



# FINANCIAL STATEMENTS

Year Ended December 31, 2024



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Independent Auditors' Report

The Mayor and Members  
of the Board of Trustees  
Town of Eaton  
Eaton, Colorado

**Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Eaton, Colorado as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Eaton, Colorado as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

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

**Emphasis of Matter**

As discussed in Note 11, the Town adopted the provisions of Governmental Accounting Standards Board Statement No. 100 *Accounting Changes and Error Corrections* in regards to a misstatement, and Statement No. 101 *Compensated Absences*. Our opinion is not modified with respect to this matter.

## **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS we:

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

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

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining statements, individual fund statements and schedules on pages 42-50, and the Local Highway Finance Report, 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Anderson & Whitney, P.C.*

August 27, 2025

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of The Town of Eaton (the Town) for the year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the Town's financial performance.

### FINANCIAL HIGHLIGHTS

- The Town's assets exceeded liabilities and deferred inflows by \$61.7 million at December 31, 2024.
- The General Fund balance was \$ 4.3 million as of December 31, 2024. Of this amount, \$301,826 is restricted for emergencies.
- The December 31, 2024 General Fund balance is \$120,315 less than the prior year-end. The total fund balance is 83% of 2024 General Fund operating expenditures.
- The Water Fund has net position of \$24.8 million at December 31, 2024.
- The Sewer Fund has net position of \$3.0 million at December 31, 2024.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

The *statement of activities* presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected fees).

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

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

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

The Town maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Fund, and Library Fund, each of which is considered to be a major fund.

The basic governmental fund financial statements can be found on pages 13 to 14 of this report.

**Proprietary Funds.** The Town maintains one type of a proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its utility services.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water and sewer funds which are considered to be major funds of the Town.

The basic proprietary fund financial statements can be found on pages 15 to 17 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 through 34 of this report.

**Budgetary Comparisons.** The Town adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund on pages 36 to 39 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2024, assets exceeded liabilities by \$61,674,672.

The following table provides a summary of the Town's net position:

December 31	2024		2023	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
<b>Assets</b>				
Current and other assets	\$17,023,166	\$ 9,496,296	\$17,902,944	\$ 5,952,897
Capital assets	18,566,475	20,733,967	16,691,281	22,308,991
<b>Total Assets</b>	<b>35,589,641</b>	<b>30,230,263</b>	<b>34,594,225</b>	<b>28,261,888</b>
<b>Liabilities</b>				
Current and other liabilities	645,712	453,245	698,969	538,481
Long-term liabilities	--	657,020	--	948,790
<b>Total Liabilities</b>	<b>645,712</b>	<b>1,110,265</b>	<b>698,969</b>	<b>1,487,271</b>
<b>Deferred Inflows</b>				
Deferred property taxes	2,274,823	--	3,014,418	--
Land lease	114,432	--	124,722	--
<b>Net Position</b>				
Net investment in capital assets	18,566,475	19,793,157	16,691,281	21,081,868
Restricted	10,179,040	--	10,014,938	--
Unrestricted	3,809,159	9,326,841	4,049,897	5,692,749
<b>Total Net Position</b>	<b>\$ 32,554,674</b>	<b>\$ 29,119,998</b>	<b>\$ 30,756,116</b>	<b>\$ 26,774,617</b>

A portion of The Town's net position represents unrestricted net position of \$3,809,159 which may be used to meet the Town's ongoing obligations to citizens and creditors.

Another significant portion of the Town's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The only long-term debt is the loan issued for construction of Town utility systems.

An additional \$10,179,040 of the Town's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the TABOR emergency reserve, and the Streets, Library, Impact Fee and Cemetery Perpetual Care funds.

The following table indicates the changes in net position:

Years Ended December 31	2024		2023	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
<b>Revenues:</b>				
Program revenues:				
Charges for services	\$ 622,505	\$ 5,090,176	\$ 525,672	\$ 4,168,942
Operating contributions	3,046,106	--	2,612,824	--
Capital contributions	--	83,421	--	6,750
General revenues:				
Property taxes	558,480	--	482,123	--
Sales taxes	4,332,649	--	3,940,756	--
Other	886,162	1,019,680	1,247,415	67,892
Investment earnings	614,956	220,135	188,012	73,086
Transfers	216,406	(216,406)	184,012	(184,012)
<b>Total revenues</b>	<b>10,277,264</b>	<b>6,197,006</b>	<b>9,180,814</b>	<b>4,132,658</b>
<b>Expenses:</b>				
General government	2,144,029	--	1,909,229	--
Public safety	2,124,042	--	1,797,015	--
Cemetery	239,690	--	214,171	--
Parks and recreation	419,368	--	373,609	--
Public buildings	127,169	--	197,507	--
Building inspection/planning	276,537	--	199,092	--
Library	1,536,381	--	1,146,544	--
Streets	1,611,490	--	1,392,077	--
Water	--	1,932,971	--	1,680,981
Sewer	--	1,053,690	--	1,106,905
Sanitation	--	614,774	--	589,266
Irrigation	--	250,190	--	206,564
<b>Total expenses</b>	<b>8,478,706</b>	<b>3,851,625</b>	<b>7,229,244</b>	<b>3,583,716</b>
<b>Increase in net position</b>	<b>\$ 1,798,558</b>	<b>\$ 2,345,381</b>	<b>\$ 1,951,570</b>	<b>\$ 548,942</b>

**Governmental Activities.** Governmental activities increased the Town's net position by \$1,798,558 in 2024. Key elements of this increase are as follows:

- Total revenues increased approximately 12%, due to increased library taxes received and 1% sales tax increase for streets.
- Expenses increased approximately 17% from the previous year, from increased general government, public safety, streets and library costs.

**Business-Type Activities.** Business-type activities (i.e. utility services) increased the Town's net position by \$2,345,381 in 2024. This was primarily due to a gain on sale of water shares.

## FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

As of December 31, 2024, the total fund balances of the Town's governmental funds were \$14.2 million. Approximately 31% of this consists of unrestricted fund balance, which is available as working capital and for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is restricted to indicate that it is not available for new spending because it is committed for the following purposes: a state-constitution mandated emergency reserve (\$301,826); cemetery perpetual care (\$158,816); streets (\$3,179,483), library (\$5,391,800) and impact fee purposes (\$1,147,115).

The Town has three major governmental funds:

1. **General Fund.** This is the primary operating fund of the Town. It accounts for the Town's core governmental services. The General Fund balance was \$4,342,309 as of December 31, 2024. The 2024 fund balance is \$120,315 less than the previous year.
2. **Library Fund.** The Library Fund accounts for the operation of the Town's library. The fund balance at December 31, 2024 was \$5,391,800.
3. **Street Fund.** The Street Fund accounts for monies received for street maintenance. The fund balance at December 31, 2024 was \$3,179,483.

The Town has three major enterprise funds:

1. **Water Fund.** The Water Fund accounts for service charges and expenses of operating the Town's water system. The Water Fund net position at December 31, 2024 is \$24.8 million. Net position increased by \$2,353,017 during the year due to increased water use fees and gain on sale of water shares.
2. **Sewer Fund.** The Sewer Fund accounts for service charges and expenses of operating the Town's sanitary sewer system. The Sewer Fund net position at December 31, 2024 is \$3.0 million. Net position increased by \$22,469.
3. **Sanitation Fund.** The Sanitation Fund accounts for service charges and expenses of operating the Town's sanitation system. The Sanitation Fund net position at December 31, 2024 is \$244,345.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

	Final Budget	Actual
Beginning Fund Balance	\$ 4,462,624	\$ 4,462,624
Revenue	4,631,886	4,806,763
Expenditures	5,771,385	5,223,102
Transfers in	296,024	296,024
Ending Fund Balance	\$ 3,619,149	\$ 4,342,309

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets.** The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2024 totals approximately \$39.3 million (net of accumulated depreciation). This investment includes all land, water rights, buildings, equipment and infrastructure. The total net increase in investment in capital assets for the current year was \$0.6 million or 2%, due to capital additions being more than depreciation expense.

Major capital asset events during 2024 included sale of \$3.1 million in water rights and transfer of \$250,011 of property to the Cobb Lake Regional Water Treatment Authority (CLRWTA) as an investment for the water fund, purchase property for the library, continued street improvements and completion of the cemetery expansion project.

The Town implemented the straight-line depreciation method for its capital assets, except for land and water rights which are not depreciated.

Additional information on the Town's capital assets can be found in Note 6 of this report.

**Long-term Debt.** At December 31, 2024, the Town had \$940,810 of sewer loans payable, funded by service charges.

Additional information on the Town's debt can be found in Note 3.

## OTHER MATTERS

The following factors are expected to have a significant effect on the Town's financial position and results of operations and were taken into account in developing the 2025 budget:

- \* The Town had a utility rate study in 2023 and ongoing rate increases for residential customers were recommended.
- \* Town voters passed a 1% sales tax increase in November 2023, dedicated to street and transportation improvements.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Eaton finances for all those with an interest in the Town's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Town, 223 First Street, Eaton, Colorado 80615.

# TOWN OF EATON, COLORADO

## STATEMENT OF NET POSITION

December 31, 2024	Governmental Activities	Business- Type Activities	Total
<u>ASSETS</u>			
Pooled Cash and Investments	\$ 14,617,770	\$ 8,816,790	\$ 23,434,560
Receivables:			
Property taxes	2,278,348	-	2,278,348
Utility accounts	-	407,849	407,849
Land lease	114,432	-	114,432
Other receivable	5,759	-	5,759
Inventory of Supplies	6,857	21,647	28,504
Capital Assets:			
Nondepreciable	3,173,296	13,256,852	16,430,148
Depreciable, net of accumulated depreciation	15,393,179	7,477,115	22,870,294
Other assets	-	250,011	250,011
<b>Total Assets</b>	<b>35,589,641</b>	<b>30,230,264</b>	<b>65,819,905</b>
<u>LIABILITIES</u>			
Accounts Payable	309,737	135,890	445,627
Accrued Payroll / Compensated Absences	314,028	33,566	347,594
Unearned Revenue	21,947	-	21,947
Long-Term Debt:			
Due within one year	-	283,789	283,789
Due in more than one year	-	657,021	657,021
<b>Total Liabilities</b>	<b>645,712</b>	<b>1,110,266</b>	<b>1,755,978</b>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Property Taxes	2,274,823	-	2,274,823
Land lease	114,432	-	114,432
<u>NET POSITION</u>			
Net Investment in Capital Assets	18,566,475	19,793,157	38,359,632
Restricted for:			
TABOR emergencies	301,826	-	301,826
Library	5,391,800	-	5,391,800
Streets/impact fees	4,326,598	-	4,326,598
Cemetery perpetual care	158,816	-	158,816
Unrestricted	3,809,159	9,326,841	13,136,000
<b>TOTAL NET POSITION</b>	<b>\$ 32,554,674</b>	<b>\$ 29,119,998</b>	<b>\$ 61,674,672</b>

See Accompanying Notes to Financial Statements.

# TOWN OF EATON, COLORADO

## STATEMENT OF ACTIVITIES

Year Ended December 31, 2024	Expenses	Charges for Services
Functions/Programs:		
Governmental Activities:		
General government	\$ 2,144,029	\$ 11,260
Public safety	2,124,042	285,208
Cemetery	239,690	88,613
Parks and recreation	419,368	-
Public buildings	127,169	-
Building inspection/ planning	276,537	237,271
Library	1,536,381	153
Streets	1,611,490	-
Interest on long-term debt	-	-
Total Governmental Activities	8,478,706	622,505
Business-Type Activities:		
Water	1,932,971	3,171,259
Sewer	1,053,690	1,059,962
Sanitation	614,774	641,475
Irrigation	250,190	217,480
Total Business-Type Activities	3,851,625	5,090,176
TOTAL	\$ 12,330,331	\$ 5,712,681

General Revenue:	
Property taxes	
Sales taxes	
Franchise and other taxes	
Use taxes - building materials	
Impact fees	
Road and bridge taxes	
Gain on sale of capital assets	
Investment earnings	
Miscellaneous	
Transfers	
Total General Revenue	
Change in Net Position	
Net Position - Beginning	
Aggregate restatement	
NET POSITION - Ending	

See Accompanying Notes to Financial Statements.

Program Revenues		Net (Expense) Revenue and Changes in Net Position		
Operating Grants and Contributions	Capital Contributions	Governmental Activities	Business- Type Activities	Total
\$ 210,503	\$ -	\$ (1,922,266)	\$ -	\$ (1,922,266)
-	-	(1,838,834)	-	(1,838,834)
-	-	(151,077)	-	(151,077)
36,391	-	(382,977)	-	(382,977)
-	-	(127,169)	-	(127,169)
-	-	(39,266)	-	(39,266)
2,495,057	-	958,829	-	958,829
304,155	-	(1,307,335)	-	(1,307,335)
-	-	-	-	-
3,046,106	-	(4,810,095)	-	(4,810,095)
-	74,421	-	1,312,709	1,312,709
-	9,000	-	15,272	15,272
-	-	-	26,701	26,701
-	-	-	(32,710)	(32,710)
-	83,421	-	1,321,972	1,321,972
\$ 3,046,106	\$ 83,421	(4,810,095)	1,321,972	(3,488,123)
		558,480	-	558,480
		4,332,649	-	4,332,649
		426,103	-	426,103
		141,610	-	141,610
		9,512	-	9,512
		297,474	-	297,474
		-	1,019,680	1,019,680
		614,956	220,135	835,091
		11,463	-	11,463
		216,406	(216,406)	-
		6,608,653	1,023,409	7,632,062
		1,798,558	2,345,381	4,143,939
		31,120,145	26,664,967	57,785,112
		(364,029)	109,650	(254,379)
		\$ 32,554,674	\$ 29,119,998	\$ 61,674,672

# TOWN OF EATON, COLORADO

## GOVERNMENTAL FUNDS

### BALANCE SHEET

December 31, 2024	General Fund	Library Fund	Street Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Pooled Cash and Investments	\$4,512,556	\$5,596,654	\$3,197,559	\$ 1,311,001	\$14,617,770
Taxes Receivable	512,042	1,766,306	-	-	2,278,348
Other Receivable	5,759	-	-	-	5,759
Inventory of Supplies	-	-	6,857	-	6,857
<b>Total Assets</b>	<b>\$5,030,357</b>	<b>\$7,362,960</b>	<b>\$3,204,416</b>	<b>\$ 1,311,001</b>	<b>\$16,908,734</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ 96,780	\$ 187,237	\$ 20,650	\$ 5,070	\$ 309,737
Accrued Payroll	58,729	19,692	4,283	-	82,704
Unearned Revenue	21,947	-	-	-	21,947
<b>Total Liabilities</b>	<b>177,456</b>	<b>206,929</b>	<b>24,933</b>	<b>5,070</b>	<b>414,388</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Property Taxes	510,592	1,764,231	-	-	2,274,823
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	158,816	158,816
Restricted for:					
TABOR emergencies	301,826	-	-	-	301,826
Library/Streets/Impact	-	5,391,800	3,179,483	1,147,115	9,718,398
Unassigned	4,040,483	-	-	-	4,040,483
<b>Total Fund Balances</b>	<b>4,342,309</b>	<b>5,391,800</b>	<b>3,179,483</b>	<b>1,305,931</b>	<b>14,219,523</b>
<b>TOTAL LIABILITIES, DEFERRALS AND FUND BALANCES</b>	<b>\$5,030,357</b>	<b>\$7,362,960</b>	<b>\$3,204,416</b>	<b>\$ 1,311,001</b>	<b>\$16,908,734</b>

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds

18,566,475

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Long-term liabilities at year-end consist of:

    Compensated Absences

(231,324)

**Net Position of Governmental Activities**

**32,554,674**

See Accompanying Notes to Financial Statements.

**TOWN OF EATON, COLORADO  
GOVERNMENTAL FUNDS**

**STATEMENT OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

Year Ended December 31, 2024	General Fund	Library Fund	Street Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenue:					
Taxes	\$3,498,112	\$2,495,057	\$1,640,795	\$ 141,610	\$ 7,775,574
Intergovernmental	273,163	-	601,629	-	874,792
Fines and forfeitures	285,208	153	-	-	285,361
Impact fees	-	-	-	9,512	9,512
Service charges	332,446	-	-	4,697	337,143
Investment earnings	265,778	225,157	119,567	4,454	614,956
Miscellaneous	152,056	2,117	9,346	-	163,519
<b>Total Revenue</b>	<b>4,806,763</b>	<b>2,722,484</b>	<b>2,371,337</b>	<b>160,273</b>	<b>10,060,857</b>
Expenditures:					
General government	4,678,476	-	-	27,300	4,705,776
Debt service	-	-	-	-	-
Library	-	1,241,715	-	-	1,241,715
Streets	-	-	479,690	-	479,690
Capital outlay	544,626	1,596,533	1,765,052	-	3,906,211
<b>Total Expenditures</b>	<b>5,223,102</b>	<b>2,838,248</b>	<b>2,244,742</b>	<b>27,300</b>	<b>10,333,392</b>
Revenue Over (Under)					
Expenditures	(416,339)	(115,764)	126,595	132,973	(272,535)
Other Financing Sources (Uses):					
Operating transfers in (out)	296,024	(79,618)	-	-	216,406
<b>Net Change in Fund Balances</b>	<b>(120,315)</b>	<b>(195,382)</b>	<b>126,595</b>	<b>132,973</b>	<b>(56,129)</b>
Fund Balance, January 1	4,563,236	5,626,414	3,067,377	1,171,837	14,428,864
Aggregate restatement	(100,612)	(39,232)	(14,489)	1,121	(153,212)
<b>Fund Balance, December 31</b>	<b>\$4,342,309</b>	<b>\$5,391,800</b>	<b>\$3,179,483</b>	<b>\$ 1,305,931</b>	<b>\$14,219,523</b>

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds \$ (56,129)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions exceeded depreciation in the year. 1,875,194

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Increase (decrease) in compensated absences (20,507)

**Change in Net Position of Governmental Activities \$ 1,798,558**

**TOWN OF EATON, COLORADO**  
**BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS**

**STATEMENT OF NET POSITION**

December 31, 2024	Water Fund	Sewer Fund	Sanitation Fund	Irrigation Fund (Nonmajor)	Total
<b>ASSETS</b>					
Current Assets:					
Pooled Cash and Investments	\$ 7,166,704	\$ 1,191,676	\$ 223,337	\$ 235,073	\$ 8,816,790
Accounts receivable	218,292	102,724	66,422	20,411	407,849
Inventory of supplies	21,647	-	-	-	21,647
Total Current Assets	7,406,643	1,294,400	289,759	255,484	9,246,286
Capital Assets:					
Land	80,329	44,211	-	-	124,540
Water rights	12,557,812	-	-	-	12,557,812
Buildings and plant	171,978	5,969,898	-	-	6,141,876
Distribution/collection system	8,470,309	3,902,641	-	1,438,996	13,811,946
Equipment	377,420	196,119	26,731	41,139	641,409
Vehicles	-	287,703	-	28,341	316,044
	21,657,848	10,400,572	26,731	1,508,476	33,593,627
Accumulated depreciation	(5,041,682)	(7,711,956)	(25,231)	(655,291)	(13,434,160)
Construction in Progress	574,500	-	-	-	574,500
Total Capital Assets	17,190,666	2,688,616	1,500	853,185	20,733,967
Other Assets:					
Investment in CLRWTA	250,011	-	-	-	250,011
Total Other Assets	250,011	-	-	-	250,011
Total Assets	24,847,320	3,983,016	291,259	1,108,669	30,230,264
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	66,586	17,799	46,914	4,591	135,890
Accrued payroll	21,567	11,999	-	-	33,566
Current portion of long-term liabilities	-	283,789	-	-	283,789
Total Current Liabilities	88,153	313,587	46,914	4,591	453,245
Long-Term Liabilities:					
Long-term loans	-	633,072	-	-	633,072
Loan premium	-	23,949	-	-	23,949
Total Long-Term Liabilities	-	657,021	-	-	657,021
Total Liabilities	88,153	970,608	46,914	4,591	1,110,266
<b>NET POSITION</b>					
Net Investment in Capital Assets	17,190,666	1,747,806	1,500	853,185	19,793,157
Unrestricted	7,568,501	1,264,602	242,845	250,893	9,326,841
TOTAL NET POSITION	\$ 24,759,167	\$ 3,012,408	\$ 244,345	\$ 1,104,078	\$ 29,119,998

See Accompanying Notes to Financial Statements.

**TOWN OF EATON, COLORADO**  
**BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS**

**STATEMENT OF REVENUE, EXPENSES**  
**AND CHANGES IN FUND NET POSITION**

Year Ended December 31, 2024	Water Fund	Sewer Fund	Sanitation Fund	Irrigation Fund (Nonmajor)	Total
Operating Revenue - charges for services	\$ 3,171,259	\$ 1,059,962	\$ 641,475	\$ 217,480	\$ 5,090,176
Operating Expenses:					
Personnel	192,798	176,827	-	8,948	378,573
Supplies	56,145	24,342	767	1,403	82,657
Contractual services	204,656	155,817	590,077	97,706	1,048,256
Utilities	22,497	85,259	-	22,360	130,116
Repairs and maintenance	101,993	79,364	-	44,042	225,399
Insurance	19,953	25,250	21,789	1,348	68,340
Water purchases and assessments	1,061,615	-	-	-	1,061,615
Other	30,148	36,618	1,441	-	68,207
Depreciation	242,916	440,087	700	74,383	758,086
Total Operating Expenses	1,932,721	1,023,564	614,774	250,190	3,821,249
Operating Income	1,238,538	36,398	26,701	(32,710)	1,268,927
Nonoperating Revenue (Expenses):					
NISP expenses	(250)	-	-	-	(250)
Investment earnings	181,368	38,767	-	-	220,135
Interest expense	-	(38,106)	-	-	(38,106)
Loan premium costs	-	7,980	-	-	7,980
Gain on sale of water shares	1,019,680	-	-	-	1,019,680
Net Nonoperating Revenue (Expense)	1,200,798	8,641	-	-	1,209,439
Income Before Contributions and Operating Transfers	2,439,336	45,039	26,701	(32,710)	2,478,366
Capital Contributions and Tap Fees	74,421	9,000	-	-	83,421
Operating Transfers Out - General Fund	(160,740)	(31,570)	(24,096)	-	(216,406)
Change in Net Position	2,353,017	22,469	2,605	(32,710)	2,345,381
Fund Net Position, January 1	22,517,628	2,929,800	177,582	1,039,957	26,664,967
Aggregate restatement	(111,478)	60,139	64,158	96,831	109,650
Fund Net Position, December 31	\$ 24,759,167	\$ 3,012,408	\$ 244,345	\$ 1,104,078	\$ 29,119,998

See Accompanying Notes to Financial Statements.

**TOWN OF EATON, COLORADO  
ENTERPRISE FUNDS**

**STATEMENT OF CASH FLOWS**

Year Ended December 31, 2024	Water Fund	Sewer Fund	Sanitation Fund	Irrigation Fund (nonmajor)	Total
Cash Flows from Operating Activities:					
Cash received from customers	\$ 3,120,447	\$ 1,050,070	\$ 640,648	\$ 214,529	\$ 5,025,694
Cash payments:					
To suppliers for goods and services	(1,527,629)	(437,075)	(616,473)	(186,530)	(2,767,707)
To employees for services	(183,698)	(173,681)	-	-	(357,379)
Net Cash Provided by Operating Activities	1,409,120	439,314	24,175	27,999	1,900,608
Cash Flows from Noncapital Financing Activities:					
Operating Transfer Out - General Fund	(160,740)	(31,570)	(24,096)	-	(216,406)
Cash Flows from Capital and Related Financing Activities:					
Acquisition of equipment and plant	(1,467,769)	(45,625)	-	-	(1,513,394)
Debt principal reduction	-	(278,333)	-	-	(278,333)
Interest paid on debt	-	(38,106)	-	-	(38,106)
Service tap fees	74,421	9,000	-	-	83,421
Proceeds from the sale of assets	3,100,000	-	-	-	3,100,000
Other	(250)	-	-	-	(250)
Net Cash Provided (Used) by Capital and Related Financing Activities	1,706,402	(353,064)	-	-	1,353,338
Cash Flows from Investing Activities:					
Interest	181,368	38,767	-	-	220,135
Net Cash Provided by Investing Activities	181,368	38,767	-	-	220,135
Net Increase (Decrease) in Cash	3,136,150	93,447	79	27,999	3,257,675
Cash and Cash Equivalents, January 1, restated	4,030,554	1,098,229	223,258	207,074	5,559,115
Cash and Cash Equivalents, December 31	\$ 7,166,704	\$ 1,191,676	\$ 223,337	\$ 235,073	\$ 8,816,790
Reconciliation of Operating Income to Net Cash From Operating Activities:					
Operating income (loss)	\$ 1,238,538	\$ 36,398	\$ 26,701	\$ (32,710)	\$ 1,268,927
Depreciation and amortization	242,916	440,087	700	74,383	758,086
Change in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	(50,812)	(9,892)	(827)	(2,951)	(64,482)
Inventories	28,769	-	-	-	28,769
Increase (decrease) in:					
Accounts payable	(59,391)	(30,425)	(2,399)	(10,723)	(102,938)
Accrued payroll and compensated absences	9,100	3,146	-	-	12,246
Net Cash Provided by Operating Activities	\$ 1,409,120	\$ 439,314	\$ 24,175	\$ 27,999	\$ 1,900,608
Disclosure of Noncash Capital and Related Financing Activities:					
Conveyance of Land to CLRWTA	\$ 250,011	\$ -	\$ -	\$ -	\$ 250,011

See Accompanying Notes to Financial Statements.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the Town of Eaton, Colorado conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the Town's financial statements.

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#### Reporting Entity:

The financial report of the Town includes all of the integral parts of the Town's operations. The Town has determined that it has no financial accountability for any other agency which would require it to be in the reporting entity.

The Mayor appoints members of the Eaton Housing Authority. Otherwise, the Town has no role in the designation of management and no ability to influence operations. The Town does not have financial accountability for the Eaton Housing Authority, as the Authority is fiscally independent.

Proceeds from the seizure of contraband, if any, are included in the reporting entity.

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

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

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

Government-wide and Fund Financial Statements – Continued:

The Town reports the following major governmental funds:

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

The *Library Fund* accounts for taxes received from the High Plains Library District and other revenue restricted for library services.

The *Street Fund* accounts for taxes and inter-governmental revenue restricted for street maintenance and improvements.

The Town reports the following major proprietary funds:

The *Sewer Fund* accounts for user charges and expenses for operating, financing, and maintaining the Town's sanitary sewer system.

The *Water Fund* accounts for user charges and the expenses for operating, financing, and maintaining the Town's water system.

The *Sanitation Fund* accounts for user charges and the expenses for operating, financing, and maintaining the Town's sanitation system.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

Accounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

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

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### 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 funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 and claims and judgments, are recorded only when payment is due.

Cigarette taxes, use taxes, taxpayer-assessed taxes, interest revenue, and charges for services are all considered to be susceptible to accrual and so 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 government.

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Capital Assets:

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., streets and roads, bridges, stormwater drainage, traffic signals, 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, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities.

Estimated useful lives for asset types are as follows:

Buildings and Improvements	10 – 50 years
Equipment and Vehicles	3 – 10 years
Infrastructure	10 – 30 years

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#### Long-Term Obligations:

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

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

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Restrictions for the Town are recorded up to the maximum equity available in the fund balance and consist of:

#### Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR restrictions at December 31, 2024 are \$301,826.

Assigned fund balances, if any, are amounts the Town intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by an official to which the Board delegates authority. Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

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#### Property Taxes:

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable in two installments on March 1 and June 15, or in full on April 30. The Town uses the Weld County Treasurer to bill and collect its property taxes. Taxes levied in December 2024 are recorded as taxes receivable and deferred revenue as of December 31, 2024. The original January 1, 2024 levy for the General Fund of the Town was 5.041 mills or approximately \$494,111.

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#### Budget:

An annual budget and appropriation ordinance is adopted by the Town Board in accordance with the Local Government Budget Law. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States for all funds, except for modifications in the enterprise funds which are discussed below. The fund level of classification is the level at which expenditures may not legally exceed appropriations. All annual appropriations lapse at year end.

The Town Administrator is authorized to transfer budgeted amounts within departments of each fund. Any revisions that alter the total appropriation for each department must be approved by the Town Board through a supplemental appropriation ordinance. The 2024 budget was amended.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Budget - Continued:

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (GAAP), except for the enterprise funds:

- a. Depreciation and amortization expense is not budgeted in the enterprise funds.
- b. Principal reduction of bonds is budgeted as expenses.
- c. Property and equipment purchases are budgeted as expenses.

Budgetary comparisons presented in the enterprise funds are on this non-GAAP budget basis.

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#### Inventories:

Inventories of governmental funds, which consist of expendable materials held for consumption, are stated at cost, determined by the first-in, first-out (FIFO) method. These funds follow the consumption method of accounting whereby expenditures are recorded at the time the inventory items are used.

Inventories of proprietary funds are recorded at the lower of cost or market. Cost is determined by the FIFO method.

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#### Transfers In/Out:

Transfers to the General Fund were made from the Library, Water, Sewer, and Sanitation Funds to reimburse the General Fund for various office expenses.

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#### Pooled Cash:

Most cash resources of the Town are combined and deposited in an interest bearing bank account. Interest income earned on the pooled account is allocated to the General Fund. If a fund's share of the pooled cash is a deficit, a Due to Other Funds account is established.

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#### Subsequent Events:

Management has evaluated subsequent events through the date of the financial statements were available for issuance, which is the same date as the auditors' report.

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - Summary of Significant Accounting Policies - Continued:

#### Compensated Absences:

In 2024, the Town implemented Governmental Accounting Standards Board (GASB) Statement No. 101 *Compensated Absences*. GASB 101 establishes standards for recognizing and measuring liabilities and expenses related to compensated absences, including vacation leave, sick leave, and other paid time off.

GASB 101 requires the recognition of a liability for compensated absences that are attributable to services already rendered, based on established policies and applicable laws. The liability is measured using the pay or salary rates in effect at the financial reporting date. Liabilities are recognized only for compensated absences that are expected to result in payments to employees (e.g., cash payouts, leave used during employment, or other settlements).

Vacation leave is available to full-time and part-time employees. The number of hours awarded are based on the length of continuous service of each employee. Part-time employees accrue vacation on a prorated basis. The maximum number of hours that can be accrued for vacation is 240 hours.

All full-time employees receive sick leave at the rate of one hour per 20 hours worked up to 104 hours per year or 13 days. The maximum number of hours that can be carried forward is based on the length of service and ranges between 240 and 600 hours. Part-time employees accrue sick time at the rate of one hour per 30 hours worked with up to 48 hours. A maximum of 48 hours can be carried forward to the next year. Sick leave is not paid out when an employee separates from the Town. The estimated liability for sick leave attributable to services already rendered that accumulates and carries forward to a future year has been estimated to be an average of two years of sick leave used.

Vacation and sick leave accumulated by an employee are recorded as a liability and current operating expense of the Town at the employee's current rate of pay. Accrued compensated absences totaled \$231,325 for governmental activities and \$26,351 for business type activities at December 31, 2024.

See Note 3 for changes in Long-Term Debt and Note 11 for Change in Accounting Principle.

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#### Statement of Cash Flows:

For purposes of the statement of cash flows, the Town considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 – Cash and Investments:

The Town's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Town's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school district, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

At December 31, 2024, the Town had \$9,494,586 invested in the Colorado Liquid Asset Trust (COLOTRUST PLUS+), an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00 per share. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. COLOTRUST is rated AAAM by Standard & Poor's. The Town's investment is measured at NAV.

COLOTRUST PLUS+ portfolios may invest in U.S. Treasury securities, certain approved obligations of agencies of the U.S. government, commercial paper rated in the highest category, corporate securities rated at least AA-/Aa3, certain money market funds registered as an investment company under the Federal Investment Company Act of 1940 and written repurchase agreements collateralized by U.S. Treasury securities or certain approved obligations of U.S. government agencies. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

At December 31, 2024, the Town had \$9,495,863 invested in CSAFE, an SEC rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$2.00 per share. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. CSAFE is rated AA Af by Fitch. The Town's investment is measured at NAV.

CSAFE portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities and certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2 – Cash and Investments – Continued:

Investments held as of December 31, 2024 are as follows:

	Cost	Fair Value
U.S. Government Sponsored Agency Bonds, primarily FHLMC, FFCB, and FHLB, maturing in 2025-2026, rated AA+ by Standard & Poor's	\$ 1,250,000	\$ 1,212,604
<b>Total</b>	<b>\$ 1,250,000</b>	<b>\$ 1,212,604</b>

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1 Quoted prices in active markets for identical assets or liabilities
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

Description	Fair Value Measurements at Reporting Date Using		
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>December 31, 2024</u>			
U.S. Government Sponsored Agency Bonds	\$ 1,212,604	\$ --	--

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3 – Long-Term Debt:

#### Governmental Activities:

A summary of the changes in debt for the year ended December 31, 2024, is as follows:

	Balance 1/1/24	Net Additions	Balance 12/31/24	Due Within One Year
Compensated Absences:				
Governmental Activities	\$210,817	\$20,508	\$231,325	\$ --
<b>Total</b>	<b>\$210,817</b>	<b>\$20,508</b>	<b>\$231,325</b>	<b>\$ --</b>

#### Water and Sewer Debt:

December 31	2024
\$5,000,000, Series 2005, loan from Colorado Water Resource and Power Development Authority, due in varying monthly installments through 2027, average interest rate at 3.38%. (This debt will be serviced by the Sewer Fund, an Enterprise Fund.)	\$ 916,861
Series 2005, CWRPDA loan premium	23,949
<b>Total Water and Sewer Debt</b>	<b>\$ 940,810</b>

The annual requirements to amortize these loans as of December 31, 2024 are as follows:

Year Ending December 31	Principal	Interest	Total
2025	\$ 283,789	\$ 29,125	\$ 312,914
2026	305,623	15,380	321,003
2027	327,449	7,955	335,404
	<b>\$ 916,861</b>	<b>\$ 52,460</b>	<b>\$ 969,321</b>

Changes in Enterprise Fund long-term debt during the year were as follows:

	Balance, 1/1/24	Additions	Retirements	Balance, 12/31/24	Due Within One Year
CWRPDA Loan – Sewer	\$1,195,194	\$ --	\$ 278,333	\$ 916,861	\$ 283,789
Series 2005 Loan Premium	31,929	--	7,980	23,949	--
Compensated Absences, net	14,749	11,601	--	26,350	--
	<b>\$1,241,872</b>	<b>\$ 11,601</b>	<b>\$ 286,313</b>	<b>\$ 967,160</b>	<b>\$ 283,789</b>

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 3 – Long-Term Debt – Continued:**

The Town has pledged future customer revenues, net of operating expenses, to repay the sewer loan above. Proceeds from the loans provided financing for various improvements. The loans are payable solely from sewer net revenues and are payable through 2027. Annual principal and interest payments on the bonds are expected to require approximately 30% of sewer revenues. The total principal and interest remaining to be paid on the bonds is on page 27. Principal and interest paid for the current year and total customer revenues were \$316,439 and \$1,059,962, respectively for sewer.

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### **NOTE 4 - Defined Contribution Plan:**

The Town provides pension benefits through a defined contribution plan for all of its employees who have elected to participate. The plan is administered by One America and can be amended only by the governing body. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate in the plan after 1,000 hours of service.

In order to participate in the plan, employees must contribute a minimum of three percent of compensation, which was amended in 2019 from five percent, with the Town making a five percent contribution on their behalf. The Town's contributions for each employee (and interest allocated to the employee's account) are fully vested after seven years continuous service. Town contributions (including interest) forfeited by employees who leave employment before seven years of service are used to reduce the Town's current-period contribution requirement.

Employees contributed approximately \$156,894 and the Town made the required 5% contribution for participating employees, amounting to \$145,558. Forfeitures were not material to the financial statements.

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 5 – Land Lease:

The Town implemented GASB Statement No.87 as of January 1, 2023, and recognized a lease receivable for a land lease during fiscal year 2023. The Town has an agreement to lease 2,600 square feet of land to Allo for \$1,500 per month, which expires in March of 2033. Total lease revenue recognized during the year ended December 31, 2024 is as follows:

	<u>Revenue</u>	<u>Interest</u>	<u>Total Revenue</u>
Land lease	\$10,290	\$7,710	\$18,000

The following is the lease receivable schedule as of December 31, 2024:

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<u>Years Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2025	\$ 10,980	\$ 7,020	\$ 18,000
2026	11,715	6,285	18,000
2027	12,500	5,500	18,000
2028	13,338	4,562	17,900
There after	65,899	9,101	75,000
	<u>\$ 114,432</u>	<u>\$ 32,468</u>	<u>\$ 146,900</u>

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6 – Capital Assets:

Governmental Activities	Balance, 1/1/24	Additions	Deletions	Transfers	Balance, 12/31/24
Not Depreciable:					
Land	\$ 2,972,003	\$ 53,000	\$ --	\$ --	\$3,025,003
Construction in progress	598,280	1,393,055	--	(1,843,042)	148,293
Depreciable:					
Buildings and improvements	1,920,290	24,632	--	--	1,944,922
Library	3,464,153	249,219	--	1,163,667	4,877,039
Streets and improvements	15,206,871	1,386,924	--	21,263	16,615,058
Park and cemetery improvements	3,143,422	84,823	--	658,112	3,886,357
Museum	288,246	--	--	--	288,246
Equipment	1,365,672	189,361	(110,576)	--	1,444,457
Vehicles	1,087,716	110,004	(5,000)	--	1,192,720
<b>Total Cost</b>	<b>30,046,653</b>	<b>3,491,018</b>	<b>(115,576)</b>	<b>--</b>	<b>33,422,095</b>
Less Accumulated Depreciation:					
Buildings and improvements	1,826,337	193,911	--	--	2,020,248
Library	888,948	194,805	--	--	1,083,753
Streets and improvements	7,195,870	748,282	--	--	7,944,152
Park and cemetery improvements	1,347,759	133,757	--	--	1,481,516
Museum	158,744	8,000	--	--	166,744
Equipment	1,026,989	190,200	(110,576)	--	1,106,613
Vehicles	910,725	146,869	(5,000)	--	1,052,594
<b>Total Accumulated Depreciation</b>	<b>13,355,372</b>	<b>1,615,824</b>	<b>(115,576)</b>	<b>--</b>	<b>14,855,620</b>
<b>Capital Assets, Net</b>	<b>\$16,691,281</b>	<b>\$1,875,194</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$18,566,475</b>

Depreciation expense is allocated as follows:

Governmental activities	\$ 509,648
Streets	815,288
Library	290,888
	<b>\$1,615,824</b>

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6 – Capital Assets – Continued:

Business-Type Activities	Balance, 1/1/24	Additions	Deletions	Balance, 12/31/24
Not Depreciable:				
Land and improvements	\$ 374,551	\$ --	\$ (250,011)	\$ 124,540
Water rights	13,750,881	887,250	(2,080,320)	12,557,811
Construction in progress	--	574,500	--	574,500
Depreciable:				
Buildings and plant	6,101,193	40,683	--	6,141,876
Distribution/collection system	13,811,946	--	--	13,811,946
Equipment	656,225	10,960	(25,774)	641,411
Vehicles	333,215	--	(17,171)	316,044
<b>Total Cost</b>	<b>35,028,011</b>	<b>1,513,393</b>	<b>(2,373,276)</b>	<b>34,168,128</b>
Less Accumulated Depreciation:				
Buildings and plant	4,559,008	398,224	--	4,957,232
Distribution/collection system	7,333,230	292,734	--	7,625,964
Equipment	552,717	58,242	(25,774)	585,185
Vehicles	274,065	8,886	(17,171)	265,780
<b>Total Accumulated Depreciation</b>	<b>12,719,020</b>	<b>758,086</b>	<b>(42,945)</b>	<b>13,434,161</b>
<b>Capital Assets, Net</b>	<b>\$ 22,308,991</b>	<b>\$ 755,307</b>	<b>\$(2,330,331)</b>	<b>\$ 20,733,967</b>

In 2024, the Town sold 800 of its 1,300 shares in the Northern Integrated Supply Project (NISP) for approximately \$3,100,000. The gain on sale was \$1,019,680.

### NOTE 7 - Colorado Intergovernmental Risk Sharing Agency (CIRSA):

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution. In February, 1986, the Town Board authorized participation in the agency. The Town has participated each year since then.

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

The Town recognizes an expenditure for the amount paid to CIRSA annually for these coverages. The Town paid \$172,987 to CIRSA in 2024. Settled claims have not exceeded this coverage in any of the past three fiscal years.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 8 - Weld 911 Emergency Telephone Service Authority:**

The Town is a member of the Weld 911 Emergency Telephone Service Authority, a separate legal entity established by Weld County, member municipalities, and special districts for the purpose of providing 911 emergency telephone service.

Authority Board members are selected by the Weld County commissioners and by the larger municipalities in Weld County. The Town does not have the ability to significantly affect the operations of the Authority.

The Town has no obligation to the Authority beyond the service charges paid by Town residents to their telephone service supplier. In the event of the Authority disbanding without a successor, the net position, if any, shall be returned to the participants. The Town of Eaton's share of the net position is estimated to be less than 5%.

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### **NOTE 9 - Contingencies:**

In 1992, Colorado voters approved "Amendment One", or the Taxpayer's Bill of Rights (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase, or new debt. Voter approval is also required to increase annual property taxes, revenue, or spending by more than inflation plus a local growth factor. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards, or property sales.

In November 1994, the electors of the Town of Eaton voted to supersede TABOR and to collect, retain, and expend the full proceeds of all taxes, fees, and other revenue without increasing or adding taxes of any kind.

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the applicable requirements of the Amendment. Included in the accompanying financial statements are emergency reserves required by TABOR, of at least 3% of fiscal year spending, recorded in the General Fund.

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# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 10 – Investment in Cobb Lake Regional Water Treatment Authority:**

The Cobb Lake Regional Water Treatment Authority (CLRWTA) was created in January 2024 pursuant to the “Cobb Lake Regional Water Treatment Authority Creation Agreement” entered into between the Town of Eaton, Town of Severance, Town of Windsor and the Fort Collins-Loveland Water District. Together these are the Member Entities.

The Authority was created in order to develop infrastructure for the treatment and delivery of Northern Integrated Supply Project (NISP) water as well as other sources to the Member Entities and to construct, operate and maintain a water treatment facility to treat and deliver NISP water and other sources of water to the Member Entities. The four entities have an equity interest in the assets and liabilities of the Authority proportional to the total contributions received from each, currently 25%.

The Authority has no employees and all administrative functions are contractual. Each member entity appointed an individual to the board of directors. Separate financial statements have not been published by the authority.

During 2024, investments were made by each of the member entities into CLRWTA. Development of the infrastructure had not commenced at year-end. The Town of Eaton’s investment in CLRWTA at December 31, 2024 is \$250,011, which is primarily land previously purchased by the Town being contributed to the Authority.

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### **NOTE 11 - Change in Accounting Principle and Correction of an Error:**

Transition guidance for Governmental Accounting Standards Board (GASB) Statement 101 *Compensated Absences* indicates implementation of GASB 101 should be reported as a change in accounting principle in accordance with GASB Statement 100 *Accounting Changes and Error Corrections*.

Certain compensated absences that were not previously recognized as liabilities have now been included, per the updated guidance. Also, the Town has not historically recorded accrued payroll at year-end as it was immaterial. As the Town and payroll increases, the amount of accrued payroll at year-end has increased. These financial statements now include accrued payroll balances.

Errors have been identified in reconciling between the utility accounts receivable and accounts payable subsidiary ledgers and the general ledger. Corrections have been made to adjust beginning fund balance and net position to align the subsidiary ledgers with the general ledger.

# TOWN OF EATON, COLORADO

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 11 - Change in Accounting Principle and Correction of an Error – Continued:

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December 31	2023
<b>Governmental Funds:</b>	
Total Fund Balance, Unadjusted	\$14,428,864
Adjust accounts payable to	(73,494)
Record accrued payroll	(79,718)
<hr/>	
Total Fund Balance, Restated	\$14,275,652
<b>Governmental Activities:</b>	
Net Position, Unadjusted	\$31,120,145
Adjust accounts payable	(73,494)
Record accrued payroll	(79,718)
Record accrued compensated absences	(210,817)
<hr/>	
Net Position, Restated	\$30,756,116
<b>Business-Type Activities:</b>	
Total Net Position, Unadjusted	\$26,664,967
Adjust accounts receivable	67,919
Adjust accounts payable	63,051
Record accrued payroll	(6,571)
Record accrued compensated absences	(14,749)
<hr/>	
Net Position, Restated	\$26,774,617

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**REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF EATON, COLORADO**  
**GENERAL FUND**

**Schedule of Revenue Compared with Estimate**

Year Ended December 31, 2024	Actual	Estimate	Variance
<b>Taxes:</b>			
General property	\$ 558,480	\$ 494,080	\$ 64,400
Franchise - utility companies	247,778	216,000	31,778
Sales	2,691,854	3,226,794	(534,940)
Penalties and interest	-	-	-
<b>Total Taxes</b>	<b>3,498,112</b>	<b>3,936,874</b>	<b>(438,762)</b>
<b>Licenses and Permits:</b>			
Building permits	134,462	100,000	34,462
Liquor licenses	5,584	1,500	4,084
Dog licenses	225	380	(155)
Business licenses	5,450	6,500	(1,050)
<b>Total Licenses and Permits</b>	<b>145,721</b>	<b>108,380</b>	<b>37,341</b>
<b>Intergovernmental:</b>			
Cigarette tax	7,537	5,800	1,737
Lottery proceeds	36,391	37,000	(609)
Mineral and severance taxes	170,788	30,000	140,788
Intergovernmental grants	58,447	20,000	38,447
<b>Total Intergovernmental</b>	<b>273,163</b>	<b>92,800</b>	<b>180,363</b>
<b>Charges for Services:</b>			
Grave openings	41,400	29,312	12,088
Sale of cemetery plots	42,516	26,500	16,016
Planning revenue	102,809	90,000	12,809
<b>Total Charges for Services</b>	<b>186,725</b>	<b>145,812</b>	<b>40,913</b>
<b>Fines and Forfeitures:</b>			
Fines - traffic	285,208	294,000	(8,792)
<b>Total Fines and Forfeitures</b>	<b>285,208</b>	<b>294,000</b>	<b>(8,792)</b>
<b>Investment Earnings</b>			
Investment Earnings	265,778	24,000	241,778
<b>Total Investment Earnings</b>	<b>265,778</b>	<b>24,000</b>	<b>241,778</b>
<b>Miscellaneous:</b>			
Miscellaneous revenue	152,056	30,000	122,056
<b>Total Miscellaneous</b>	<b>152,056</b>	<b>30,000</b>	<b>122,056</b>
<b>Total Revenue</b>	<b>\$ 4,806,763</b>	<b>\$ 4,631,866</b>	<b>\$ 174,897</b>

**TOWN OF EATON, COLORADO  
GENERAL FUND**

**Schedule of Expenditures Compared with Budget**

Year Ended December 31, 2024	Actual	Original Budget	Final Budget	Variance From Final Budget
Administration:				
Current operating:				
Mayor and Board of Trustees	\$ 25,650	\$ 26,400	\$ 26,400	\$ 750
Administrator and staff	645,085	654,625	654,625	9,540
Court clerk	8,687	8,264	8,264	(423)
Employee benefits	146,564	160,837	160,837	14,273
Elections	1,706	25,200	25,200	23,494
Office supplies	8,633	19,000	19,000	10,367
Telephone	20,042	11,550	11,550	(8,492)
Office expenses	55,599	65,750	65,750	10,151
Staff training and education	16,004	30,000	30,000	13,996
Dues	5,009	7,463	7,463	2,454
Publications	27,700	13,000	13,000	(14,700)
Insurance	138,092	140,000	140,000	1,908
Professional services	269,249	261,847	261,847	(7,402)
Legal fees	93,052	98,700	98,700	5,648
Building inspections	78,122	75,000	75,000	(3,122)
Capital outlay	7,152	55,250	55,250	48,098
Total Administration	1,546,346	1,652,886	1,652,886	106,540
Public Safety:				
Current operating:				
Municipal judge	15,400	20,000	20,000	4,600
Police chief and officers	1,551,683	1,432,832	1,432,832	(118,851)
Employee benefits	293,898	329,039	329,039	35,141
Office supplies	4,689	13,000	13,000	8,311
Operating supplies	56,255	139,850	139,850	83,595
Communications	96,969	88,717	88,717	(8,252)
Automotive services	62,062	79,000	79,000	16,938
Professional services	19,027	600	600	(18,427)
Training and education	23,528	18,500	18,500	(5,028)
Animal shelter	531	2,500	2,500	1,969
Capital outlay	151,017	146,451	146,451	(4,566)
Total Public Safety	2,275,059	2,270,489	2,270,489	(4,570)

Continued on next page.

**TOWN OF EATON, COLORADO**  
**GENERAL FUND**

**Schedule of Expenditures Compared with Budget - Continued**

Year Ended December 31, 2024	Actual	Original Budget	Final Budget	Variance From Final Budget
Cemetery:				
Current operating:				
Maintenance labor	\$ 145,067	\$ 160,902	\$ 160,902	\$ 15,835
Employee benefits	32,874	32,784	32,784	(90)
Operating supplies	28,692	45,595	45,595	16,903
Utilities	9,750	11,000	11,000	1,250
Repairs and maintenance	11,607	19,000	19,000	7,393
Forestry and nursery	11,700	17,500	17,500	5,800
Capital outlay	173,414	131,500	131,500	(41,914)
Total Cemetery	413,104	418,281	418,281	5,177
Parks and Recreation:				
Current operating:				
Maintenance labor	183,488	194,683	194,683	11,195
Employee benefits	37,160	33,197	33,197	(3,963)
Operating supplies	130,244	162,230	162,230	31,986
Utilities	47,014	29,000	29,000	(18,014)
Forestry and nursery	21,462	22,000	22,000	538
Capital outlay	178,134	622,500	622,500	444,366
Total Parks and Recreation	597,502	1,063,610	1,063,610	466,108
Public Buildings:				
Current operating:				
Custodial salary	29,080	30,954	30,954	1,874
Operating supplies	21,126	16,000	16,000	(5,126)
Utilities	21,571	26,000	26,000	4,429
Repairs and maintenance	28,092	32,000	32,000	3,908
Capital outlay	34,909	34,315	34,315	(594)
Total Public Buildings	134,778	139,269	139,269	4,491
Planning and Development:				
Planner	96,155	78,750	78,750	(17,405)
Legal fees	15,387	14,700	14,700	(687)
Engineering	86,873	50,400	50,400	(36,473)
Capital outlay	-	-	-	-
Total Planning and Development	198,415	143,850	143,850	(54,565)
Miscellaneous:				
Treasurer's fees	5,594	7,000	7,000	1,406
Economic development	52,304	68,000	68,000	15,696
Other	-	8,000	8,000	8,000
Total Miscellaneous	57,898	83,000	83,000	25,102
Total Expenditures	\$ 5,223,102	\$ 5,771,385	\$ 5,771,385	\$ 548,283

**TOWN OF EATON, COLORADO  
GENERAL FUND**

**Schedule of Other Financing Sources Compared with Estimate**

Year Ended December 31, 2024	Actual	Estimate	Variance
Operating Transfers In:			
Water Fund	\$ 160,740	\$ 160,740	\$ -
Sewer Fund	31,570	31,570	-
Library Fund	79,618	79,618	-
Sanitation Fund	24,096	24,096	-
<b>Total Other Financing Sources</b>	<b>\$ 296,024</b>	<b>\$ 296,024</b>	<b>\$ -</b>

**TOWN OF EATON, COLORADO**  
**SPECIAL REVENUE FUNDS**  
**LIBRARY FUND**

**Schedule of Revenue Compared with Estimate**

Year Ended December 31, 2024	Actual	Estimate	Variance
Property Taxes (High Plains Library District)	\$ 2,495,057	\$ 2,520,307	\$ (25,250)
Library Fines	153	500	(347)
Interest	225,157	8,000	217,157
Miscellaneous	2,117	10,500	(8,383)
<b>Total Revenue</b>	<b>\$ 2,722,484</b>	<b>\$ 2,539,307</b>	<b>\$ 183,177</b>

**Schedule of Expenditures Compared with Budget**

Year Ended December 31, 2024	Actual	Original Budget	Final Budget	Variance from Final Budget
Library:				
Current operating:				
Librarians	\$ 589,899	\$ 742,341	\$ 742,341	\$ 152,442
Employee benefits	147,260	202,918	202,918	55,658
Operating supplies	36,344	71,400	71,400	35,056
Mileage reimbursements	1,726	1,000	1,000	(726)
Public relations	38,706	37,000	37,000	(1,706)
Insurance	19,867	22,000	22,000	2,133
Contract services	141,517	170,200	170,200	28,683
Utilities	16,062	23,000	23,000	6,938
Training	28,819	59,500	59,500	30,681
Repairs and maintenance	55,753	58,000	58,000	2,247
Circulation	28,684	33,000	33,000	4,316
Print	43,884	54,000	54,000	10,116
Programs	87,005	78,000	78,000	(9,005)
Reference	6,189	10,000	10,000	3,811
Capital outlay	1,596,533	1,753,500	1,753,500	156,967
<b>Total Expenditures - Library</b>	<b>2,838,248</b>	<b>3,315,859</b>	<b>3,315,859</b>	<b>477,611</b>
Operating Transfers Out - General Fund	79,618	79,618	79,618	-
<b>Total Nonoperating Expenditures</b>	<b>79,618</b>	<b>79,618</b>	<b>79,618</b>	<b>-</b>
<b>Total Expenditures and Transfers - Library</b>	<b>\$ 2,917,866</b>	<b>\$ 3,395,477</b>	<b>\$ 3,395,477</b>	<b>\$ 477,611</b>

**TOWN OF EATON, COLORADO**  
**SPECIAL REVENUE FUNDS**  
**STREET FUND**

**Schedule of Revenue Compared with Estimate**

Year Ended December 31, 2024	Actual	Estimate	Variance
Sales Taxes	\$ 1,640,795	\$ 1,850,968	\$ (210,173)
B and D Taxes	17,888	20,000	(2,112)
Highway Users Tax	216,730	190,725	26,005
Motor Vehicle Fees	21,623	21,000	623
County Road and Bridge	30,582	36,000	(5,418)
Severance taxes	50,162	-	50,162
Interest	119,567	11,000	108,567
Grants	264,644	2,858,162	(2,593,518)
Miscellaneous and easements	9,346	-	9,346
<b>Total Revenue</b>	<b>\$ 2,371,337</b>	<b>\$ 4,987,855</b>	<b>\$ (2,616,518)</b>

**Schedule of Expenditures Compared with Budget**

Year Ended December 31, 2024	Actual	Original Budget	Final Budget	Variance from Final Budget
Streets:				
Current operating:				
Salaries	\$ 165,435	\$ 155,439	\$ 155,439	\$ (9,996)
Employee benefits	38,577	44,403	44,403	5,826
Operating supplies	21,265	45,200	45,200	23,935
Insurance	7,591	11,134	11,134	3,543
Professional services	70,618	101,300	101,300	30,682
Construction engineering	44,154	45,000	45,000	846
Snow removal	-	3,000	3,000	3,000
Street lighting	96,460	170,000	170,000	73,540
Equipment maintenance	35,590	55,000	55,000	19,410
Capital outlay:				
Patching and seal coating	1,690,013	5,849,255	5,849,255	4,159,242
Street signs	13,423	25,000	25,000	11,577
Equipment acquisition	61,616	89,000	89,000	27,384
<b>Total Expenditures - Streets</b>	<b>\$2,244,742</b>	<b>\$ 6,593,731</b>	<b>\$6,593,731</b>	<b>\$ 4,348,989</b>

**ADDITIONAL INFORMATION**

**TOWN OF EATON, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS**

**COMBINING BALANCE SHEET**

December 31, 2024	Impact Fee Fund	Cemetery Perpetual Care Fund	Total Nonmajor Governmental Funds
<u>ASSETS</u>			
Current Assets:			
Pooled Cash and Investments	\$ 1,152,185	\$ 158,816	\$ 1,311,001
Accounts receivable	-	-	-
Total Assets	1,152,185	158,816	1,311,001
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	5,070	-	5,070
Total Liabilities	5,070	-	5,070
<u>FUND BALANCES</u>			
Nonspendable	-	158,816	158,816
Restricted for Impact Fund	1,147,115	-	1,147,115
Total Fund Balance	\$ 1,147,115	\$ 158,816	\$ 1,305,931

**TOWN OF EATON, COLORADO**  
**NONMAJOR GOVERNMENTAL FUNDS**

**COMBINING STATEMENT OF REVENUE, EXPENSES**  
**AND CHANGES IN FUND NET BALANCES**

Year Ended December 31, 2024	Impact Fee Fund	Cemetery Perpetual Care Fund	Total Nonmajor Governmental Funds
Use Tax - building materials	\$ 141,610	\$ -	\$ 141,610
Impact Fees:			
Police facilities	3,236	-	3,236
Municipal facilities and equipment	2,960	-	2,960
Community park and equipment	1,016	-	1,016
Neighborhood park facilities and equipment	2,300	-	2,300
Lot Sales	-	4,454	4,454
Interest Revenue	-	4,697	4,697
Total Revenue	151,122	9,151	160,273
Operating Expenses:			
Salaries and benefits	-	-	-
Supplies	-	-	-
Other	-	-	-
Development expense	27,300	-	27,300
Total Operating Expenses	27,300	-	27,300
Net Change in Fund Balances	123,822	9,151	132,973
Fund Balance, January 1	1,022,172	149,665	1,171,837
Aggregate restatement	1,121	-	1,121
Fund Balance, December 31	\$1,147,115	\$ 158,816	\$ 1,305,931

**TOWN OF EATON, COLORADO  
SPECIAL REVENUE FUNDS  
IMPACT FEE FUND**

**Schedule of Revenue Compared with Estimate**

Year Ended December 31, 2024	Actual	Estimate	Variance
Use Tax - building materials	\$ 141,610	\$ 50,000	\$ 91,610
Impact Fees:			
Police facilities	3,236	688	2,548
Municipal facilities and equipment	2,960	2,220	740
Community park and equipment	1,016	762	254
Neighborhood park facilities and equipment	2,300	1,725	575
Total Revenue and Transfers In	\$ 151,122	\$ 55,395	\$ 95,727

**Schedule of Expenditures Compared with Budget**

Year Ended December 31, 2024	Actual	Original and Final Budget	Variance From Final Budget
Expenditures:			
Police facilities and equipment expenses	\$ -	\$ 10,000	\$ 10,000
Municipal and equipment	-	10,000	10,000
Neighborhood park expenses	-	2,000	2,000
Community park expenses	-	5,000	5,000
Development expense	27,300	60,000	32,700
Total Expenditures	\$ 27,300	\$ 87,000	\$ 59,700

**TOWN OF EATON, COLORADO  
 PERMANENT FUNDS  
 CEMETERY PERPETUAL CARE FUND**

**Schedule of Revenue Compared with Estimate**

Year Ended December 31, 2024	Actual	Estimate	Variance
Lot Sales	\$ 4,454	\$ -	\$ 4,454
Interest	4,697	-	4,697
<b>Total Revenue</b>	<b>\$ 9,151</b>	<b>\$ -</b>	<b>\$ 9,151</b>

**Schedule of Expenditures Compared with Budget**

Year Ended December 31, 2024	Actual	Original and Final Budget	Variance From Final Budget
Expenditures:			
Cemetery	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**TOWN OF EATON, COLORADO**  
**ENTERPRISE FUNDS - WATER FUND**

**Schedule of Revenue Compared with Estimate**

Year Ended December 31, 2024	Actual	Estimate	Variance
Operating Revenue:			
Water service fees	\$3,089,319	\$3,063,080	\$ 26,239
Miscellaneous	81,940	731,400	(649,460)
Nonoperating Revenue:			
Interest	181,368	1,000	180,368
Gain(loss) on sale of water shares	1,019,680	-	1,019,680
Tap fees	74,421	34,316	40,105
<b>Total Revenue</b>	<b>\$4,446,728</b>	<b>\$3,829,796</b>	<b>\$ 616,932</b>

**Schedule of Expenses and Transfers Compared with Budget**  
**(Non-GAAP Budget Basis)**

Year Ended December 31, 2024	Actual	Budget	Variance
Operating Expenses:			
Personnel:			
Salaries	\$ 152,820	\$ 156,095	\$ 3,275
Employee benefits	39,978	39,176	(802)
Supplies	56,145	102,700	46,555
Contractual services	204,656	229,120	24,464
Utilities	22,497	18,000	(4,497)
Repairs and maintenance	22,717	30,000	7,283
Insurance	19,953	25,194	5,241
Water assessments	91,225	100,000	8,775
NWCWD purchases	970,390	1,244,872	274,482
Miscellaneous	30,148	372,392	342,244
<b>Total Operating Expenses</b>	<b>1,610,529</b>	<b>2,317,549</b>	<b>707,020</b>
Nonoperating Expenses:			
NISP expenses	887,500	887,250	(250)
Capital outlay	659,789	2,156,232	1,496,443
<b>Total Nonoperating Expenses</b>	<b>1,547,289</b>	<b>3,043,482</b>	<b>1,496,193</b>
Operating Transfers Out - General Fund	160,740	160,740	-
<b>Total Expenses and Transfers</b>	<b>\$3,318,558</b>	<b>\$5,521,771</b>	<b>\$ 2,203,213</b>

**TOWN OF EATON, COLORADO**  
**ENTERPRISE FUNDS - SEWER FUND**

**Schedule of Revenue Compared with Estimate**

Year Ended December 31, 2024	Actual	Estimate	Variance
Operating Revenue:			
Sewer service charges	\$ 1,056,174	\$ 1,048,121	\$ 8,053
Miscellaneous	3,788	3,500	288
Nonoperating Revenue:			
Sewer tap fees	9,000	6,000	3,000
Interest revenue	38,767	-	38,767
<b>Total Revenue</b>	<b>\$ 1,107,729</b>	<b>\$ 1,057,621</b>	<b>\$ 50,108</b>

**Schedule of Expenses and Transfers Compared with Budget**  
**(Non-GAAP Budget Basis)**

Year Ended December 31, 2024	Actual	Budget	Variance
Operating Expenses:			
Personnel:			
Salaries	\$ 139,754	\$ 132,575	\$ (7,179)
Employee benefits	37,073	36,267	(806)
Supplies	24,342	44,100	19,758
Contractual services	155,817	251,335	95,518
Utilities	85,259	90,000	4,741
Repairs and maintenance	79,364	156,000	76,636
Insurance	25,250	25,000	(250)
Miscellaneous	36,618	15,496	(21,122)
<b>Total Operating Expenses</b>	<b>583,477</b>	<b>750,773</b>	<b>167,296</b>
Nonoperating Expenses:			
Loan payments	316,439	316,441	2
Capital outlay	45,624	15,000	(30,624)
<b>Total Nonoperating Expenses</b>	<b>362,063</b>	<b>331,441</b>	<b>(30,622)</b>
<b>Operating Transfers Out - General Fund</b>	<b>31,570</b>	<b>31,570</b>	<b>-</b>
<b>Total Expenses and Transfers</b>	<b>\$ 977,110</b>	<b>\$ 1,113,784</b>	<b>\$ 136,674</b>

**TOWN OF EATON, COLORADO**  
**ENTERPRISE FUNDS - SANITATION FUND**

**Schedule of Revenue Compared with Estimate**

Year Ended December 31, 2024	Actual	Original Budget	Final Budget	Variance From Final Budget
Operating Revenue - Trash collection fees	\$ 641,475	\$ 631,858	\$ 631,858	\$ 9,617
<b>Total Revenue</b>	<b>\$ 641,475</b>	<b>\$ 631,858</b>	<b>\$ 631,858</b>	<b>\$ 9,617</b>

**Schedule of Expenses and Transfers Compared with Budget**  
**(Non-GAAP Budget Basis)**

Year Ended December 31, 2024	Actual	Original Budget	Final Budget	Variance From Final Budget
Operating Expenses:				
Supplies	\$ 767	\$ 5,000	\$ 5,000	\$ 4,233
Miscellaneous	1,441	1,510	1,510	69
Contractual services	590,077	569,764	593,274	3,197
Insurance	21,789	26,120	26,120	4,331
<b>Total Operating Expenses</b>	<b>614,074</b>	<b>602,394</b>	<b>625,904</b>	<b>11,830</b>
Nonoperating Expenses:				
Capital outlay	-	-	-	-
Operating Transfers Out - General Fund	24,096	24,096	24,096	-
<b>Total Expenses and Transfers</b>	<b>\$ 638,170</b>	<b>\$ 626,490</b>	<b>\$ 650,000</b>	<b>\$ 11,830</b>

**TOWN OF EATON, COLORADO  
ENTERPRISE FUNDS - IRRIGATION FUND**

**Schedule of Revenue Compared with Estimate**

Year Ended December 31, 2024	Actual	Original Budget	Final Budget	Variance From Final Budget
Operating Revenue - Irrigation	\$ 217,480	\$ 202,400	\$ 202,400	\$ 15,080
<b>Total Revenue</b>	<b>\$ 217,480</b>	<b>\$ 202,400</b>	<b>\$ 202,400</b>	<b>\$ 15,080</b>

**Schedule of Expenses Compared with Budget  
(Non-GAAP Budget Basis)**

Year Ended December 31, 2024	Actual	Original Budget	Final Budget	Variance From Final Budget
Operating Expenses:				
Salaries & Benefits	\$ 8,948	\$ 8,100	\$ 8,100	\$ (848)
Supplies	1,403	1,900	1,900	497
Insurance	1,348	1,151	1,151	(197)
Professional services	97,706	87,590	107,590	9,884
Utilities	22,360	28,000	28,000	5,640
Repairs and maintenance	44,042	11,600	54,274	10,232
<b>Total Operating Expenses</b>	<b>175,807</b>	<b>138,341</b>	<b>201,015</b>	<b>25,208</b>
Nonoperating Expenses:				
Capital outlay	-	-	-	-
<b>Total Nonoperating Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operating Transfers Out - General Fund	-	-	-	-
<b>Total Expenses and Transfers</b>	<b>\$ 175,807</b>	<b>\$ 138,341</b>	<b>\$ 201,015</b>	<b>\$ 25,208</b>

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/2024

This Information From The Records Of: Town of Eaton, Colorado	Prepared By: Faith Smith
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**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
<b>A. Receipts from local sources:</b>		<b>A. Local highway expenditures:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 1,765,052.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 383,230.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ -
2. General fund appropriations		b. Snow and ice removal	\$ -
3. Other local imposts (from page 2)	\$ 1,689,265.00	c. Other	\$ 96,460.00
4. Miscellaneous local receipts (from page 2)	\$ 128,913.00	d. Total (a. through c.)	\$ 96,460.00
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 2,244,742.00
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 1,818,178.00	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	\$ -
<b>C. Receipts from State government</b> (from page 2)	\$ 553,159.00	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	\$ -	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	\$ 2,371,337.00	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total expenditures (A.6 + B.3 + C + D)</b>	\$ 2,244,742.00

**IV. LOCAL HIGHWAY DEBT STATUS**

*(Show all entries at par)*

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

**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
	\$ 3,052,888.00	\$ 2,371,337.00	\$ 2,244,742.00	\$ 3,179,483.00	\$ -

**Notes and Comments:**

**LOCAL HIGHWAY FINANCE REPORT**

STATE:  
 COLORADO  
 YEAR ENDING (mm/yy):  
 12/2024

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	119,567.00
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	\$ 1,640,795.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	\$ 30,582.00	f. Charges for Services	
5. Specific Ownership &/or Other	\$ 17,888.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 1,689,265.00	h. Other	\$ 9,346.00
c. Total (a. + b.)	\$ 1,689,265.00	i. Total (a. through h.)	\$ 128,913.00
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes (from Item I.C.5.)	\$ 216,730.00	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	\$ 21,623.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other	\$ 314,806.00	f. Other Federal ARPA	
f. Total (a. through e.)	\$ 336,429.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 553,159.00	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

**III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL**

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation			\$ -
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 1,765,052.00	\$ 1,765,052.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 1,765,052.00	\$ 1,765,052.00
<i>(Carry forward to page 1)</i>			

Notes and Comments: