

Town of Ault, Colorado

Financial Statements
with Independent Auditor's Report

December 31, 2024

Town of Ault, Colorado

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December 31, 2024

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State Compliance

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**HINKLE &
COMPANY**

Strategic ^{PC}
Business Advisors

Independent Auditor's Report

Honorable Mayor and Members of the Board of Trustees
Town of Ault, Colorado
Ault, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities and each major fund of the Town of Ault, Colorado (the Town) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town, 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, business-type activities and each major fund of the Town as of December 31, 2024, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

The Town's 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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



Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information and the local highway finance report 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 the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hick & Company, PC

Englewood, Colorado
November 12, 2025



Town of Ault, Colorado

Management's Discussion and Analysis

December 31, 2024

The discussion and analysis of the Town of Ault's financial performance provides an overall review of the Town's financial activities for the year ended December 31, 2024. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. Readers should also review the financial statements and the notes to the financial statements to broaden their understanding of the Town's financial performance.

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

The Town of Ault's overall net position decreased by \$1,478,837 with its governmental net position decreasing by \$563,387 and business-type net position decreasing by \$915,450 for the year, with the large decrease mainly due to the conversion from Asyst to Caselle.

- The assets of the Town exceeded its liabilities at the close of fiscal year 2024 by
- \$24,917,393 (*net position*). Of this amount, \$10,894,119 (*unrestricted net position*) may be used to meet the Town's ongoing obligations or unforeseen expenses.
- At the end of 2024, the unrestricted net position for the governmental funds was
- \$6,045,391 and proprietary funds (business-type activities) were \$4,848,728.
- As of the close of fiscal year 2024, the Town's General Fund reported an ending fund balance of \$6,291,797 compared to the fiscal year 2023 balance of \$6,001,768.
- General Fund 2024 revenues decreased by \$252,300 to \$2,639,142.
- General Fund expenditures increased in 2024 by \$72,669 to \$2,380,041.

Using the Basic Financial Statements

The Basic Financial Statements consists of the Management's Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Town of Ault as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first two statements are government-wide financial statements - the Statement of Net Position and the Statement of Activities. Both provide long and short-term information about the Town's overall financial status.

Town of Ault, Colorado

Management's Discussion and Analysis

December 31, 2024

The remaining statements are fund financial statements that focus on individual parts of the Town's operations in more detail. The governmental fund statements tell how general Town services were financed in the short term as well as what remains for future spending. The Town has two major governmental funds, the General Fund and the Street Systems Fund.

Proprietary fund statements offer short and long-term financial information about the activities that the Town operates as a business. The Town operates two proprietary funds as follows:

- Water Fund
- Sanitation Fund

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Financial Analysis of the Town as a Whole

The Town's total net position was \$24,917,393 as of December 31, 2024, compared to \$26,396,230 as of December 31, 2023. This represents a decrease of \$1,478,837.

Government-Wide Financial Statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private businesses. The statements of net position include all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Town's net position and how they have changed. The change in net position is important because it tells the reader that for the Town as a whole, the financial position of the Town has improved or diminished. The causes of this change may be the result of various factors, some financial, some not. Non-financial factors include facility conditions, and state or federal government required programs.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The Governmental Activities of the Town include: general government, public safety (police), public works, parks and recreation, and health and welfare. The Business-type Activities of the Town of Ault consists of water and sanitation services.

Net Position

Net position might serve over time as a useful indicator of a government's financial position. In the case of the Town of Ault, assets exceeded liabilities by approximately \$25.3 million overall at the close of 2024.

Town of Ault, Colorado
Management's Discussion and Analysis
December 31, 2024

Net position of the Town as of December 31 was as follows:

Condensed Statement of Net Position						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
ASSETS						
Current and Other Assets	\$ 8,062,506	\$ 7,804,860	\$ 5,163,418	\$ 5,888,097	\$ 13,225,924	\$ 13,692,957
Capital Assets, net	2,702,342	3,211,707	10,819,565	11,188,366	13,521,907	14,400,073
Total Assets	<u>10,764,848</u>	<u>11,016,567</u>	<u>15,982,983</u>	<u>17,076,463</u>	<u>26,747,831</u>	<u>28,093,030</u>
 DEFERRED OUTFLOWS	 542,052	 455,637	 -	 -	 542,052	 455,637
 LIABILITIES						
Current Liabilities	76,343	120,884	64,241	224,989	140,584	345,873
Non-Current Liabilities	117,208	164,820	1,224,467	1,241,749	1,341,675	1,406,569
Total Liabilities	<u>193,551</u>	<u>285,704</u>	<u>1,288,708</u>	<u>1,466,738</u>	<u>1,482,259</u>	<u>1,752,442</u>
 DEFERRED OUTFLOWS	 890,231	 399,995	 -	 -	 890,231	 399,995
 NET POSITION						
Net Investment in Capital Assets	2,595,738	3,160,426	9,624,661	9,993,462	12,220,399	13,153,888
Restricted Net Position	1,581,989	1,567,299	220,886	211,088	1,802,875	1,778,387
Unrestricted	6,045,391	6,058,780	4,848,728	5,405,175	10,894,119	11,463,955
Total Net Position	<u>\$ 10,223,118</u>	<u>\$ 10,786,505</u>	<u>\$ 14,694,275</u>	<u>\$ 15,609,725</u>	<u>\$ 24,917,393</u>	<u>\$ 26,396,230</u>

The statement of net position reflects a cash position totaling \$13,225,924 of total assets. As well in the Town's resources, \$13.5 million are invested in capital assets. These assets consist of land and improvements, buildings, equipment, and utility system assets. The remaining assets represent receivables.

The Town of Ault uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Ault's investment in its capital assets is reported net of related debt, it should be noted that the funds needed to repay this debt must be provided from other sources since; in general, the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position

Governmental activities decreased the Town of Ault's net position by \$563,387. Business activities decreased the Town's net position by \$915,450.

Town of Ault, Colorado
Management's Discussion and Analysis
December 31, 2024

A summary of the changes in net position is as follows:

Condensed Statement of Activities						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
PROGRAM REVENUES						
Charges for Services	\$ 587,113	\$ 543,592	\$ 2,054,856	\$ 1,778,673	\$ 2,641,969	\$ 2,322,265
Operating Grants and Contributions	251,896	301,672	-	-	251,896	301,672
Capital Grants and Contributions	-	-	-	168,844	-	168,844
Total Program Revenues	<u>839,009</u>	<u>845,264</u>	<u>2,054,856</u>	<u>1,947,517</u>	<u>2,893,865</u>	<u>2,792,781</u>
GENERAL REVENUES:						
Taxes	1,506,615	2,161,340	-	-	1,506,615	2,161,340
Other General Revenues	488,978	97,766	133,153	332,625	622,131	430,391
Total General Revenues	<u>1,995,593</u>	<u>2,259,106</u>	<u>133,153</u>	<u>332,625</u>	<u>2,128,746</u>	<u>2,591,731</u>
Total Revenue	<u>2,834,602</u>	<u>3,104,370</u>	<u>2,188,009</u>	<u>2,280,142</u>	<u>5,022,611</u>	<u>5,384,512</u>
PROGRAM EXPENSES						
General Government	530,878	525,444	-	-	530,878	525,444
Public Safety	1,978,720	1,453,882	-	-	1,978,720	1,453,882
Public Works	704,092	269,673	-	-	704,092	269,673
Parks and Recreation	212,196	118,715	-	-	212,196	118,715
Health & Welfare	58,702	71,125	-	-	58,702	71,125
Economic Development	4,324	495	-	-	4,324	495
Water Operations	-	-	1,839,433	967,418	1,839,433	967,418
Sanitation Operations	-	-	1,247,956	1,127,140	1,247,956	1,127,140
Total Program Expense	<u>3,488,912</u>	<u>2,439,334</u>	<u>3,087,389</u>	<u>2,094,558</u>	<u>6,576,301</u>	<u>4,533,892</u>
CHANGE IN NET POSITION	<u>(654,310)</u>	<u>665,036</u>	<u>(899,380)</u>	<u>185,584</u>	<u>(1,553,690)</u>	<u>850,620</u>
NET POSITION, Beginning of Year	10,786,505	10,121,469	15,609,725	15,424,141	26,396,230	25,545,610
RESTATEMENT	90,923	-	(16,070)	-	74,853	-
NET POSITION, Beginning of Year	<u>10,877,428</u>	<u>10,121,469</u>	<u>15,593,655</u>	<u>15,424,141</u>	<u>26,471,083</u>	<u>25,545,610</u>
NET POSITION, End of Year	<u>\$ 10,223,118</u>	<u>\$ 10,786,505</u>	<u>\$ 14,694,275</u>	<u>\$ 15,609,725</u>	<u>\$ 24,917,393</u>	<u>\$ 26,396,230</u>

For 2024, the Town's Governmental Activities show a decrease of \$269,768 in total revenues and an increase of \$1,049,578 in expenses, resulting in a decrease in net position of \$654,310 under 2023. The Business-type Activities show a decrease of \$92,133 in revenues and an increase of \$992,831 in expenses resulting in a decrease in net position of \$899,380 under 2023.

Financial Analysis of the Town's Funds

The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the Town's governmental fund is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

Town of Ault, Colorado
Management's Discussion and Analysis
December 31, 2024

General Fund - The General Fund went from a fund balance of \$6,001,768 to \$6,291,797. This increase in fund balance has slowed from 2023.

Proprietary Funds - Proprietary Funds have historically operated as enterprise funds using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the business-type activities of the Town as a whole. The proprietary fund statements, however, will provide a greater level of detail than the information found in the government-wide statements.

Water Fund - The net position decreased by \$681,254 in 2024, compared to an increase of \$383,646 in 2023, with a purchase of 10AF of CBT and the water main upgrade.

Sanitation Fund - The net position decreased by \$218,126 in 2024, compared to the decrease of \$198,062 in 2023. Non-operating revenue dropped in 2024.

Capital Assets

Approximately 20% of the Town's capital assets support governmental activities. The majority of the value is invested in land, buildings, infrastructure, and improvements.

Town of Ault, Colorado
Management's Discussion and Analysis
December 31, 2024

Approximately 80% of the Town's capital assets support business-type activities.

Governmental Activities	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Capital Assets Not Being Depreciated				
Land and Improvements	\$ 219,806	\$ -	\$ -	\$ 219,806
Construction in Progress	16,644	-	-	16,644
Total Capital Assets Not Being Depreciated	<u>236,450</u>	<u>-</u>	<u>-</u>	<u>236,450</u>
Capital Assets Being Depreciated				
Buildings and Improvements	368,550	-	(1,511)	367,039
Land Improvements	527,338	-	-	527,338
Vehicles and Equipment	879,143	-	(42,942)	836,201
Infrastructure	3,635,653	-	-	3,635,653
Total Capital Assets Being Depreciated	<u>5,410,684</u>	<u>-</u>	<u>(44,453)</u>	<u>5,366,231</u>
Less Accumulated Depreciation for				
Buildings and Improvements	(211,157)	(10,789)	1,511	(220,435)
Land Improvements	(359,073)	(10,109)	-	(369,182)
Vehicles and Equipment	(280,111)	(58,987)	42,942	(296,156)
Infrastructure	(1,585,086)	(429,480)	-	(2,014,566)
Total Accumulated Depreciation	<u>(2,435,427)</u>	<u>(509,365)</u>	<u>44,453</u>	<u>(2,900,339)</u>
Total Capital Assets Being Depreciated, Net	<u>2,975,257</u>	<u>(509,365)</u>	<u>-</u>	<u>2,465,892</u>
Government Type Activities, Capital Assets, Net	\$ <u>3,211,707</u>	\$ <u>(509,365)</u>	\$ <u>-</u>	\$ <u>2,702,342</u>

The Town's business-type activities capital assets consist of investments in its utility systems and related equipment.

Business Type Activities	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Capital Assets Not Being Depreciated				
Land	\$ 15,338	\$ -	\$ -	\$ 15,338
Water Rights	5,033,266	-	-	5,033,266
Total Capital Assets Not Depreciated	<u>5,048,604</u>	<u>-</u>	<u>-</u>	<u>5,048,604</u>
Capital Assets Being Depreciated				
Water and Sewer Systems	10,477,732	-	(4,616)	10,473,116
Equipment	324,344	93,741	(60,335)	357,750
Total Capital Assets Being Depreciated	<u>10,802,076</u>	<u>93,741</u>	<u>(64,951)</u>	<u>10,830,866</u>
Less Accumulated Depreciation for				
Water and Sewer Systems	(4,570,644)	(419,465)	4,616	(4,985,493)
Equipment	(91,669)	(31,313)	48,570	(74,412)
Total Accumulated Depreciation	<u>(4,662,313)</u>	<u>(450,778)</u>	<u>53,186</u>	<u>(5,059,905)</u>
Total Capital Assets Being Depreciated, Net	<u>6,139,763</u>	<u>(357,037)</u>	<u>(11,765)</u>	<u>5,770,961</u>
Business Type Activities, Capital Assets, Net	\$ <u>11,188,367</u>	\$ <u>(357,037)</u>	\$ <u>(11,765)</u>	\$ <u>10,819,565</u>

Town of Ault, Colorado
Management's Discussion and Analysis
December 31, 2024

The Town's Governmental Activities reported depreciation expense of \$509,365 in the Government-Wide Financial Statements. The Town's Business-Type Activities reported \$450,778 in depreciation expense allocated to the Water and Sanitation Funds at \$361,219 and \$89,559, respectively.

Long-Term Debt

The Town's governmental and business-type activities for long-term debt consist of various capital leases, loans and notes payable that were used for capital asset acquisition and system improvements. Long-term debt transactions for the year were as follows:

	Balance 12/31/23	Additions	Deletions	Balance 12/31/24	Due Within One Year
Governmental Activities					
Leases - Equipment	\$ 74,437	\$ -	\$ (23,156)	\$ 51,281	\$ 24,775
Compensated Absences	65,927	-	-	65,927	-
Total	\$ 140,364	\$ -	\$ (23,156)	\$ 117,208	\$ 24,775
	Balance 12/31/23	Additions	Deletions	Balance 12/31/24	Due Within One Year
Business-Type Activities					
2006 CWRPDA Loan	\$ 202,354	\$ -	\$ (79,885)	\$ 122,469	\$ 81,289
2015 CWRPDA Loan	1,174,572	-	(102,137)	1,072,435	102,137
Compensated Absences	46,845	-	(17,282)	29,563	-
Total Business-Type Activities	\$ 1,423,771	\$ -	\$ (199,304)	\$ 1,224,467	\$ 183,426

General Fund Budget

The General Fund accounts for all the general government services provided by the Town of Ault including: public safety (police), public works, parks and recreation, and general government services. The Town's General Fund revenues were lower than budgeted by \$500,811. The Town's expenditures were \$651,809 below budgeted.

Economic Factors and Future Budgets and Rates

The Town will see significant growth in 2025 with new Townhomes going in, as well as a new school, Dollar General, asphalt plan, storage units and c-store. It remains important to have stable, well-thought-out planning.

The Town continues to emphasize steady growth while intelligently utilizing assets for infrastructure improvements and repairs. In 2025, consistency and emphasis in strengthening internal systems will lead to improved financial position.

The Town must continue to strategize for growth and needs of the future. Steady yet smart growth is needed to continue with an upward trend.

Town of Ault, Colorado
Management's Discussion and Analysis
December 31, 2024

Request for Information

The financial statements are designed to provide information for regulatory reporting to federal and state agencies and those with an interest in the Town's finances. Questions concerning this or any additional information should be addressed to Town Administrator, Town of Ault, 201 1st Street, P.O. Box 1098 Ault, CO 80610 or call (970) 834-2844.

Basic Financial Statements

Town of Ault, Colorado
Statement of Net Position
December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Northern Plains Public Library
Assets				
Cash and cash equivalents	\$ 7,730,902	\$ 4,745,838	\$ 12,476,740	\$ 3,480,486
Cash and cash equivalents - restricted	-	220,886	220,886	-
Accounts Receivable, net	15,351	167,715	183,066	-
Interest Receivable	367	7,879	8,246	-
Property Taxes Receivable	203,883	-	203,883	1,418,386
Sales Tax Receivable	112,003	-	112,003	-
Inventories	-	21,100	21,100	-
Prepaid Expenses	-	-	-	2,402
Capital Assets, <i>not being depreciated</i>	236,450	5,048,604	5,285,054	35,000
Capital Assets, <i>net of accumulated depreciation</i>	2,465,892	5,770,961	8,236,853	1,357,854
Total Assets	10,764,848	15,982,983	26,747,831	6,294,128
Deferred Outflows of Resources				
Deferred Outflows Due to Pensions	542,052	-	542,052	-
Liabilities				
Accounts Payable	14,171	45,100	59,271	11,120
Accrued Payroll Liabilities	31,722	15,047	46,769	-
Accrued Liabilities	24,844	-	24,844	6,524
Developer Tap Fees Payable	-	3,275	3,275	-
Accrued interest payable	1,506	819	2,325	-
Unearned Revenue	4,100	-	4,100	-
Net Pension Liability	-	-	-	-
Noncurrent Liabilities				
Due Within One Year	24,775	183,426	208,201	-
Due in More Than One Year	92,433	1,041,041	1,133,474	-
Total Liabilities	193,551	1,288,708	1,482,259	17,644
Deferred Inflows of Resources				
Deferred Inflows Due to Pensions	686,348	-	686,348	686,348
Unavailable Revenue - Property Taxes	203,883	-	203,883	1,418,386
Total Deferred inflows of resources	890,231	-	890,231	1,418,386
Net Position				
Net Investment in Capital Assets	2,595,738	9,624,661	12,220,399	1,392,854
Restricted for:				
Emergencies (TABOR)	90,000	-	90,000	34,000
Impact Related Improvements	1,304,177	-	1,304,177	-
Parks and Recreation	187,812	-	187,812	-
Operations and Maintenance Reserve	-	220,886	220,886	-
Unrestricted, unreserved	6,045,391	4,848,728	10,894,119	3,431,244
Total Net Position	\$ 10,223,118	\$ 14,694,275	\$ 24,917,393	\$ 4,858,098

See Notes to the Financial Statements.

Town of Ault, Colorado
Statement of Activities
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position Primary Government			Component Unit
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Primary Government							
Governmental Activities							
General Government	\$ 530,878	\$ 41,182	\$ 148,506	\$ (341,190)	\$ -	\$ (341,190)	\$ -
Public Safety	1,978,720	472,114	-	(1,506,606)	-	(1,506,606)	-
Public Works	704,092	73,817	82,663	(547,612)	-	(547,612)	-
Culture, Parks and Recreation	212,196	-	20,727	(191,469)	-	(191,469)	-
Health and Welfare	58,702	-	-	(58,702)	-	(58,702)	-
Interest on Long-term Debt	4,324	-	-	(4,324)	-	(4,324)	-
Total Governmental Activities	3,488,912	587,113	251,896	(2,649,903)	-	(2,649,903)	-
Business-Type Activities							
Water Operations	1,839,433	1,065,705	-	-	(773,728)	(773,728)	(1,547,456)
Sanitation Operations	1,247,956	989,151	-	-	(258,805)	(258,805)	(517,610)
Total Business-Type Activities	509,365	2,054,856	-	-	(1,032,533)	(1,032,533)	(2,065,066)
Total Primary Government	\$ 3,998,277	\$ 2,641,969	\$ 251,896	(2,649,903)	(1,032,533)	(3,682,436)	(2,065,066)
Component Unit							
Northern Plains Public Library	\$ 482,571	\$ 904	\$ -	-	-	-	(481,667)
General Revenues							
Taxes							
Property				183,266	-	183,266	1,216,931
Specific ownership				5,556	-	5,556	-
General sales				1,246,979	-	1,246,979	-
Other				70,814	-	70,814	-
Investment Income				100,983	116,791	217,774	124,389
Oil & Gas Royalties				372,142	-	372,142	-
Capital Contributions - Tap Fees				-	21,626	21,626	-
Loss on Disposal of Assets				-	(11,764)	(11,764)	-
Misc.				15,853	6,500	22,353	11,183
Total General Revenues and Transfers				1,995,593	133,153	2,128,746	1,352,503
Change in Net Position				(654,310)	(899,380)	(1,553,690)	870,836
Net Position, Beginning of year , as previously stated				10,786,505	15,609,725	26,396,230	3,987,262
Restatement				90,923	(16,070)	74,853	-
Net Position, Beginning of year , as restated				10,877,428	15,593,655	26,471,083	3,987,262
Net Position, End of year				\$ 10,223,118	\$ 14,694,275	\$ 24,917,393	4,858,098

Town of Ault, Colorado

Balance Sheet Governmental Funds December 31, 2024

	Major Funds		Non-Major	
	General	Street	Conservation	Total
	Fund	Systems	Trust	
Assets				
Cash and cash equivalents	\$ 6,243,286	\$ 1,299,804	\$ 187,812	\$ 7,730,902
Accounts receivable	9,015	6,703	-	15,718
Sales Tax Receivable	112,003	-	-	112,003
Property taxes receivable	203,883	-	-	203,883
Total Assets	<u>\$ 6,568,187</u>	<u>\$ 1,306,507</u>	<u>\$ 187,812</u>	<u>\$ 8,062,506</u>
Liabilities				
Accounts Payable	\$ 13,162	\$ 1,009	\$ -	\$ 14,171
Accrued Payroll	30,859	863	-	31,722
Accrued Liabilities	24,386	458	-	24,844
Unearned Revenue	4,100	-	-	4,100
Total Liabilities	<u>72,507</u>	<u>2,330</u>	<u>-</u>	<u>74,837</u>
Deferred Inflows of Resources				
Property Taxes	<u>203,883</u>	<u>-</u>	<u>-</u>	<u>203,883</u>
Fund Balance				
Restricted for:				
Emergencies (TABOR)	90,000	-	-	90,000
Impact Related Projects	-	1,304,177	-	1,304,177
Parks and Recreation	-	-	187,812	187,812
Committed				
Martinez Memorial	6,083	-	-	6,083
Unassigned	6,195,714	-	-	6,195,714
Total Fund Balance	<u>6,291,797</u>	<u>1,304,177</u>	<u>187,812</u>	<u>7,783,786</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 6,568,187</u>	<u>\$ 1,306,507</u>	<u>\$ 187,812</u>	<u>\$ 8,062,506</u>

Town of Ault, Colorado
Reconciliation of Balance Sheet of the Governmental Funds
to the Statement of Net Position
December 31, 2024

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

Total Fund Balance of Governmental Funds	\$ 7,783,786
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.	2,702,342
Pension assets and deferred outflows are not current, therefore, are not reported in governmental funds:	
Net Pension Asset (Liability)	-
Deferred Outflows, Pensions	542,052
Deferred Inflows, Pensions	(686,348)
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Lease Liability	(51,281)
Accrued Interest Payable	(1,506)
Accrued compensated absences	<u>(65,927)</u>
Total Net Position of Governmental Activities	\$ <u>10,223,118</u>

Town of Ault, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2024

	Major Funds		Non-Major	
	General	Street	Conservation	Total
	Fund	Systems	Trust	
Revenues				
Taxes	\$ 1,501,059	\$ 5,556	\$ -	\$ 1,506,615
Licenses and Permits	345,897	73,817	-	419,714
Intergovernmental	148,506	82,663	20,727	251,896
Charges for Services	372,142	-	-	372,142
Fines and Forfeitures	167,399	-	-	167,399
Investment Income	88,286	12,683	14	100,983
Miscellaneous	15,853	-	-	15,853
Total Revenues	<u>2,639,142</u>	<u>174,719</u>	<u>20,741</u>	<u>2,834,602</u>
Expenditures				
Current				
General Government	528,566	177	-	528,743
Public Safety	1,510,986	-	-	1,510,986
Public Works	5,806	115,573	-	121,379
Culture, Parks and Recreation	163,735	1,489	-	165,224
Health and Welfare	52,959	-	-	52,959
Economic Development	-	-	-	-
Capital Outlay	89,630	123,526	-	213,156
Debt Service				
Principle	23,156	-	-	23,156
Interest	5,203	-	-	5,203
Total Expenditures	<u>2,380,041</u>	<u>240,765</u>	<u>-</u>	<u>2,620,806</u>
Excess Revenues Over (Under) Expenditures	<u>259,101</u>	<u>(66,046)</u>	<u>20,741</u>	<u>213,796</u>
Other Financing Sources (Uses)				
Lease Proceeds	-	-	-	-
Transfers In	(65,000)	-	-	(65,000)
Transfers Out	-	65,000	-	65,000
Other Financing Sources (Uses)	<u>(65,000)</u>	<u>65,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>194,101</u>	<u>(1,046)</u>	<u>20,741</u>	<u>213,796</u>
Fund Balance, Beginning of Year , as previously stated	6,001,768	1,310,228	167,071	7,479,067
Restatement	<u>95,928</u>	<u>(5,005)</u>	<u>-</u>	<u>90,923</u>
Fund Balance, Beginning of Year , as restated	<u>6,097,696</u>	<u>1,305,223</u>	<u>167,071</u>	<u>7,569,990</u>
Fund Balance, End of year	<u>\$ 6,291,797</u>	<u>\$ 1,304,177</u>	<u>\$ 187,812</u>	<u>\$ 7,783,786</u>

See Notes to the Financial Statements.

Town of Ault, Colorado
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024

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

Net Change in Fund Balance of Governmental Funds	\$ 213,796
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.	
Depreciation expense	(509,365)
Principal payments on debt are reported as expenditures and debt proceeds are reported as revenue in the governmental funds.	
Change in Accrued Interest Payable	879
Principal payments on debt	23,156
FPPA Pension liabilities reported in governmental funds as expenditures when contributions are made. However, for governmental activities those costs are reflected as liabilities when incurred.	
Compensated Absences	-
Net Pension Asset (Liability)	47,612
Deferred Outflows, Pensions	190,546
Deferred Inflows, Pensions	(620,934)
Change in Net Position of Governmental Activities	\$ <u>(654,310)</u>

Town of Ault, Colorado
Statement of Net Position
Proprietary Fund
December 31, 2024

	Water	Sanitation	Total
Current Assets			
Cash and Equivalents	\$ 2,186,538	\$ 2,559,300	\$ 4,745,838
Restricted Cash and Cash Equivalents	-	220,886	220,886
Accounts Receivable	75,402	92,313	167,715
Accrued Interest Receivable	7,879	-	7,879
Inventory	21,100	-	21,100
Prepaid Expenses	-	-	-
Total Current Assets	<u>2,290,919</u>	<u>2,872,499</u>	<u>5,163,418</u>
Noncurrent Assets			
Capital Assets, <i>Not being depreciated</i>	5,033,266	15,338	5,048,604
Capital Assets, <i>Net of accumulated depreciation</i>	<u>1,772,918</u>	<u>3,998,043</u>	<u>5,770,961</u>
Total Noncurrent Assets	<u>6,806,184</u>	<u>4,013,381</u>	<u>10,819,565</u>
Total Assets	<u>9,097,103</u>	<u>6,885,880</u>	<u>15,982,983</u>
Liabilities			
Current Liabilities			
Accounts Payable	20,692	26,335	47,027
Developer Tax Fees Payable	-	3,275	3,275
Accrued Salaries	6,176	6,944	13,120
Accrued interest payable	-	819	819
Deferred Revenue	-	-	-
Current Portion of Noncurrent Liabilities	<u>-</u>	<u>183,426</u>	<u>183,426</u>
Total Current Liabilities	<u>26,868</u>	<u>220,799</u>	<u>247,667</u>
Noncurrent Liabilities			
Compensated Absences	12,522	17,041	29,563
Notes and bonds payable	<u>-</u>	<u>1,011,478</u>	<u>1,011,478</u>
Total Noncurrent Liabilities	<u>12,522</u>	<u>1,028,519</u>	<u>1,041,041</u>
Total Liabilities	<u>39,390</u>	<u>1,249,318</u>	<u>1,288,708</u>
Net Position			
Net Investment in Capital Assets	6,806,184	2,818,477	9,624,661
Restricted for:			
Operations and Maintenance Reserve	-	220,886	220,886
Unrestricted	<u>2,251,529</u>	<u>2,597,199</u>	<u>4,848,728</u>
Total Net Position	<u>\$ 9,057,713</u>	<u>\$ 5,636,562</u>	<u>\$ 14,694,275</u>

See Notes to the Financial Statements.

Town of Ault, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2024

	Water	Sanitation	Total
Operating Revenues			
Charges for Services	\$ 1,065,705	\$ 989,151	\$ 2,054,856
Miscellaneous	<u>6,500</u>	<u>-</u>	<u>6,500</u>
Total Operating Revenues	<u>1,072,205</u>	<u>989,151</u>	<u>2,061,356</u>
Operating Expenses			
Personnel expenses	275,253	274,662	549,915
Supplies	8,706	26,099	34,805
Purchased Services	496,172	360,794	856,966
Other Operating Expenses	30,530	24,071	54,601
Fleet Maintenance	32,269	97,882	130,151
Repairs and Maintenance	-	-	-
Small Capital Outlays	906,944	100,036	1,006,980
Depreciation	<u>89,559</u>	<u>361,219</u>	<u>450,778</u>
Total Operating Expenses	<u>1,839,433</u>	<u>1,244,763</u>	<u>3,084,196</u>
Net Operating Income	(767,228)	(255,612)	(1,022,840)
Non-Operating Revenues (Expenses)			
Gain (Loss) on Disposal of Assets	(13,622)	1,858	(11,764)
Interest Income	77,970	38,821	116,791
Interest Expense	<u>-</u>	<u>(3,193)</u>	<u>(3,193)</u>
Net Income (Loss) Before Contributed Capital	<u>(702,880)</u>	<u>(218,126)</u>	<u>(921,006)</u>
Contributed Capital and Transfers			
System Development Fees	<u>21,626</u>	<u>-</u>	<u>21,626</u>
Total Capital Contributions and Transfers	<u>21,626</u>	<u>-</u>	<u>21,626</u>
Change in Net Position	<u>(681,254)</u>	<u>(218,126)</u>	<u>(899,380)</u>
Net Position, Beginning of Year, <i>as previously stated</i>	9,742,974	5,866,751	15,609,725
Restatement	<u>(4,007)</u>	<u>(12,063)</u>	<u>(16,070)</u>
Net Position, Beginning of Year , <i>as restated</i>	<u>9,738,967</u>	<u>5,854,688</u>	<u>15,593,655</u>
Net Position, End of Year	<u>\$ 9,057,713</u>	<u>\$ 5,636,562</u>	<u>\$ 14,694,275</u>

See Notes to the Financial Statements.

Town of Ault, Colorado
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2024

	Water	Sewer	Total
Cash Flows From Operating Activities			
Cash Received from Customers	\$ 1,065,705	\$ 989,151	\$ 2,054,856
Cash Received from Others	577	-	577
Cash Paid to Suppliers	(1,536,145)	(670,156)	(2,206,301)
Cash Paid to Employees	(214,976)	(219,591)	(434,567)
Net Cash Provided by Operating Activities	(684,839)	99,404	(585,435)
Cash Flows From Capital and Related Financing Activities			
System Development Fees	21,626	-	21,626
Acquisition and Construction of Capital Assets	(93,740)	-	(93,740)
Debt Principal Payments	-	(182,022)	(182,022)
Debt Interest Payments	-	(2,964)	(2,964)
Net Cash Used by Capital and Related Financing Activities	(72,114)	(184,986)	(257,100)
Cash Flows From Investing Activities			
Interest received	70,573	38,821	109,394
Net Cash Used by Capital and Related Financing Activities	70,573	38,821	109,394
Net Change in Cash and Cash Equivalents	(686,380)	(46,761)	(733,141)
Cash and Cash Equivalents, <i>Beginning of Year</i>	2,872,918	2,826,947	5,699,865
Cash and Cash Equivalents, <i>End of Year</i>	\$ 2,186,538	\$ 2,780,186	\$ 4,966,724
Reconciliation of Net Operating Income to			
Net Cash Provided by Operating Activities:			
Net Operating Income	\$ (767,228)	\$ (255,612)	\$ (1,022,840)
Adjustments to Reconcile Net Operating Income to			
Net Cash Provided by Operating Activities			
Depreciation Expense	89,559	361,219	450,778
Changes in Assets and Liabilities Related to Operations			
Accounts Receivable	(5,923)	(3,898)	(9,821)
Inventory	(6,832)	-	(6,832)
Accounts Payable	12,146	8,265	20,411
Accrued Compensated Absences	-	(11,270)	(11,270)
Unearned Revenue	(6,561)	700	(5,861)
Net Cash Provided by Operating Activities	\$ (684,839)	\$ 99,404	\$ (585,435)

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies

The Town of Ault (the Town) was incorporated in 1904 and is administered by a 7-member Board of Trustees, and provides municipal services to a population of 1,700 citizens. The Town's basic financial statements include all of the Town's operations.

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

Reporting Entity

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

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

Based on the application of these criteria, the Town does include additional organizations in its reporting entity, the Northern Plains Public Library.

Discretely Presented Component Unit

The Northern Plains Public Library - the Mayor appoints a board member to represent the Board of Trustees at library meetings. New members for the Library Board are selected by the Library Board, and then presented to the Town's Board of Trustees for approval. Currently, one member of the Town's Board of Trustees is a member of the Library Board. The Library serves the citizens of Weld County School District RE-9, which includes the Town of Ault. The Town's Board of Trustees approves the annual budget for the Library and includes their audit in the Town's audited financial statements as a discretely presented component unit. Complete financial statements of the Library can be obtained from the Northern Plains Public Library, 216 2nd Street, Ault, CO 80610.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements

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

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

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

Fund Financial Statements

Following the government-wide financial statements are separate financial statements for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

Fund Accounting

The Town uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with self-balancing accounts. Governmental resources are allocated to and accounted for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town has all three categories of funds: governmental, proprietary, and fiduciary.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental Funds

Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use, and balances of the Town's expendable financial resources and the related liabilities (except those accounted for in the proprietary fund) are accounted for through governmental funds. The measurement focus is on determination of and changes in financial position, rather than on net income.

The following are the Town's governmental major funds:

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

The Street Systems Fund - accounts for the financial resources related to improvements of the Town's streets and drainage systems. The Town has dedicated its specific ownership taxes, motor vehicle registration fees, Highway Users Tax Fund receipts and Road and Bridge tax revenue for this purpose.

The following funds are considered nonmajor governmental funds:

The Conservation Trust Fund - accounts for State of Colorado lottery funds to be used for parks and recreation services and capital investments.

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

The Town reports the following major enterprise fund business-type activities:

Water and Sanitation Funds - accounts for all operations of the Town's water and sanitation services. They are primarily financed by user charges.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

Cash and Investments

The Town considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. State statutes and Town policy authorize the Town to invest in obligations of the United States or any agency thereof, time deposit certificates, and repurchase agreements. The Pension Trust Funds are also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership (excluding any debt of the Town itself), and individual insurance policies.

Receivables

The Town uses the allowance method for recognizing the uncollectable delinquent accounts receivable. At December 31, 2024, no allowance has been established, as all amounts are considered collectible. Each October, any utility bills more than 60 days old are certified to the County Treasurer for collection with the property taxes to be collected the following year.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by governmental units until the subsequent year. In accordance with GAAP, the assessed, but uncollected, property taxes for calendar year 2024 have been recorded as receivable and as deferred revenue. Property taxes are billed and collected by Delta County, Colorado and distributed to the municipalities and special districts within the county the month after collection.

Inventories

Water parts are valued at market values based on current pricing.

Interfund Receivables and Payables

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses) in the governmental funds and transfers in (out) in the proprietary funds.

Transactions between the Town's various funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to the Town government.

Activity between funds that is representative of borrowing/lending arrangements outstanding at the end of the fiscal year is referred to as either "due to/due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

In the process of aggregating data for the statement of net position and the statement of activities some amounts reported on interfund activity and balances in the funds have been eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activity's column.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item qualifying for this category: the collective deferred outflows related to the Town's net pension obligation. Pension contributions made after the measurement date, and the net difference between projected and actual earnings will be recognized as a change of the net pension liability or asset in future periods.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Outflows and Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town has two types of items that qualify for reporting in this category. Unavailable revenue from property taxes, reported in the governmental balance sheet are deferred and recognized as an inflow from resources in the period that the amounts become available. Collective deferred inflows related to the Town's net pension obligation are reported on the Statement of Net Position and are amortized over the average service lives of participants.

Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Purchased or constructed assets are recorded at historical cost where historical records are available or estimated historical costs where no historical records exist. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital assets (excluding land, water rights, construction in progress and capital assets held for other government) are depreciated using the straight-line method over the following estimated useful lives:

Building and Improvements	10 - 40 years
Infrastructure	3 - 15 years
Furniture and Fixtures	5 - 10 years
Utility Systems	20 - 50 years
Land Improvements	15 - 25 years

Compensated Absences

Employees of the Town are allowed to accumulate unused vacation, sick and compensator time depending on length of employment. Upon termination of employment from the Town, an employee will be compensated for all accrued vacation time and compensatory time at their current rate of pay, and all accrued sick time at one half their current rate of pay.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Town's defined benefit pension plan and additions to/deductions from the fiduciary net position of the Town's defined benefit pension plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt is reported as a liability in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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

Net Position

In the government-wide and proprietary fund financial statements, net position is displayed in three components as follows:

Net Investment in Capital Assets - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted - This consists of a net position legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted - This consists of net position not meeting the definition of "restricted" or "invested in capital assets, net of related debt."

When an expense is incurred for purposes for which restricted and unrestricted net position is available, the Town's policy is to apply restricted net position first.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balance Classification

The following fund balance classifications describe the relative strength of the spending constraints placed on a government's fund balance and purposes for which resources can be used:

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

Restricted fund balance - amounts constrained to specific purposes stipulated by external resource providers (such as grantor, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers.

Committed fund balance - amounts constrained to specific purposes stipulated by a government itself, determined by formal action by the Board of Trustees to be reported as committed, amounts cannot be used for any other purpose unless changed by the Board of Trustees.

Assigned fund balance - amounts the Town intends to use for a specific purpose as expressed by management.

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

The Town's Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution or ordinance. Each December the budget is adopted by resolution for the coming year. A fund balance commitment is indicated in the budget by the use of reserves. The budget document will also identify the budgeted use of any restricted funds planned in the budget.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Town Council has provided otherwise in its commitment or assignment actions.

Use of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Subsequent Events

The Town has evaluated subsequent events through November 12, 2025, the date the financial statements were available to be issued.

Note 2: Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

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

- In October, the Town staff submits to the Town Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15, the budget is legally enacted through passage of an ordinance.
- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.
- Budgets are legally adopted for all funds of the Town. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the Enterprise Fund is presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

Note 3: Cash Deposits and Investments

The Town's investment policy conforms to the investment policy guidelines set forth by the State of Colorado. The Town's investment policy sets the primary objectives of investments activities to be safety, liquidity, and yield, in that order. The policy sets a conservative, "prudent person" approach to investment purchases and management of the overall portfolio. The Town's Volunteer Firefighters Pension Trust is managed by the Fire and Police Pension Association of Colorado in accordance with State statute.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 3: Cash Deposits and Investments (Continued)

At year end, the Town had the following deposits and investments as reported in the financial statements:

Petty Cash	\$ 150
Bank Deposits	1,438,040
Bank savings	10,106,914
Certificates of deposit	1,150,869
COLOTRUST	1,653
Total	<u>\$ 12,697,626</u>

Deposits

Cash and investments are reflected in the statement of net position as follows:

Cash and Investments	\$ 12,476,740
Restricted Cash and Investments	220,886
Total	<u>\$ 12,697,626</u>

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible depositories. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held in trust for all of its local government depositors as a group with a market value of at least 102% of the uninsured deposits. The State Regulatory Commission for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

As of December 31, 2023, the Town had deposits of \$12,695,823. Depositor's insurance (FDIC) covers \$250,000 of this amount; the balance is covered by PDPA.

Investments

The Town's investment policy lists the authorized investment types as defined by Colorado statutes. Authorized investments include direct obligations of the United States, obligations of U.S. government agencies, general or revenue obligations of any state of the United States, any territory, or political subdivision of any state, qualified bankers' acceptances, commercial paper, certificates of participation, repurchase agreements, qualified local government investment pool, money market funds, qualified corporate or bank debt, and certain guaranteed investment contracts. The Town held no such investments at December 31, 2024.

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

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 3: Cash Deposits and Investments (Continued)

Investments (Continued)

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

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

Local Government Investment Pool - At December 31, 2024, the Town had \$1,653 (fair value) invested in COLOTRUST, an investment vehicle established by State statute for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating COLOTRUST. COLOTRUST operates similar to money market funds and each share is equal in value to \$1.00. COLOTRUST is rated AAAM by Standard and Poor's. Investments are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk the Town requires that U.S. Agency Securities have the highest possible rating. Colorado statutes establish standards for local government investment pools and the Town requires the investment pool to maintain the highest possible rating.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. State statute limits investments in U.S. Agency Securities to a maximum five-year maturity. The Town seeks to minimize interest rate risk by:

- Structuring investments to meet ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
- Structuring investments to have staggered maturities of less than five years.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 4: Capital Assets

Capital assets activity in the Governmental Activities for the year ended December 31, 2024 is summarized below:

Governmental Activities	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Capital Assets Not Being Depreciated				
Land and Improvements	\$ 219,806	\$ -	\$ -	\$ 219,806
Construction in Progress	16,644	-	-	16,644
Total Capital Assets Not Being Depreciated	<u>236,450</u>	<u>-</u>	<u>-</u>	<u>236,450</u>
Capital Assets Being Depreciated				
Buildings and Improvements	368,550	-	(1,511)	367,039
Land Improvements	527,338	-	-	527,338
Vehicles and Equipment	879,143	-	(42,942)	836,201
Infrastructure	3,635,653	-	-	3,635,653
Total Capital Assets Being Depreciated	<u>5,410,684</u>	<u>-</u>	<u>(44,453)</u>	<u>5,366,231</u>
Less Accumulated Depreciation for				
Buildings and Improvements	(211,157)	(10,789)	1,511	(220,435)
Land Improvements	(359,073)	(10,109)	-	(369,182)
Vehicles and Equipment	(280,111)	(58,987)	42,942	(296,156)
Infrastructure	(1,585,086)	(429,480)	-	(2,014,566)
Total Accumulated Depreciation	<u>(2,435,427)</u>	<u>(509,365)</u>	<u>44,453</u>	<u>(2,900,339)</u>
Total Capital Assets Being Depreciated, Net	<u>2,975,257</u>	<u>(509,365)</u>	<u>-</u>	<u>2,465,892</u>
Government Type Activities, Capital Assets, Net	\$ <u>3,211,707</u>	\$ <u>(509,365)</u>	\$ <u>-</u>	\$ <u>2,702,342</u>

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

Governmental Activities	
General Government	\$ 2,135
Public Safety	29,083
Public Works	459,187
Health and Welfare	3,718
Culture and Recreation	<u>15,242</u>
Total	\$ <u>509,365</u>

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 4: Capital Assets (Continued)

Capital assets activity in the Business-type Activities for the year ended December 31, 2024 is summarized below:

Business Type Activities	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Capital Assets Not Being Depreciated				
Land	\$ 15,338	\$ -	\$ -	\$ 15,338
Water Rights	5,033,266	-	-	5,033,266
Total Capital Assets Not Depreciated	5,048,604	-	-	5,048,604
Capital Assets Being Depreciated				
Water and Sanitation Systems	10,477,732	-	(4,616)	10,473,116
Equipment	324,344	93,741	(60,335)	357,750
Total Capital Assets Being Depreciated	10,802,076	93,741	(64,951)	10,830,866
Less Accumulated Depreciation for				
Water and Sanitation Systems	(4,570,644)	(419,465)	4,616	(4,985,493)
Equipment	(91,669)	(31,313)	48,570	(74,412)
Total Accumulated Depreciation	(4,662,313)	(450,778)	53,186	(5,059,905)
Total Capital Assets Being Depreciated, Net	6,139,763	(357,037)	(11,765)	5,770,961
Business Type Activities, Capital Assets, Net	\$ 11,188,367	\$ (357,037)	\$ (11,765)	\$ 10,819,565

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

Business-type Activities	
Water	\$ 361,219
Sanitation	89,559
Total	\$ 450,778

Note 5: Long-Term Debt

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2024.

Governmental Activities	Balance 12/31/23	Additions	Deletions	Balance 12/31/24	Due Within One Year
Leases - Equipment	\$ 74,437	\$ -	\$ (23,156)	\$ 51,281	\$ 24,775
Compensated Absences	65,927	-	-	65,927	-
Total	\$ 140,364	\$ -	\$ (23,156)	\$ 117,208	\$ 24,775

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 5: Long-Term Debt (Continued)

In July 2022, the Town entered into a lease arrangement for the purchase of two police vehicles. The lease was for \$123,894 and requires annual payments of \$28,359, including interest at a rate of 6.99% and maturing in July 2026. The Town has capitalized the assets with a remaining basis of \$74,336 related to this lease.

The debt service related to this lease will be made from the General Fund and is as follows:

Year Ended December 31,	Principal	Interest	Total
2025	\$ 24,775	\$ 3,585	\$ 28,360
2026	26,506	1,853	28,359
	<u>\$ 51,281</u>	<u>\$ 5,438</u>	<u>\$ 56,719</u>

Business-type Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2024.

Business-Type Activities	Balance 12/31/23	Additions	Deletions	Balance 12/31/24	Due Within One Year
2006 CWRPDA Loan	\$ 202,354	\$ -	\$ (79,885)	\$ 122,469	\$ 81,289
2015 CWRPDA Loan	1,174,572	-	(102,137)	1,072,435	102,137
Compensated Absences	46,845	-	(17,282)	29,563	-
Total Business-Type Activities	<u>\$ 1,423,771</u>	<u>\$ -</u>	<u>\$ (199,304)</u>	<u>\$ 1,224,467</u>	<u>\$ 183,426</u>

2006 CWRPDA Loan

The Town has a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA), which originally enabled the Town to borrow up to \$1,396,850 at 1.75% interest annually, with payments of \$46,539 per year with a final payment due May 1, 2026. The purpose of the loan was for upgrades to the lower water treatment plant. The proceeds of the bond were used to upgrade the Town's wastewater treatment facility from a facultative lagoon system to an aerated lagoon facility. Both principal and interest is payable solely from the net revenue, gross revenue less operations and maintenance expenses, of the wastewater treatment system. The net revenue of the system is pledged as collateral on the bond.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 5: Long-Term Debt (Continued)

Business-type Activities (Continued)

2006 CWRPDA Loan (Continued)

Principal and interest payments for the years following December 31, 2024 are as follows:

Year Ended December 31,	Principal	Interest	Total
2025	\$ 81,290	\$ 1,788	\$ 83,078
2026	41,179	360	41,539
	<u>\$ 122,469</u>	<u>\$ 2,148</u>	<u>\$ 124,617</u>

The Town has a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA), which originally enabled the Town to borrow up to \$2,000,000 at 0.0% interest per annum, with semi-annual payments of \$51,068 due November 1 and May 1, with a final payment due May 1, 2035. The purpose of the loan was for upgrades to the lower water treatment plant. The proceeds of the bond were used to upgrade the Town's wastewater treatment facilities. CWRPDA has designated with project as a 2015 Green Project. As such, the interest rate was reduced from the original 2.0% annual rate to 0.0%.

The Town must maintain an "operations and maintenance" reserve in the Sanitation Fund to report resources set aside to subsidize potential deficiencies from the Town's operations that could adversely affect debt service payments. The amount is equal to three months of operations and maintenance expenses, excluding depreciation, and may be represented by cash or securities or unrestricted Net Position. The Town has funded this reserve through restriction of its cash balances in the Sanitation Fund in the amount of \$220,886, as of December 31, 2024. The Town believes it is in compliance with all required covenants and obligations called for by the loan agreement.

Principal and interest payments for the years following December 31, 2024 are as follows:

Year Ended December 31,	Principal	Interest	Total
2025	\$ 102,137	\$ -	\$ 102,137
2026	102,137	-	102,137
2027	102,137	-	102,137
2028	102,137	-	102,137
2029	102,137	-	102,137
2030-2034	510,685	-	510,685
2035-2038	51,065	-	51,065
	<u>\$ 1,072,435</u>	<u>\$ -</u>	<u>\$ 1,072,435</u>

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 6: Employee Retirement Plans

Deferred Compensation Plan

The Town has established an employer SIMPLE IRA Plan, which is a “money-purchase” plan under current law and U.S. Treasury regulations for all substantially full-time non-police employees. A contribution to each employee’s account is made and all contributions vest immediately to the employee. The Town has no statutory or contractual liability for any individual’s post-employment benefits under this plan. Employer contributions for the year ended December 31, 2024 totaled \$691,632.

FPPA Statewide Defined Benefit Plan

Plan Description: The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan. The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). 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.

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. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 6: Employee Retirement Plans (Continued)

FPPA Statewide Defined Benefit Plan (Continued)

Members of the SWDB plan and their employers are contributing at the rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2024.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 20 percent of base salary through 2014. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014-member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2024 for a total combined member and employer contribution rate of 24 percent in 2024.

The contribution rate for members and employers of affiliated social security employers is 4 percent of base salary for a total contribution rate of 8 percent through 2014. Per the 2014 member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2015 through 2024 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2024.

The Town's contributions to the SWDB Plan for the year ended December 31, 2024, were \$63,475, equal to the required contributions.

The Town and eligible employees are required to contribute to the SWH Plan at rates established by the Town Council. However, the amount allocated to the defined benefit component is set annually by the FPPA Board of Directors, which currently must be at least 8% of base salary for the employee and the employer.

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

At December 31, 2024, the Town reported a net pension liability (asset) of \$0 representing its proportionate share of the net pension asset of the SWDB.

The net pension liability was measured on December 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation at January 1, 2024. The Town's proportion of the net pension asset was based on a projection of the Town's contributions to the plans for the calendar year ended December 31, 2023, relative to the projected contributions of all participating employers.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 6: Employee Retirement Plans (Continued)

FPPA Statewide Defined Benefit Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At December 31, 2023, the Town's proportion of the SWDB Plan was 0.09229800%, which was an increase of 0.03865800% from its proportion measured on December 31, 2022.

For the year ended December 31, 2024, the Town recognized pension expense (Benefit) for the SWDB plan of \$(16,554).

At December 31, 2024, 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
Statewide Defined Benefit Plan		
Differences between expected and actual experience	\$ 242,247	\$ 13,376
Net difference between projected and actual earnings on plan investments	93,702	-
Changes in assumptions and other inputs	142,628	-
Changes in proportion	-	672,972
Contributions subsequent to the measurement date	63,475	-
Total	\$ 542,052	\$ 686,348

Town contributions to the SWDB plan subsequent to the measurement date were \$63,475 and will be recognized as an increase or decrease to the net pension (asset) liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows.

<u>Year Ended December 31,</u>	<u>Amount</u>
2024	\$ 1,476
2025	43,892
2026	(39,259)
2027	(79,279)
2028	(85,013)
Thereafter	(49,588)
Total	\$ (207,771)

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 6: Employee Retirement Plans (Continued)

FPPA Statewide Defined Benefit Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions - The actuarial valuation at January 1, 2024, determined the total pension liability using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Long-term Investment Rate of Return*	7.5%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.0%
Includes Inflation at	2.5%

Mortality rates were based on the RP-2014 Mortality Table for Blue Collar Employees projected with Scale BB, using a 55% multiplier for off-duty mortality. The RP-2014 Mortality Table for Blue Collar Employees was used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants were used. For post-retirement members ages 55 through 64, a blend of the previous tables was used.

The current actuarial methods and assumptions were adopted by the FPPA Board of Directors for first use in the actuarial valuation as of January 1, 2016, based upon the actuary's unchanged analysis and recommendations from the 2015 Experience Study.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 6: Employee Retirement Plans (Continued)

FPPA Statewide Defined Benefit Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	35%	8.33%
Equity Long/Short	6%	7.27%
Private Markets	34%	10.31%
Fixed Income Rates	10%	5.35%
Fixed Income Credit	5%	5.89%
Absolute Return	9%	6.39%
Cash	1%	4.32%
	100%	

Discount Rate - The discount rate used to measure the total pension liability was 7.0%. 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 in the FPPA Board of Director's funding policy, which establishes the contractually required rates under State statutes. Based on this assumption, the Plans' fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate at the prior measurement date was 7.5%.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 6: Employee Retirement Plans (Continued)

FPPA Statewide Defined Benefit Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate - The following presents the Town's proportionate share of the net pension (asset) liability calculated using the discount rate of 7.0%, as well as the Town's proportionate share of the net pension (asset) liability if it were calculated using a discount that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate, as follows:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Town's proportionate share of the SWDB net pension (asset) liability	\$ <u>517,553</u>	\$ <u>-</u>	\$ <u>-</u>

Pension Plan Fiduciary Net Position - Detailed information about the Plans' fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

Note 7: Public Entity Risk Pool

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

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

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

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

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 7: Public Entity Risk Pool (Continued)

CIRSA's operations are funded by contributions from member governments. Coverage is provided in the amount of \$500,000 per claim or occurrence for property damage, \$600,000 per claim or occurrence for liability, and \$150,000 per claim or occurrence for crime. CIRSA has also acquired additional excess coverage from outside sources. While the Town may be liable for any losses in excess of this coverage, the Town does not anticipate losses at December 31, 2023. No settlements of claims against the Town in the last three years have exceeded the Town's coverage.

Surpluses or deficits realized by CIRSA for any given year are subject to change for such reasons as interest earnings on invested amounts for those years and funds, re-estimation of losses for those years and funds, and credits or distributions from surplus for those years and funds. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The Board of Directors may credit member municipalities' future contributions in the event of a surplus. Although it has never occurred, CIRSA member municipalities are subject to a supplemental assessment in the event of a deficiency.

For 2023, the Town's deductible for property and liability claims per occurrence is \$1,000 for each. The auto liability deductible and the auto physical damage deductible are both \$1,000 per occurrence.

The Town carries no deductible for workers Compensation coverage. CIRSA's coverage for workers' compensation claims are the Colorado statutory limits of \$500,000 per occurrence and \$1,000,000 for employer liability.

The Town also carries accident medical insurance coverage for volunteers through CIRSA. This provides a medical coverage for a minor injury a volunteer receives when serving the Town in a volunteer Town such as a community service worker, volunteer trail work, or volunteer coaching for recreation. Coverage is \$15,000 per occurrence with a \$25 deductible.

Note 8: Commitments and Contingencies

Litigation/Legal Claims

The Town may be a defendant in lawsuits pertaining to matters which are incidental to performing routine governmental and other functions. Based on the current status of any legal proceedings, it is the opinion of management that they will not have a material effect on the Town's financial position.

Federal and State Grants and Financial Sources

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the Town's financial position.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 8: Commitments and Contingencies (Continued)

TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government. Any revenues earned in excess of the fiscal year spending limit must be refunded in the next fiscal year, unless voters approve retention of such excess revenue.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used to declare emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved \$90,000, which is the approximate required reserve at December 31, 2024.

The Town's voters approved the following ballot issue on November 6, 2001.

Excluding ad valorem property taxes and rates, and without creating any new taxes, increasing any tax rate, or adding any new taxes of any kind, shall the Town be permitted to collect, retain, and spend, for the fiscal year of 2001 and for each and every year thereafter, the full proceeds of the Town's taxes, grants and other revenues for expenditure on lawful municipal purposes, notwithstanding any State of Colorado restrictions on spending including the restrictions of Article X, Section 20 of the Constitution of the State of Colorado, and that these shall each constitute a voter approval revenue change.

The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

Town of Ault, Colorado
Notes to Financial Statements
December 31, 2024

Note 9: Joint Venture

The Town participates with various towns, cities and Weld County, Colorado in the Weld 911 Emergency Telephone Service Authority (the Authority) which provides emergency 911 dialing services to customers with the Town limits. On dissolution of the Authority, the Net Position will be shared proportionately based upon main telephone station access lines within the agency's jurisdiction. As of December 31, 2024, the Town has not made and is not required to contribute to the Authority. The Authority is governed by a seven-member Board of Directors, of which four are chosen by the Weld County, Colorado Board of Commissioners. The Authority is primarily funded through a \$0.50 per month surcharge to each customer's telephone bill. Accounting responsibility has been placed with Weld County, Colorado and is included as a discretely presented component unit in its Annual Comprehensive Financial Report.

Note 10: Joint Venture

The beginning fund balances for the General, Street Systems, Water and Sanitation funds have been restated for accounting issues related to the Town's general ledger software conversion that occurred during the year ended December 31, 2024.

Required Supplementary Information

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Town of Ault, Colorado
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Asset (Liability) and Contributions
Fire & Police Pension Association of Colorado Statewide Defined Benefit Plan
For the Year Ended December 31, 2024

	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19
Proportionate Share of the Net Pension Asset					
Town's Proportion of the Net Pension Assets	0.09229800%	0.05364000%	0.04183590%	0.03289900%	0.03520900%
Town's Proportion Share of the Net Pension Asset (Liability)	\$ -	\$ (47,612)	\$ 226,723	\$ 71,434	\$ 19,913
Town's Covered Payroll	\$ 494,126	\$ 336,785	\$ 264,251	\$ 259,500	\$ 252,013
Town's Proportionate Share of the Net Pension Asset (liability) as a Percentage of Covered Payroll	0.0%	-14.1%	85.8%	27.5%	7.9%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.0%	97.6%	116.2%	106.7%	101.9%
	12/31/24	12/31/23	12/31/22	12/31/21	12/31/20
Town Contribution					
Statutorily Required Contribution	\$ 63,475	\$ 42,001	\$ 28,627	\$ 21,140	\$ 20,760
Contributions in Relation to the Statutorily Required Contribution	(63,475)	(42,001)	(28,627)	(21,140)	(20,760)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Town's Covered Payroll	\$ 747,000	\$ 494,126	\$ 336,785	\$ 264,251	\$ 259,500
Contributions as a Percentage of Covered Payroll	8.50%	8.50%	8.50%	8.00%	8.00%

This schedule is presented to show information for 10 years.

(Continued)

Town of Ault, Colorado
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Asset (Liability) and Contributions
Fire & Police Pension Association of Colorado Statewide Defined Benefit Plan
For the Year Ended December 31, 2024
(Continued)

	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14
Proportionate Share of the Net Pension Asset					
Town's Proportion of the Net Pension Assets	0.03762200%	0.04126400%	0.04483600%	0.04944300%	0.04948300%
Town's Proportion Share of the Net Pension Asset (Liability)	\$ (47,564)	\$ 59,364	\$ (16,201)	\$ 872	\$ 55,845
Town's Covered Payroll	\$ 241,363	\$ 229,463	\$ 239,688	\$ 222,525	\$ 203,638
Town's Proportionate Share of the Net Pension Asset (liability) as a Percentage of Covered Payroll	-19.7%	25.9%	-6.8%	0.4%	27.4%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.2%	106.3%	98.2%	100.1%	106.8%
	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15
Town Contribution					
Statutorily Required Contribution	\$ 20,161	\$ 19,309	\$ 18,357	\$ 19,175	\$ 17,802
Contributions in Relation to the Statutorily Required Contribution	(20,161)	(19,309)	(18,357)	(19,175)	(17,802)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Town's Covered Payroll	\$ 252,013	\$ 241,363	\$ 229,463	\$ 239,688	\$ 222,525
Contributions as a Percentage of Covered Payroll	8.00%	8.00%	8.00%	8.00%	8.00%

This schedule is presented to show information for 10 years.

Town of Ault, Colorado
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2024

	Budget	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
General property taxes	\$ 248,595	\$ 248,595	\$ 183,266	\$ (65,329)
Sales tax	1,754,968	1,754,968	1,246,979	(507,989)
Other Taxes	94,954	94,954	70,814	(24,140)
Intergovernmental	115,720	115,720	148,506	32,786
Licenses, Permits and fees	370,490	370,490	345,897	(24,593)
Fines and Forfeitures	202,029	202,029	167,399	(34,630)
Oil and Gas Royalties	233,883	233,883	372,142	138,259
Investment Income	108,144	108,144	88,286	(19,858)
Miscellaneous	11,170	11,170	15,853	4,683
Total Revenues	3,139,953	3,139,953	2,639,142	(500,811)
Expenditures				
Current				
General Government	994,118	994,118	528,566	465,552
Public Safety	1,554,194	1,554,194	1,510,986	43,208
Public Works	7,500	7,500	5,806	1,694
Culture, Parks and Recreation	213,579	213,579	163,735	49,844
Health and Welfare	82,000	82,000	52,959	29,041
Capital Outlay	152,100	152,100	89,630	62,470
Debt Service				
Principle	28,359	28,359	23,156	5,203
Interest	-	-	5,203	(5,203)
Total Expenditures	3,031,850	3,031,850	2,380,041	651,809
Excess Revenues Over (Under) Expenditures	108,103	108,103	259,101	150,998
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	(65,000)	65,000
Other Financing Sources (Uses)	-	-	(65,000)	65,000
Net Change in Fund Balance	108,103	108,103	194,101	215,998
Fund Balance, Beginning of Year	6,097,696	6,097,696	6,097,696	-
Fund Balance, End of Year	\$ 6,205,799	\$ 6,205,799	\$ 6,291,797	\$ 215,998

Town of Ault, Colorado
Budgetary Comparison Schedule
Street Systems Fund
For the Year Ended December 31, 2024

	Budget	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues				
Taxes	\$ 5,500	\$ 5,500	\$ 5,556	\$ 56
Licenses and Permits	101,104	101,104	73,817	(27,287)
Intergovernmental	173,222	173,222	82,663	(90,559)
Investment Income	15,000	15,000	12,683	(2,317)
Total Revenues	<u>294,826</u>	<u>294,826</u>	<u>174,719</u>	<u>(120,107)</u>
Expenditures				
Current:	<u>614,719</u>	<u>614,719</u>	<u>100,036</u>	<u>514,683</u>
General Government				
Public Works	350	350	177	173
Culture and Recreation	663,622	663,622	115,573	548,049
Capital Outlay	8,500	8,500	1,489	7,011
Contingency	<u>88,064</u>	<u>88,064</u>	<u>123,526</u>	<u>(35,462)</u>
Total Expenditures	<u>760,536</u>	<u>760,536</u>	<u>240,765</u>	<u>519,771</u>
Excess Revenues Over (Under) Expenditures	(465,710)	(465,710)	(66,046)	(639,878)
Other Financing Uses				
Transfers In	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
Net Change in Fund Balance	(400,710)	(400,710)	(1,046)	399,664
Fund Balance, Beginning of Year	<u>1,305,223</u>	<u>1,305,223</u>	<u>1,305,223</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 904,513</u>	<u>\$ 904,513</u>	<u>\$ 1,304,177</u>	<u>\$ 399,664</u>

Town of Ault, Colorado
 Budgetary Comparison Schedule
 Conservation Trust Fund
 For the Year Ended December 31, 2024

	Budget	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues				
Intergovernmental	\$ 28,400	\$ 28,400	\$ 20,727	\$ (7,673)
Investment Income	125	125	14	(111)
Total Revenues	28,525	28,525	20,741	(7,784)
Expenditures				
Contingency	-	-	-	-
Total Expenditures	-	-	-	-
Excess Revenues Over				
Net Change in Fund Balance	28,525	28,525	20,741	(7,784)
Fund Balance, Beginning of Year	167,071	167,071	167,071	-
Fund Balance, End of Year	<u>\$ 195,596</u>	<u>\$ 195,596</u>	<u>\$ 187,812</u>	<u>\$ (7,784)</u>

Town of Ault, Colorado
Notes to Required Supplementary Information
December 31, 2024

Note 1: Stewardship, Compliance, and Accountability

Budgets

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

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

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

Supplementary Information

Town of Ault, Colorado
Budgetary Comparison Schedule
Water Fund
For the Year Ended December 31, 2024

	Budget	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 1,360,979	\$ 1,360,979	\$ 1,065,705	\$ (295,274)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>6,500</u>	<u>1,500</u>
Total Revenue	<u>1,365,979</u>	<u>1,365,979</u>	<u>1,072,205</u>	<u>(293,774)</u>
Expenses				
Personal Services	314,049	314,049	275,253	38,796
Supplies	12,350	12,350	8,706	3,644
Purchased Services	536,233	536,233	496,172	40,061
Other Operating Expenses	332,193	332,193	30,530	301,663
Fleet Maintenance	59,054	59,054	32,269	26,785
Capital Outlay	<u>330,825</u>	<u>330,825</u>	<u>1,000,684</u>	<u>(669,859)</u>
Total Expenses	<u>1,584,704</u>	<u>1,584,704</u>	<u>1,843,614</u>	<u>(258,910)</u>
Net Operating Income	<u>(218,725)</u>	<u>(218,725)</u>	<u>(771,409)</u>	<u>(552,684)</u>
Nonoperating Revenues (Expenses)				
Tap Fees	133,000	133,000	21,626	(111,374)
Proceeds from Disposal of Assets	-	-	(13,622)	-
Interest Expense				-
Interest Income	<u>90,000</u>	<u>90,000</u>	<u>77,970</u>	<u>(12,030)</u>
Total Nonoperating Revenues (Expenses)	<u>223,000</u>	<u>223,000</u>	<u>85,974</u>	<u>(123,404)</u>
Budgetary Basis	<u>\$ 4,275</u>	<u>\$ 4,275</u>	(685,435)	<u>\$ (676,088)</u>
Reconciliation to GAAP Basis				
Capital Outlay			93,740	
Depreciation			<u>(89,559)</u>	
Change in Net Position, GAAP Basis			<u>\$ (681,254)</u>	

Town of Ault, Colorado
 Budgetary Comparison Schedule
 Sanitation Fund
 For the Year Ended December 31, 2024

	Budget	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 1,093,491	\$ 1,093,491	\$ 989,151	\$ (104,340)
Total Revenue	1,093,491	1,093,491	989,151	(104,340)
Expenses				
Personal Services	314,049	314,049	274,662	39,387
Supplies	34,488	34,488	26,099	8,389
Purchased Services	302,040	302,040	360,794	(58,754)
Other Operating Expenses	54,165	54,165	24,071	30,094
Fleet Maintenance	-	302,814	97,882	204,932
Capital Outlay	48,875	48,875	100,036	(51,161)
Debt Service				
Principal	-	-	182,022	(182,022)
Interest	1,789	1,789	3,193	(1,404)
Total Expenses	755,406	1,058,220	1,068,759	(10,539)
Net Operating Income	338,085	35,271	(79,608)	(114,879)
Nonoperating Revenues (Expenses)				
Tap Fees	61,980	61,980	-	(61,980)
Proceeds from Sale of Assets	-	-	1,858	-
Interest Expense	-	-	-	1,404
Interest Income	32,000	32,000	38,821	6,821
Total Nonoperating Revenues (Expenses)	93,980	93,980	40,679	(53,755)
Budgetary Basis	\$ 432,065	\$ 129,251	(38,929)	\$ (168,634)
Reconciliation to GAAP Basis				
Debt Service Principal			182,022	
Depreciation			(361,219)	
Change in Net Position, GAAP Basis			\$ (218,126)	

State Compliance

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
		YEAR ENDING (mm/yy): 12/24	
This Information From The Records Of:	Town of Ault	Prepared By:	Sharon Sullivan Town Administrator

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES**III. EXPENDITURES FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 136,803.94
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 53,055.52
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 4,256.43
2. General fund appropriations	\$ 741,420.66	b. Snow and ice removal	\$ 1,144.59
3. Other local imposts (from page 2)	\$ 84,322.55	c. Other Street Lighting	\$ 41,564.48
4. Miscellaneous local receipts (from page 2)	\$ 81,376.53	d. Total (a. through c.)	\$ 46,965.50
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 2,595.82
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 738,824.84
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 978,245.62
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 907,119.74	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 93,041.94	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 1,000,161.68	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 978,245.62

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 704,312.09	\$ 1,000,161.68	\$ 978,245.62	\$ 726,228.15	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO YEAR ENDING (mm/yy): 12/24	
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II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	\$ 10,683.55	a. Interest on investments	\$ 15,976.53
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 67,403.55	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 6,235.45	g. Other Misc. Receipts	\$ 65,000.00
6. Total (1. through 5.)	\$ 73,639.00	h. Other	\$ 400.00
c. Total (a. + b.)	\$ 84,322.55	i. Total (a. through h.)	\$ 81,376.53
(Carry forward to page 1)		(Carry forward to page 1)	
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 90,451.50	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 2,590.44	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 2,590.44	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 93,041.94	3. Total (1. + 2.g)	\$ -
(Carry forward to page 1)		(Carry forward to page 1)	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs		\$ 8,684.19	\$ 8,684.19
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation		\$ 128,119.75	\$ 128,119.75
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 128,119.75	\$ 128,119.75
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 136,803.94	\$ 136,803.94
(Carry forward to page 1)			
Notes and Comments:			