the scheduled payment of debt.

Economic Factors and Next Year's Budget

Continuing a conservative approach to budgeting, the Town of Palmer Lake continues to provide all services to its citizens.

Requests for Information. This financial report is designed to provide a general overview of the Town of Palmer Lake, Colorado's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Town of Palmer Lake 42 Valley Crescent, PO Box 208, Palmer Lake, CO 80133.

Basic Financial Statements

TOWN OF PALMER LAKE
STATEMENT OF NET POSITION
December 31, 2021

Item 1.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 2,214,732	\$ 990,979	\$ 3,205,711
Cash and cash equivalents, restricted	141,598	-	141,598
Prepaid expense	11,692	1,789	13,481
Accounts receivable - County Treasurer	24,228	-	24,228
Accounts receivable	119,073	106,142	225,215
Interest receivable	1,646	-	1,646
Property taxes receivable	968,342	-	968,342
Total Current Assets	<u>3,481,311</u>	<u>1,098,910</u>	<u>4,580,221</u>
Noncurrent Assets			
Due from other funds	500,000	-	500,000
Net pension asset - SDWB	84,148	-	84,148
Capital assets			
Nondepreciable	891,555	1,367,443	2,258,998
Depreciable	3,920,742	9,126,032	13,046,774
Total Capital Assets	<u>4,812,297</u>	<u>10,493,475</u>	<u>15,305,772</u>
Less accumulated depreciation	<u>(1,797,895)</u>	<u>(4,645,269)</u>	<u>(6,443,164)</u>
Total Net Capital Assets	<u>3,014,402</u>	<u>5,848,206</u>	<u>8,862,608</u>
Total Noncurrent assets	<u>3,598,550</u>	<u>5,848,206</u>	<u>9,446,756</u>
Total Assets	<u>7,079,861</u>	<u>6,947,116</u>	<u>14,026,977</u>
DEFERRED OUTFLOWS OF RESOURCES			
Volunteer fireman's pension	17,663	-	17,663
SWDB pension	165,773	-	165,773
Total Deferred Outflows of Resources	<u>183,436</u>	<u>-</u>	<u>183,436</u>
LIABILITIES			
Current Liabilities			
Accounts payable	202,244	39,770	242,014
Prepaid fees	-	3,177	3,177
Other accrued liabilities	25,505	7,829	33,334
Compensated absences	57,390	33,475	90,865
Accrued interest	-	7,629	7,629
Deferred revenue - ARP funds	-	209,031	209,031
Lease purchase - current portion	12,889	3,222	16,111
Loans payable - current portion	-	137,898	137,898
Total Current Liabilities	<u>298,028</u>	<u>442,031</u>	<u>740,059</u>
Noncurrent Liabilities			
Due to other funds	-	500,000	500,000
Loans payable	-	1,657,202	1,657,202
Lease purchase agreement	66,425	8,082	74,507
Net pension liability - volunteer	19,593	-	19,593
Total Noncurrent Liabilities	<u>86,018</u>	<u>2,165,284</u>	<u>2,251,302</u>
Total Liabilities	<u>384,046</u>	<u>2,607,315</u>	<u>2,991,361</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	968,342	-	968,342
Volunteer fireman's pension	11,760	-	11,760
SWDB pension	127,056	-	127,056
Total deferred inflows of resources	<u>1,107,158</u>	<u>-</u>	<u>1,107,158</u>
NET POSITION			
Net investment in capital assets	2,935,088	4,041,802	6,976,890
Restricted			
Loan operating reserve requirement	-	209,288	209,288
Emergency reserve (TABOR)	90,000	-	90,000
Conservation Trust	36,140	-	36,140
Pension	84,148	-	84,148
Unrestricted	<u>2,626,717</u>	<u>88,711</u>	<u>2,715,428</u>
Total net position	<u>\$ 5,772,093</u>	<u>\$ 4,339,801</u>	<u>\$ 10,111,894</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

TOWN OF PALMER LAKE
STATEMENT OF ACTIVITIES
Year Ended December 31, 2021

Functions/Programs	Program Revenue		Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 578,804	\$ 83,586	\$ -	\$ -
Public safety	1,104,420	92,810	21,397	29,577
Highways and streets	412,752	-	-	-
Culture and recreation	114,160	-	35,137	-
Total General government	2,210,136	176,396	56,534	29,577
Business-type activities:				
Water operations	1,061,177	1,205,117	-	167,114
Total Business-Type Activities	1,061,177	1,205,117	-	167,114
TOTAL PRIMARY GOVERNMENT	3,271,313	1,381,513	56,534	196,691
General revenues:				
Property taxes				815,308
Specific ownership taxes				108,234
Sales and use taxes				1,133,167
Franchise fees and other taxes				142,989
Intergovernmental				114,404
Tap fees and development charges				-
Net investment income				12,098
Miscellaneous income				29,576
Total General Revenue				2,355,776
Change in net position				408,147
Net position - Beginning				5,363,946
Net position - Ending				\$ 5,772,093
				188,250
				180
				10,543
				198,973
				510,027
				3,829,774
				\$ 4,339,801
				2,554,749
				918,174
				9,193,720
				\$ 10,111,894

These financial statements should be read only in connection with the accompanying notes to financial statements.

Fund Financial Statements

TOWN OF PALMER LAKE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021

Item 1.

	Major Fund General	Non-Major Fund Conservation Trust	Total
ASSETS			
Cash and investments	\$ 2,214,732	\$ -	\$ 2,214,732
Restricted cash and cash investments	105,458	36,140	141,598
Prepaid expense	11,692	-	11,692
Accounts receivable - County Treasurer	24,228	-	24,228
Accounts receivable - Other entities	119,073	-	119,073
Interest receivable	1,646	-	1,646
Due from Enterprise Fund	500,000	-	500,000
Property taxes receivable	968,342	-	968,342
Total Assets	\$ 3,945,171	\$ 36,140	\$ 3,981,311
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Accounts payable	\$ 202,244	\$ -	\$ 202,244
Other accrued liabilities	25,505	-	25,505
Total Liabilities	227,749	-	227,749
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	968,342	-	968,342
TOTAL DEFERRED INFLOWS OF RESOURCES	968,342	-	968,342
FUND BALANCE			
Nonspendable:			
Prepaid expenditures	11,692	-	11,692
Restricted:			
Emergency reserves	90,000	-	90,000
Conservation Trust	-	36,140	36,140
Assigned:			
Fire	105,458	-	105,458
Unassigned	2,541,930	-	2,541,930
Total Fund Balance	2,749,080	36,140	2,785,220
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 3,945,171	\$ 36,140	\$ 3,981,311

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds	\$ 2,785,220
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	
Capital assets	4,812,297
Accumulated depreciation	(1,797,895)
Pension related assets, liabilities, deferred inflow and deferred outflows of resources are not current resources and are not reported in the governmental funds.	109,175
Long-term liabilities are not due and payable in the current year and, therefore, are reported in the funds.	(79,314)
Compensated absences	(57,390)
Net position of governmental activities	\$ 5,772,093

These financial statements should be read only in connection with
the accompanying notes to financial statements.

TOWN OF PALMER LAKE
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS
Year Ended December 31, 2021

Item 1.

	Major Fund General	Non-Major Fund Conservation Trust	Total
REVENUE			
Property taxes	\$ 815,308	\$ -	\$ 815,308
Specific ownership taxes	108,234	-	108,234
Sales and use tax	1,133,167	-	1,133,167
Highway user tax	108,034	-	108,034
Franchise fees and other taxes	142,989	-	142,989
Licenses and permits	83,586	-	83,586
Intergovernmental	6,370	35,137	41,507
Fines and forfeits	92,810	-	92,810
Interest income	12,085	13	12,098
Grants	50,974	-	50,974
Miscellaneous revenue	29,563	13	29,576
Total revenues	2,583,120	35,163	2,618,283
EXPENDITURES			
Current			
General government	473,112	-	473,112
Public Safety	1,186,658	-	1,186,658
Highways and streets	322,188	-	322,188
Culture and recreation	33,693	35,433	69,126
County treasurer fees	8,169	-	8,169
Debt service			
Principal	12,330	-	12,330
Interest	3,352	-	3,352
Capital outlay	874,204	7,996	882,200
Total expenditures	2,913,706	43,429	2,957,135
NET CHANGE IN FUND BALANCE	(330,586)	(8,266)	(338,852)
FUND BALANCE - BEGINNING OF YEAR	3,079,666	44,406	3,124,072
FUND BALANCE - END OF YEAR	\$ 2,749,080	\$ 36,140	\$ 2,785,220

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in Fund Balances - total governmental funds	\$ (338,852)
Purchases of capital assets are expensed in governmental funds and depreciated on the statement of activities	
Capital outlay	882,200
Depreciation	(174,241)
Changes in pension related assets, liabilities, deferred inflows and deferred outflows of resources do not utilize current resources and are not reported in the governmental funds.	52,223
Principal payments on debt are reported as expenditures in governmental funds	12,330
Accrued vacation is not considered a current economic resource and therefore is not included in the governmental funds. Change in compensated absences for the year ended:	(25,513)
Change in net position - governmental activities	\$ 408,147

These financial statements should be read only in connection with
the accompanying notes to financial statements.

TOWN OF PALMER LAKE
STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2021

	<u>Water Enterprise Fund</u>
ASSETS	
Current Assets	
Cash and investments	\$ 990,979
Prepaid expense	1,789
Accounts receivable	106,142
Total Current Assets	<u>1,098,910</u>
Capital Assets	
Capital assets, not being depreciated	1,367,443
Capital assets, being depreciated	9,126,032
Total Capital Assets	<u>10,493,475</u>
Less accumulated depreciation	<u>(4,645,269)</u>
Net Capital Assets	<u>5,848,206</u>
Total Noncurrent Assets	<u>5,848,206</u>
Total Assets	<u>6,947,116</u>
LIABILITIES AND NET POSITION	
Current Liabilities	
Accounts payable	39,770
Prepaid fees	3,177
Other accrued liabilities	7,829
Compensated absences	33,475
Accrued interest payable	7,629
Deferred revenue - ARP funds	209,031
Lease purchase agreement - current portion	3,222
Loans payable - current portion	137,898
Total Current Liabilities	<u>442,031</u>
Long Term Liabilities	
Due to General Fund	500,000
Lease purchase agreement	8,082
Loans payable, net of current portion	1,657,202
Total Long Term Liabilities	<u>2,165,284</u>
Total Liabilities	<u>2,607,315</u>
NET POSITION	
Net investment in capital assets	4,041,802
Restricted	
Loan operating reserve requirement - CWR&PDA	209,288
Unrestricted	88,711
Total Net Position	<u>\$ 4,339,801</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

TOWN OF PALMER LAKE
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
Year Ended December 31, 2021

	<u>Water Enterprise Fund</u>
OPERATING REVENUE	
Water sales and fees	\$ 1,205,117
Total operating revenue	<u>1,205,117</u>
OPERATING EXPENSES	
General and Administrative	295,271
Operations	426,815
Depreciation expense	290,770
Total operating expenses	<u>1,012,856</u>
OPERATING INCOME (LOSS)	<u>192,261</u>
NONOPERATING REVENUE (EXPENSE)	
Water tap fees and development charges	188,250
Grant income	167,114
Miscellaneous income	10,543
Interest income	180
Interest expense	(48,321)
Total nonoperating revenue (expense), net	<u>317,766</u>
CHANGE IN NET POSITION	<u>510,027</u>
NET POSITION - BEGINNING OF YEAR	<u>3,829,774</u>
NET POSITION - END OF YEAR	<u><u>\$ 4,339,801</u></u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

TOWN OF PALMER LAKE
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended December 31, 2021

	Water Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 1,198,175
Cash payments to suppliers for goods and services	(493,771)
Cash payments to employees for services	(233,662)
Net cash provided by operating activities	470,742
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	180
Net cash provided by investing activities	180
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Cash received from connection charges	188,250
Other receipts	10,543
Net cash provided by noncapital financing activities	198,793
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisitions and construction of capital assets	(758,278)
Grant proceeds	379,322
Principal paid on debt	(138,286)
Interest and fiscal charges paid on debt	(48,772)
Net cash (used) in capital and related financing activities	(566,014)
NET CHANGE IN CASH	103,701
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	887,278
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 990,979
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	\$ 192,261
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation	290,770
Effects of changes in operating assets and liabilities:	
Accounts receivable	(6,942)
Prepaid expense	(1,789)
Accounts payable	(18,818)
Other accrued liabilities	15,260
Total adjustments	278,481
Net Cash Provided by Operating Activities	\$ 470,742

These financial statements should be read only in connection with
the accompanying notes to financial statements.

Town of Palmer Lake, Colorado
Notes to Financial Statements
December 31, 2021

Note 1 Summary of Significant Accounting Policies

Financial Reporting Entity

The Town of Palmer Lake, Colorado (the Town) was organized as a statutory town in Colorado. The Town provides general government, public works (roads and streets), police, fire and water for the geographical area organized as the Town of Palmer Lake, Colorado.

The Governmental Accounting Standards Board (GASB) is the authoritative body and the Town follows all GASB accounting pronouncements, which provides guidance for determining which governmental activities, organization and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency. The Town is not financially accountable for any other organization, nor is the Town a component unit of any other primary governmental entity.

Basis of Presentation

The Town's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of information.

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government.

The statement of net position presents the financial position of the governmental and proprietary fund activities at the end of the year. The statement of activities presents a comparison between program expenses and the program revenue for each program or function of the primary government activities. Program expenses are those that are specifically associated with a service, program or department; and therefore, clearly identifiable to a particular function. Program revenue includes charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenue are presented as general revenue of the Town, with certain limited exceptions. The comparison of program expenses with program revenue identifies the extent to which each function is self-financing or draws from the general revenue of the Town.

Fund Accounting

During the year the Town segregates transactions related to certain Town functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Town at this more detailed level. The focus of governmental fund financial statements is on major funds.

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 1 Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

The accounts of the Town are organized on the basis of funds each of which is considered a separate accounting entity. In the fund financial statements, the Town reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial activities except those required to be accounted for in another fund.

Enterprise Funds are used to account for operations that are financed in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public be recovered primarily through user charges. The Town reports the following major enterprise funds:

Water Fund – The Water fund accounts for the costs related to providing water services to the Town.

Measurement Focus and Basis of Accounting

Government-wide Financial Statement

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Town are included in the statement of net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet and only revenues that are available within 60 days are recorded in the Statement of Revenues, Expenditures and Changes in Fund Balance.

The Statement of Revenues, Expenditures, and Changes in Fund Balance reports on the sources (revenue and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Enterprise funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recorded when incurred. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlay are recognized as increases in capital assets. Retirement of bonds is recorded as a reduction of liabilities.

Revenue

Revenue resulting from exchange transactions, in which each party gives and receives essentially the same value, is recorded on the accrual basis, when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are both measurable and available to finance expenditures of the fiscal period, which is typically within sixty days of realization.

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 1 Summary of Significant Accounting Policies (Continued)

Non-exchange transactions, in which the Town receives value without directly giving value in return, include sales taxes, grants, entitlements and donations. Revenue from sales tax is recognized in the fiscal year for which the taxes are collected by the vendor. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Program revenues consist of revenues that are associated with the governmental services such as licenses, permits and water sales.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in governmental funds.

Property Taxes

Property taxes attach an enforceable lien on property as of January 1st. Taxes are levied on January 1st and are payable either in one installment on or before April 30th, or in two installments due on or before February 28th and June 15th of each year. The collections and assessments are done by El Paso County and are remitted to the Town monthly. Property taxes, which are due to be paid in the next period and representing an enforceable lien at January 1st of the next year, have been recorded as a receivable and a deferred inflow of resources in the year in which they are levied. Property tax revenues are recognized when they are collected by El Paso County.

Assets and Liabilities

Cash and cash equivalents- The Town follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based on each fund's average equity balance in total cash. The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with maturities of 90 days or less at the date of their acquisition.

Investments – investments are recorded at fair value, which approximates cost.

Receivables – all receivables are reported at their book value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Capital assets - are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of more than one year and exceed the following dollar amount:

<u>Assets</u>	<u>Dollar Value</u>	<u>Useful Life</u>
Land	No minimum	30 years
Buildings	No minimum	5-10 years
Building improvements	\$ 5,000	5-10 years
Furniture and equipment	\$ 5,000	30 years
Infrastructure	\$ 5,000	10 years

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 1 Summary of Significant Accounting Policies (Continued)

Assets and Liabilities (Continued)

Capital assets are recorded at cost except for those assets which have been contributed, which are stated at estimated fair market value at the date of contribution or at developer's cost. Depreciation is computed using the straight-line method over the asset's estimated economic useful life. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets since their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

Long-Term Obligations

In the government-wide financial statements and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities or enterprise fund type statement of net position. Bond issuance costs are expensed during the current period. Bond premiums and discounts are amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances and discounts are reported as other financing sources. The issuance costs related to the debt is reported as an expenditure in the current period.

Compensated absences – The Town's personnel policy states that employees may accrue unused vacation and sick pay benefits. The amount each employee can accrue varies depending on length of service. In the government-wide statements, vacation and sick pay is accrued when earned by the employee and reported as a liability. In the governmental funds vacation pay that is expected to be liquidated with current financial resources are reported as a fund liability. Amounts not expected to be liquidated with current financial resources are not reported in the governmental funds.

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the governmental funds.

Net Position

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 1 Summary of Significant Accounting Policies (Continued)

Assets and Liabilities (Continued)

The Town utilizes restricted net position before utilizing unrestricted net position when an expense is incurred for both purposes.

c. Unrestricted net position – all other net position that do not meet the definition of “restricted” or “net investment in capital assets.” The net position is available for future operations or distributions.

Fund Balance

Nonspendable- consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The nonspendable fund balance was \$11,692 as of December 31, 2021.

Restricted - General Fund - Article X, Section 20 of the Constitution of the State of Colorado (TABOR) requires the Town to establish Emergency reserves (see Note 4). A reservation of \$90,000 of the General Fund balance has been made in compliance with this requirement. The Town has \$36,140 restricted for conservation trust programs.

Committed- General Fund - Committed fund balance includes those items which can be used for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. Those committed amounts cannot be used for any other purpose unless the Board of Trustees formally removes or changes the specified uses. The Town had a committed fund balance of \$0 as of December 31, 2021.

Assigned – Includes all amounts that are constrained by the Town’s intent to be used for a specific purpose but are neither committed nor restricted. The assignment of these balances must occur through a formal action of the Board of Trustees. As of December 31, 2021, the assigned fund balance was \$105,458.

Unassigned- consists of the residual classification for each fund. This represents amounts that have not been assigned to other funds and that has not been restricted, committed, or assigned for specific purposes.

The Town has not adopted fund balance policies; therefore, the Town follows the guidance in accordance with GASB 54 and apply resources in the following order: restricted, committed, assigned and unassigned.

Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year-end outstanding balances are reported as due to / due from other funds. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as transfers. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 1 Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

Interfund balances represent amounts paid or received by the General Fund on behalf of the Water Fund as of December 31, 2021 and total \$0. The balances result from the time lag between the dates of the transactions and the dates of the reimbursements. In 2019, the General Fund loaned the Water Enterprise Fund \$500,000, (see Note 4).

Budgets and Budgetary Accounting

Budgets are adopted on a cash basis except for accrual of current vendor invoices and utility billings. Annual appropriated budgets are adopted for the fund. All annual appropriations lapse at fiscal year-end.

The Town adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year-end.
- Prior to December 31, the budget is adopted by formal resolution.
- Budgets are required to be filed with the State of Colorado within thirty days after the beginning of the fiscal year.
- Expenditures may not legally exceed appropriations at the fund level.
- The Town Board must approve revisions that alter the total expenditures of any fund.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted by the Town Board or revised by the Town Board.

Use of Estimates in the Preparation of Financial Statements

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

Note 2 Cash and Investments

Cash Deposits

The Town maintains a cash pool that is available for use by all funds. Each fund's portion of the pool is displayed on their respective balance sheet as "Cash and Cash equivalents". As of December 31, 2021, the Town's cash deposits had a carrying balance of \$1,862,962 with corresponding bank balance of \$1,909,662 of which \$250,000 is federally insured.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified under the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 2 Cash and Investments (Continued)

another institution or held in trust. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The Town had \$1,659,662 collateralized under PDPA.

The Colorado Divisions of Banking and Financial Services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of December 31, 2021, none of the Town's bank deposits were exposed to custodial credit risk.

Investments

Colorado statutes specify in which investment instruments the units of local government may invest:

- Obligations of the United States and certain United States government agency securities.
- Certain international agency securities.
- General obligation and revenue bonds of United States 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.

At December 31, 2021 the Town had \$1,484,347 invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement.

The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's and is measured at net asset value (NAV). There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 2 Cash and Investments (Continued)

A summary of cash and cash equivalents at December 31, 2021 is as follows:

	Deposits	Colotrust	Total
Cash and cash equivalents	\$ 1,826,822	\$ 1,378,889	\$ 3,205,711
Restricted cash and cash equivalents	36,140	105,458	141,598
Total	\$ 1,862,962	\$ 1,484,347	\$ 3,347,309
	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 2,214,732	\$ 990,979	\$ 3,205,711
Restricted cash and cash equivalents	141,598	-	141,598
Total	\$ 2,356,330	\$ 990,979	\$ 3,347,309

Note 3 Capital Assets

A summary of changes to capital assets for 2021 is as follows:

	Balance at December 31, 2020	Additions	Disposals	Balance at December 31, 2021
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 11,005	\$ -	\$ -	\$ 11,005
Construction in progress	118,971	761,579	-	880,550
Total capital assets, not being depreciated	129,976	761,579	-	891,555
Capital assets, being depreciated:				
Buildings	175,830	-	-	175,830
Roads and drainage	1,413,716	-	-	1,413,716
Equipment	2,210,575	120,621	-	2,331,196
Total capital assets being depreciated	3,800,121	120,621	-	3,920,742
Less accumulated depreciation for:				
Buildings	(94,507)	(8,286)	-	(102,793)
Roads and drainage	(537,381)	(82,195)	-	(619,576)
Equipment	(991,766)	(83,760)	-	(1,075,526)
Total accumulated depreciation	(1,623,654)	(174,241)	-	(1,797,895)
Total capital assets being depreciated, net	2,176,467	(53,620)	-	2,122,847
Total capital assets, net	\$ 2,306,443	\$ 707,959	\$ -	\$ 3,014,402
Depreciation Expense by Function				
General Government		\$ 11,706		
Public Safety		26,937		
Highways and Streets		90,564		
Culture and Recreation		45,034		
Total Depreciation Expense		\$ 174,241		

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 3 Capital Assets (Continued)

	Balance at December 31, 2020	Additions	Disposals	Balance at December 31, 2021
Business-type activities:				
Capital assets, not being depreciated:				
Land/water rights	\$ 560,000	\$ -	\$ -	\$ 560,000
Construction in progress	62,897	744,546	-	807,443
Total capital assets, not being depreciated	<u>622,897</u>	<u>744,546</u>	<u>-</u>	<u>1,367,443</u>
Capital assets, being depreciated:				
Reservoirs, lakes	150,233	-	-	150,233
Water facility	5,505,295	13,732	-	5,519,027
Shop building	121,825	-	-	121,825
Collection/transmission/distribution	2,145,676	-	-	2,145,676
Wells	846,767	-	-	846,767
General equipment	342,504	-	-	342,504
Total capital assets being depreciated	<u>9,112,300</u>	<u>13,732</u>	<u>-</u>	<u>9,126,032</u>
Less accumulated depreciation for:				
Reservoirs, lakes	(99,770)	-	-	(99,770)
Water facility	(2,529,152)	(188,897)	-	(2,718,049)
Shop building	(116,954)	(4,873)	-	(121,827)
Collection/transmission/distribution	(1,035,473)	(40,849)	-	(1,076,322)
Wells	(311,500)	(20,699)	-	(332,199)
General equipment	(261,650)	(35,452)	-	(297,102)
Total accumulated depreciation	<u>(4,354,499)</u>	<u>(290,770)</u>	<u>-</u>	<u>(4,645,269)</u>
Total capital assets being depreciated, net	<u>4,757,801</u>	<u>(277,038)</u>	<u>-</u>	<u>4,480,763</u>
Total capital assets, net	<u>\$ 5,380,698</u>	<u>\$ 467,508</u>	<u>\$ -</u>	<u>\$ 5,848,206</u>

Note 4 Long-Term Liabilities

Changes in Long-term Debt for the year ended December 31, 2021 were:

	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021	Amount Due Within One Year
Governmental activities					
Lease purchase	\$ 91,644	\$ -	\$ 12,330	\$ 79,314	\$ 12,889
Total Long-term Debt	<u>\$ 91,644</u>	<u>\$ -</u>	<u>\$ 12,330</u>	<u>\$ 79,314</u>	<u>\$ 12,889</u>
Business-type activities					
CWRPDA Bond - 2009	\$ 904,115	\$ -	\$ 87,323	\$ 816,792	\$ 89,053
CWRPDA Bond - 2018	1,026,189	-	47,883	978,306	48,845
Loan - General Fund	500,000	-	-	500,000	-
Lease purchase	14,386	-	3,080	11,306	3,222
Total Long-term Debt	<u>\$ 2,444,690</u>	<u>\$ -</u>	<u>\$ 138,286</u>	<u>\$ 2,306,404</u>	<u>\$ 141,120</u>

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 4 Long-Term Liabilities (Continued)

Drinking Water Revolving Fund Direct Loan

On July 22, 2009, the Town borrowed \$1,862,552 through the Colorado Water Resources & Power Development Authority – Drinking Water Revolving Fund Direct Loan, with an interest rate of 2% to fund water resource projects. The loan is payable from and collateralized by the Town’s water revenues in the amount of approximately \$1,731,536 through 2030. Principal and interest paid for the current year and pledged revenues received were each \$104,971. The proportion of the pledged revenue to total water revenues is not estimable because annual total fees collected fluctuate. Interest on the bonds is due each May 1 and November 1 commencing November 1, 2010. Principal is due annually on November 1 through 2030. Future maturities are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 89,053	\$ 15,918	\$ 104,971
2023	90,844	14,127	104,971
2024	92,695	12,276	104,971
2025	94,558	10,413	104,971
2026	96,459	8,512	104,971
2027 - 2030	353,183	14,266	367,449
Total	<u>\$ 816,792</u>	<u>\$ 75,512</u>	<u>\$ 892,304</u>

Drinking Water Revolving Fund Direct Loan

On March 16, 2018, the Town borrowed \$1,100,000 through the Colorado Water Resources & Power Development Authority – Drinking Water Revolving Fund Direct Loan, with an interest rate of 2% to fund water resource projects. The loan is payable from and collateralized by the Town’s water revenues in the amount of approximately \$1,300,000 through 2038. The proportion of the pledged revenue to total water revenues is not estimable because annual total fees collected fluctuate. Interest on the bonds is due each May 1 and November 1 commencing May 1, 2020. Principal is due annually on November 1 through 2038. Future maturities are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 48,845	\$ 19,323	\$ 68,168
2023	49,827	18,341	68,168
2024	50,828	17,340	68,168
2025	51,850	16,318	68,168
2026	52,892	15,276	68,168
2027 - 2031	280,844	59,996	340,840
2032 - 2036	310,224	30,616	340,840
2037 - 2038	132,996	3,341	136,337
Total	<u>\$ 978,306</u>	<u>\$ 180,551</u>	<u>\$ 1,158,857</u>

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 4 Long-Term Liabilities (Continued)

Vehicle Lease Purchase Agreement

On July 13, 2018, the Town borrowed \$160,000 through NBH Bank, with an interest rate of 4.03% to fund the lease purchase of vehicles. The loan is collateralized by the vehicles purchased. Payments on the lease are due on January and July of each year commencing on January 15, 2020 in the amount of \$9,801. The carrying value of the collateral was \$83,655 as of December 31, 2020. Future maturities are as follows:

Year	Principal	Interest	Total
2022	\$ 16,111	\$ 3,491	\$ 19,602
2023	16,601	3,002	19,603
2024	17,269	2,334	19,603
2025	17,966	1,637	19,603
2026	18,690	913	19,603
2027	3,983	160	4,143
Total	\$ 90,620	\$ 11,537	\$ 102,157

General Fund Loan to Water Enterprise Fund

On May 23, 2019, the Town's Board of Trustees approved a loan of \$500,000 from the General Fund to the Water Enterprise Fund. The loan is a twenty year term and bears interest at a rate of 2%. The loan proceeds were utilized to assist in the funding of the Town's Water Tank project. Interest payment are due semi-annually on May 1st and November 1st. Semi-annual Principal payments commence November 1, 2024. Future maturities are as follows:

Year	Principal	Interest	Total
2022	\$ -	\$ 10,000	\$ 10,000
2023	-	10,000	10,000
2024	14,374	10,000	24,374
2025	29,181	9,567	38,748
2026	29,766	8,982	38,748
2027 - 2031	158,056	35,684	193,740
2032 - 2036	174,591	19,149	193,740
2037 - 2039	94,032	2,840	96,872
Total	\$ 500,000	\$ 106,222	\$ 606,222

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 5 Pension Plans

FPPA - Statewide Defined Benefit Pension Plan- Police Officers and Firefighters

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 are 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 Town 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>.

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.

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.

A member is eligible for an early retirement at age 50 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.

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 5 Defined Benefit Pension Plan (Continued)

Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Members of the SWDB plan and their employers contributing at the rate of 10 percent and 8 percent, respectively, of base salary for a total contribution rate of 18 percent in 2020. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2016. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will increase .5 percent annually beginning in 2021 through 2030 until it reaches 13 percent of pensionable earnings. Contributions to the SWDB plan from the Town were \$44,883 for the year ended December 31, 2021.

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

At December 31, 2021, the Town reported an asset of \$84,148 for its proportionate share of the net pension liability. The net pension asset was measured as of December 31, 2020, 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 .0387601570 percent, which was an increase of .009009106 percent from its proportion measured as of December 31, 2020.

For the year ended December 31, 2021, the Town recognized pension expense of \$25,502. At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 71,366	\$ 335
Changes in assumptions	35,789	0
Net difference between actual and projected earnings on pension plan investments	0	86,432
Net impact in change in proportionate share	13,735	40,289
Contributions subsequent to the measurement date	44,883	0
Total	\$ 165,773	\$ 127,056

\$44,883 in total reported as deferred outflows of resources related to pension resulting from Town's contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 5 Defined Benefit Pension Plan (Continued)

outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending December 31,	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ (13,588)
2022	(2,377)
2023	(16,918)
2024	(2,213)
2025	11,640
Thereafter	17,290
Total	\$ (6,166)

Actuarial Assumptions

The total pension liability in the January 1, 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, 2021	January 1, 2020
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%

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 pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality table for active employees. The on-duty mortality rate is 0.00015.

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

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 5 Defined Benefit Pension Plan (Continued)

class included in the Fund’s target asset allocation as of December 31, 2020 are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
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 A	5.00%	5.25%
Absolute Return	10.00%	5.60%
Cash	2.00%	2.32%
Total	100%	

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 reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA’s actuaries, Gabriel, Roder, 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 assumption impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

Discount Rate

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

For the purpose fo this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.00 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15): and the resulting single discount rate is 7.00 percent.

Sensitivity of the Town’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

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

Note 5 Pension Plans (Continued)

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>Discount Rate:</u>	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Proportionate share of the net pension liability (asset)	<u>\$84,681</u>	<u>\$(84,148)</u>	<u>\$(223,960)</u>

Pension Plan Fiduciary Net Position

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

Volunteer Fire Department Pension Fund

At December 31, 2020, the Department reported a liability of \$19,593 for its net pension liability / (asset). The net pension liability / (asset) was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date. The plan membership consists of 8 retirees and beneficiaries and 0 active members.

For the year ended December 31, 2020, the Department recognized pension income of \$26,721. At December 31, 2020, the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Resources	of	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 0		\$ 8,646
Changes in assumptions	926		0
Net difference between actual and projected earnings on pension plan investments	886		3,114
Department contributions subsequent to the measurement date	15,851		0
Total	\$17,663		\$ 11,760

\$15,851 reported as deferred outflows of resources related to pensions resulting from Department contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. *Actuarial assumptions.* The total pension

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Note 5 Pension Plans (Continued)

Future pension expense from the amortization of deferred outflows and inflows of resources are:

Fiscal Year Ending December 31,	Net Deferred Outflows/ (Inflows) of Resources
2022	\$ (3,777)
2023	(3,292)
2024	(2,535)
2025	(344)
2026	-
Thereafter	-
Total	\$ (9,948)

Investment rate of return	7.0 percent, compounded annually net of operating expenses, and including inflation
Projected salary increases	N/A
Cost of Living Adjustment	0.0 percent
Inflation	2.5 percent

On-duty related mortality is assumed to be 0.00020 per year for all members. The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study in 2020. The Fund's target allocation is as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	39.00%	8.23%
Long/Short	8.00%	6.87%
Private Markets	26.00%	10.63%
Fixed Income	15.00%	9.26%
Absolute Return	10.00%	5.60%
Cash	2.00%	2.32%
Total	100.00%	

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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

class included in the Plans target asset allocation as of December 31, 2020, are summarized in the above table.

Note 5 Pension Plans (Continued)

Discount rate. The discount rate used to measure the total pension liability was 7.50 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 Fire & Police Pension Association Board of Director’s funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the 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 Department’s proportionate share of the net pension liability to changes in the discount rate. The following presents the Department’s net pension liability/(asset) calculated using the discount rate of 7.00 percent, as well as what the Department’s net pension Liability/(Asset) would be if it were calculated using a discount rate that is 1-percentagepoint lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1.00% Decrease*	Current Discount Rate*	1.00% Increase*
Department’s net pension liability/(asset)	\$23,926	\$19,593	\$15,796

* The long-term rate of return used was 7.00 percent. The municipal bond rate used was 2.00 percent. The single discount rate for the plans was 7.00 percent.

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Note 6 Tax, Spending, and Debt Limitation

Article X, Section 20 of the Colorado Constitution, The Taxpayer’s Bill of Rights (TABOR), contains several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. TABOR is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of TABOR.

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

TABOR requires local governments to establish emergency reserves, which must be at least 3% of fiscal year spending, excluding bonded debt service. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases. This Town had an emergency reserve of \$90,000 as of December 31, 2021.

Town of Palmer Lake, Colorado
Notes to Financial Statements (Continued)
December 31, 2021

Note 7 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 disaster. The Town maintains commercial insurance to mitigate their risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Required Supplemental Information

TOWN OF PALMER LAKE
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2021

	Budgeted Amounts		Variance with Budget Positive (Negative)
	<u>Original and Final</u>	<u>Actual</u>	
REVENUE			
Property taxes	\$ 814,652	\$ 815,308	\$ 656
Specific ownership taxes	95,000	108,234	13,234
Sales and use tax	650,000	1,133,167	483,167
Highway user tax	89,605	108,034	18,429
Franchise fees and other taxes	168,109	142,989	(25,120)
Licenses, fees and permits	58,500	83,586	25,086
Intergovernmental	27,500	6,370	(21,130)
Fines and forfeits	51,800	92,810	41,010
Interest income	12,000	12,085	85
Grants	426,000	50,974	(375,026)
Miscellaneous revenue	52,270	29,563	(22,707)
Total Revenues	<u>2,445,436</u>	<u>2,583,120</u>	<u>137,684</u>
EXPENDITURES			
General wages and benefits	171,275	206,100	(34,825)
Training and travel	8,000	2,781	5,219
Professional fees	133,000	130,388	2,612
Contract services	22,200	24,023	(1,823)
Operating supplies	20,800	26,829	(6,029)
Repairs and maintenance	11,500	2,806	8,694
Office expense	18,500	20,467	(1,967)
Utilities	18,900	16,975	1,925
Insurance	20,000	30,847	(10,847)
Grants expense	15,000	27,559	(12,559)
Police	594,551	599,003	(4,452)
Fire	556,724	562,614	(5,890)
Roads	369,789	322,188	47,601
Parks	90,486	31,443	59,043
County Treasurer fees	10,000	8,169	1,831
Other expenses	-	11,628	(11,628)
Capital outlay	1,087,700	874,204	213,496
Debt service	25,550	15,682	9,868
Contingency	-	-	-
Total Expenditures	<u>3,173,975</u>	<u>2,913,706</u>	<u>260,269</u>
NET CHANGE IN FUND BALANCE	<u>\$ (728,539)</u>	<u>\$ (330,586)</u>	<u>\$ 397,953</u>

See the accompanying Independent Auditor's report.

TOWN OF PALMER LAKE
SCHEDULE OF CONTRIBUTIONS MULTI-YEAR
Last 10 Fiscal Year**

FY Ending December 31, (a)	Actuarially Determined Contribution (b)	Actual Contribution (c)	Contribution Deficiency (Excess) (d) = (b) - (c)	Covered Payroll (e)	Actual Contribution as a % of Covered Payroll (f)
2014	\$ 8,844	\$ 8,406	\$ 438	N/A	N/A
2015	\$ 8,844	\$ 18,168	\$ (9,324)	N/A	N/A
2016	\$ 8,925	\$ 8,925	\$ -	N/A	N/A
2017	\$ 8,925	\$ 13,662	\$ (4,737)	N/A	N/A
2018	\$ 7,691	\$ 24,649	\$ (16,958)	N/A	N/A
2019	\$ 7,691	\$ -	\$ 7,691	N/A	N/A
2020	\$ 8,160	\$ 30,805	\$ (22,645)	N/A	N/A

*Includes both employer and State of Colorado Supplemental Discretionary Payment

Notes to the Schedule of Contributions

Valuation Date

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year smoothed market
Inflation	2.50%
Salary Increases	N/A
Rate of Return	7.50%
Retirement Age	'50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement: RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality. Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Collar Healthy Annuitants. For ages 55 through 64 a blend of the previous tables. All tables are projected with Scale BB.

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

**The report is intended to show 10 years of data. Additional years will be presented when they become available.

See the accompanying Independent Auditor's report.

TOWN OF PALMER LAKE
Required Supplementary Information
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS MULTIYEAR
Last 10 Fiscal Years**

<u>Measurement Period Ending December 31,</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability							
Service Cost	\$ 264	\$ 264	\$ 1,265	\$ 1,265	\$ 853	\$ 2,571	\$ 1,292
Interest Cost	4,741	5,075	6,662	6,891	6,750	4,928	7,310
Changes of benefit terms	-	-	-	-	-	-	-
Difference Between Expected and Actual Experiences	(2,213)	-	(15,268)	-	134	-	(617)
Changes of assumptions	-	-	2,012	-	5,504	(39,273)	39,622
Benefit Payments, including refunds of employee contributions	(9,600)	(10,600)	(10,400)	(12,000)	(11,143)	(11,500)	(12,000)
Net Change in Total Pension Liability	(6,808)	(5,261)	(15,729)	(3,844)	2,098	(43,274)	35,607
Total Pension Liability - Beginning	<u>72,321</u>	<u>77,582</u>	<u>93,311</u>	<u>97,155</u>	<u>95,057</u>	<u>138,331</u>	<u>102,724</u>
Total Pension Liability - Ending	<u>\$ 65,513</u>	<u>\$ 72,321</u>	<u>\$ 77,582</u>	<u>\$ 93,311</u>	<u>\$ 97,155</u>	<u>\$ 95,057</u>	<u>\$ 138,331</u>
Plan Fiduciary Net Position							
Contributions - Employer	\$ 15,851	\$ -	\$ 16,616	\$ -	\$ 8,925	\$ 8,560	\$ -
Net Investment Income	4,006	3,993	(12)	4,128	1,074	331	\$ 1,138
Benefit Payments, including refunds of employee contributions	(9,600)	(10,600)	(10,400)	(12,000)	(11,143)	(11,500)	(12,000)
Administrative Expenses	(3,012)	(4,098)	(4,303)	(6,464)	(314)	(1,173)	(413)
State of Colorado Supplemental Discretionary Payment	14,954	-	8,033	13,662	-	9,608	8,406
Net Change in Plan Fiduciary Net Position	22,199	(10,705)	9,934	(674)	(1,458)	5,826	(2,869)
Plan Fiduciary Net Position - Beginning	<u>23,721</u>	<u>34,426</u>	<u>24,492</u>	<u>25,166</u>	<u>26,624</u>	<u>20,798</u>	<u>23,667</u>
Plan Fiduciary Net Position - Ending	<u>45,920</u>	<u>23,721</u>	<u>34,426</u>	<u>24,492</u>	<u>25,166</u>	<u>26,624</u>	<u>20,798</u>
Net Pension Liability/(Asset) - Ending	<u>\$ 19,593</u>	<u>\$ 48,600</u>	<u>\$ 43,156</u>	<u>\$ 68,819</u>	<u>\$ 71,989</u>	<u>\$ 68,433</u>	<u>\$ 117,533</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.09%	32.80%	44.37%	26.25%	25.90%	28.01%	15.03%
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability/(Asset) as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**The report is intended to show 10 years of data. Additional years will be presented when they become available.

TOWN OF PALMER LAKE
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - FPPA
 Last 10 Fiscal Years**
 Years Ended December 31,

	2020	2019	2018	2017	2016	2014	2014	2013
Town's proportion of the Net Pension Liability (Asset)	0.0387601570%	0.0297510510%	0.0300101242%	0.0384426613%	0.0219331444%	0.0098164611%	0.0105819994%	1.0829630600%
Town's proportionate share of the Net Pension Liability (Asset)	\$ (84,148)	\$ (16,825)	\$ 37,941	\$ (55,306)	\$ 7,925	\$ (173)	\$ (11,943)	\$ (12,222)
Town's covered payroll	293,012	277,813	208,036	115,692	107,003	47,590	47,590	45,084
Total pension liability	3,230,485,701	2,919,378,738	2,653,120,261	2,021,526,883	2,021,526,883	1,846,961,999	1,652,901,084	1,533,631,141
Plan fiduciary net position	3,447,586,098	2,975,935,079	2,526,692,808	1,985,393,043	1,985,393,043	1,848,724,853	1,765,758,630	1,623,049,809
Net pension liability (asset)	<u>\$ (217,100,397)</u>	<u>\$ (56,556,341)</u>	<u>\$ 126,427,453</u>	<u>\$ 36,133,840</u>	<u>\$ 36,133,840</u>	<u>\$ (1,762,854)</u>	<u>\$ (112,857,546)</u>	<u>\$ (89,418,668)</u>
Plan fiduciary net position as a percentage of the total pension	1.07	1.02	0.95	0.98	0.98	1.00	1.07	1.06
Net pension liability (asset) as a percentage of covered payroll	-29%	-6%	18%	-48%	7%	0%	-25%	-27%

**The report is intended to show 10 years of data. Additional years will be presented when they become available.

See the accompanying Independent Auditor's report.

TOWN OF PALMER LAKE
SCHEDULE OF PENSION CONTRIBUTIONS - FPPA
 Last 10 Fiscal Years**
 Years Ended December 31,

	2020	2019	2018	2017	2016	2015	2014
Statutorily Required Contribution	\$ 24,906	\$ 22,225	\$ 16,082	\$ 8,560	\$ 8,560	\$ 3,807	\$ 3,807
Contributions in Relation to the Statutorily Required Contribution	\$ 24,906	\$ 22,225	\$ 16,082	\$ 8,560	\$ 8,560	\$ 3,807	\$ 3,807
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 293,012	\$ 277,813	\$ 208,036	\$ 115,692	\$ 107,003	\$ 47,590	\$ 47,590
Contributions as a Percentage of Covered Payroll	8.50%	8.00%	7.73%	7.40%	8.00%	8.00%	8.00%

**The report is intended to show 10 years of data. Additional years will be presented when they become available.

See the accompanying Independent Auditor's report.

Other Supplemental Information

TOWN OF PALMER LAKE
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CONSERVATION TRUST FUND
For the Year Ended December 31, 2021

	Budgeted Amounts		Variance with Budget Positive (Negative)
	<u>Original and Final</u>	<u>Actual</u>	
REVENUE			
Intergovernmental	\$ 19,507	\$ 35,137	\$ 15,630
Interest income	-	13	13
Miscellaneous revenue	-	13	13
Carryover	30,000	-	(30,000)
Total Revenues	<u>49,507</u>	<u>35,163</u>	<u>(14,344)</u>
EXPENDITURES			
Wages and benefits	25,836	20,820	5,016
Contract services	-	2,622	(2,622)
Operating supplies	4,000	8,300	(4,300)
Repairs and maintenance	2,500	485	2,015
Utilities	1,000	1,374	(374)
Fuels/Lubricants	234	1,832	(1,598)
Capital outlay	15,937	7,996	7,941
Total Expenditures	<u>49,507</u>	<u>43,429</u>	<u>6,078</u>
EXCESS REVENUE OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ (8,266)</u>	<u>\$ (8,266)</u>

See the accompanying Independent Auditor's report.

TOWN OF PALMER LAKE
SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN
NET POSITION (NON-GAAP BUDGETARY BASIS)
WATER ENTERPRISE FUND
For the Year Ended December 31, 2021

	Budgeted		Variance with Final Budget - Positive (Negative)
	Amounts		
	<u>Original & Final</u>	<u>Actual</u>	
REVENUE			
Water sales and improvement fees	\$ 1,228,950	\$ 1,192,844	\$ (36,106)
Late fees	18,500	12,273	(6,227)
Water tap fees	200,000	188,250	(11,750)
Grant income	-	167,114	167,114
Interest income	8,800	180	(8,620)
Miscellaneous income	-	10,543	10,543
Total Revenue	<u>1,456,250</u>	<u>1,571,204</u>	<u>114,954</u>
EXPENSES			
Wages and benefits	390,865	286,233	104,632
Memberships and registrations	8,300	9,156	(856)
Contract services	11,000	20,042	(9,042)
Professional fees	99,500	133,523	(34,023)
Payment processing	10,037	370	9,667
Utilities	115,000	121,042	(6,042)
Operating supplies	50,000	16,719	33,281
Repairs and maintenance	188,500	94,457	94,043
Office expense	13,460	2,400	11,060
Insurance	10,000	8,738	1,262
Reservoir/Dam maintenance	10,000	3,037	6,963
Water quality tests	26,000	22,573	3,427
Miscellaneous	2,350	3,796	(1,446)
Debt Service	166,385	186,609	(20,224)
Capital outlay	700,000	758,278	(58,278)
Total Expenses	<u>1,801,397</u>	<u>1,666,973</u>	<u>134,424</u>
NET CHANGE IN FUND BALANCE - BUDGETARY BASIS	<u>\$ (345,147)</u>	<u>(95,769)</u>	<u>\$ 249,378</u>
RECONCILIATION TO NET INCOME			
Add: Capital Outlay		\$ 758,278	
Add: Principal paid on debt		138,286	
Less: Depreciation expense		(290,770)	
Net Income (Loss) - GAAP Basis		<u>\$ 510,027</u>	

See accompanying independent auditor's report.

Special Reports



COLORADO
Department of Transportation

Steps for printing your content and returning to 'Edit Mode

1. Click Ctrl + A on a Windows machine or Command + A on a Mac to select all data.
2. Right-click your mouse and select Print.
3. Confirm that print settings are correct - make sure "selection only" isn't checked.
4. Print hard copy or to PDF.
5. Click "Edit Mode" to return to modifying your data.
6. Remember to click "Save" to save any changes.

Annual Highway Finance Report - CY21

Email address: julia@palmer-lake.org

City/County: Palmer Lake

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes

A. Receipts from local sources

2. General Fund Appropriations:	\$	0.00
3. Other local imposts: <i>from A.3. Total' below)</i>	\$	246,814.00
4. Miscellaneous local receipts: <i>from A.4. Total' below)</i>	\$	87,770.00
5. Transfers from toll facilities	\$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	0.00
b. Bonds - Refunding Issues:	\$	0.00
c. Notes:	\$	0.00

SubTotal: \$ 334,584.00

B. Private Contributions \$ 0.00

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes (Detail)

A.3. Other local imposts

a. Property Taxes and Assessments	\$ 38,892.00
b. Other Local Imposts	
1. Sales Taxes:	\$ 180,726.00
2. Infrastructure and Impact Fees:	\$ 0.00
3. Liens:	\$ 0.00
4. Licenses:	\$ 0.00
5. Specific Ownership and/or Other:	\$ 27,196.00

Total: (a + b) carried to 'Other local imposts' above \$ 246,814.00

A.4. Miscellaneous local receipts

a. Interest on Investments:	\$ 0.00
b. Traffic fines and Penalties:	\$ 87,770.00
c. Parking Garage Fees:	\$ 0.00
d. Parking Meter Fees:	\$ 0.00
e. Sale of Surplus Property:	\$ 0.00
f. Charges for Services:	\$ 0.00
g. Other Misc. Receipts:	\$ 0.00
h. Other:	\$ 0.00

Total: (a through h) carried to 'Misc local receipts' above \$ 87,770.00

C. Receipts from State Government

1. Highway User Taxes:	\$ 99,043.00
3. Other State funds:	
c. Motor Vehicle Registrations:	\$ 0.00
d. Other (Specify):	
Comments: undefined	\$ 0.00
e. Other (Specify):	
Comments: undefined	\$ 0.00

Total: (1+3c,d,e) \$ 99,043.00

D. Receipts from Federal Government

2. Other Federal Agencies	
a. Forest Service:	\$ 0.00

b. FEMA:	\$	0.00
c. HUD:	\$	0.00
d. Federal Transit Administration:	\$	0.00
e. U.S. Corp of Engineers	\$	0.00
f. Other Federal:	\$	0.00
Total: (2a-f)	\$	0.00

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes

A. Local highway disbursements

1. Capital outlay: <i>(from A.1.d. 'Total Capital Outlay' below)</i>	\$	0.00
2. Maintenance:	\$	383,598.00
3. Road and street services		
a. Traffic control operations:	\$	10,220.00
b. Snow and ice removal:	\$	10,936.00
c. Other:	\$	0.00
4. General administration and miscellaneous	\$	0.00
5. Highway law enforcement and safety	\$	28,873.00
Total: (A.1-5)	\$	433,627.00

B. Debt service on local obligations

1. Bonds		
a. Interest	\$	0.00
b. Redemption	\$	0.00
2. Notes		
a. Interest	\$	0.00
b. Redemption	\$	0.00
SubTotal: (1+2)	\$	0.00

C. Payments to State for Highways: \$ 0.00

D. Payments to Toll Facilities: \$ 0.00

Total Disbursements: (A+B+C+D) \$ 433,627.00

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes - (Detail)

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	\$ 0.00	\$ 0.00	\$ 0.00
b. Engineering Costs:	\$ 0.00	\$ 0.00	\$ 0.00
c. Construction			
1. New Facilities:	\$ 0.00	\$ 0.00	\$ 0.00
2. Capacity Improvements:	\$ 0.00	\$ 0.00	\$ 0.00
3. System Preservation:	\$ 0.00	\$ 0.00	\$ 0.00
4. System Enhancement:	\$ 0.00	\$ 0.00	\$ 0.00
5. Total Construction:			\$ 0.00
d. Total Capital Outlay: (Lines A.1.a. + 1.b. + 1.c.5)			\$ 0.00

Receipts, Disbursements & Costs

IV. Local Highway Debt Status

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
1. Bonds (Refunding Portion)		\$ 0.00	\$ 0.00	\$ 0.00
B. Notes (Total):	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Receipts, Disbursements & Costs

V - Local Road & Street Fund Balance

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 0.00	\$ 433,627.00	\$ 433,627.00	\$ 0.00	\$ 0.00

Notes and Comments:

undefined

Please enter your name:

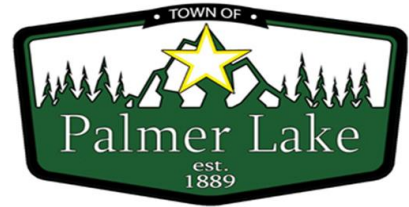
Please provide a telephone number where you may be reached:

Please click on the "Save" button before viewing the data in a print format.



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FORM FHWA-536e (Version 8.00) - CY21



Item 2.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: July 28, 2022	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Presentation of Draft Water Accounting Study, GMS Engineering

Background

As funded from a 2021 grant, GMS has been working on a draft of a water accounting study for the Town. Mr. Tom McClernan will be in attendance to provide a review of the water study for Board members.



BOARD OF TRUSTEES MEETING Thursday, July 14, 2022 at 5:00 PM

Palmer Lake Town Hall – 28 Valley Crescent, Palmer Lake, Colorado

MINUTES

Call to Order. Mayor Bass called the meeting to order at 5:03 PM.

Pledge of Allegiance

Roll Call. Present: Mayor Bill Bass, Trustees Jessica Farr, Glant Havenar, Sam Padgett, Darin Dawson, Karen Stuth. Excused: Nicole Currier.

Consent Agenda

MOTION (Havenar, Padgett) to approve the consent agenda including items 1) Minutes from June 23, 2022 Meeting and from Joint June 29, 2022 Meeting; and 2) Checks over \$15,000 - CIRSA and Applied Integrity. Roll call vote – aye 6; nay 0. Motion passed.

Mayor Bass requested to take item 11 first.

11. Special Event - PPLD Summer Adventure Party - 08/05. Mae with PPLD explained the summer party event on the green area planned for August 5. MOTION (Farr, Havenar) to approve the event and waive the fee. Roll call vote – aye 6; nay 0. Motion passed.

Staff/Department Reports

3. Water; 4. Public Works including Roads & Park Maintenance; 5. Police

6. Present Parking Kiosk STEP Program (Sgt Lundy). Sgt Joe Lundy and Officer Perry explained the program to utilize parking or reservoir violations to fund the patrol of the reservoir access road, reservoir watershed and parking around the trailhead and Glen park area. Officer Perry reviewed information that the IRIS program for the kiosk can provide. It was suggested to assemble a regular report of visitors in/out state or county (vehicle data) utilizing the trail and parks. Officer Perry also introduced the startup of a Palmer Lake Honor Guard with the assistance of 719 Heroes, fully funded by donations.

7. Fire; 8. Administration; 9. Attorney

10. Administrator/Clerk. Collins provided an update on the library roof eaves repair; an update on Master Plan activity; the status of the ped bridge erosion repair and RR fencing. Staff also has a snapshot of the current budget with actual department funding needs to post to the town website.

Public Comment

Ms. Jina Brenneman inquired about the public response to the proposals presented and suggested the Board members consider character of the presenters when determining development of the elephant rock property.

Business Items

12. Resolution 38-2022 to Approve Employee Travel Policy. Collins identified this policy as one of a few left to support the current employee handbook. MOTION (Havenar, Stuth) to approve Resolution 38-2022 to approve travel policy. Roll call vote – aye 6; nay 0. Motion passed.

13. Determine Next Steps for Elephant Rock Proposals. Discussion took place about holding evaluations, the expected time to receive the property appraisal, and how to proceed with proposed development. Members discussed wanting more financial data. Mr. Jeff Zearfoss, of Carter Payne, reported that his team is prepared to present financial information to the Board. It was agreed by the Board to plan a retreat date of July 25 at 6 PM to establish parameters for presenters, review the appraisal and best use report, and the concept evaluations to hear from presenters at a workshop following the regular August 11 meeting at 7 PM.

14. Fall Election - Vacant Seats. Collins announced the seats on the November 8 ballot and that candidate packets are available in the Town office. It was noted that ballot questions are due to the County the same time, by the first week of September.

15. Draft of PPRBD Code Changes (Effective 2023). Information on the upcoming building code changes was provided and will be presented by Pikes Peak Regional at a future meeting.

Board Reports. Trustee Padgett thanked the Police and Fire departments for their service at the July 4th event and offered praise to those who cleaned up the area.

Next Meeting (July 21 special meeting, July 28) and Future Items

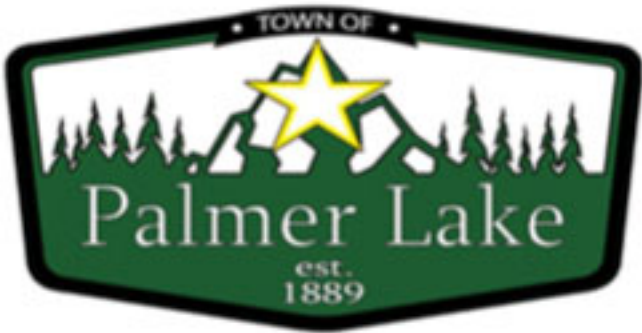
Convene to Executive Session. MOTION (Padgett, Stuth) to convene to executive session at 6:28 PM: For the purpose of conference with an attorney for the purpose of receiving legal advise on specific legal questions; and personnel matter under C.R.S. 24-6-402(4)(b) and (f) - Town Administrator. Roll call vote – aye 6; nay 0. Motion passed.

Reconvene to Open Session and Adjourn. MOTION (Stuth, Padgett) to reconvene and adjourn. Motion passed.

William Bass, Mayor

ATTEST: Dawn A. Collins, Town Clerk

TOWN OF PALMER LAKE
Financial Statements
June 2022
Unaudited



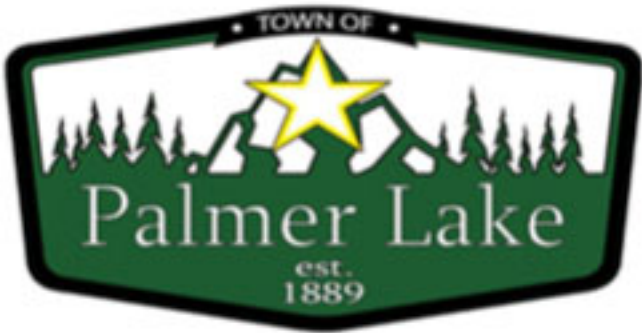
CASH POSITION

June 30, 2022



TOWN OF PALMER LAKE				
Schedule of Cash Position				
June 30, 2022				
FINANCIAL INSTITUTION	TYPE OF ACCOUNT	CHECKING / SAVINGS	BANK RATE	BALANCE
OPERATING FUNDS:				
Community Banks of CO	General Fund Operating	Checking	n/a	\$ 1,222,132
<i>* Restricted - Operating Reserve - 3 months (\$582,475)</i>				
Community Banks of CO	Water Fund Operating	Checking	n/a	\$ 1,009,614
<i>* Restricted - Operating Reserve - 3 months (\$236,018)</i>				
Colorado Trust (ColoTrust)	General Fund	Savings	1.17%	\$ 979,282
Subtotal - Operating Funds				\$ 3,211,028
RESTRICTED FUNDS:				
Colorado Trust (ColoTrust)	Water Reserve 2010	Savings	1.17%	\$ 177,736
Colorado Trust (ColoTrust)	Water Loan Reserve	Savings	1.17%	\$ 197,966
Colorado Trust (ColoTrust)	Police CIP Reserve	Savings	1.17%	\$ 7
Colorado Trust (ColoTrust)	Fire CIP Reserve	Savings	1.17%	\$ 105,707
Colorado Trust (ColoTrust)	CTF Reserve	Savings	1.17%	\$ 27,149
Subtotal - Restricted Funds				\$ 508,565
TOTAL				\$ 3,719,593

GENERAL FUND
June 2022



TOWN OF PALMER LAKE

Item 5.

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

For the Six Months Ended June 30, 2022
UNAUDITED

	2022 Adopted Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 50%)
REVENUE				
Taxes	\$ 2,090,342	\$ 1,503,583	\$ (586,759)	72%
Fees and Licenses	191,900	133,185	(58,715)	69%
Intergovernmental	26,100	3,554	(22,546)	14%
Fines	70,900	23,565	(47,335)	33%
Interest income	12,000	8,480	(3,520)	71%
Departmental	7,000	27,051	20,051	386%
Miscellaneous income	170,100	132,003	(38,097)	78%
Total Revenue	\$ 2,568,342	\$ 1,831,421	\$ (736,921)	71%
EXPENDITURES				
General and Administrative				
Salaries and Benefits	\$ 179,369	\$ 87,110	\$ 92,259	49%
Professional Services	315,785	180,572	135,213	57%
General Administration	605,730	322,476	283,254	53%
Total General and Administrative	\$ 1,100,885	\$ 590,158	\$ 510,726	54%
Police Department				
Salaries and Benefits	\$ 588,861	\$ 256,540	\$ 332,321	44%
Professional Services	-	-	-	0%
General Administration	60,470	11,961	48,509	20%
Total Police Department	\$ 649,331	\$ 268,501	\$ 380,830	41%
Fire Department				
Salaries and Benefits	\$ 464,572	\$ 215,556	\$ 249,016	46%
Professional Services	-	-	-	0%
General Administration	73,050	17,784	55,266	24%
Total Fire Department	\$ 537,622	\$ 233,340	\$ 304,282	43%
Roads Department				
Salaries and Benefits	\$ 187,002	\$ 87,623	\$ 99,379	47%
Professional Services	20,000	1,343	18,657	7%
General Administration	388,071	51,341	336,730	13%
Total Roads Department	\$ 595,073	\$ 140,307	\$ 454,766	24%
Parks Department				
Salaries and Benefits	\$ 62,231	\$ 6,293	\$ 55,938	10%
General Administration	23,200	7,694	15,506	33%
Total Parks Department	\$ 85,431	\$ 13,987	\$ 71,444	16%
Total Expenditures	\$ 2,968,341	\$ 1,246,293	\$ 1,722,048	42%
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	\$ (400,000)	\$ 585,128	\$ 985,127	
FUNDS BALANCE - BEGINNING OF YEAR - estimated		\$ 2,783,287		
FUNDS BALANCE - END OF YEAR		\$ 3,368,415		
Less:				
Restricted:				
Operating Reserve - 3 months		(582,475)	<i>Note 1</i>	
Fire - CIP Reserve		(105,707)		
FUNDS AVAILABLE - END OF YEAR - Unrestricted		\$ 2,680,233		

Note 1: A 12 Month Operating Reserve would be Optimum

WATER ENTERPRISE FUND

June 2022



TOWN OF PALMER LAKE
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN
FUNDS AVAILABLE - BUDGET AND ACTUAL
WATER ENTERPRISE FUND
For the Six Months Ended June 30, 2022
UNAUDITED

	<u>2022 Adopted Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Percent of Budget (YTD 50%)</u>
REVENUE				
Water Revenue	\$ 1,198,500	\$ 557,182	\$ (641,318)	46%
Water Fees	71,957	27,041	(44,916)	38%
Water Taps	200,000	26,786	(173,214)	13%
Late Fees/ Service Fees	-	10,540	10,540	0%
Water Meters	6,500	1,300	(5,200)	20%
Interest	3,000	884	(2,116)	29%
Miscellaneous	-	525	525	0%
Total Revenue	<u>\$ 1,479,957</u>	<u>\$ 624,258</u>	<u>\$ (855,699)</u>	<u>42%</u>
EXPENDITURES				
Salaries and Benefits	\$ 454,797	\$ 206,366	\$ 248,431	45%
Professional Services	127,500	54,114	73,386	42%
Administrative	183,450	120,067	63,383	65%
Operations	874,054	188,590	685,464	22%
Debt Service	183,229	103,070	80,159	56%
Total Expenditures	<u>\$ 1,823,030</u>	<u>\$ 672,207</u>	<u>\$ 1,150,823</u>	<u>37%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>\$ (343,072)</u>	<u>\$ (47,949)</u>	<u>\$ 295,124</u>	
FUNDS AVAILABLE - BEGINNING OF YEAR - estimated		<u>\$ 658,203</u>		
FUNDS AVAILABLE - END OF YEAR		<u>\$ 610,254</u>		
Less:				
Restricted:				
Operating Reserve - 3 months (CWR&PDA Loan Requirement)		(236,018)	<i>Note 1</i>	
Water Loan Reserve		(197,966)		
Water Reserve - 2010		<u>(177,736)</u>		
FUNDS AVAILABLE - END OF YEAR - Unrestricted		<u><u>\$ (1,466)</u></u>		

Note 1: A 12 Month Operating Reserve would be Optimum

CONSERVATION TRUST FUND

June 2022



TOWN OF PALMER LAKE

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CONSERVATION TRUST FUND

For the Six Months Ended June 30, 2022

UNAUDITED

	2022 Adopted Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 50%)
REVENUE				
State Shared Revenue	\$ 44,406	\$ 16,985	\$ (27,421)	38%
Interest/Miscellaneous income	-	64	64	0%
Total Revenue	<u>\$ 44,406</u>	<u>\$ 17,049</u>	<u>\$ (27,357)</u>	<u>38%</u>
EXPENDITURES				
Salaries and Benefits	\$ 18,774	\$ 10,623	\$ 8,151	57%
Administrative	25,630	3,614	22,016	14%
Total Expenditures	<u>\$ 44,405</u>	<u>\$ 14,237</u>	<u>\$ 30,167</u>	<u>32%</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1</u>	<u>\$ 2,812</u>	<u>\$ 2,810</u>	
FUND BALANCE - BEGINNING OF YEAR - estimated		<u>\$ 35,914</u>		
FUND BALANCE - END OF YEAR - Restricted		<u><u>\$ 38,726</u></u>		

GRANTS AND DONATIONS FUND

June 2022



TOWN OF PALMER LAKE

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL GRANTS & DONATIONS

Item 5.

For the Six Months Ended June 30, 2022

UNAUDITED

For Information Purposes Only

	2022 Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 50%)
REVENUE				
FPPA Matching Funds	\$ 14,000	\$ -	\$ (14,000)	0%
Fire Mitigation Grant	50,000	-	(50,000)	0%
DOLA EIAF Water Sys- PER Grant	15,000	-	(15,000)	0%
CDOT Bridge Rehab	200,000	-	(200,000)	0%
CDOT PL Elementary Road Improvements	176,590	-	(176,590)	0%
American Rescue Plan	376,145	-	(376,145)	0%
Fire Grants	-	15,365	15,365	0%
Police Donations/ Grants	59,437	32,752	(26,685)	55%
Parks Donations/ Grants	1,000	843	(157)	84%
Total Revenue	\$ 892,172	\$ 48,960	\$ (843,212)	5%
EXPENDITURES				
General Administrative				
Grants Expense- DOLA / GOCO	\$ -	\$ -	\$ -	0%
Total General Administrative Expenditures	\$ -	\$ -	\$ -	0%
Police Department Expenditures				
Grant Expense	\$ 59,537	\$ 17,065	\$ 42,472	29%
Total Police Department Expenditures	\$ 59,537	\$ 17,065	\$ 42,472	29%
Fire Department Expenditures				
Grants Expense	\$ -	\$ 10,788	\$ (10,788)	0%
Fire Mitigation CUSP	50,000	-	50,000	0%
Total Fire Department Expenditures	\$ 50,000	\$ 10,788	\$ 39,212	22%
Roads Department Expenditures				
CDOT Bridge Rehab	\$ 200,000	\$ -	\$ 200,000	0%
CDOT PL Elementary Road Improvements	176,590	20	176,570	0%
Grants Expense- Douglas	13,900	-	13,900	0%
Total Roads Department Expenditures	\$ 390,490	\$ 20	\$ 390,470	0%
Parks Department Expenditures				
Parks Committee (donations)	\$ 1,000	\$ -	\$ 1,000	0%
Total Parks Department Expenditures	\$ 1,000	\$ -	\$ 1,000	0%
Water Department Expenditures				
American Rescue Plan	\$ 376,145	\$ -	\$ 376,145	0%
DOLA EIAF Water Sys- PER Grant	15,000	-	15,000	0%
Total Water Department Expenditures	\$ 391,145	\$ -	\$ 391,145	0%
Total Expenditures	\$ 892,172	\$ 27,873	\$ 864,299	
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES				
	\$ -	\$ 21,087	\$ 21,087	

Check Register

June 2022



Ranges: From: To: From: To:
 Check Number First Last Check Date 6/1/2022 6/30/2022
 Vendor ID First Last Checkbook ID First Last
 Vendor Name First Last

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
48082	AMCOBI	AmCobi	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$1,809.80
48083	AT&TMOBILITY	AT & T Mobility	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$2,707.60
48084	CHAVEZCONSULTIN	Chavez Consulting Inc., LLC.	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$187.50
48085	COLORADODIVISIO	Colorado Division of Fire Prev	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$20.00
48086	CKT	Common Knowledge Technology	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$4,368.00
48087	COMMUNITYMATTER	Community Matters Institute	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$7,800.00
48088	COREELECTRICCOO	Core Electric Cooperative	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$3,405.43
48089	ELLISONTRUCKING	Ellison Trucking, Inc.	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$1,067.20
48090	ESO	ESO Solutions, Inc.	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$208.53
48091	FRONTRANGEFIREA	Front Range Fire Apparatus	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$1,067.91
48092	VANDERPOOL,HOLD	Holden Vanderpool	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$504.00
48093	INTELLICHOICE	Intellichoice, Inc.	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$2,873.15
48094	WAGGONER,JOISAH	Joisah Waggoner	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$75.00
48095	PALMERLAKESANIT	Palmer Lake Sanitation	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$1,685.00
48096	RECREATIONPLUS	Recreation Plus	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$715.57
48097	SCHMIDTCONSTRUC	Schmidt Construction Company	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$641.91
48098	GAZETTE	The Gazette	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$472.51
48099	TNPARKERCONSTRU	TN Parker Construction	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$17,349.45
48100	XFINITY	Xfinity	6/10/2022	COBANK-CKG 9495	PMCHK00000038	\$104.85
48101	AIRGAS	AIRGAS USA, LLC	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$713.84
48102	TORRES,ALLEE	ALLEE TORRES	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$100.00
48103	AMCOBIIT	AMCOBI	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$3,809.00
48105	BRADLEYEXCAVATI	BRADLEY EXCAVATING INC.	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$12,720.00
48106	CENTURYLINK	CENTURYLINK	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$212.20
48107	CHRISTIANBROTHE	CHRISTIAN BROTHERS AUTOMOTIVE	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$325.49
48108	CITYOFFORTCOLLI	City of Fort Collins	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$90.00
48109	COLORADODIVISIO	COLORADO DIVISION OF FIRE PREV	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$20.00
48110	COMCAST	COMCAST	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$193.35
48111	COOPER,DAVID	DAVID COOPER	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$50.00
48112	DPCINDUSTRIES	DPC INDUSTRIES, INC.	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$70.00
48113	ECS	EMPLOYERS COUNCIL	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$81.25
48114	EVOQUA	EVOQUA WATER TECHNOLOGIES LLC	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$1,250.00
48115	HACHCOMPANY	HACH COMPANY	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$11,665.00
48116	HIGHPOINTNETWOR	HIGH POINT NETWORKS	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$453.75
48117	HOMEDEPOTCREDIT	HOME DEPOT CREDIT SERVICES	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$511.27
48118	JANTZEN, JARRED	JARRED & SHARON JANTZEN	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$485.00
48119	LUMEN	LEVEL 3 COMMUNICATIONS, LLC	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$519.42
48120	LIGHTNINGELECTR	LIGHTNING ELECTRIC	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$755.00
48121	MCCORDSGARDENCE	MCCORD'S GARDEN CENTER AND LAN	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$228.71
48122	OASISLANDSCAPE	OASIS LANDSCAPE & IRRIGATION I	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$12,350.81
48123	POWERSERVICEINC	POWER SERVICE INC.	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$2,518.95
48124	WIEKS, REID	REID WIEKS	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$114.40
48125	ORCUTT,STEVE	STEVE ORCUTT	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$21.10
48126	TLECC	TIMBER LINE ELECTRIC & CONTROL	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$1,423.25
48127	TRILAKESCHAMBER	TRI-LAKES CHAMBER OF COMMERCE	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$148.85
48128	UNCC	UTILITY NOTIFICATION CENTER OF	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$85.80
48129	WATTSUPFITTINGI	WATTS UPFITTING INC.	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$187.85
48130	XEROX	XEROX BUSINESS SOLUTIONS SOUTH	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$60.82
48131	XFINITY	XFINITY	6/23/2022	COBANK-CKG 9495	PMCHK00000039	\$18.28

Total Checks: 49

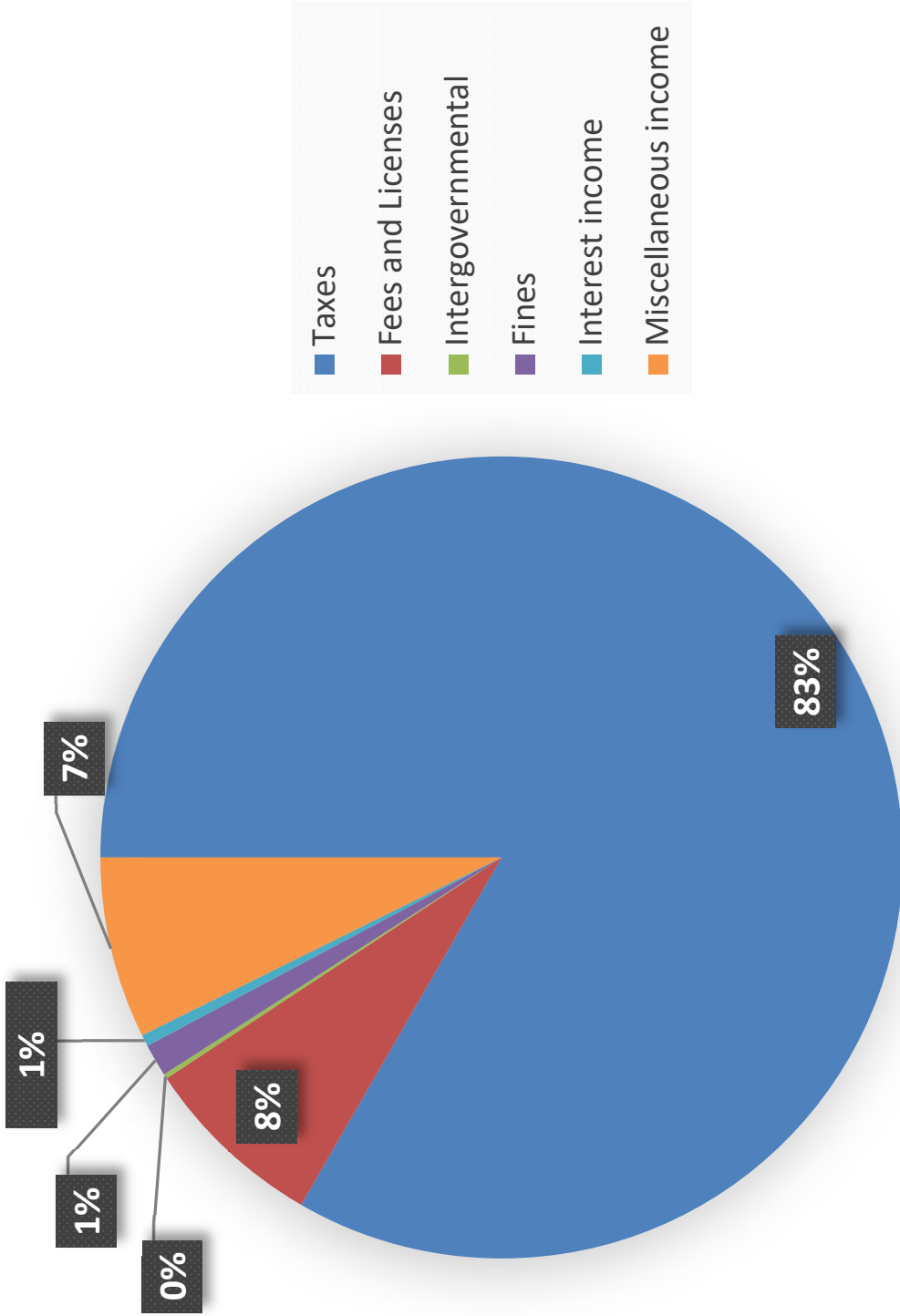
Total Amount of Checks: \$98,246.80

CHARTS

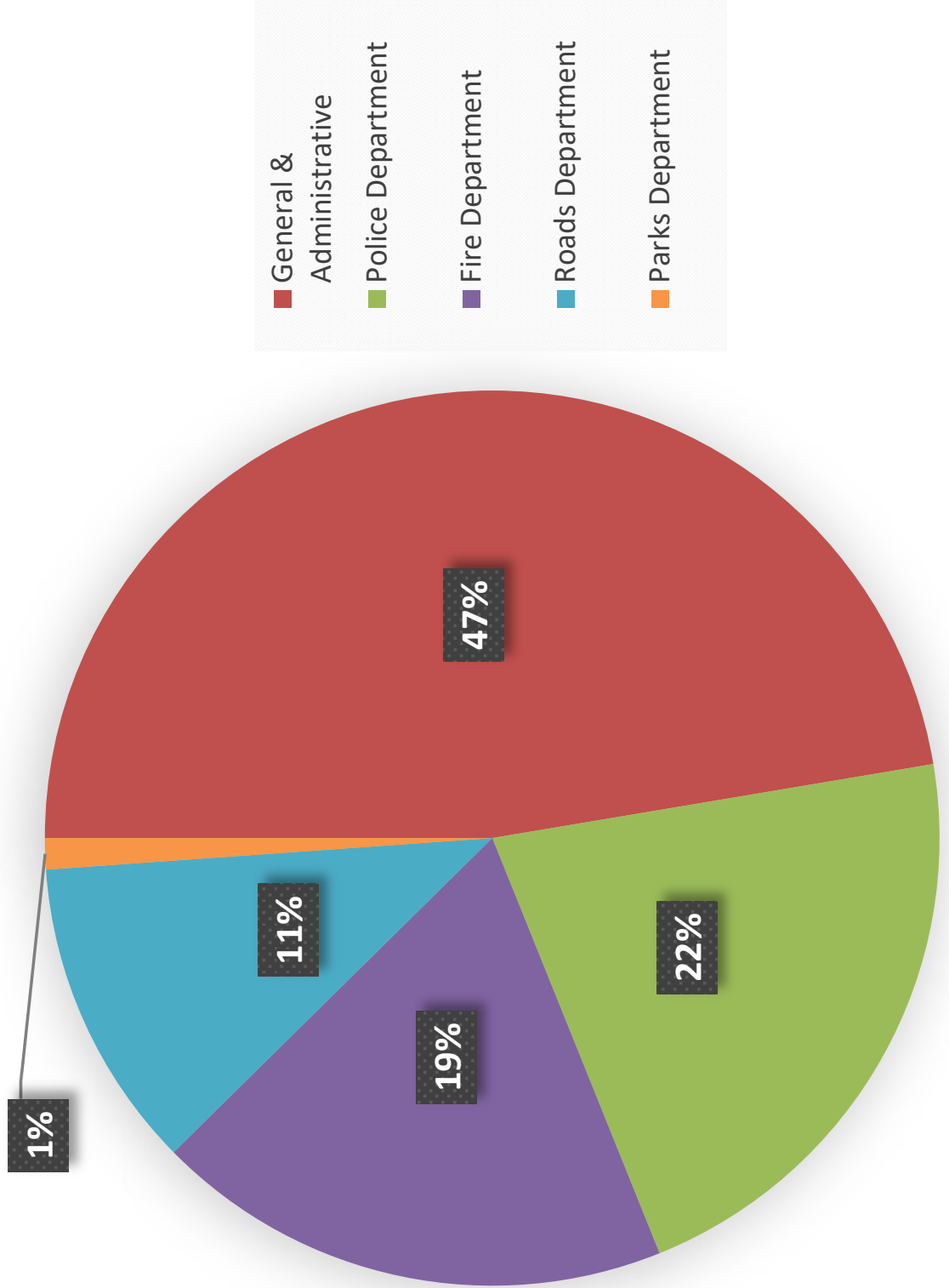
June 2022



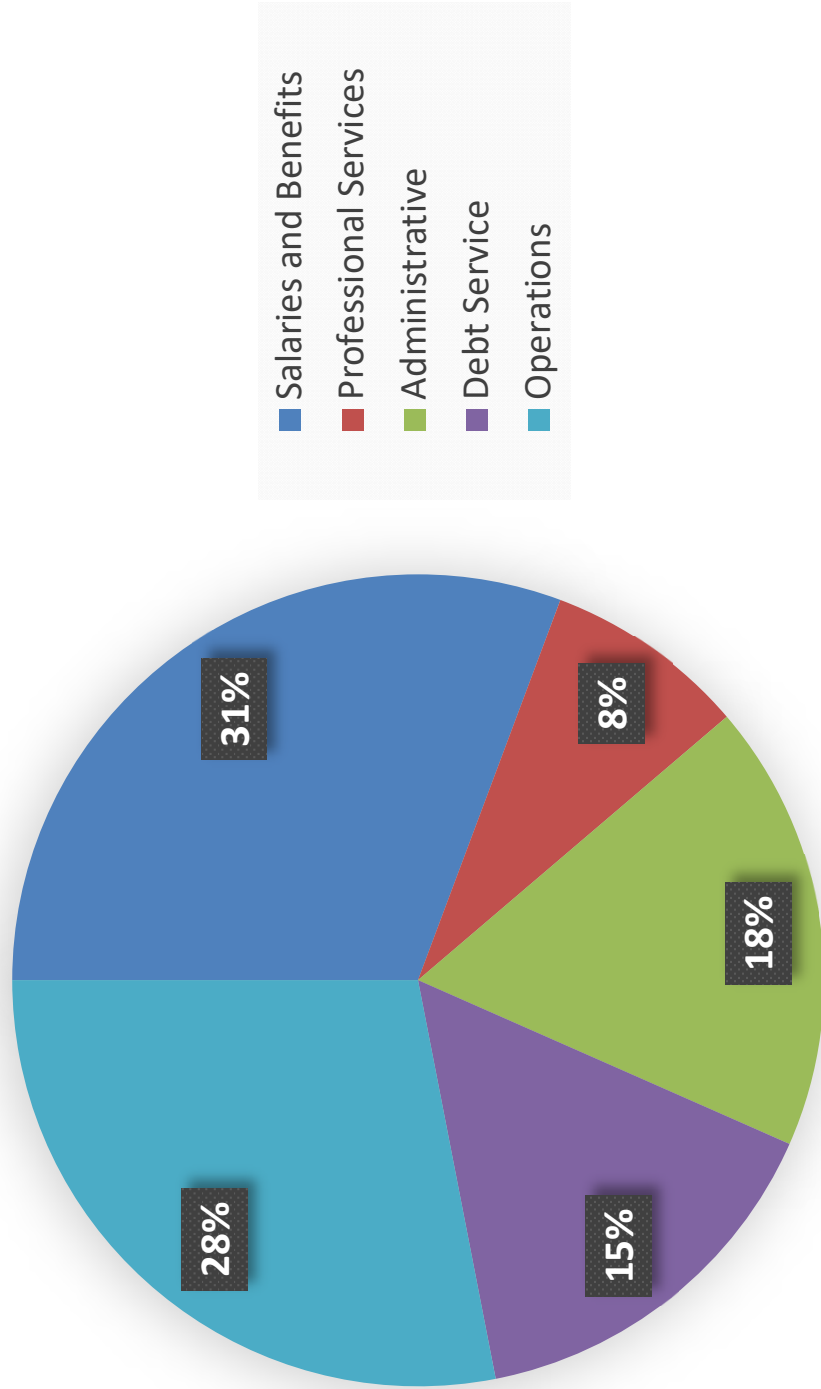
General Fund Revenue Breakdown June 2022

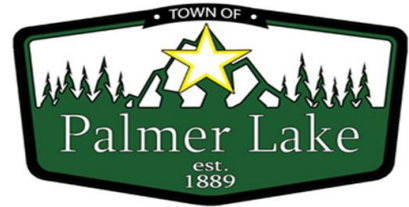


General Fund Expenditure Breakdown June 2022



Water Enterprise Fund Expenditure Breakdown June 2022





Item 8.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - MEMO SUMMARY**

DATE: July 28, 2022	ITEM NO.	SUBJECT: SPECIAL EVENT APPLICATION – NATIONAL NIGHT OUT
Presented by: Deputy Clerk Julia Stambaugh		

Recommended Action

To approve the event to take place at the Town Hall and Village Green as presented and endorsed by Staff.

Background

National Night Out will take place on August 2 from 6PM to 9PM. This is an evening for families to get out and get to know the members of our Police Department. The Fire Department will also be present to support the event. Getting to know our police officers is the best way to build a safer community and get to know our neighbors. Volunteers will be grilling and serving a hotdog meal. Guests can bring their camping chairs, hangout on the Village Green while listening to some fun music. Children will enjoy rock painting, face painting and getting to know our Police and Fire Department members.



PALMER LAKE COMMUNITY

JOIN US FOR A FUN NIGHT OUT!

**ENJOY MUSIC, FOOD, FACE PAINTING,
ROCK PAINTING, & MORE**

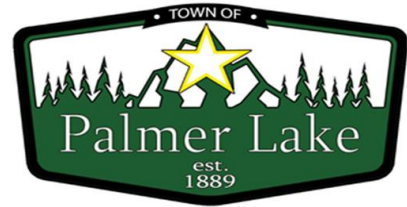
**AUGUST 2ND
6-9PM**

**THE VILLAGE GREEN & GAZEBO
28 VALLEY CRESCENT
PALMER LAKE, CO 80133**

BRING YOUR FAMILY & CAMP CHAIRS

HOSTED BY PALMER LAKE PD & FD

**TOGETHER, WE ARE MAKING COMMUNITIES
SAFER, MORE CARING PLACES TO LIVE AND WORK**



**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - MEMO SUMMARY**

DATE: 07/28/2022	ITEM NO.	SUBJECT: SPECIAL EVENT APPLICATION – Rocky Mountain Chautauqua Assembly
Presented by: Deputy Clerk Julia Stambaugh		

Recommended Action

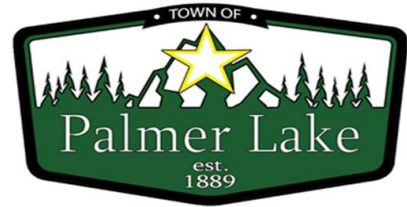
To approve the event to take place at the Town Hall, Village Green, and Glen Park as presented and endorsed by Staff.

Background

The Palmer Lake Historical Society is bringing back the much-loved Rocky Mountain Chautauqua Assembly on 08/06 from 1pm to 4pm at the Town Hall and Village Green. There will be demonstrations, exhibits, music, and refreshments for everyone to enjoy, along with music and a screening of the Chautauqua film “Summer Sojourn”. There will also be two walking tours scheduled at the Chautauqua Grounds Glen Park and Old Town Palmer Lake.

The event coordinator was informed there is no parking allowed along Walnut St and Lovers Lane. Public Works suggested they shuttle people to and from the area. The Police Dept will be patrolling the area and around town to watch for parking issues. Fire was informed of the event and will be on alert during that time. They will also cordon off the station’s driveway to help keep the area clear for the engine’s ingress/egress.

The event is also requesting the \$100 application fee be waived.



**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - MEMO SUMMARY**

DATE: July 28, 2022	ITEM NO.	SUBJECT: SPECIAL EVENT APPLICATION – Pikes Peak Library District Concert Series
Presented by: Deputy Clerk Julia Stambaugh		

Recommended Action

To approve the event to take place at the Palmer Lake Recreational Area as presented and endorsed by Staff.

Background

The event coordinator, Bryan Matthews, who works with the Adult Services Division of the Pikes Peak Library District, has arranged for concerts to take place at the Village Green in the month of August. Below is a summary of the events taking place plus the links placed in their library calendar.

The following three concerts will last one hour in time from 6:00 PM – 7:00 PM on Aug. 12, 19, & 26. They will all be performances by musicians and bands used in the past and are all good groups to work with and provide great music. Two of the performing groups are acoustic while the third is vocal; none of these are large bands nor will they be extremely loud. People are encouraged to attend and bring a lawn chair or blanket and listen to music for the hour. There is no charge to attend.

The district had planned to have a concert in the Green earlier this year, but it was snowed out and held in the library instead (Attendance was about 40 people). Public Works has approved the parking plan that includes parking along Upper, Lower and Middle Glenway. There is no objection, as long as the vehicles are off the roads and do not block the driveways. There will be volunteers flagging people to park in the Public Parking lots and guiding them across the street. The library Communications Office created a banner. They are requesting permission to hang the banner within the Town. They are looking forward to having these concerts as part of the Palmer Lake Library re-opening.

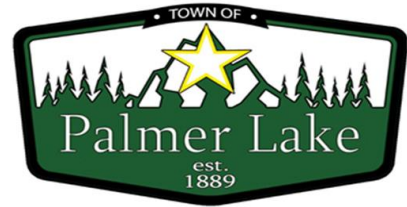
The Library is also requesting a waiver of the \$100 application fee.

Below are links to the Library Market entries:

Palmer Lake Library Village Green Concert: Skean Dubh | Pikes Peak Library District (librarymarket.com)
<<https://ppld.librarymarket.com/palmer-lake-library-village-green-concert-skean-dubh>>

Palmer Lake Library Village Green Concert: Edie Carey | Pikes Peak Library District (librarymarket.com)
<<https://ppld.librarymarket.com/palmer-lake-library-village-green-concert-edie-carey>>

Palmer Lake Library Village Green Concert: Roma Ransom | Pikes Peak Library District (librarymarket.com)
<<https://ppld.librarymarket.com/palmer-lake-library-village-green-concert-roma-ransom>>



Item 11.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: July 28, 2022	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Request for Public Displays of Art

Background

An ordinance was found while reviewing the recodification code pertaining to public displays of art, a copy enclosed for your review. Staff is working on an application for future use.

The idea to highlight and promote local artists’ work was presented to the PLEDG Art group and they are running with it. Julia and her husband have volunteered spare time to repaint office walls. A track light was donated and installed to highlight one wall of the lobby and intended for five pieces of wall art to promote local artists. There is no intention for the town office to become a point of sale (POS) for artwork but simply to display and possibly cycle new work every 6-12 months.

With the new xeriscape landscaping at the museum/library, concrete pedestal placements are intended for two locations to feature sculpture art. This effort is being funded completely by donation.

Mr. Lynn Roth and Mr. Dennis Book will be present to speak to the process created by the Art group for items 11 and 12.

Action

Staff is seeking Board approval of this process and the art display.

PALMER LAKE, COLORADO

ORDINANCE NO. 02-2020

AN ORDINANCE APPROVING DESIGN, CONSTRUCTION AND PLACEMENT STANDARDS FOR PUBLIC DISPLAYS OF ART, ADVERTISING, SPONSORSHIP, MEMORIALS, OR OTHER PUBLIC DISPLAYS, WHETHER PERMANENT OR TEMPORARY, UPON PUBLIC PROPERTY WITHIN THE TOWN OF PALMER LAKE

WHEREAS, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado;

WHEREAS, the Board recognizes that the values and culture of the Town include its small-town character, and that maintenance of the same through adoption of standards and guidelines for Public Displays is essential for the Town and its residents;

WHEREAS, in adopting this Ordinance, the Town Board of Trustees desires to ensure that any and all public displays, as defined herein: (1) be designed and implemented in such a way as to protect the small-town character, values and culture of the Town; (2) be designed and implemented in such a way as to preserve and protect public health, safety and welfare; (3) be considered and approved by the Board so as to ensure that only such projects as otherwise meeting the objectives of this Ordinance are approved for installation upon public property; (4) prevent inappropriate designs inconsistent with the character, values and culture of the Town from being placed; and (5) establish a program for the removal of any public displays inconsistent with this Ordinance.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE AS FOLLOWS:

Section 1 - Legislative Intent. It is the intent of this ordinance to provide procedures and standards for the design, approval, construction, and installation of Public Displays, including but not limited to Sponsorship Projects, Public Art, and advertising displays constructed or placed upon public property within the Town of Palmer Lake, and to ensure and provide the structural integrity, safety, security and maintenance guidelines for all Public Displays within the Town of Palmer Lake. Nothing herein shall create a requirement on the Town to maintain any Public Display.

Section 2 - Definitions. The following terms used in this ordinance have the following meanings, unless the context clearly indicates otherwise:

A. *Advertising* means any public display which contains advertising material for commercial purposes, including logos, designs and trade names of businesses, trades, charities or other interests, whether part of a Public Art display, a Sponsorship Project, or other Display, temporary or permanent, subject to this Ordinance.

B. *Permanent* means of a long-term or indeterminate period, with the presumed intention that a Permanent Public Display will not be removed for the foreseeable future.

C. *Public Art* means public displays of various kinds of artwork including but not limited to sculpture, paintings, mixed media, collage, earth works and environmental art, sonic art, time-based media, film/video, digital art, web-based art, light-based art installations, conceptual art, original printmaking and photography, original graphic art, fiber arts, textile, stained glass, metalwork and other crafts, ceramic arts, and mosaic, if placed on temporary or permanent display on public property within the Town of Palmer Lake.

D. *Public Display* means any art, advertising, postings, exhibitions, projects, or other visual or auidial materials posted upon, utilizing, or otherwise associated with public property located within the Town of Palmer Lake. Public Display expressly includes Public Art, Sponsorship Projects and other similar displays, whether or not including advertising, and whether or not of a temporary or permanent nature.

E. *Sponsorship Project* means a public display designed and intended to raise funds for a particular public project through solicitation of public and private sponsorships, resulting in displays of Public Art, plaques, tiles bricks or similar displays containing memorial, advertising, or personal messages of said sponsors/donors, whether of a Temporary or Permanent nature.

F. *Temporary* means of a short-term period, not to exceed 6 months.

Section 3 – Approval Required. It shall be unlawful to install, maintain, or operate any Public Display within the Town of Palmer Lake without obtaining the approval of the Board of Trustees for the Town of Palmer Lake, including through the Board’s delegates or designees, should the Board expressly delegate such authority. Each separate Public Display shall require a separate permit, though a Public Display that is by its very nature disbursed upon public property may be subject to a single approval.

Section 4 - Application Procedures.

A. An application for approval of a Public Display shall be filed with the Town Administrator in a format acceptable to the Town Administrator, or on forms provided by the Town.

B. The application shall be accompanied by a detailed description of the proposed Public Display, and where appropriate including a site plan and other graphic depictions clearly illustrating the nature, size, color and location of the proposed Public Display, and the purpose, duration and, if applicable, fundraising project.

C. The Town Administrator shall review the application for conformance with the criteria in this Ordinance, and if found to be in conformance, place the application on the agenda, of a public Board of Trustee's meeting for the Trustee's consideration and approval or denial within 30 days of submittal of such a complete application. Should the Town Administrator find the application incomplete or not in conformance with the criteria of this Ordinance, the Town Administrator shall within 30 days advise the applicant of the same, and shall work with the applicant in good faith to bring the application into conformance. If the application cannot be brought into conformance despite the best efforts of the applicant and Town Administrator, the Town Administrator may deny such application. Denial of an application by the Town Administrator may be appealed to the Board of Trustees.

Section 5 - Permit Periods, Renewals and Termination.

A. Approvals of Public Displays pursuant to this Ordinance shall be valid for the period authorized by Board approval.

B. Renewal requests shall be accompanied by the same submittal requirements contained in Section 4, above, and shall be submitted no later than 30 days prior to expiration of the prior approval.

C. The Town Administrator may terminate any approval issued under this Ordinance, upon a determination that the Public Display, as installed, is inconsistent with the application and/or the Board Approval, and therefore in violation of the criteria of this Ordinance, including the requirements and conditions of Section 6, below. In such instance, the Town Administrator shall advise the applicant in writing of the perceived inconsistency, error, or violation, and provide the applicant a 15 day period to cure such violation. Should the applicant dispute such violation during such cure period, the applicant shall be afforded the opportunity for a hearing before the Board of Trustees, who shall make the final determination.

D. The Town Administrator may terminate any Approval under this Ordinance for a Public Display upon a determination by the Town Administrator that the exercise of the Town's police powers to regulate rights-of-way will be impaired, or the Public Display provides a risk to Public Safety. Such termination shall be immediate and are not subject to the provisions of 5 C, above.

E. Upon termination of any approval of a Public Display subject to this Ordinance, whether said termination is by virtue of expiration of the approval period, by notice from the Town Administrator, or otherwise, following any applicable cure/appeal process as described herein, the permittee shall immediately remove said Public Display from the approved area.

Section 6 – Requirements, Standards and Conditions. All Public Displays authorized and approved under this Ordinance must comply at all times with the following terms, conditions, requirements, and standards:

A. Public Displays that are designed to be touched, handled and experienced by the public, or which may due to their nature be subject to such touching and handling, must be constructed of appropriately substantial material so as to prevent damage or destruction of such Public Displays. The Town of Palmer Lake shall in no instance be liable for such damage or destruction, including vandalism, by the public.

B. To the extent any Public Display is to be physically installed, constructed, or mounted upon property and infrastructure of the Town of Palmer Lake, such Public Displays must be adequately engineered and designed so as to prevent damage to such property and infrastructure, and so as not to pose a safety risk to the public as a result of such design and engineering, or mounting/installation methods. The Town may require stamped engineering drawings prior to approval, and in no instance shall the Town be liable for damage, destruction or injury resulting from inadequate design or engineering, even should the engineering and design of such Public Display have been provided and reviewed by the Town prior to approval. Upon removal of any Public Display, the Applicant shall be responsible for restoring the public property back to the original state prior to installation of the Public Display.

C. Public Displays may include advertising of commercial, charitable or other nature, provided such advertising is otherwise in compliance with all Requirements, Standards and Conditions described herein. Consideration will be given to structural and surface integrity, permanence, and protection against injury, theft, vandalism, weathering, and excessive maintenance and repair costs. All “signage” of an advertising nature within any Public Display must conform to all advertising and sign standards as described in the Town of Palmer Lake Municipal Code, in addition to the specific terms of this Ordinance or conditions of Approval. All advertising within a Public Display subject to this ordinance shall also conform to the following standards:

1. A Public Display visible from any public roadway will not contain the words “stop”, “drive-in”, or any other word, phrase, character, or symbol which as determined by the Town Administrator, may interfere with, mislead, or direct vehicular traffic.

2. A Public Display shall not contain pictures, language, graphics or materials that are offensive to community standards and values.

3. A Public Display shall not contain pictures, language, graphics or materials that depict, offer or imply the use or sale of tobacco or marijuana products, paraphernalia related thereto, or other drugs. Public Displays that depict beer, wine or alcohol may be permitted, provided such depictions are not offensive to community standards and values, and it is expressly recognized that there are valued members of the business community within the Town of Palmer Lake who's businesses include service of alcoholic beverages.

4. A Public Displays within the Town of Palmer Lake shall be limited to those businesses catering to the Palmer Lake community, specifically being limited to those businesses located within the "Tri-Lakes" area of northern El Paso County, Colorado.

D. Messages or language prohibited by federal or state law or Town ordinance shall not be permitted, nor shall messages, images, depictions, language or inferences drawn therefrom intended to intimidate, demean or otherwise discriminate on the basis of religion, race, creed, color or sexual orientation be permitted.

E. Public Displays must be placed so as not to interfere with the safe and efficient passage of pedestrians, bicyclists and other non-motorized users of the Towns roads, sidewalks, paths and parks, and specifically may not impede pedestrian access to or use of traffic control devices, public rights of way, or private property.

F. The location and placement of any Public Display must not interfere with vehicular traffic or other uses of the public roads and rights-of-way, including visual impairment from sight lines, corners, or other visual obstacles.

G. Unless otherwise specifically provided in the approval of the Board, as may be the case in Public Displays of a Permanent nature, the applicant shall maintain all Public Displays and environs in a safe, clean and presentable condition at all times.

H. Damaged or disfigured Public Displays, or components thereof, shall be removed, repaired, or replaced by the applicant within ten days of notification of damage. If such conditions pose a safety hazard, such conditions shall be removed, repaired, or replaced immediately.

I. The applicant of each Public Display shall release and indemnify, defend and save harmless the Town of Palmer Lake, its officers, agents, and employees, from and against any and all claims, actions, causes of action, demands, judgment, cost, expenses, including attorneys' fees, and damages of every kind and nature incurred by or

occurring to any person whatsoever predicated upon injury to, or death of, any person, or loss of, or damage to, property, public or private, or of whatever ownership, or damage to business, provided such injury, death, or loss or damage shall arise out of or be connected directly or indirectly to the exercise of any right or privilege granted by any approval of a Public Display pursuant to this Ordinance.

Section 7 - Removal of Public Displays Without Approvals. All Permanent Public Displays in existence as of the effective date of this Ordinance shall be deemed nonconforming Public Displays. Nonconforming Public Displays must comply with the provisions of Section 6 of this Ordinance and shall be treated as other nonconforming uses within the Town Code. All Temporary Public Displays in existence as of the effective date of this Ordinance shall, within 30 days, submit an application as described herein for retroactive approval, or shall be removed following 30 days written notice by the Town.

Section 8 - Reservation of Police Power. The Board of Trustees reserves unto itself any and all police power it may have with respect to regulation and control of public property. Any approval of a Public Display pursuant to this Ordinance shall be subject to the future exercise of the police power by the Board of Trustees and the approval, denial, or termination of a prior approval shall not entitle the applicant to any compensation from the Town of Palmer Lake by virtue of the exercise of such police power.

Section 9 - Publication and Effective Date. The Town Clerk shall certify the passage of this Ordinance and cause notice of its contents and passage to be published by title only in a newspaper of general circulation and in full on the Town official web site. This Ordinance shall become effective thirty (30) days after the date of such publication.

Section 10. Penalty. Any person, firm or corporation who violates a provision of this Ordinance shall be considered to have committed a civil infraction and not a crime, and upon a finding of guilty or entry of a plea of guilty or entry into a plea agreement, shall be subject to a fine not to exceed two thousand six hundred and fifty dollars (\$2,650.00). Each day upon which such infraction continues shall constitute a separate infraction. Nothing herein shall prevent the Town from utilizing any and all other remedies available to the Town.

Section 11. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Ordinance is held to be unconstitutional or invalid for any reason such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The Board of Trustees hereby declares that it would have passed this ordinance and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 12. Repeal. Existing ordinances or parts of ordinances covering the same matters embraced in this ordinance are hereby repealed and all ordinances or parts of

ordinances inconsistent with the provisions of this ordinance are hereby repealed except that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the effective date of this ordinance.

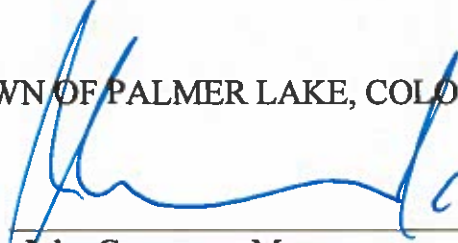
INTRODUCED, PASSED AND ADOPTED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 23RD DAY OF APRIL, 2020.

ATTEST:



Bob Radosevich, Town Administrator

TOWN OF PALMER LAKE, COLORADO

BY: 

John Cressman, Mayor

APPLICATION FOR APPROVAL OF A PUBLIC DISPLAY
 PL Ordinance NO. 02-2020
 Section 4 - Application Procedures

Applicant: Palmer Lake Arts Council, non-profit pillar of PLEDG

Description: Installation of permanent sculpture pedestals in the the PL Library's current landscaping project. At a later date, sculptures will be welded onto the pedestal for public display. The pedestals are low profile.

- The pedestal [see diagram]: Plans engineered for this purpose by John P. Nelson Associates, Colorado Springs, Co for use by Tri Lakes Views and the Town of Monument.

- 72" tall — 48-65" submerged; and 24" x 24" square. Top weld plate, 1" x 15" x 15" steel, embedded on top, flush in concrete.

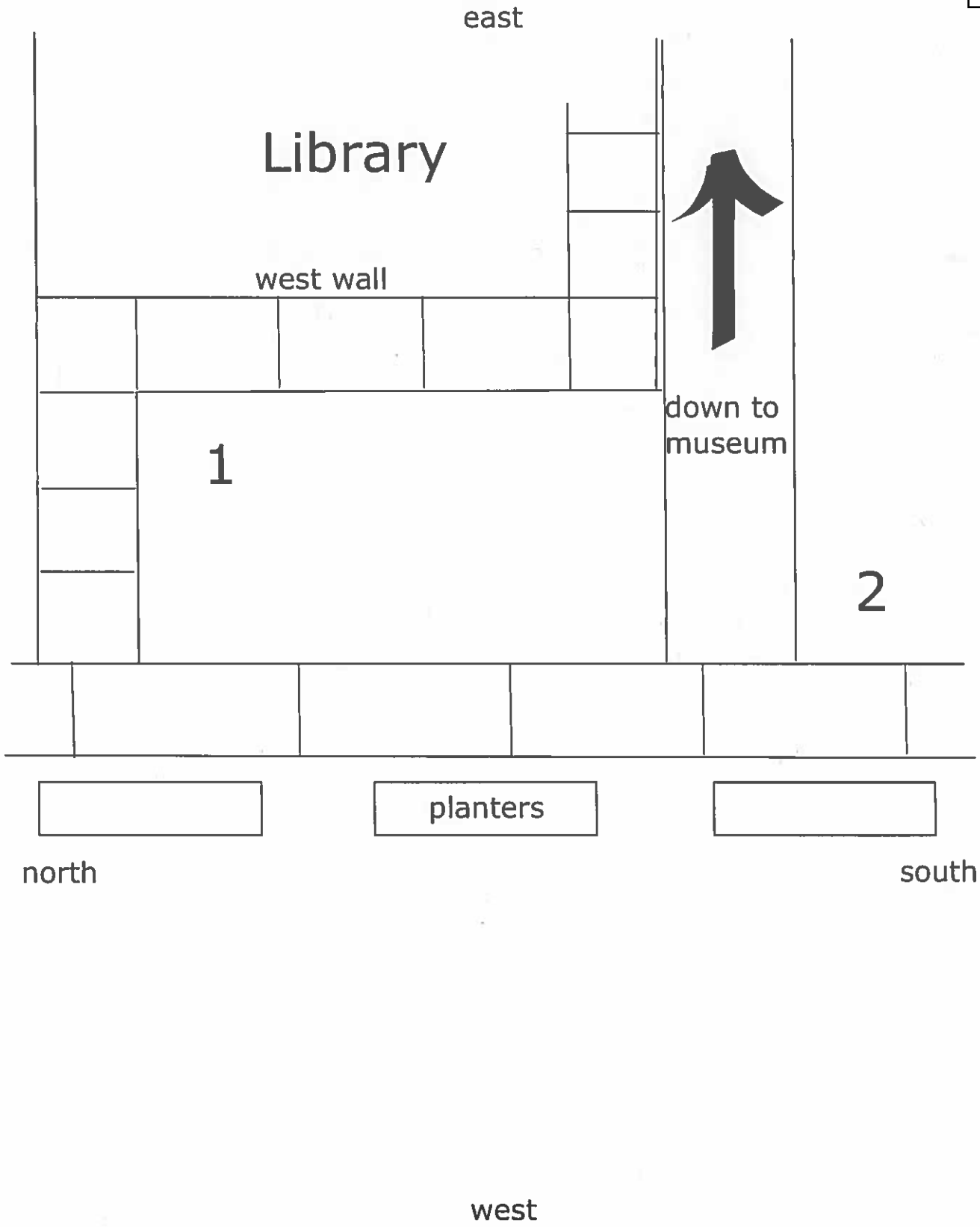
- Concrete: rebar & tie reinforced; mixed according to engineered specifications.

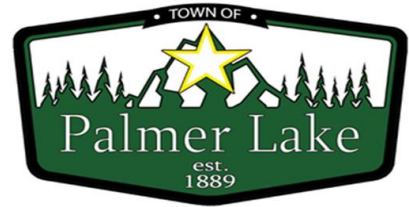
- 2 Locations [see diagram]: a. West side of library, at the new ramp up at sidewalk's 90 degree angle near building, inside corner; and b. West side at top of ramp that goes down to museum. Sidewalk corner with landscaping bricks, south side of ramp. These locations are clear of utilities.

- The installations will be completed by a landscaper experienced in installing pedestals in many places across the region including Denver and Monument.

The landscaper will create a form, install reinforcements, pour correct concrete mix into the form, install the top weld plate, and finish the pedestal. Some of the considerations will be sidewalk traffic way space, and child safety, and vandal resistance.







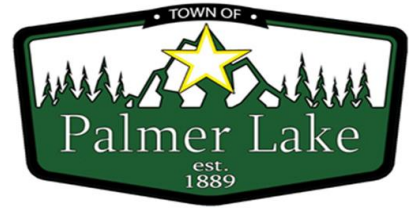
Item 13.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: July 28, 2022	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Guidelines for Questions on the Ballot

Background

As follow up to the Board 7/21 retreat, Attorney Krob will distribute and review guidelines for questions being put to the ballot in November.



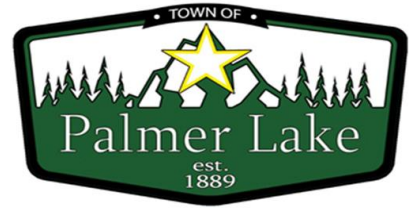
Item 14.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: July 28, 2022	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Direction on Tri-lakes Fire District Proposal

Background

Following the proposal from Tri-lakes Fire District as well as various workshops and hearing public feedback, this item is to provide staff direction for the proposal – whether to draft a question for the ballot to come back to the Board in Resolution form.



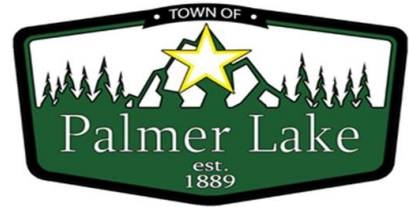
Item 15.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: July 28, 2022	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Direction on Mill Levy Increase

Background

Following various discussions about a mill levy increase, this item is to provide staff direction to draft a question for the ballot or not and the intended mill levy amount and form of the question.



Item 16.

**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: July 28, 2022	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Direction on Adult Use Cannabis Sales

Background

Following the various discussions about adult use cannabis and whether to allow sales or not, this item is to provide staff direction on this topic – whether to draft an ordinance to amend the current ordinance relating to current code or to draft a question for the ballot.