

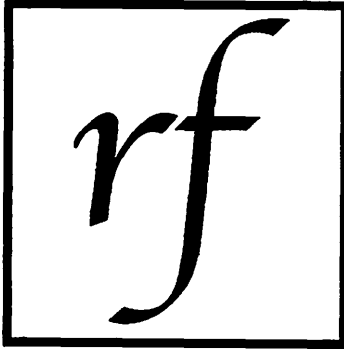
Town of Gilcrest, Colorado
Financial Statements
December 31, 2024

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December 31, 2024**

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Independent Auditor's Report

Town Council
Town of Gilcrest
Gilcrest, CO

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of Town of Gilcrest (the "Town"), 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 present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the remaining fund information of the Town 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages iii through xi and pages 27 and 28, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying supplementary information on pages 29 through 40 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

rfarmer, llc

July 2, 2025

Management's Discussion and Analysis

This discussion and analysis of the financial performance of the Town of Gilcrest, Colorado (Town) provides an overview of the Town's financial activities for the fiscal year ended December 31, 2024. Please read it in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The Net Position of the Town increased by \$582,964 (8.1%) during 2024, to \$7,746,489.
- At December 31, 2024, the Town's governmental funds reported combined ending fund balances of \$3,172,701. This marked an increase of \$455,237 (16.8%) from the prior year's ending governmental fund balances.
- The Town's General Fund increased its Fund Balance by \$287,621 (19.6%) during 2024.
- The Net Position of the Town's Business-type activities (water, sewer, and storm drainage enterprises) decreased by \$109,259 (2.8%) in 2024.

USING THIS ANNUAL REPORT

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

Government-wide financial statements

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

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

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

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

Fund financial statements

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

Governmental Funds – Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds. The unrestricted balances left at year-end are available for spending in future years. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The

governmental fund statements provide detailed short-term views of cash, operations, and basic services provided. Governmental fund statements show the reader whether there are more or fewer financial resources available at the end of a fiscal year that can be spent in the near future to finance government programs and objectives.

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

The Town of Gilcrest maintains six individual governmental funds. Information for these funds is presented by fund name in the *Governmental Fund Balance Sheet* and the *Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances* for three of the six governmental funds that meet the criteria to be designated as major funds (General Fund, Street Capital Improvement Fund, and Capital Improvement Fund). The Town's non-major funds (Conservation Trust Fund, Municipal Court Surcharge Fund, and Town Hall Replacement Fund) are combined in the Non-major Governmental Funds column on these statements.

Proprietary Funds – The Town's utility services are reported in proprietary funds; they focus on overall economic position rather than year-end fund balances. Enterprise funds are the type of proprietary funds used to account for the Town's Water Fund, Sewer Fund, and Stormwater Fund. All three funds meet the criteria to be designated as major funds. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements, only in a bit more detail.

Notes to the Financial Statements

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

Other information

Budgetary comparison statements or schedules for all funds with budgeted expenditures/expenses are included following the "Notes to Financial Statements" to demonstrate each fund's compliance with adopted budgets and appropriations. For the year ended December 31, 2024, all funds had budgeted expenditures/expenses.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Gilcrest, assets exceeded liabilities and deferred inflows of resources by \$7,746,489 at the close of 2024. As shown below, the Town's financial position improved by \$582,964 (8.1%) during 2024.

Town of Gilcrest's Condensed Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2022
Current and other assets	\$ 3,516,722	\$ 3,089,631	\$ 983,799	\$ 1,020,619	\$ 4,500,521	\$ 4,110,250
Capital assets, net	800,055	559,010	3,323,573	3,427,919	4,123,628	3,986,929
Total assets	\$ 4,316,777	\$ 3,648,641	\$ 4,307,372	\$ 4,448,538	\$ 8,624,149	\$ 8,097,179
Current liabilities	\$ 32,124	\$ 59,518	\$ 76,624	\$ 65,765	\$ 108,748	\$ 125,283
Noncurrent Liabilities	16,789	13,136	438,361	481,127	455,150	494,263
Total liabilities	\$ 48,913	\$ 72,654	\$ 514,985	\$ 546,892	\$ 563,898	\$ 619,546
Deferred inflows of resources	\$ 313,762	\$ 314,108	\$ -	\$ -	\$ 313,762	\$ 314,108
Net position:						
Net investment in capital assets	\$ 800,055	\$ 559,010	\$ 2,854,237	\$ 2,906,831	\$ 3,654,292	\$ 3,465,841
Restricted	1,454,632	575,456	-	-	1,454,632	575,456
Unrestricted	1,699,415	2,127,413	938,150	994,815	2,637,565	3,122,228
Total net position	\$ 3,954,102	\$ 3,261,879	\$ 3,792,387	\$ 3,901,646	\$ 7,746,489	\$ 7,163,525

Much (47.2%) of the Town's total net position at December 31, 2024 is represented by its investment in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment). The Town uses these capital assets to provide services to residents and businesses; consequently, these assets are not available for future spending.

Approximately 18.8% (\$1,454,632) of the Town's total net position at the end of 2024 represents resources that are subject to external restrictions on how they may be used. They are mostly fund balance restrictions of sales taxes collected for various capital improvements (\$923,058) and funds set aside for future Town Hall replacement (\$370,913).. An additional \$38,015 is restricted for parks and certain recreation purposes, \$80,146 for law enforcement, and \$42,500 for emergencies.

The remaining amount of the Town's total net position at the end of 2024 (\$2,637,565) represents 34.0% of total net position and may be used to meet the Town's other ongoing obligations to residents and creditors.

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

Town of Gilcrest's Condensed Changes in Net Position

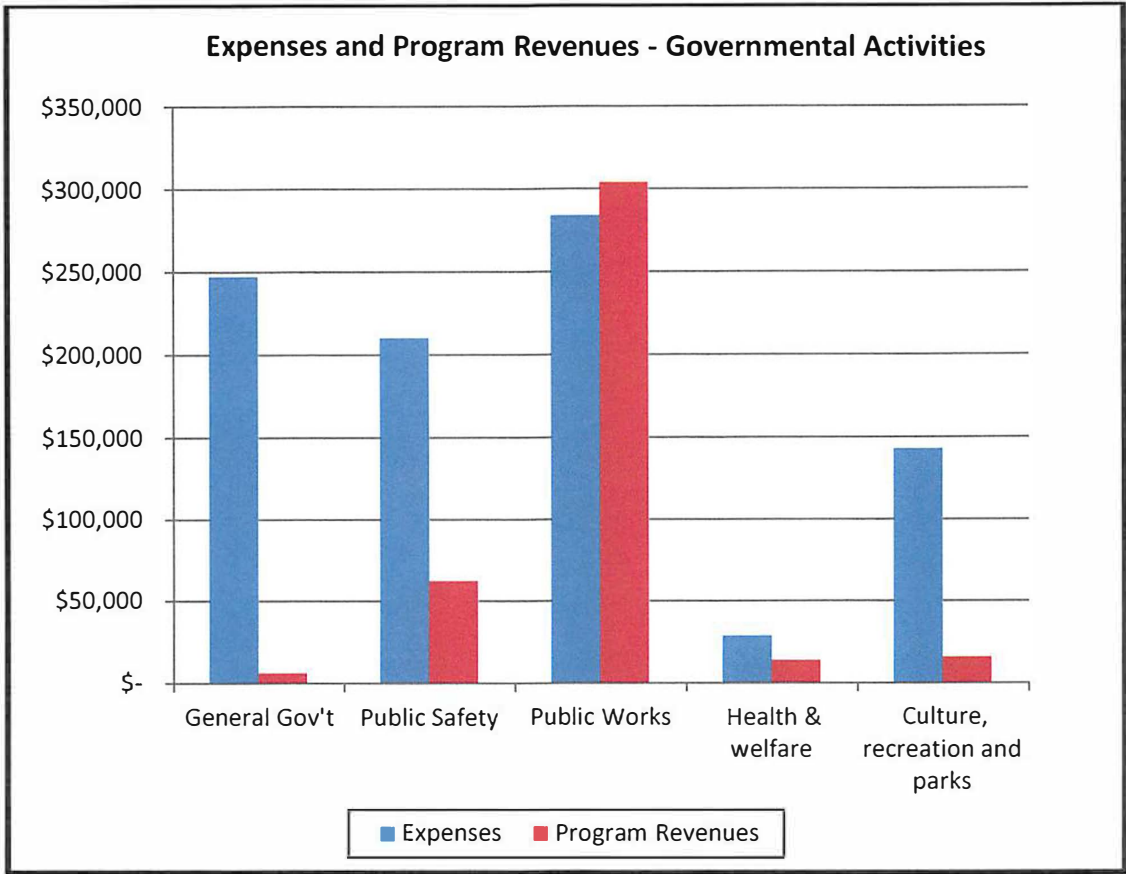
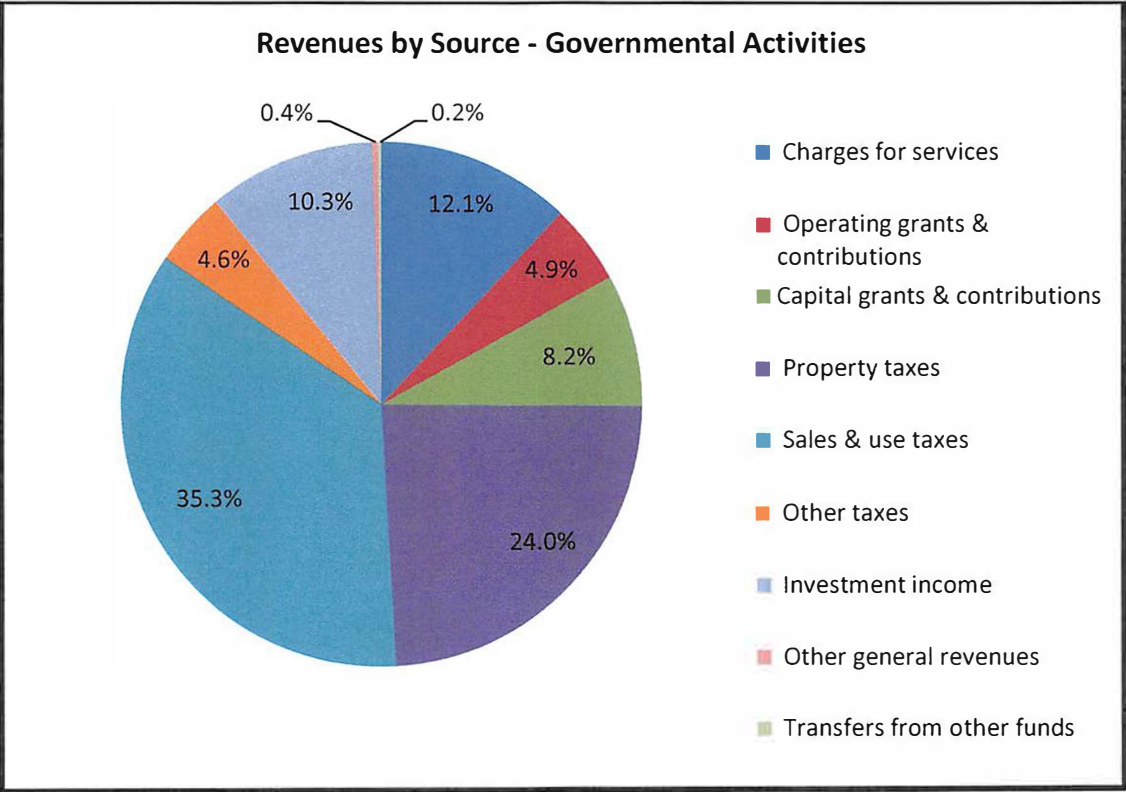
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program revenues:						
Charges for services	\$ 193,586	\$ 207,770	\$ 535,265	\$ 513,680	\$ 728,851	\$ 721,450
Operating grants & contributions	78,634	236,012	-	-	78,634	236,012
Capital grants & contributions	131,025	-	3,882	163,430	134,907	163,430
General revenues:						
Property taxes	384,971	295,752	-	-	384,971	295,752
Sales & use taxes	566,915	395,227	-	-	566,915	395,227
Other taxes	74,324	93,029	-	-	74,324	93,029
Investment income	166,246	140,997	43,629	37,557	209,875	178,554
Other general revenues	6,087	18,830	5,599	1,569	11,686	20,399
Total revenues	\$ 1,601,788	\$ 1,387,617	\$ 588,375	\$ 716,236	\$ 2,190,163	\$ 2,103,853
Program expenses:						
General government	\$ 247,271	\$ 216,114	\$ -	\$ -	\$ 247,271	\$ 216,114
Public safety	210,009	207,630	-	-	210,009	207,630
Public works	283,985	298,113	-	-	283,985	298,113
Health & welfare	28,680	41,332	-	-	28,680	41,332
Culture, recreation and parks	142,720	116,456				
Water utility	-	-	378,320	342,106	378,320	342,106
Sewer utility	-	-	292,066	304,191	292,066	304,191
Stormwater utility			24,148	25,242		
Total expenses	\$ 912,665	\$ 879,645	\$ 694,534	\$ 671,539	\$ 1,440,331	\$ 1,409,486
Transfers In/(Out)	\$ 3,100	\$ (103,600)	\$ (3,100)	\$ 103,600	\$ -	\$ -
Increase/(decrease)in net position	\$ 692,223	\$ 404,372	\$ (109,259)	\$ 148,297	\$ 582,964	\$ 552,669
Net Position, Beginning	3,261,879	2,857,507	3,901,646	3,753,349	7,163,525	6,610,856
Net Position, Ending	\$ 3,954,102	\$ 3,261,879	\$ 3,792,387	\$ 3,901,646	\$ 7,746,489	\$ 7,163,525

Governmental Activities

The Town's Governmental Activities increased in net position by \$692,223 (21.2%) in 2024. Key elements of this increase are as follows:

- Property tax revenues increased by \$89,219 (30.2%) in 2024.
- Sales and use tax revenues increased by \$171,688 (43.4%) in 2024.
- Total revenues surpassed expenses by \$689,123 (75.5%).

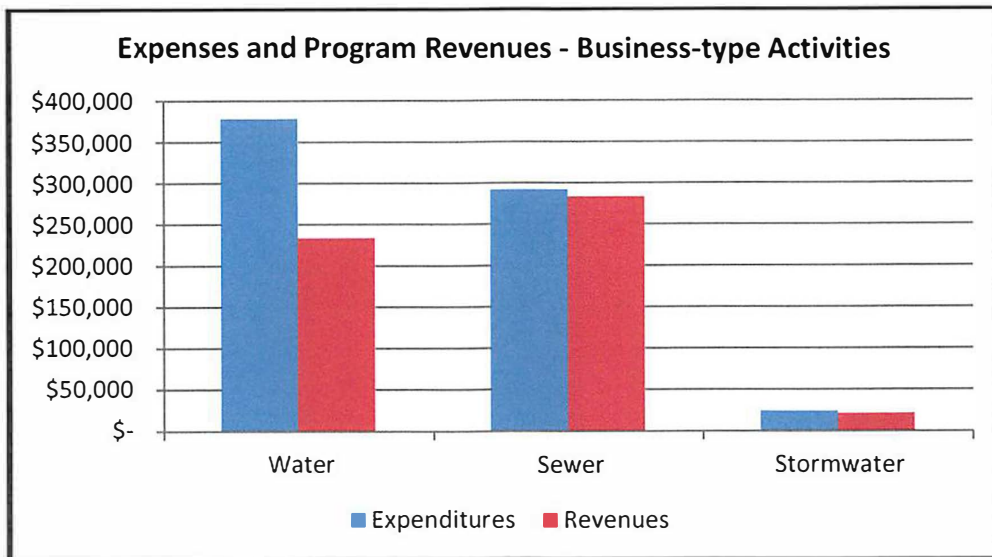
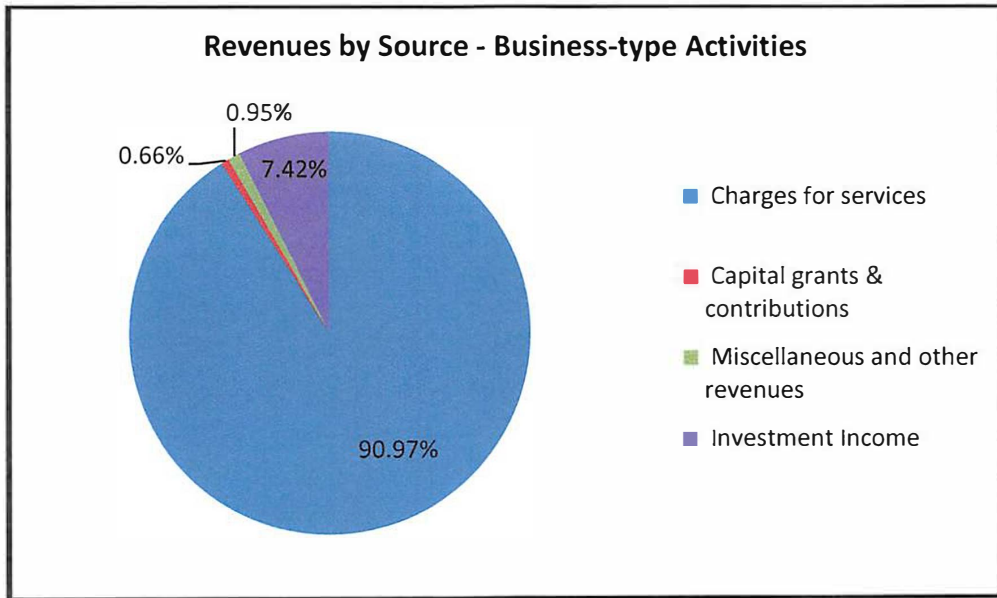
The following two charts illustrate the Governmental Activities revenues and expenses. As in most municipalities, the expenses of governmental activities are not fully supported through program revenues but are largely financed through taxes.



Business-type Activities

Business-type Activities decreased in net position by \$109,259 (2.8%) during 2024. Expenses for the Water activity exceeded Charges for Services by \$144,653 (61.9%). Expenses for the Sewer fund activity exceeded associated program revenues by \$8,202 (2.9%), and expenses for the Stormwater activity exceeded charges for services by \$2,532 (11.7%) in the Stormwater Fund. Management anticipates that rate increases as well as gradual growth in customer bases will address future revenue needs in these funds.

The following two charts illustrate the Business-type Activities' revenues and expenses for 2024.

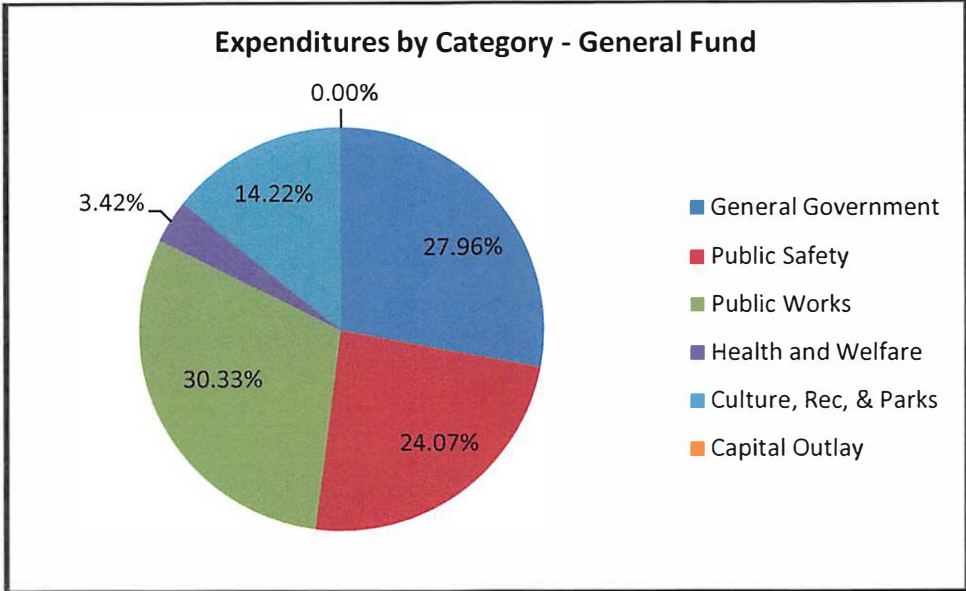
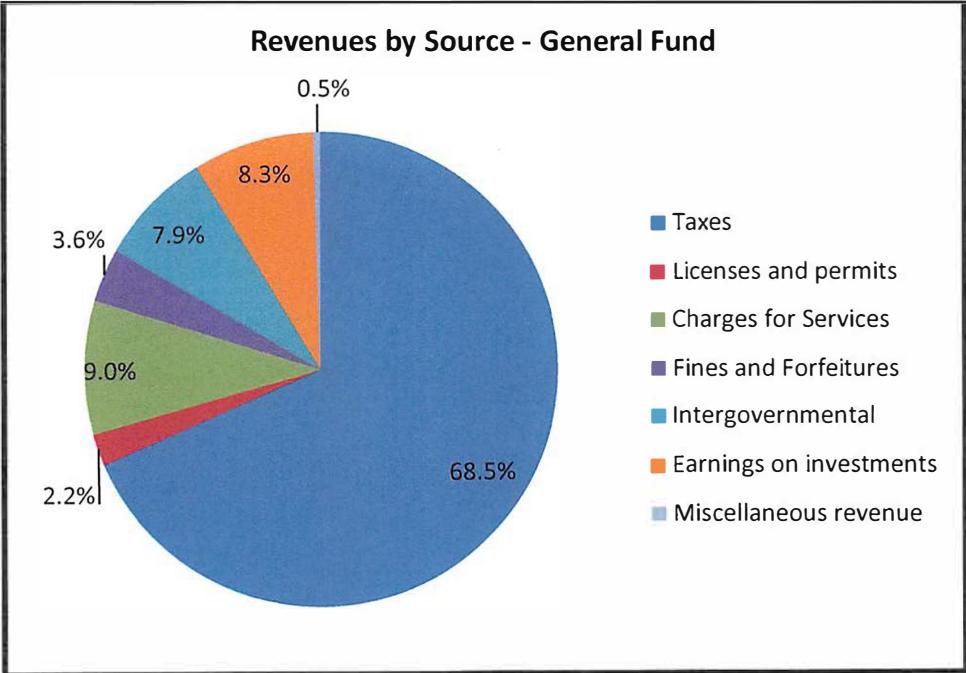


THE TOWN'S FUNDS

As noted earlier, the Town of Gilcrest uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Governmental Funds utilize the modified accrual basis of accounting, and the balances of the spendable resources (unrestricted fund balance) in each fund are shown at year end. At December 31, 2024 the Town's three major Governmental funds reported combined

ending fund balances of \$2,681,706. These funds and the Town's three major Business-type Funds are discussed below.

General Fund. The General Fund is the chief operating fund of the Town of Gilcrest. It accounts for all the general services provided by the Town. At the end of 2024, the fund balance of the General Fund totaled \$1,758,648. This was a \$287,621 (19.6%) increase from 2023 primarily due to revenue increases from sales taxes and property taxes, and level expenditures from year to year. Revenues totaled \$1,240,370 and expenditures totaled \$838,849. The following two tables illustrate General Fund revenues and expenditures during 2024.



Street Capital Improvement Fund. At the end of 2024, the fund balance of the Street Capital Improvement Fund totaled \$378,996. This was a \$44,881 (10.6%) decrease from 2023 due to construction of improvements. Revenues totaled \$179,177 and expenditures for street improvements totaled \$274,058 during the year.

Capital Improvement Fund. At the end of 2024, the fund balance of the Capital Improvement Fund totaled \$544,062. This was a \$127,387 (30.6%) increase from 2023. Revenues and transfers received from the General Fund and the Water Fund totaled \$148,887. Expenditures for capital equipment totaled \$21,500.

Water Fund. At December 31, 2024 the net position of the Water Fund was \$1,436,439. This was a decrease of \$128,128 (8.2%) from 2023. Approximately 21.9% of the decrease was attributable to depreciation of the water system's capital assets; the rest (approximately 78.1%) was due to system operations and administrative expenses exceeding charges for services and other operating revenues. The Fund had an operating loss of \$137,295 in 2024, which was larger than its operating loss of \$124,853 in 2023.

Sewer Fund. At December 31, 2024 the net position of the Sewer Fund was \$1,643,847. This was a small increase of \$12,505 (0.8%) from 2023. Approximately 31.0% (\$3,882) of the increase was attributable to a capital grant received from the federal American Rescue Plan Act that was put toward design of sewer system improvements.

Stormwater Fund. At December 31, 2024 the net position of the Stormwater Fund was \$712,101. This was a small increase of \$6,364 (0.9%) from 2023. The Fund had an operating loss of \$2,532 in 2024, following an operating loss of \$3,719 in 2023.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of December 31, 2024 the Town had invested in a range of capital assets including land, buildings and improvements, vehicles, office equipment, parks, and water, sewer, and storm drainage systems totaling \$4,123,631. Note 5 of the financial statements provides a summary of changes in capital assets during the year. During 2024, the Town completed street, curb, gutter, and sidewalk improvements to Birch Street, purchased a used dump truck, and continued designing improvements to its sewer system.

The Town has specified certain sales tax revenue streams to fund capital improvements. One-quarter of the Town's four cent sales tax is restricted for general governmental capital improvements.

Debt Administration. The Town's long-term debt primarily consists of loans to the Enterprise Funds. These debts were incurred for water and sewer system facilities. At December 31, 2024, the Town had a balance of \$31,527 owed on its 2009 Energy Impact Assistance Fund (EIAF) Loan from the Colorado Department of Local Affairs (DOLA), and a \$437,809 balance owed on its 2015 loan from the Colorado Water Resources & Power Development Authority (CWRPDA). During the year, the Town made the final payment of \$6,964 owed on its 2004 EIAF Loan. Compensated absences are also recorded. See Note 6 for more detailed information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The extent of oil and gas industry operations in the region fluctuates quickly and significantly with the national economy. When active drilling takes place in the region, the Town benefits from increases in sales taxes, property taxes, and state shared excise taxes. Currently the Town seeks to be conservative in its revenue estimates, although Management is confident that these revenues will continue to benefit the Town to some extent. The 2025 Budget conservatively estimates revenues and anticipates ending General Fund balances at December 31, 2025 to be slightly lower (-3.4%) than at December 31, 2024. Grant and loans from DOLA and the U.S. Department of Agriculture, Rural Development program (USDA) are anticipated to help construct the Sewer Fund's collection system improvement project.

New Federal trade policies and economic strategies have been introduced in 2025. Although designed to help improve the long-term economy, short-term impacts include reductions in federal grants to states and municipalities. The full economic impact of these policies on the Town's 2025 and future budgets has yet to be determined.

REQUESTS FOR INFORMATION

This financial report is designed to provide the Town of Gilcrest's residents, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds it receives and assets it maintains. If you have questions about this report, or should you desire additional financial information, contact the Town's management at Town of Gilcrest, 304 8th Street, P.O. Box 128, Gilcrest, CO 80623 or call Town Hall at (970) 737-2426.

Basic Financial Statements

**Town of Gilcrest
Statement of Net Position
December 31, 2024**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 3,073,738	\$ 927,300	\$ 4,001,038
Receivables	410,003	48,520	458,523
Receivables from other governments	10,014	-	10,014
Prepaid expenses	22,967	7,979	30,946
Non-Current Assets:			
Capital asset, not being depreciated:			
Water rights, land, system enhancement fees	37,514	683,074	720,588
Construction in progress	-	324,942	324,942
Capital asset, net of accumulated depreciation	762,541	2,315,557	3,078,098
Total Non-Current Assets	<u>800,055</u>	<u>3,323,573</u>	<u>4,123,628</u>
Total Assets	<u>4,316,777</u>	<u>4,307,372</u>	<u>8,624,149</u>
LIABILITIES			
Accounts payable	28,035	28,064	56,099
Accrued wages and benefits	2,223	1,498	3,721
Long-term liabilities:			
Due within one year:			
Loans payable	-	45,454	45,454
Compensated absences	1,866	1,608	3,474
Due in more than one year:			
Loans payable	-	423,882	423,882
Compensated absences	16,789	14,479	31,268
Total liabilities	<u>48,913</u>	<u>514,985</u>	<u>563,898</u>
Deferred inflow of resources:			
Deferred property taxes	<u>313,762</u>	<u>-</u>	<u>313,762</u>
Total deferred inflows	<u>313,762</u>	<u>-</u>	<u>313,762</u>
NET POSITION			
Net investment in capital assets	800,055	2,854,237	3,654,292
Restricted for:			
TABOR	42,500	-	42,500
Law enforcement	80,146	-	80,146
Capital replacement	544,062	-	544,062
Parks and recreation	38,015	-	38,015
Street improvement	378,996	-	378,996
Town Hall replacement	370,913	-	370,913
Unrestricted	1,699,415	938,150	2,637,565
Total net position	<u>\$ 3,954,102</u>	<u>\$ 3,792,387</u>	<u>\$ 7,746,489</u>

The accompanying notes to financial statements
are an integral part of these statements.

**Town of Gilcrest
Statement of Activities
For the Year Ended December 31, 2024**

<u>Functions/Programs</u>	<u>Program Revenue</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>		
					<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Primary government							
Governmental Activities							
General Government	\$ 247,271	\$ 6,328	\$ -	\$ -	\$ (240,943)	\$ -	\$ (240,943)
Public Safety	210,009	62,364	-	-	(147,645)	-	(147,645)
Public Works	283,985	107,101	66,115	131,025	20,256	-	20,256
Health & Welfare	28,680	14,168	-	-	(14,512)	-	(14,512)
Culture, Recreation and Parks	142,720	3,625	12,519	-	(126,576)	-	(126,576)
Total governmental activities	<u>912,665</u>	<u>193,586</u>	<u>78,634</u>	<u>131,025</u>	<u>(509,420)</u>	<u>-</u>	<u>(509,420)</u>
Business-type activities:							
Water	378,320	233,667	-	-	-	(144,653)	(144,653)
Sewer Fund	292,066	279,982	-	3,882	-	(8,202)	(8,202)
Stormwater Fund	24,148	21,616	-	-	-	(2,532)	(2,532)
Total business-type activities	<u>694,534</u>	<u>535,265</u>	<u>-</u>	<u>3,882</u>	<u>-</u>	<u>(155,387)</u>	<u>(155,387)</u>
Total primary government	<u>1,607,199</u>	<u>728,851</u>	<u>78,634</u>	<u>134,907</u>	<u>(509,420)</u>	<u>(155,387)</u>	<u>(664,807)</u>
General revenues:							
Taxes:							
Property taxes, including SO taxes					\$ 384,971	\$ -	\$ 384,971
Sales and use taxes					566,915	-	566,915
Franchise fees					36,625	-	36,625
Miscellaneous taxes					37,699	-	37,699
Unrestricted investment earnings					166,246	43,629	209,875
Miscellaneous					6,087	5,599	11,686
Transfers					3,100	(3,100)	-
Total general revenues, special items, and transfers					<u>1,201,643</u>	<u>46,128</u>	<u>1,247,771</u>
Change in net position					692,223	(109,259)	582,964
Net position - beginning					3,261,879	3,901,646	7,163,525
Net position - ending					<u>\$ 3,954,102</u>	<u>\$ 3,792,387</u>	<u>\$ 7,746,489</u>

The accompanying notes to financial statements
are an integral part of these statements.

**Town of Gilcrest
Balance Sheet
Governmental Funds
December 31, 2024**

	<u>General Fund</u>	<u>Street Capital Improvement</u>	<u>Capital Improvement Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 1,678,842	\$ 378,996	\$ 526,560	\$ 489,339	\$ 3,073,737
Taxes receivable, net	313,762	-	-	-	313,762
Receivable from other governments	10,014	-	-	-	10,014
Other receivables	78,739	-	17,502	-	96,241
Prepaid Expenses	21,046	-	-	1,921	22,967
Total assets	<u>2,102,403</u>	<u>378,996</u>	<u>544,062</u>	<u>491,260</u>	<u>3,516,721</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	27,866	-	-	169	28,035
Accrued wages and benefits	2,127	-	-	96	2,223
Total liabilities	<u>29,993</u>	<u>-</u>	<u>-</u>	<u>265</u>	<u>30,258</u>
Deferred inflow of resources:					
Deferred property taxes	<u>313,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>313,762</u>
Fund balances:					
Non spendable	21,046	-	-	1,921	22,967
Restricted:					
TABOR	42,500	-	-	-	42,500
Law enforcement	-	-	-	80,146	80,146
Capital replacement	-	-	544,062	-	544,062
Parks and recreation	-	-	-	38,015	38,015
Committed-Other purposes:					
Town hall	-	-	-	370,913	370,913
Street improvements	-	378,996	-	-	378,996
Unassigned	1,695,102	-	-	-	1,695,102
Total fund balances	<u>1,758,648</u>	<u>378,996</u>	<u>544,062</u>	<u>490,995</u>	<u>3,172,701</u>
Total liabilities and fund balances	<u>\$ 2,102,403</u>	<u>\$ 378,996</u>	<u>\$ 544,062</u>	<u>\$ 491,260</u>	<u>\$ 3,516,721</u>

The accompanying notes to financial statements
are an integral part of these statements.

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

Total fund balance, governmental funds	\$ 3,172,701
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.	800,055
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	<u>(18,654)</u>
Net Position of Governmental Activities in the Statement of Net Position	<u>\$ 3,954,102</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Gilcrest
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	<u>General Fund</u>	<u>Street Capital Improvement</u>	<u>Capital Improvement Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Property Taxes	\$ 384,971	\$ -	\$ -	\$ -	\$ 384,971
Sales and use taxes	427,904	31,452	107,559	-	566,915
Franchise tax	36,625	-	-	-	36,625
Fees and fines	45,354	-	-	-	45,354
Licenses and permits	27,320	-	-	-	27,320
Intergovernmental	97,544	-	-	12,519	110,063
Charges for services	111,986	-	-	15,195	127,181
Investment earnings	102,578	16,700	24,328	22,640	166,246
Miscellaneous	6,088	131,025	-	-	137,113
Total revenues	<u>1,240,370</u>	<u>179,177</u>	<u>131,887</u>	<u>50,354</u>	<u>1,601,788</u>
EXPENDITURES					
General government	234,573	-	-	-	234,573
Public safety	201,910	-	-	489	202,399
Health and welfare	28,680	-	-	-	28,680
Culture and rec	119,242	-	-	14,755	133,997
Public works	254,444	-	-	-	254,444
Capital Outlay	-	274,058	21,500	-	295,558
Total Expenditures	<u>838,849</u>	<u>274,058</u>	<u>21,500</u>	<u>15,244</u>	<u>1,149,651</u>
Excess (deficiency) of revenues over expenditures	<u>401,521</u>	<u>(94,881)</u>	<u>110,387</u>	<u>35,110</u>	<u>452,137</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	50,000	17,000	50,000	117,000
Transfers out	(113,900)	-	-	-	(113,900)
Total other financing sources and uses	<u>(113,900)</u>	<u>50,000</u>	<u>17,000</u>	<u>50,000</u>	<u>3,100</u>
Net change in fund balances	287,621	(44,881)	127,387	85,110	455,237
Fund balances - beginning	1,471,027	423,877	416,675	405,885	2,717,464
Fund balances - ending	<u>\$ 1,758,648</u>	<u>\$ 378,996</u>	<u>\$ 544,062</u>	<u>\$ 490,995</u>	<u>\$ 3,172,701</u>

The accompanying notes to financial statements
are an integral part of these statements.

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

Net change in fund balances - total governmental funds:	\$	455,237
<p>Amounts reported for Governmental Activities in the Statement of Activities are different because:</p> <p>Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.</p> <p>This is the amount by which capital outlay of \$295,558 was more than depreciation of \$54,513 in the current period.</p>		
		241,045
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:</p>		
Change in Compensated Absences		(4,059)
Change in net position of governmental activities	\$	692,223

The accompanying notes to financial statements
are an integral part of these statements.

**Town of Gilcrest
Statement of Net Position
Proprietary Funds
December 31, 2024**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 328,837	\$ 451,637	\$ 146,827	\$ 927,301
Accounts receivable, net	16,616	29,366	2,539	48,521
Prepaid Expenses	3,994	3,876	108	7,978
Total current assets	<u>349,447</u>	<u>484,879</u>	<u>149,474</u>	<u>983,800</u>
Property, Plant and Equipment:				
Capital assets, not being depreciated	554,703	372,517	80,797	1,008,017
Capital assets, being depreciated	586,767	1,245,566	483,224	2,315,557
Total non-current assets	<u>1,141,470</u>	<u>1,618,083</u>	<u>564,021</u>	<u>3,323,574</u>
Total assets	<u>1,490,917</u>	<u>2,102,962</u>	<u>713,495</u>	<u>4,307,374</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	13,557	13,126	127	26,810
Accrued wages payable	747	676	74	1,497
Accrued interest payable	525	730	-	1,255
Compensated absences	812	677	119	1,608
Loans payable, current portion	5,706	39,749	-	45,455
Total current liabilities	<u>21,347</u>	<u>54,958</u>	<u>320</u>	<u>76,625</u>
Non-current liabilities:				
Compensated absences long term	7,309	6,096	1,074	14,479
Loans payable	25,822	398,060	-	423,882
Total non-current liabilities	<u>33,131</u>	<u>404,156</u>	<u>1,074</u>	<u>438,361</u>
Total liabilities	<u>54,478</u>	<u>459,114</u>	<u>1,394</u>	<u>514,986</u>
NET POSITION				
Net investment in capital assets	1,109,942	1,180,274	564,021	2,854,237
Unrestricted	326,497	463,573	148,080	938,150
Total net position	<u>\$ 1,436,439</u>	<u>\$ 1,643,847</u>	<u>\$ 712,101</u>	<u>\$ 3,792,387</u>

The accompanying notes to financial statements
are an integral part of these statements.

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

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
REVENUES				
Charges for services	\$ 225,599	\$ 280,581	\$ 21,616	\$ 527,796
Miscellaneous	8,068	-	-	8,068
Other operating revenues	5,599	(599)	-	5,000
Total operating revenues	<u>239,266</u>	<u>279,982</u>	<u>21,616</u>	<u>540,864</u>
OPERATING EXPENSES				
System operations	270,501	113,898	10,150	394,549
Administrative and general	78,056	77,014	-	155,070
Depreciation	28,004	96,315	13,998	138,317
Total Operating Expenses	<u>376,561</u>	<u>287,227</u>	<u>24,148</u>	<u>687,936</u>
Operating income (loss)	<u>(137,295)</u>	<u>(7,245)</u>	<u>(2,532)</u>	<u>(147,072)</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest income	16,025	20,708	6,896	43,629
Capital grant	-	3,882	-	3,882
Interest expense	(1,758)	(4,840)	-	(6,598)
Total non-operating revenue (expenses)	<u>14,267</u>	<u>19,750</u>	<u>6,896</u>	<u>40,913</u>
Income (loss) before contributions and transfers	<u>(123,028)</u>	<u>12,505</u>	<u>4,364</u>	<u>(106,159)</u>
Transfers in	-	-	2,000	2,000
Transfers out	(5,100)	-	-	(5,100)
Change in net position	<u>(128,128)</u>	<u>12,505</u>	<u>6,364</u>	<u>(109,259)</u>
Total net position - beginning	<u>1,564,567</u>	<u>1,631,342</u>	<u>705,737</u>	<u>3,901,646</u>
Total net position - ending	<u>\$ 1,436,439</u>	<u>\$ 1,643,847</u>	<u>\$ 712,101</u>	<u>\$ 3,792,387</u>

The accompanying notes to financial statements
are an integral part of these statements.

**Town of Gilcrest
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024**

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from customers	\$ 240,114	\$ 279,543	\$ 21,592	\$ 541,249
Cash paid to suppliers	(234,553)	(92,509)	(1,288)	(328,350)
Cash paid for personnel costs	(98,198)	(88,168)	(8,542)	(194,908)
Net cash flows from Operating Activities	<u>(92,637)</u>	<u>98,866</u>	<u>11,762</u>	<u>17,991</u>
Cash flows from non-capital financing activities:				
Transfers from other funds	-	-	2,000	2,000
Transfers to other funds	(5,100)	-	-	(5,100)
Net cash flows from non-capital financing activities	<u>(5,100)</u>	<u>-</u>	<u>2,000</u>	<u>(3,100)</u>
Cash flows from capital and related financing activities:				
Grants and contributions	-	3,882	-	3,882
Deferred revenues	-	(3,882)	-	(3,882)
Capital outlay	-	(33,971)	-	(33,971)
Principal payment on long term debt	(5,434)	(46,318)	-	(51,752)
Interest payment on long term debt	(1,849)	(5,021)	-	(6,870)
Net cash flows from capital and financing activities	<u>(7,283)</u>	<u>(85,310)</u>	<u>-</u>	<u>(92,593)</u>
Cash flows from investing activities:				
Interest income	16,025	20,708	6,896	43,629
Net cash flows from investing activities	<u>16,025</u>	<u>20,708</u>	<u>6,896</u>	<u>43,629</u>
Net increase (decrease) in cash and cash equivalents	(88,995)	34,264	20,658	(34,073)
Beginning of year	415,294	418,935	127,144	961,373
End of year	<u>\$ 326,299</u>	<u>\$ 453,199</u>	<u>\$ 147,802</u>	<u>\$ 927,300</u>

The accompanying notes to financial statements
are an integral part of these statements.

**Town of Gilcrest
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2024**

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	\$ (137,295)	\$ (7,245)	\$ (2,532)	\$ (147,072)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	28,004	96,315	13,998	138,317
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	848	(439)	(24)	385
Prepaid expenses	1,181	1,170	11	2,362
Increase (decrease) in:				
Accounts payable	13,122	7,796	94	21,012
Compensated absences	1,503	1,269	215	2,987
Net cash flows from operating activities	<u>\$ (92,637)</u>	<u>\$ 98,866</u>	<u>\$ 11,762</u>	<u>\$ 17,991</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Gilcrest, Colorado
Notes to Basic Financial Statements
December 31, 2024

Note 1 **Summary of Significant Accounting Policies**

The Town of Gilcrest, Colorado (the “Town”) was founded in 1912 as a statutory town. The Town’s major operations include general government, public safety, public works, culture, parks and recreation, health and welfare, and water, sewer and stormwater utilities.

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

Reporting Entity

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit’s governing board, and either a) the ability to impose its will by the primary government, or b) there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government; or
2. Fiscal dependency on the primary government and there is a potential for the organization to provide specific benefits to or impose specific financial burdens on the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

Based on the above criteria, there are no other organizations that would be considered component units of the Town.

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 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, charges for services and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user 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 those 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.

The fund financial statements report detailed information about the Town. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated in the Supplementary Information section of this report and shown in a single column in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

The governmental fund financial statements are accounted for using the current financial resources measurement focus, whereby only current assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in the balance sheet, and the statement of revenues, expenditures and changes in fund balances present increases and decreases in those components. These funds use the modified accrual basis of accounting, whereby revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. Debt service expenditures, however, as well as expenditures related to compensated absences and claims and judgments, are recognized only when payment is due.

Property taxes, intergovernmental grants, and earnings on investments associated with the current fiscal period 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 Town.

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements, a reconciliation is presented that briefly explains the adjustments necessary to reconcile to ending net position and the change in net position.

In accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source. Property taxes attach an enforceable lien on property as of January 1. Taxes are levied in December, payable in the following year in full by April 30, or in two equal installments due on the last day of February and June 15.

Governmental funds are used to account for all or most of a government's general activities. The following are the Town's major governmental funds:

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

Street Capital Improvement - The Street Capital Improvement Fund accounts for revenues and expenses relating to capital improvement on the Town's streets.

Capital Improvement – The Capital Improvement Fund accounts for revenues and expenses relating to general capital improvement projects approved by the Town Council.

The other governmental funds (non-major funds) are special revenue funds and have been established to account for revenues derived from specific earmarked revenue sources which finance specific activities as required by law or administrative action. The Town's other governmental funds include the Conservation Trust, Municipal Court Surcharge, and the Town Hall Replacement funds.

Proprietary funds, which include enterprise funds, are accounted for on a flow of economic resources measurement focus using the accrual basis of accounting. Therefore, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. Revenues and expenses are recorded in the accounting period in which they are earned or incurred, and they become measurable. Net position is segregated into amounts invested in capital assets, restricted for debt service, and unrestricted.

Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net position. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. The Town's major enterprise funds include the Water, Sewer, and Stormwater funds.

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

Cash and Cash Equivalents

To improve cash management, cash received by the Town is pooled and invested. Individual fund integrity is maintained through the Town's records. Interest in the pool is presented as equity in pooled cash and cash equivalents on the financial statements. The Town considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Overdrawn balances in pooled cash accounts are treated by the Town as interfund liabilities, payable to the fund deemed to have made the loan. Short term investments, consisting of funds invested in a local government investment pool (Note 2) are considered to be cash equivalents and are measured at net asset value, which approximates fair value.

Restricted Cash

The amount \$50,779 restricted in the Sewer Fund is in compliance with the 2015 revenue loan reserve requirements. The amount will be used to prevent default in the payment of the bonds.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if any, are classified as internal balances on the government-wide statement of net position and classified as due from other funds or due to other funds on the balance sheet.

Bond Premium and Debt Issuance Costs

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums are deferred and amortized over the life of the bonds using the effective interest rate method as principal is paid. Debt issuance costs are recognized during the period of issuance.

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., streets and roads, bridges, water lines, storm-water drainage, 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 \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at 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 asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital 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.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	N/A	N/A
Water Rights	N/A	N/A
System Enhancement Fee	N/A	N/A
Land Improvements	40 Years	40 Years
Buildings and Improvements	10 – 40 Years	10 – 40 Years
Utility Systems	N/A	25 – 50 Years
Streets	20 Years	20 Years
Vehicles and Equipment	5 – 15 Years	15 Years

Compensated Absences

The Town reports compensated absences in accordance with the provisions of GASB Statement No. 101, Accounting for Pronouncements relating to Compensated Absences. Personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services rendered and it is probable that the Town will compensate the employees for the benefits earned. Upon termination of employment from the Town, employees are compensated for all accrued vacation and compensatory time at their current rate of pay. There is no payment for unused sick leave upon termination.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and the noncurrent portion of long-term liabilities that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within 60 days after year-end are considered to have been made with current available financial resources.

Fund Balance and Net Position

In the government-wide and proprietary fund financial statements, net position is classified in the following categories:

Net Investment in Capital Assets - This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category represents the net position, which is not restricted for any project or other purpose. A deficit will require future funding.

In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which those funds can be spent. In accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Board of Trustees (the Board). The Board is the highest level of decision making authority for the Town. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board has the authority to assign amounts for specific purposes.

Unassigned - all other spendable amounts. The General Fund is the only fund that would report a positive amount in unassigned fund balance. However, in governmental funds other

than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

Revenue Recognition/Property Taxes

Property taxes attach an enforceable lien on property as of January 1. Taxes are levied in December, payable in the following year in full by April 30, or in two equal installments due on the last day of February and June 15. The County Treasurer bills and collects property taxes for all taxing entities within the county. Property tax receipts collected by the county treasurer each month are remitted to the Town by the tenth day of the subsequent month. Property tax revenues are recognized in the government-wide financial statements in the year that the property taxes are used to fund the operations of the Town.

In the fund financial statements, property taxes are recognized in the year for which levied provided they become measurable and available.

Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Use of Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2

Cash and Cash Equivalents

Custodial Credit Risk – Deposits

Colorado state statutes govern the entity's deposits of cash. For deposits in excess of federally insured limits, Colorado Revised Statutes (CRS) require the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act (PDPA) requires state regulators to certify eligible depositories for public deposit. PDPA requires the eligible depositories with public deposits in excess of the amounts insured by the Federal Deposit Insurance Corporation (FDIC) to create a single institutional collateral pool of obligations of the State of Colorado or

local Colorado governments and obligations secured by first lien mortgages on real property located in the State. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the assets in the pool must be at least 102% of the uninsured deposits. At December 31, 2024, the Town had deposits with financial institutions with a carrying amount of \$384,764. The bank balances with the financial institutions were \$384,764 of which \$250,000 was covered by federal depository insurance. The remaining balance of \$184,764 was collateralized with securities held by the financial institutions' agents but not in the Town's name.

At December 31, 2024, the Town had cash and cash equivalent balances, including restricted cash, as follows:

Cash on hand	\$ 550
Cash deposits	384,764
Cash with County Treasurer	3,456
Local government investment pool	<u>3,612,268</u>
Total cash and cash equivalents	<u>\$ 4,001,038</u>

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which the Town may invest, which include:

- Certificates of deposit with an original maturity in excess of three months;
- Certain obligations of the United States and U.S. government agency securities;
- Certain international agency securities;
- General obligation and revenue bonds of U.S. local government entities;
- Banker's acceptance of certain banks;
- Commercial paper;
- Written repurchase agreements collateralized by certain authorized securities;
- Certain money market funds;
- Guaranteed investment contracts;
- Local government investment pools.

The Town's policy is to utilize Local Government Investment Pools for all its investment activity.

Custodial Credit Risk – Investments

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the Town would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a specific policy for custodial credit risk. As of December 31, 2024, the Town had no investments exposed to custodial credit risk outside of its investment in the Colorado Local Government Liquid Asset Trust, discussed below.

Interest Rate Risk

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair value losses arising from increasing interest rates.

Local Government Investment Pools

At December 31, 2024, the Town had invested \$3,612,268 in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. COLOTRUST PRIME invests only in U.S. Treasury and government agencies. COLOTRUST PLUS+ can invest in U.S. Treasury, government agencies, and in the highest-rate commercial paper. A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. The Trust is rated AAAM by Standard and Poor’s and is measured at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents in the Sewer Fund are \$50,779 as established by the 2015 revenue bonds to be used to prevent default in the payment of the sewer revenue bonds and interest thereon.

Note 3 Receivables

Receivables at December 31, 2024, consisted of the following:

	General Fund	Water Fund	Sewer Fund	Stormwater Fund	Non-Major Funds	Total
Taxes	\$ 313,762	\$ -	\$ -	\$ -	\$ -	\$ 313,762
Trade accounts	9,006	2,539	29,366	16,616	-	57,527
Other receivables	69,733	-	-	-	17,500	87,233
Intergovernmental	10,015	-	-	-	-	10,015
Total	\$ 402,516	\$ 2,539	\$ 29,366	\$ 16,616	\$ 17,500	\$ 468,537

Management has determined that all receivables are fully collectible and therefore no allowance is deemed necessary.

Note 4 Interfund Transfers

The Town made the following equity fund transfers between funds during 2024.

	Transfers to:				Total
	Street Improvement	Stormwater	Capital Improvement	Town Hall	
Transfers from:					
General	\$ 50,000	\$ 2,000	\$ 11,900	\$ 50,000	\$ 113,900
Water	-	-	5,100	-	5,100
Stormwater	-	-	-	-	-
Sewer	-	-	-	-	-
Total	\$ 50,000	\$ 2,000	\$ 17,000	\$ 50,000	\$ 119,000

Note 5 Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 37,514	\$ -	\$ -	\$ 37,514
Capital assets being depreciated:				
Land Improvements	344,278	-	-	344,278
Buildings and Improvements	135,201	-	-	135,201
Vehicles and Equipment	636,874	21,500	-	658,374
Streets	785,483	274,058	-	1,059,541
Total capital assets being depreciated:	1,901,836	295,558	-	2,197,394
Less accumulated depreciation for:				
Land Improvements	(127,528)	(9,435)	-	(136,963)
Buildings and Improvements	(99,241)	(3,512)	-	(102,753)
Vehicles and Equipment	(537,878)	(19,279)	-	(557,157)
Streets	(615,693)	(22,287)	-	(637,980)
Total accumulated depreciation	(1,380,340)	(54,513)	-	(1,434,853)
Total capital assets being depreciated, net	521,496	241,045	-	762,541
Governmental Activities Capital Assets, Net	\$ 559,010	\$ 241,045	\$ -	\$ 800,055

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

Governmental Activities:	
General Government	\$ 8,639
Public Safety	7,610
Public Works	29,541
Culture, Recreation and Parks	8,723
	<u>\$ 54,513</u>

Business-Type Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 137,736	\$ -	\$ -	\$ 137,736
Water Rights	545,339	-	-	545,339
Construction in Progress	290,971	33,971	-	324,942
Total Capital assets not being depreciated	974,046	33,971	-	1,008,017
Capital assets being depreciated:				
Buildings and Improvements	33,619	-	-	33,619
Equipment	171,416	-	-	171,416
Utility Systems	5,055,433	-	-	5,055,433
Total capital assets being depreciated:	5,260,468	-	-	5,260,468
Less accumulated depreciation for:				
Buildings and Improvements	(33,619)	-	-	(33,619)
Equipment	(134,694)	(917)	-	(135,611)
Utility Systems	(2,638,279)	(137,400)	-	(2,775,679)
Total accumulated depreciation	(2,806,592)	(138,317)	-	(2,944,909)
Total capital assets being depreciated, net	2,453,876	(138,317)	-	2,315,559
Business-Type Activities Capital Assets, Net	\$ 3,427,922	\$ (104,346)	\$ -	\$ 3,323,576

Depreciation expense was charged to function or programs of the Town's business-type activities as follows:

Business-Type Activities:	
Water	\$ 28,004
Sewer	96,315
Stormwater	13,998
	<u>\$ 138,317</u>

Note 6 Long-Term Debt

Business-type Activities

2009 Energy Impact Assistance Loan (EIAF)

On June 16, 2009, the Town executed a \$90,000 promissory note with the State of Colorado, Department of Local Affairs to make improvements to the Town's water system. The note is due in annual installments of \$7,282, principal and interest, at 5.0% through September 1, 2029. The Town agreed to establish rates and charges for the services of the water system in an amount sufficient to manage, operate and maintain, in an efficient and economical manner, the potable water system.

2015 Colorado Water Resources and Power Development Authority Loan (CWRPDA)

On June 30, 2015, the Town executed a loan agreement totaling \$1,090,000 with the Colorado Water Resources and Power Development Authority to make improvements and upgrades to

the Town's wastewater treatment facility. The loan accrues interest at 1.00% and is payable in semi-annual principal and interest payments, beginning on November 1, 2016, with a maturity date of May 1, 2035. The loan is secured by the net revenues of the ownership and operation of the system, as defined within the Agreement. In 2018, the remaining loan principal was reduced by \$271,517 with unused project funds.

Changes in long-term debt for the year ended December 31, 2024 were as follows:

Business-Type Activities:	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
2004 EIAF Loan	\$ 6,964	\$ -	\$ (6,964)	\$ -	\$ -
2009 EIAF Loan	36,961	-	(5,434)	31,527	5,706
2015 CWRPDA Loan	477,163	-	(39,354)	437,809	39,748
Accrued compensated absences	13,100	2,987	-	16,087	1,609
Total	\$ 534,188	\$ 2,987	\$ (51,752)	\$ 485,423	\$ 47,063

The following table represents future debt service requirements on the business-type activity debt as December 31, 2024:

Year	Principal	Interest	Total
2025	\$ 45,455	\$ 5,855	\$ 51,310
2026	46,138	5,171	51,309
2027	46,839	4,469	51,308
2028	47,561	3,748	51,309
2029	48,302	3,008	51,310
2030-2034	213,136	6,999	220,135
2035	21,905	109	22,014
Total	\$ 469,336	\$ 29,359	\$ 498,695

Governmental Activities

Changes in long-term debt for the year ended December 31, 2024 were as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Accrued compensated absences	\$ 14,596	\$ 4,059	\$ -	\$ 18,655	\$ 1,866

Note 7

Rate Maintenance

Sewer Fund

Pursuant to the 2015 CWRPDA loan, the Town must establish, maintain and enforce rates and charges for services rendered by the sewer system sufficient to create income and revenue each year, which pay maintenance and operation expenses of the system and cover the principal and interest payments of the loan as they become due.

The following calculation shows the Town was in compliance with the rate maintenance provision of this loan agreement.

Operating revenues	\$ 279,982	
Less operating expenses, excluding depreciation	<u>(190,912)</u>	
Net revenues as defined in the bond agreement		89,070
2023 principal due	38,963	
2023 interest due	<u>4,608</u>	
	43,571	
	x 110%	<u>47,928</u>
Amount by which the current year revenues exceeded the 2015 loan requirement		<u>\$ 41,142</u>

Note 8 Pledged Revenues

The Town has pledged future water customer revenues, net of specified operating expenses, to repay the \$90,000, 2009 Energy Impact Assistance Loan. The proceeds were used to make water system improvements and are payable through 2029. Annual principal and interest payments on this debt are expected to require less than 50% of net revenues as defined in the debt agreements. The total principal and interest remaining to be paid on this debt is \$36,410. Principal and interest paid for the current year and total customer revenues were \$7,191 and \$225,599, respectively.

Note 9 Contingency

Risk Management

The Town is self-insured for property and liability insurance. In order to mitigate risk, the Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA has a legal obligation for claims against their members to the extent that funds are available in their annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although they are not legally required to do so. Additionally, the Town may receive credit on future contributions in the event of a surplus.

CIRSA has entered into various excess insurance contracts to limit large losses and minimize exposure on large risks. Excess of loss contracts in effect during 2023 limit CIRSA's per occurrence exposure to \$1,000,000 for property coverage, \$1,000,000 for excess property coverage and provide coverage to specified upper limits. The excess of loss contract for workers' compensation coverage limits CIRSA's per occurrence exposure to \$1,000,000 for 2024 and provides coverage to statutory limits for the State of Colorado.

The Town's 2024 contributions were \$20,096 and \$5,071 for the property and casualty pool and the workers' compensation pool, respectively.

The ultimate liability to the Town resulting from claims not covered by CIRSA is not presently determinable. Management is of the opinion that the final outcome of such claims, if any, will not have a material adverse effect on the Town's financial statements.

Note 10 Taxes, Spending, and Debt Limitations

In November 1992, Colorado voters passed an amendment (the Amendment or TABOR) to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and fiscal year spending include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending, as defined by the Amendment, excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserve (balances). The Amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the spending limit must be refunded or approved to be retained by the Town under specified voting requirements by the entire electorate.

The Amendment also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by the Amendment, exclude economic conditions, revenue shortfalls, or salary of fringe benefit increase. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The Town has restricted \$42,500 for this purpose. The amount is shown in the General Fund.

On November 7, 1995, the voting citizens of the Town of Gilcrest authorized the Town (retroactive to January 1, 1994) to retain all of the revenues from all sources generated during 1994 and subsequent years and spend the same as a voter-approved revenue change as an exception to limits which would otherwise apply for each of said years. This effectively removed all revenue and spending limits imposed by TABOR.

Required Supplementary Information

**Town of Gilcrest
Budget and Actual
General Fund
For the year ended December 31, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u> <u>Positive (Negative)</u>
REVENUES				
Property taxes	\$ 329,108	\$ 329,108	\$ 384,971	\$ 55,863
SO taxes	30,000	30,000	36,625	6,625
Sales and miscellaneous taxes	260,000	260,000	427,904	167,904
Fees and fines	40,100	40,100	45,354	5,254
Licenses and permits	133,218	133,218	27,320	(105,898)
Intergovernmental	87,001	87,001	97,544	10,543
Charges for services	128,734	128,734	111,986	(16,748)
Investment earnings	62,375	62,375	102,578	40,203
Miscellaneous	9,600	9,600	6,087	(3,513)
Total revenues	<u>1,080,136</u>	<u>1,080,136</u>	<u>1,240,369</u>	<u>160,233</u>
EXPENDITURES				
General government	246,600	246,600	234,573	12,027
Public safety	204,995	204,995	201,910	3,085
Health and welfare	35,920	35,920	28,680	7,240
Culture and rec	153,953	153,953	119,242	34,711
Public works	300,177	300,177	254,444	45,733
Capital outlay	45,000	45,000	-	45,000
Total Expenditures	<u>986,645</u>	<u>986,645</u>	<u>838,849</u>	<u>147,796</u>
Excess (deficiency) of revenues over expenditures	<u>93,491</u>	<u>93,491</u>	<u>401,520</u>	<u>308,029</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(113,900)	(113,900)	(113,900)	-
Total other financing sources and uses	<u>(113,900)</u>	<u>(113,900)</u>	<u>(113,900)</u>	<u>-</u>
Net change in fund balances	(20,409)	(20,409)	287,620	308,029
Fund balances - beginning	1,386,108	1,386,108	1,471,027	(84,919)
Fund balances - ending	<u>\$ 1,365,699</u>	<u>\$ 1,365,699</u>	<u>\$ 1,758,647</u>	<u>\$ 284,552</u>

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

Note 1 **Budgets and Budgetary Accounting**

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

- By October 15, the Town Administrator submits to the Town Board of Trustees a proposed operating budget for the fiscal year beginning the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Any budget revisions that alter the total expenditures of any fund must be approved by the Board of Directors through passage of a formal resolution.
- The Town legally adopts budgets for all of the funds. Budgets for the general and special revenue funds are adopted on a basis consistent with GAAP. Budgetary comparisons for the enterprise funds are presented on a non-GAAP budgetary basis, where payments for capital assets and principal amounts of debt are treated as expenditures.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Board of Trustees. All appropriations lapse at year end.

Other Supplementary Information

**Town of Gilcrest
Combining Balance Sheets
Non-major Governmental Funds
December 31, 2024**

	<u>Conservation Trust</u>	<u>Municipal Court Surcharge</u>	<u>Town Hall Replacement Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 38,280	\$ 80,146	\$ 370,913	\$ 489,339
Prepaid expenses	155	1,766	-	1,921
Total assets	<u>38,435</u>	<u>81,912</u>	<u>370,913</u>	<u>491,260</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	169	-	-	169
Accrued wages and benefits	96	-	-	96
Total liabilities	<u>265</u>	<u>-</u>	<u>-</u>	<u>265</u>
Fund balances:				
Nonspendable				
Prepaid expenses	155	1,766	-	1,921
Restricted	38,015	80,146		118,161
Committed			370,913	370,913
Total fund balances	<u>38,170</u>	<u>81,912</u>	<u>370,913</u>	<u>490,995</u>
Total liabilities and fund balances	<u>\$ 38,435</u>	<u>\$ 81,912</u>	<u>\$ 370,913</u>	<u>\$ 491,260</u>

Town of Gilcrest
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2024

	Conservation Trust	Municipal Court Surcharge	Town Hall Replacement Fund	Total Other Governmental Funds
REVENUES				
Intergovernmental	\$ 12,519	\$ -	\$ -	\$ 12,519
Charges for services	-	15,195	-	15,195
Investment earnings	2,005	3,656	16,979	22,640
Total revenues	<u>14,524</u>	<u>18,851</u>	<u>16,979</u>	<u>50,354</u>
EXPENDITURES				
Public Safety	-	489	-	489
Culture and recreation	14,755	-	-	14,755
Total Expenditures	<u>14,755</u>	<u>489</u>	<u>-</u>	<u>15,244</u>
Excess (deficiency) of revenues over expenditures	<u>(231)</u>	<u>18,362</u>	<u>16,979</u>	<u>35,110</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	50,000	50,000
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
Net change in fund balances	(231)	18,362	66,979	85,110
Fund balances - beginning	38,401	63,550	303,934	405,885
Fund balances - ending	<u>\$ 38,170</u>	<u>\$ 81,912</u>	<u>\$ 370,913</u>	<u>\$ 490,995</u>

**Town of Gilcrest
Budget and Actual
Conservation Trust
For the year ended December 31, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 11,000	\$ 11,000	\$ 12,519	\$ 1,519
Investment earnings	1,580	1,580	2,005	425
Total revenues	<u>12,580</u>	<u>12,580</u>	<u>14,524</u>	<u>1,944</u>
EXPENDITURES				
Current:				
Culture and recreation	<u>15,906</u>	<u>15,906</u>	<u>14,755</u>	<u>1,151</u>
Total Expenditures	<u>15,906</u>	<u>15,906</u>	<u>14,755</u>	<u>1,151</u>
Excess (deficiency) of revenues over expenditures	<u>(3,326)</u>	<u>(3,326)</u>	<u>(231)</u>	<u>3,095</u>
Net change in fund balances	(3,326)	(3,326)	(231)	3,095
Fund balances - beginning	35,122	35,122	38,401	3,279
Fund balances - ending	<u>\$ 31,796</u>	<u>\$ 31,796</u>	<u>\$ 38,170</u>	<u>\$ 6,374</u>

**Town of Gilcrest
Budget and Actual
Municipal Court Surcharge
For the year ended December 31, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 15,000	\$ 15,000	\$ 15,195	\$ 195
Investment earnings	2,118	2,118	3,656	1,538
Total revenues	<u>17,118</u>	<u>17,118</u>	<u>18,851</u>	<u>1,733</u>
EXPENDITURES				
Current:				
Public Safety	<u>5,600</u>	<u>5,600</u>	<u>489</u>	<u>5,111</u>
Total Expenditures	<u>5,600</u>	<u>5,600</u>	<u>489</u>	<u>5,111</u>
Excess (deficiency) of revenues over expenditures	<u>11,518</u>	<u>11,518</u>	<u>18,362</u>	<u>(3,378)</u>
Net change in fund balances	11,518	11,518	18,362	6,844
Fund balances - beginning	<u>47,061</u>	<u>47,061</u>	<u>63,550</u>	<u>16,489</u>
Fund balances - ending	<u>\$ 58,579</u>	<u>\$ 58,579</u>	<u>\$ 81,912</u>	<u>\$ 23,333</u>

**Town of Gilcrest
Budget and Actual
Street Capital Improvement
For the year ended December 31, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and miscellaneous taxes	\$ -	\$ -	\$ 31,452	\$ 31,452
Investment earnings	17,526	17,526	16,700	16,700
Miscellaneous	-	-	131,025	131,025
Total revenues	<u>17,526</u>	<u>17,526</u>	<u>179,177</u>	<u>179,177</u>
EXPENDITURES				
Current:				
Capital Outlay	<u>355,000</u>	<u>355,000</u>	<u>274,058</u>	<u>274,058</u>
Total Expenditures	<u>355,000</u>	<u>355,000</u>	<u>274,058</u>	<u>274,058</u>
Excess (deficiency) of revenues over expenditures	<u>(337,474)</u>	<u>(337,474)</u>	<u>(94,881)</u>	<u>(94,881)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Total other financing sources and uses	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Net change in fund balances	(287,474)	(287,474)	(44,881)	(44,881)
Fund balances - beginning	389,456	389,456	423,877	-
Fund balances - ending	<u>\$ 101,982</u>	<u>\$ 101,982</u>	<u>\$ 378,996</u>	<u>\$ 1,758,648</u>

**Town of Gilcrest
Budget and Actual
Capital Improvement Fund
For the year ended December 31, 2024**

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales and use taxes	77,400	77,400	107,559	30,159
Investment earnings	14,820	14,820	24,328	9,508
Total revenues	<u>92,220</u>	<u>92,220</u>	<u>131,887</u>	<u>39,667</u>
EXPENDITURES				
Current:				
Highways and roads	4,000	4,000	-	4,000
Capital Outlay	-	-	21,500	(21,500)
Total Expenditures	<u>4,000</u>	<u>4,000</u>	<u>21,500</u>	<u>(17,500)</u>
Excess (deficiency) of revenues over expenditures	<u>88,220</u>	<u>88,220</u>	<u>110,387</u>	<u>22,167</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	36,300	36,300	17,000	19,300
Transfers out	(122,000)	(122,000)	-	(122,000)
Total other financing sources and uses	<u>(85,700)</u>	<u>(85,700)</u>	<u>17,000</u>	<u>(102,700)</u>
Net change in fund balances	2,520	2,520	127,387	(124,867)
Fund balances - beginning	329,340	329,340	416,675	(87,335)
Fund balances - ending	<u>\$ 331,860</u>	<u>\$ 331,860</u>	<u>\$ 544,062</u>	<u>\$ (212,202)</u>

**Town of Gilcrest
Budget and Actual
Town Hall Replacement Fund
For the year ended December 31, 2024**

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 13,624	\$ 13,624	\$ 16,979	\$ 3,355
Total revenues	<u>13,624</u>	<u>13,624</u>	<u>16,979</u>	<u>3,355</u>
EXPENDITURES				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>13,624</u>	<u>13,624</u>	<u>16,979</u>	<u>3,355</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total other financing sources and uses	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balances	63,624	63,624	66,979	3,355
Fund balances - beginning	302,759	302,759	303,934	1,175
Fund balances - ending	<u>\$ 366,383</u>	<u>\$ 366,383</u>	<u>\$ 370,913</u>	<u>\$ 4,530</u>

**Town of Gilcrest
Budget and Actual
Water Fund
For the year ended December 31, 2024**

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 220,000	\$ 220,000	\$ 225,599	\$ 5,599
Investment earnings	19,845	19,845	16,025	(3,820)
Other operating revenues	-	-	5,599	5,599
Miscellaneous	3,000	3,000	8,068	5,068
Total revenues	<u>242,845</u>	<u>242,845</u>	<u>255,291</u>	<u>12,446</u>
EXPENDITURES				
Current:				
System Operations	251,718	271,718	270,501	1,217
Administrative and general	85,776	85,776	78,056	7,720
Debt Service:				
Principal	5,434	5,434	5,434	-
Interest and other charges	1,848	1,848	1,758	90
Total Expenditures	<u>344,776</u>	<u>364,776</u>	<u>355,749</u>	<u>9,027</u>
Excess (deficiency) of revenues over expenditures	<u>(101,931)</u>	<u>(121,931)</u>	<u>(100,458)</u>	<u>21,473</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(10,200)</u>	<u>(10,200)</u>	<u>(5,100)</u>	<u>(5,100)</u>
Total other financing sources and uses	<u>(10,200)</u>	<u>(10,200)</u>	<u>(5,100)</u>	<u>(5,100)</u>
Net change in fund balances	(112,131)	(132,131)	(105,558)	
Fund balances - beginning	440,996	440,996	1,564,567	(1,123,571)
Adjustment to GAAP principal	-	-	5,434	
Adjustment to GAAP depreciation	-	-	(28,004)	
Fund balances - ending	<u>\$ 328,865</u>	<u>\$ 308,865</u>	<u>\$ 1,436,439</u>	<u>\$ (1,123,571)</u>

**Town of Gilcrest
Budget and Actual
Sewer Fund
For the year ended December 31, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 281,803	\$ 281,803	\$ 279,982	\$ (1,821)
Investment earnings	12,252	12,252	20,708	8,456
Miscellaneous	-	-	3,882	3,882
Total revenues	<u>294,055</u>	<u>294,055</u>	<u>304,572</u>	<u>10,517</u>
EXPENDITURES				
Current:				
System operations	126,921	126,921	113,897	13,024
Administration and general	76,195	76,195	77,014	(819)
Interest and other charges	5,021	5,021	4,840	181
Debt Service:	46,318	46,318	46,318	-
Capital Outlay	<u>3,204,950</u>	<u>3,204,950</u>	<u>33,971</u>	<u>3,170,979</u>
Total Expenditures	<u>3,459,405</u>	<u>3,459,405</u>	<u>276,040</u>	<u>3,183,365</u>
Excess (deficiency) of revenues over expenditures	<u>(3,165,350)</u>	<u>(3,165,350)</u>	<u>28,532</u>	<u>3,193,882</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from financing	1,474,000	1,474,000	-	1,474,000
Grants	1,719,700	1,719,700	-	1,719,700
Transfers in	122,000	122,000	-	122,000
Transfers out	<u>(5,100)</u>	<u>(5,100)</u>	<u>-</u>	<u>(5,100)</u>
Total other financing sources and uses	<u>3,310,600</u>	<u>3,310,600</u>	<u>-</u>	<u>3,310,600</u>
Net change in fund balances	145,250	145,250	28,532	(116,718)
Fund balances - beginning	272,272	272,272	1,631,341	1,359,069
Reconciling to GAAP--capital outlay	-	-	33,971	33,971
Reconciling to GAAP--debt service	-	-	46,318	46,318
Reconciling to GAAP--depreciation	-	-	(96,315)	(96,315)
Fund balances - ending	<u>\$ 417,522</u>	<u>\$ 417,522</u>	<u>\$ 1,643,847</u>	<u>\$ 1,226,325</u>

**Town of Gilcrest
Budget and Actual
Stormwater Fund
For the year ended December 31, 2024**

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 21,500	\$ 21,500	\$ 21,616	\$ 116
Investment earnings	5,731	5,731	6,896	1,165
Total revenues	<u>27,231</u>	<u>27,231</u>	<u>28,512</u>	<u>1,281</u>
EXPENDITURES				
Current:				
System operations	<u>36,638</u>	<u>36,638</u>	<u>10,150</u>	<u>26,488</u>
Total Expenditures	<u>36,638</u>	<u>36,638</u>	<u>10,150</u>	<u>26,488</u>
Excess (deficiency) of revenues over expenditures	<u>(9,407)</u>	<u>(9,407)</u>	<u>18,362</u>	<u>27,769</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000	2,000	2,000	-
Transfers out	<u>(5,100)</u>	<u>(5,100)</u>	<u>-</u>	<u>(5,100)</u>
Total other financing sources and uses	<u>(3,100)</u>	<u>(3,100)</u>	<u>2,000</u>	<u>(5,100)</u>
Net change in fund balances	(12,507)	(12,507)	20,362	32,869
Fund balances - beginning	127,365	127,365	705,737	578,372
Adjustment to GAAP depreciation	-	-	(13,998)	(13,998)
Fund balances - ending	<u>\$ 114,858</u>	<u>\$ 114,858</u>	<u>\$ 712,101</u>	<u>\$ 597,243</u>

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Gilcrest
		YEAR ENDING : December 31, 2024
This Information From The Records Of Town of Gilcrest	Prepared By: Phone:	Lorraine Trotter, ProFl Mgmt Solutions 303-910-9197

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	274,058
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	27,344
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	27,253
2. General fund appropriations	23,798	b. Snow and ice removal	0
3. Other local imposts (from page 2)	42,823	c. Other	0
4. Miscellaneous local receipts (from page 2)	150,813	d. Total (a. through c.)	25,060
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues		6. Total (1 through 5)	326,462
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest & Costs of Issuance	
7. Total (1 through 6)	217,434	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	64,148	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	281,582	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	326,462

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	423,877	281,582	326,462	378,997	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 31, 2024

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	16,700
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	31,452	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	11,371	g. Other Misc. Receipts Co. Rd & Bridge	3,088
6. Total (1. through 5.)	42,823	h. Other Development Fees	131,025
c. Total (a. + b.)	42,823	i. Total (a. through h.)	150,813
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	56,226	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	7,922	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	7,922	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	64,148	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			
(3). System Preservation			0
(4). System Enhancement & Operation		274,058	274,058
(5). Total Construction (1) + (2) + (3) + (4)			274,058
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	274,058
			(Carry forward to page 1)

Notes and Comments: