TOWN OF KEENESBURG, COLORADO

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

TABLE OF C O N T E N T S

TABLE OF C O N T E N T S - (CONTINUED)

SUPPLEMENTARY INFORMATION

Compliance Section

State Compliance

THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Members of the Board of Trustees
Town of Keenesburg
Keenesburg, Colorado

Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and the GASB required pension schedules 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 budgetary comparison schedules and local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, budgetary comparison schedules and local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Adams Group, LLC

Greenwood Village, Colorado
August 26, 2025

Town of Keenesburg, Colorado's (the Town) discussion and analysis offers readers of the Town's financial statements a narrative overview and analysis of the Town's financial activities for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

Financial Highlights

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at December 31, 2024 by $37,619,058. Of this amount, $18,823,106 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens, creditors, and enterprise fund customers.

- The Town's total net position increased by $7,684,546 over the previous year. The increase was a result of capital contributions conveyed to the Town, tax revenues and utility revenues collected sufficient to cover operating expenses.

- At December 31, 2024, the Town's governmental fund balance sheet reported a combined ending fund balance of $10,512,241, an increase of $1,943,593 when compared to the prior year.

- The General Fund reported a fund balance of $6,485,149, an increase of $1,382,470 from the prior fiscal year as a result of increased tax and building permit revenues.

- The Town's total outstanding long-term debt increased by $1,497,463 in fiscal year 2024 as a result of draws on the new CWCB loan.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements 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 required supplementary information and 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 of the Town's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator 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 (such as, uncollected taxes and earned but unused vacation leave).

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

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

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

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

The Town maintains four individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Impact Fee Fund, Capital Improvements Fund, and the Conservation Trust Fund. The General Fund, Impact Fee Fund and the Capital Improvements Fund are all considered to be major funds in the current year.

The Town adopts an annual appropriated budget for all funds, as required by State Statues. Budgetary comparison statements have been provided for governmental funds to demonstrate compliance with the budget.

Proprietary funds. The Town maintains one type of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and wastewater utility system.

Financial statements of proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary fund financial statements provide separate information for the Town's water and wastewater, each of which is considered to be major fund of the Town.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning budgetary comparison information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indication of a government's financial position. The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $37,619,058 at the close of the most recent fiscal year, representing an increase in total net position for the year amounting to $7,684,546

One of the largest portions of the Town's net position (49%) reflects its investment in capital assets (for example, land, buildings, infrastructure, and machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources because the capital assets themselves cannot be used to liquidate these liabilities.

Town of Keenesburg Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	$ 25,840,148	$ 14,251,233	$ 8,712,779	$ 7,821,829	$ 34,552,927	$ 22,073,062
Net pension asset	-	30,233	-	-	-	30,233
Capital assets and lease assets	10,395,896	6,136,963	10,371,690	8,537,853	20,767,586	14,674,816
Total assets	36,236,044	20,418,429	19,084,469	16,359,682	55,320,513	36,778,111
Deferred Outflows of Resources						
Related to pensions	264,958	336,282	-	-	264,958	336,282
Total deferred outflows	264,958	336,282	-	-	264,958	336,282
Liabilities						
Current liabilities	10,940,175	3,021,559	129,802	68,037	11,069,977	3,089,596
Long-term liabilities	445,336	572,813	1,884,396	253,279	2,329,732	826,092
Total liabilities	11,385,511	3,594,372	2,014,198	321,316	13,399,709	3,915,688
Deferred inflows of resources						
Related to pensions	178,648	621,417	-	-	178,648	621,417
Deferred property taxes	4,388,056	2,642,776	-	-	4,388,056	2,642,776
Total deferred inflows	4,566,704	3,264,193	-	-	4,566,704	3,264,193
Net position:						
Net investment in capital assets	9,976,820	5,586,459	8,500,074	8,296,260	18,476,894	13,882,719
Restricted	306,571	277,035	12,487	10,434	319,058	287,469
Unrestricted	10,265,396	8,032,652	8,557,710	7,731,672	18,823,106	15,764,324
Total net position	$ 20,548,787	$ 13,896,146	$ 17,070,271	$ 16,038,366	$ 37,619,058	$ 29,934,512

An additional portion of the Town's net position (1%) represents resources that are subject to restrictions on how they may be used, most of which are restrictions imposed from external sources. The remaining (50%) of total net position, $18,823,106, represents unrestricted net position that may be used to meet the government's ongoing obligations to citizens, creditors, and customers within the respective governmental and business-type activities.

At the end of the current fiscal year, as in the prior year, the Town is able to report positive balances in all three categories of net position as a whole and individually within the governmental and business-type activities. Unrestricted net position increased by $3,058,782 compared with the prior year, largely due to increase in revenues associated with increase in tax collections and building permits. The Town's finances are strong, sound, and stable because of solid, dedicated and committed financial management.

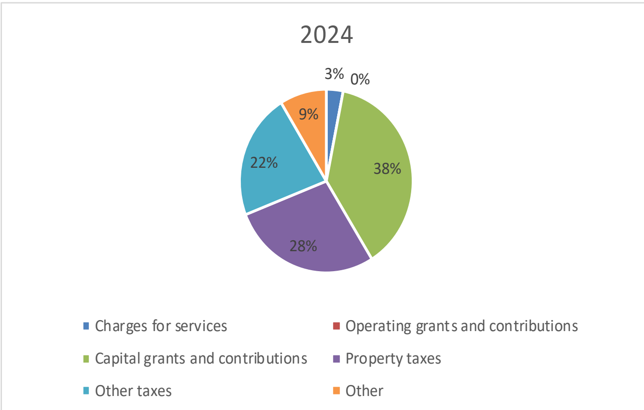
The changes in net position displayed subsequently shows the governmental and business-type activities during the previous two fiscal years. The increase in net position for each year represents the extent to which expenses were less than revenues during the year.

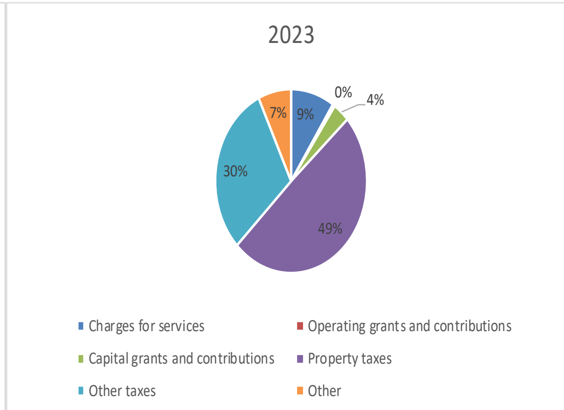
Town of Keenesburg Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 311,475	$ 523,779	$ 2,026,436	$ 1,573,473	$ 2,337,911	$ 2,097,252
Operating grants and contributions	1,183	27,890	-	-	1,183	27,890
Capital grants and contributions	3,774,156	197,903	546,281	93,377	4,320,437	291,280
General revenues:						
Property taxes	2,763,651	2,788,894	-	-	2,763,651	2,788,894
Other taxes	2,206,451	1,713,543	-	-	2,206,451	1,713,543
Other	866,218	396,962	370,506	342,542	1,236,724	739,504
Total revenues	9,923,134	5,648,971	2,943,223	2,009,392	12,866,357	7,658,363
Expenses:						
General government	1,004,115	1,007,764	-	-	1,004,115	1,007,764
Public safety	1,147,784	1,460,447	-	-	1,147,784	1,460,447
Public works	909,709	832,282	-	-	909,709	832,282
Health and welfare	94,216	78,860	-	-	94,216	78,860
Culture and recreation	99,137	94,595	-	-	99,137	94,595
Interest on long-term debt	15,532	18,862	-	-	15,532	18,862
Loss on disposal of assets	-	19,712	-	-	-	19,712
Water and sewer	-	-	1,911,318	1,794,838	1,911,318	1,794,838
Total expenses	3,270,493	3,512,522	1,911,318	1,794,838	5,181,811	5,307,360
Change in net position	6,652,641	2,136,449	1,031,905	214,554	7,684,546	2,351,003
Net position, January 1,	13,896,146	11,759,697	16,038,366	15,823,812	29,934,512	27,583,509
Net position, December 31,	$ 20,548,787	$ 13,896,146	$ 17,070,271	$ 16,038,366	$ 37,619,058	$ 29,934,512

Graphic presentations of selected data from the summary tables follow to assist in the analysis of the Town's activities for fiscal years 2024 and 2023.

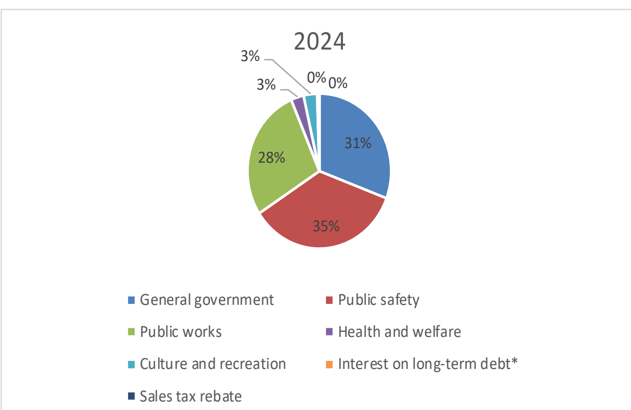
GOVERNMENTAL REVENUES

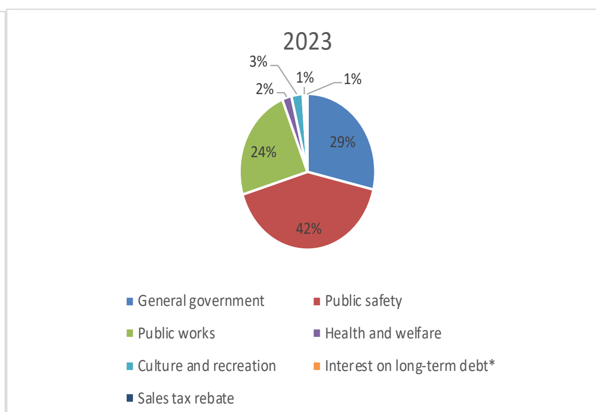




As portrayed above and discussed earlier, the Town is heavily reliant on sales and use taxes as well as property taxes to support governmental operations. These tax revenue streams accounted for 50% of total revenues as compared to 79% in the prior year. The biggest categorical increase was capital grants and contributions related to capital assets conveyed to the Town, which is a result of increased development within the Town.

GOVERNMENTAL FUNCTIONAL EXPENSES





Total expenses for governmental activities was $3,270,493 in 2024 when compared to the 2023 balance of $3,512,522. Public safety was the largest operating service for 2024 for the Town. Total public safety expenses was $1,147,784 in 2024 as compared to $1,460,447 in 2023. General government was the second largest functional expense in 2024 with total expenses of $1,004,115 as compared to $1,007,764 in 2023.

Financial Analysis of the Town's Funds

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

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

As of December 31, 2024, the Town's governmental funds reported combined fund balances of $10,512,241, an increase of $1,943,593 compared with the prior year balances. There is $4,804,974 of unassigned fund balance, which is available for spending at the Town's discretion. The remainder of fund balance falls into the categories of either nonspendable, restricted, committed or assigned.

These categories indicate that the funds are not available for new spending because they have already been designated for a specific purpose either by action of the Town, statutory or debt-based requirements.

The General Fund is the chief operating fund of the Town. At December 31, 2024, total fund balance in the General Fund was $6,485,149. As a measure of the General Fund's liquidity, the total fund balance amount exceeds total general fund expenditures at December 31, 2024. The fund balance of the General Fund increased by $1,382,470 during the current fiscal year due to an increase in sales tax and building permit revenues.

The Impact Fund has a total fund balance of $1,989,600. This fund was started in 2017 and in 2024, the funds only expenditures were related to capital outlay. The main sources of revenue are impact fees assessed by the Town.

The Capital Improvement has a total fund balance of $1,980,921 of which $48,000 is restricted for payment of debt service. The $426,652 increase in fund balance for the year is due to an increase in sales tax revenues.

The Conservation Trust special revenue fund has a total restricted fund balance of $56,571. This fund balance increased $25,769 during the current fiscal year as the fund incurred no expenditures during 2024.

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. At December 31, 2024, total net position amounted to $17,070,271 for enterprise funds, an increase of $1,031,905 from the prior year.

Total net position of the Wastewater Fund amounted to $4,588,059 at the end of the fiscal year, representing a $303,971 increase from the prior year amount of $4,284,088. Operating revenues increased 1%, or $7,784, compared to fiscal year 2023 due to an increase usage by customers within the Town.

Operating expenditures had an increase of $36,128, which is directly related to an increase in salaries and maintenance on the system during 2024.

The Waterworks Fund total net position increased by $727,934 during the year. The largest portion of the fund's net position (50%) reflects its investment in capital assets, less any related outstanding debt used to acquire those assets. Unrestricted net position of the fund increased by $459,327 to $6,230,758. This increase was a result of an increase in investment earnings and capital contributions during 2024.

General Fund Budgetary Highlights

A budget to actual statement is provided for the General Fund.

Budgeted taxes revenue represents the full levy of property taxes for the year, whereas actual results reflect a small number of delinquent accounts. There were positive revenue variances totaling $428,933 across all revenue streams. Expenditures for general government, public safety, public works, health and welfare, culture and recreation, and debt service were under budget by a total of $960,882 due mostly to less salary and capital outlay expenditures compared to the budget in 2024.

Capital Assets and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental and business–type activities as of December 31, 2024, amounts to $18,476,894 (net of accumulated depreciation and related debt). This investment in capital assets includes land and water rights, buildings and systems, machinery and equipment, infrastructure, and vehicles. The overall net increase in the Town's capital assets for the current fiscal year was 20% due to acquisition and construction of assets. Major capital asset events in the current fiscal year included the following:

- Purchase of police cars and land for police building - $418,431
- Water Rights and water system improvements- $2,153,748
- Town hall improvements - $106,028
- Playground and park improvements - $186,105
- Street and roadway improvements - $3,980,194

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 479,243	$ 179,928	$ 168,679	$ 168,677	$ 647,922	$ 348,605
Construction in process	899,024	732,203	1,777,229	1,739,531	2,676,253	2,471,734
Buildings and system	1,241,494	1,180,715	1,070	1,227	1,242,564	1,181,942
Machinery and equipment	744,003	786,559	47,796	72,917	791,799	859,476
Infrastructure	6,846,166	3,041,786	-	-	6,846,166	3,041,786
Lease assets	185,966	215,772	-	-	185,966	215,772
Wastewater system	-	-	757,056	826,427	757,056	826,427
Waterworks system	-	-	4,362,683	4,584,585	4,362,683	4,584,585
Water rights	-	-	3,257,177	1,144,489	3,257,177	1,144,489
	$ 10,395,896	$ 6,136,963	$ 10,371,690	$ 8,537,853	$ 20,767,586	$ 14,674,816

Long-term debt. At the end of the current fiscal year, the Town had total debt outstanding of $2,290,691. Of this amount, $2,096,616 comprises bonded debt backed by the full faith and credit of the government. The remaining balance consists of long-term lease liabilities recorded under GASB Statement No. 87, *Leases.*

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Bonds and Loans	$ 225,000	$ 330,000	$ 1,871,616	$ 241,593	$ 2,096,616	$ 571,593
Lease liabilities	194,075	221,635	-	-	194,075	221,635
	$ 419,075	$ 551,635	$ 1,871,616	$ 241,593	$ 2,290,691	$ 793,228

Economic Factors and Next Year's Budget and Rates

- Taxable property valuation increased from $120.127 million in 2023 to $199,457 million in 2024. 2024 valuation is based on collections to be received by the Town in 2025.

- Sales tax revenues were higher than 2024 budgeted amounts by $232,066.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Town Treasurer.

BASIC FINANCIAL STATEMENT

TOWN OF KEENESBURG
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 10,446,214	$ 8,242,428	$ 18,688,642
Cash and cash equivalents - restricted	10,292,130	-	10,292,130
Accounts receivable	944,391	157,786	1,102,177
Property taxes receivable	4,388,056	-	4,388,056
Inventories	-	44,196	44,196
Prepaid items	34,005	3,721	37,726
Capital assets, not depreciated	1,378,267	5,203,085	6,581,352
Capital assets, net of depreciation	8,831,663	5,168,605	14,000,268
Right to use lease assets, net of amortization	185,966	-	185,966
Internal balances	(264,648)	264,648	-
Total Assets	36,236,044	19,084,469	55,320,513
Deferred Outflows of Resources			
Related to pension	264,958	-	264,958
Total Deferred Outflows of Resources	264,958	-	264,958
Liabilities			
Accounts payable	90,146	71,702	161,848
Accrued interest	324	-	324
Other liabilities	88,187	40,204	128,391
Unearned revenue	10,753,518	4,896	10,758,414
Deposits	8,000	13,000	21,000
Noncurrent liabilities:			
Due within one year	163,821	27,047	190,868
Due in more than one year	281,515	1,857,349	2,138,864
Total Liabilities	11,385,511	2,014,198	13,399,709
Deferred Inflows of Resources			
Related to pension	178,648	-	178,648
Unavailable property taxes	4,388,056	-	4,388,056
Total Deferred Inflows of Resources	4,566,704	-	4,566,704
Net Position			
Net investment in capital assets	9,976,820	8,500,074	18,476,894
Restricted			
Emergency reserves	202,000	-	202,000
Debt service	48,000	-	48,000
Culture and recreation	56,571	-	56,571
Capital projects	-	12,487	12,487
Unrestricted	10,265,396	8,557,710	18,823,106
Total Net Position	$ 20,548,787	$ 17,070,271	$ 37,619,058

The accompanying notes are an integral part of the financial statements.

TOWN OF KEENESBURG
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Primary government:							
Governmental Activities:							
General government	$ 1,004,115	$ 304,315	$ 1,183	$ 60,852	$ (637,765)	$ -	$ (637,765)
Public safety	1,147,784	7,160	-	7,689	(1,132,935)	-	(1,132,935)
Public works	909,709	-	-	3,592,952	2,683,243	-	2,683,243
Health and welfare	94,216	-	-	-	(94,216)	-	(94,216)
Culture and recreation	99,137	-	-	112,663	13,526	-	13,526
Interest and fiscal charges	15,532	-	-	-	(15,532)	-	(15,532)
Total governmental activities	3,270,493	311,475	1,183	3,774,156	816,321	-	816,321
Business-Type Activities:							
Waterworks	1,128,684	1,282,843	-	276,605	-	430,764	430,764
Wastewater	782,634	743,593	-	269,676	-	230,635	230,635
Total business-type activities	1,911,318	2,026,436	-	546,281	-	661,399	661,399
Total primary government	5,181,811	2,337,911	1,183	4,320,437	816,321	661,399	1,477,720
GENERAL REVENUES:							
Taxes							
General property					2,763,651	-	2,763,651
Specific ownership taxes					95,674	-	95,674
Franchise					450,436	-	450,436
Sales					1,233,066	-	1,233,066
Use					235,426	-	235,426
Severance					70,823	-	70,823
Highway users					113,669	-	113,669
Other					7,357	-	7,357
Investment earnings					337,903	361,616	699,519
Proceeds from insurance					51,059	-	51,059
Miscellaneous					477,256	8,890	486,146
Total general revenues					5,836,320	370,506	6,206,826
Change in net position					6,652,641	1,031,905	7,684,546
Net position - beginning					13,896,146	16,038,366	29,934,512
Net position - ending					$ 20,548,787	$ 17,070,271	$ 37,619,058

The accompanying notes are an integral part of the financial statements.

TOWN OF KEENESBURG
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General	Impact Fee	Capital Improvements	Non-Major Conservation Trust	Total Governmental Funds
Assets					
Cash and investments	$ 7,089,685	$ 1,926,335	$ 1,430,194	$ -	$ 10,446,214
Cash and investments - restricted	10,187,559	-	48,000	56,571	10,292,130
Accounts receivable	901,391	-	43,000	-	944,391
Property taxes receivable	4,388,056	-	-	-	4,388,056
Prepaid items	34,005	-	-	-	34,005
Due from other funds	-	63,265	485,004	-	548,269
Total assets	$ 22,600,696	$ 1,989,600	$ 2,006,198	$ 56,571	$ 26,653,065
Liabilities, deferred inflows of resources and fund balance					
Liabilities:					
Accounts payable	$ 68,596	$ -	$ 21,550	$ -	$ 90,146
Other liabilities	88,187	-	-	-	88,187
Deposits	8,000	-	-	-	8,000
Unearned revenue	10,753,518	-	-	-	10,753,518
Due to other funds	809,190	-	3,727	-	812,917
Total liabilities	11,727,491	-	25,277	-	11,752,768
Deferred inflows of resources					
Unavailable property taxes	4,388,056	-	-	-	4,388,056
Total deferred inflows of resources	4,388,056	-	-	-	4,388,056
Fund balance:					
Nonspendable					
Prepaid items	34,005	-	-	-	34,005
Restricted					
Emergencies	202,000	-	-	-	202,000
Debt service	-	-	48,000	-	48,000
Culture and recreation	-	-	-	56,571	56,571
Committed					
Debt service	-	-	114,636	-	114,636
Impact fund	-	1,989,600	-	-	1,989,600
Assigned for					
Capital improvements	-	-	1,818,285	-	1,818,285
Board reserve	1,444,170	-	-	-	1,444,170
Unassigned	4,804,974	-	-	-	4,804,974
Total fund balances	6,485,149	1,989,600	1,980,921	56,571	10,512,241
Total liabilities, deferred inflows of resources and fund balances	$ 22,600,696	$ 1,989,600	$ 2,006,198	$ 56,571	$ 26,653,065

The accompanying notes are an integral part of the financial statements.

TOWN OF KEENESBURG
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

Total fund balance, governmental funds	$ 10,512,241
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	
Right to use lease assets, net of accumulated amortization	185,966
Capital assets, net of accumulated depreciation	10,209,930
Other noncurrent assets and deferred inflows of resources are not available to pay for current period expenditures and, therefore, are deferred in the funds.	
Deferred outflows of resources - related to pensions	264,958
Other deferred inflows of resources are not due and payable in the current period and therefore, are not reported in the funds.	
Deferred inflows of resources - related to pensions	(178,648)
Long-term liabilities, including loans and leases payable, and accrued interest are not due and payable in the current period, and therefore, are not reported in governmental funds.	
Bonds payable	(225,000)
Lease liabilities	(194,075)
Accrued interest	(324)
Compensated absences	(26,261)
Total net position of governmental activities	$ 20,548,787

The accompanying notes are an integral part of the financial statements.

TOWN OF KEENESBURG
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

				Non-Major	
Revenues	General	Impact Fee	Capital Improvements	Conservation Trust	Total Governmental Funds
Taxes	$ 3,948,036	$ -	$ 1,022,066	$ -	$ 4,970,102
Licenses and permits	368,248	-	-	-	368,248
Intergovernmental	56,192	313,091	234,250	25,444	628,977
Charges for services	304,315	-	-	-	304,315
Investment earnings	256,568	67,995	13,015	325	337,903
Miscellaneous	109,008	-	-	-	109,008
Total revenues	5,042,367	381,086	1,269,331	25,769	6,718,553
Expenditures					
Current:					
General government	887,921	-	-	-	887,921
Public safety	1,471,646	-	-	-	1,471,646
Public works	582,124	-	-	-	582,124
Health and environment	94,216	-	-	-	94,216
Culture and recreation	68,775	-	-	-	68,775
Capital outlay	572,792	272,384	728,043	-	1,573,219
Debt service:					
Principal	27,560	-	105,000	-	132,560
Interest and fiscal charges	5,922	-	9,636	-	15,558
Total expenditures	3,710,956	272,384	842,679	-	4,826,019
Excess revenues over expenditures	1,331,411	108,702	426,652	25,769	1,892,534
Other financing sources					
Proceeds from insurance recovery	51,059	-	-	-	51,059
Total other financing sources	51,059	-	-	-	51,059
Net changes in fund balances	1,382,470	108,702	426,652	25,769	1,943,593
Fund balances - beginning of year	5,102,679	1,880,898	1,554,269	30,802	8,568,648
Fund balances - end of year	$ 6,485,149	$ 1,989,600	$ 1,980,921	$ 56,571	$ 10,512,241

The accompanying notes are an integral part of the financial statements.

TOWN OF KEENESBURG
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS – TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

Net changes in fund balance - total governmental funds:	$	1,943,593
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay		1,550,366
Depreciation expense		(433,749)
Lease amortization expense		(29,806)
Governmental funds report principal payments as expenditures. However, in the statement of activities these payments are reflected as a reduction in long-term debt obligations.		
Principal on bonds payable		105,000
Principal on leases payable		27,560
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Change in accrued compensated absences		(5,083)
Change in accrued interest payable		26
FFPA pension expense		341,212
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.		
Contributed capital assets, conveyed from third parties		3,172,122
Change in unavailable grant revenues		(18,600)
Change in net position of governmental activities	$	6,652,641

The accompanying notes are an integral part of the financial statements.

TOWN OF KEENESBURG
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Waterworks	Wastewater	Total
Assets			
Current assets:			
Cash and investments	$ 6,004,974	$ 2,237,454	$ 8,242,428
Accounts receivable, net	73,940	83,846	157,786
Inventories	44,196	-	44,196
Prepaid items	2,738	983	3,721
Due from other funds	217,796	52,450	270,246
Total current assets	6,343,644	2,374,733	8,718,377
Noncurrent assets:			
Capital assets, not being depreciated	3,496,312	1,706,773	5,203,085
Capital assets, net of depreciation	4,399,142	769,463	5,168,605
Total noncurrent assets	7,895,454	2,476,236	10,371,690
Total assets	14,239,098	4,850,969	19,090,067
Liabilities			
Current liabilities:			
Accounts payable	63,081	8,621	71,702
Customer deposits	13,000	-	13,000
Other liabilities	21,997	18,207	40,204
Due to other funds	5,598	-	5,598
Unearned revenues	2,407	2,489	4,896
Compensated absences, current portion	6,803	5,977	12,780
Loans payable, current portion	-	14,267	14,267
Total current liabilities	112,886	49,561	162,447
Noncurrent liabilities:			
Loans payable	1,644,000	213,349	1,857,349
Total noncurrent liabilities	1,644,000	213,349	1,857,349
Total liabilities	1,756,886	262,910	2,019,796
Net Position			
Net investment in capital assets	6,251,454	2,248,620	8,500,074
Restricted - capital projects	-	12,487	12,487
Unrestricted	6,230,758	2,326,952	8,557,710
Total net position	$ 12,482,212	$ 4,588,059	$ 17,070,271

The accompanying notes are an integral part of the financial statements.

TOWN OF KEENESBURG
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024

	Waterworks	Wastewater	Total
Operating revenues			
Charges for services	$ 1,282,843	$ 743,593	$ 2,026,436
Miscellaneous	8,890	-	8,890
Total operating revenues	1,291,733	743,593	2,035,326
Operating expenses			
Operations and maintenance	569,475	390,683	960,158
Administration and general	312,364	305,795	618,159
Depreciation	246,845	79,309	326,154
Total operating expenses	1,128,684	775,787	1,904,471
Operating income (loss)	163,049	(32,194)	130,855
Nonoperating revenues (expenses)			
Intergovernmental	41,018	-	41,018
Investment earnings	288,280	73,336	361,616
Interest expense	-	(6,847)	(6,847)
Total non-operating revenues (expenses)	329,298	66,489	395,787
Income (loss) before contributions	492,347	34,295	526,642
Capital contributions	235,587	269,676	505,263
Changes in net position	727,934	303,971	1,031,905
Net position, beginning of year	11,754,278	4,284,088	16,038,366
Net position, end of year	$ 12,482,212	$ 4,588,059	$ 17,070,271

The accompanying notes are an integral part of the financial statements.

TOWN OF KEENESBURG
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

	Waterworks	Wastewater	Total
Cash Flows From Operating Activities			
Cash received from customers	$ 1,268,461	$ 742,311	$ 2,010,772
Cash paid to suppliers	(323,718)	(275,255)	(598,973)
Cash paid to employees	(500,419)	(415,471)	(915,890)
Other operating receipts	8,841	-	8,841
Net cash provided (used) by operating activities	453,165	51,585	504,750
Cash Flows From Capital and Related Financing Activities			
Acquisition of capital assets	(2,159,452)	(539)	(2,159,991)
Tap fees received	235,587	269,676	505,263
Loan principal payments	-	(13,977)	(13,977)
Loan proceeds	1,644,000	-	1,644,000
Loan interest payment	-	(6,847)	(6,847)
Net cash provided (used) by capital and related financing activities	(279,865)	248,313	(31,552)
Cash Flows From Noncapital Financing Activities			
Grants received	41,018	-	41,018
Transfers to/from other funds	(1,436,698)	23,981	(1,412,717)
Net cash provided (used) by noncapital financing activities	(1,395,680)	23,981	(1,371,699)
Cash Flows From Investing Activities			
Interest received	288,280	73,336	361,616
Net cash provided by investing activities	288,280	73,336	361,616
Net change in cash and cash equivalents	(934,100)	397,215	(536,885)
Cash and cash equivalents, beginning of year	6,939,074	1,840,239	8,779,313
Cash and cash equivalents, end of year	$ 6,004,974	$ 2,237,454	$ 8,242,428
Reconciliation of Net Operating Income (Loss) to Net Cash Provided by Operating Activities			
Net operating income (loss)	$ 163,049	$ (32,194)	$ 130,855
Adjustments to reconcile net operating income (loss) to cash provided by operating activities			
Depreciation expense	246,845	79,309	326,154
Changes in assets and liabilities related to operations			
(Increase) Decrease in:			
Accounts receivable	(9,857)	(1,657)	(11,514)
Inventory	(5,855)	-	(5,855)
Prepaid items	1,205	1,046	2,251
Increase (Decrease) in:			
Accounts payable	61,904	4,060	65,964
Unearned revenue	(49)	375	326
Deposits	(4,525)	-	(4,525)
Compensated absences payable	448	646	1,094
Net cash provided by operating activities	$ 453,165	$ 51,585	$ 504,750

The accompanying notes are an integral part of the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Town of Keenesburg, Colorado (the Town), was incorporated in 1919, and is governed by a Mayor and seven-member Board of Trustees elected by the residents. The Town provides the following services: public safety, public works, sanitation, health and welfare, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Town conform to generally accepted accounting principles as applicable to government entities. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

The financial reporting entity consists of the Town, organizations for which the Town is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the Town. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Town. Legally separate organizations for which the Town is financially accountable are considered part of the reporting entity. Financial accountability exists if the Town appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to or impose financial burdens on the Town. The Town includes no component units, nor is the Town a component of any other governmental entity.

Government-Wide and Fund Financial Statements

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

The statement of net position presents the financial position of the governmental and business-type activities of the Town at year-end.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)
Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns 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*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenues are considered to be measurable and available only when cash is received by the Town.

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

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

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

The *Impact Fee Fund* is used to address the impacts of growth and development, providing a funding mechanism to address the impact of new development. The main revenue sources are impact fees that include: park impact, roadway impact, drainage impact, town hall impact and police impact.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The *Capital Improvement Fund* is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition, construction or improvement of major capital facilities and other capital assets other than those financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The fund is also used to accumulate funds to finance a capital improvement plan. The budget is adopted on a project basis which is multi-year.

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

The Town reports the following major proprietary funds:

The *Waterworks Fund* accounts for the revenues and expenses related to the provision of water service.

The *Wastewater Fund* accounts for the revenues and expenses related to the provision of sewer service.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions, and; 3) capital grants and contributions, including special assessments. General revenues include all taxes, interest and investment earnings, and miscellaneous revenues.

Interfund transactions are treated and classified as revenues, expenditures, or expenses. These include interfund transfers from one fund to another for the purchase of goods or services, In the government-wide statement of activities, interfund transactions are eliminated unless the transfer is between the governmental and business-type activities.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Cash and Investments– The Town's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)
Investments were reported in accordance with GASB Statement No. 72, as amended.

Receivables – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. At December 31, 2024, the Town believes all amounts recorded are fully collectible.

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

By December 15 of each year, property taxes for the Town are levied by the Board and certified to Weld County for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. The taxes are collected by Weld County on behalf of the Town.

Property taxes levied in the General Fund are included in receivables and deferred inflows at December 31, 2024. These taxes are classified as deferred inflows since they are not normally available to the Town until mid-2025 and are budgeted for in 2025.

Inventories – Business-type fund inventory consists of supplies held for consumption. Inventory is carried at cost using the first-in, first-out method. The cost is recorded as an expenditure at the time individual inventory items are consumed (consumption method).

Prepaid Items – Certain payments to vendors and other third parties reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Expenditures/expenses are recorded when the service underlying the prepaid item is provided (consumption method).

Leased Assets – In June 2017 the Governmental Accounting Standards Board (GASB) adopted Statement No. 87, *Leases*. This standard establishes a single model for lease accounting based on the foundational principle that leases are financing the right to use and underlying asset. The Town determines if an arrangement is a lease at inception. Lease assets represent the Town's control of the right to use an underlying asset for the lease term, in an exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payment made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the useful life of the underlying asset.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

Capital Assets – Capital assets, which include land, construction in process, water rights, water and wastewater systems, buildings, equipment, and streets constructed or contributed since January 1, 2004, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund in the fund financial statements. Capital assets are defined 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 acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation.

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

All capital assets except land, water rights, and construction in progress are depreciated using the straight-line method over the following estimated useful lives:

Description	Estimated Lives
Buildings and improvements	10 - 50 years
Infrastructure and improvements	10 - 50 years
Equipment, machinery and furniture	5 - 20 years

Compensated Absences – It is the policy of the Town to permit employees to accumulate a limited amount of earned but unused leave benefits which will be paid to employees upon separation from service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the proprietary fund financial statements. For governmental funds, there is no legal requirement to accumulate expendable available financial resources to liquidate the obligation; thus expenditures are recognized in the governmental funds when payments are made to employees. The liability is typically liquidated with resources of the same fund that has paid the applicable employee's regular salaries and fringe benefits.

Deposits – Developer deposits held in escrow and security deposits received from customers are reported as liabilities in the financial statements.

Long-Term Obligations – In government-wide financial statements and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and losses on debt refunding are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)
Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Deferred Outflows and Inflows of Resources – In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net position by the Town that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net position by the Town that is applicable to a future reporting period.

Both deferred outflows and inflows are reported in the statement of net position but are recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

Deferred inflows of resources for the Town consist of property taxes receivable. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected.

Net Position – Net position is classified and displayed in three components:

Net investment in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

For government-wide presentation purposes and enterprise funds, when both restricted and unrestricted resources are available for use, it is the Town’s practice to use restricted resources first, then unrestricted as they are needed.

Fund Balance - Fund balance of governmental funds are reported in various categories, based primarily on the extent to which the Town is bound to observe constraints imposed upon the use of the resources for specific purposes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)
Nonspendable fund balance – The amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance – The amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – Amounts constrained to specific purposes by the Town itself, using its highest level of decision-making authority (i.e., Board of Trustees).

To be reported as committed, amounts cannot be used for any other purpose unless the Town takes the same highest-level action to remove or change the constraint. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board.

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

Unassigned fund balance – Is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the Town's policy is to use restricted amounts first, followed by committed, assigned and unassigned amounts.

Estimates - The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Recently Adopted Accounting Pronouncements
During 2024, the Town adopted GASB Statement No, 101, *Compensated Absences.* The adoption of this statement had no impact on the Town's financial statements.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets are adopted for all funds of the Town as required by State statutes. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis. Capital outlay and debt principal are budgeted as expenditures and depreciation is not budgeted. All annual appropriations lapse at fiscal year-end.

On or before October 15 of each year, the Town Manager submits to the Town Board a proposed operating budget for the fiscal year commencing on the following January 1. Public hearings are conducted to obtain input from elected officials, residents, and other interested parties. By December 31, the final budget is adopted.

The appropriated budget is adopted by fund. Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Board.

NOTE 3 - CASH AND CASH EQUIVALENTS

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

Cash and investments	$	18,688,642
Cash and investments - restricted		10,292,130
Total cash and investments	$	28,980,772

Cash and cash equivalents at December 31, 2024, consisted of the following:

Cash with County Treasurer	$	8,664
Cash deposits		7,901,314
Investments		21,070,794
Total	$	28,980,772

Custodial Credit Risk

For deposits, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Town bank accounts at year-end were entirely covered by federal depository insurance or by eligible collateral maintained by another financial institution or held by the Town's custodial banks in its name under provisions of the Colorado Public Deposit Protection Act (PDPA). The PDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance.

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

NOTE 3 - CASH AND CASH EQUIVALENTS (CONTINUED)

At December 31, 2024, the carrying amount of the Town's cash deposits was $7,901,314 and the bank balance was $7,853,314 of which $250,000 was covered by FDIC insurance and the remainder covered by the PDPA.

Investments
The Town has not adopted a formal investment policy; however, the Town follows state statutes regarding investments.

The Town generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the Town is not subject to concentration risk disclosure requirements or subject to investment custodial risk for investments that are in the possession of another party.

Colorado revised statutes limits investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirement. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

- Obligations of the Unites States and certain U.S. government agency securities and the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Certain reverse repurchase agreements
- Certain securities lending agreements
- Certain corporate bonds
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

* Local government investment pools

ColoTrust
As of December 31, 2024, the Town had $21,070,794 invested in the Colorado Local Government Liquid Asset Trust (ColoTrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statues governing ColoTrust. ColoTrust operates similarly to a money market fund and each share is equal in value to $1.00. The Town's investments are held in the ColoTrust Plus+ portfolio.

NOTE 3 - CASH AND CASH EQUIVALENTS (CONTINUED)

Investments (continued)
The portfolio may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. ColoTrust Plus+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and repurchase agreements collateralized by certain obligations of U.S. government agencies.

A designated custodial bank serves as custodial for ColoTrust's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for ColoTrust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals.

Investment Valuation
Certain investments that are measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

However, the Town's investments are not measured at fair value and are therefore not categorized within the fair value hierarchy. These investments include 2a7-like external investment pools. The Town is permitted in certain circumstances to establish the fair value of an investment that does not have a readily determinable fair value by using the net asset value (NAV) per share (or its equivalent) of the investment.

ColoTrust determines the NAV of the shares of each portfolio as of the close of business on each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of ColoTrust, are accrued daily. The NAV is calculated at fair value using various inputs in determine value in accordance with GASB guidance. It is the goal of ColoTrust to maintain a NAV of $1.00 per share, however changes in interest rates may affect the fair value of the securities held by ColoTrust and there can be no assurance that the NAV will not vary from $1.00 per share. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Restricted Cash and Investments – At December 31, 2024, the Capital Improvement Fund reported $48,000 of restricted cash which matches the bond debt service requirement for the Series 2014 Revenue Bonds.

NOTE 4 - CAPITAL ASSETS

Capital assets for governmental activities for the year ended December 31, 2024, is summarized below:

	Balances December 31, 2023	Additions	Deletions	Balances December 31, 2024
Governmental Activities:				
Capital Assets, not being depreciated				
Land	$ 179,928	$ 299,315	$ -	$ 479,243
Construction in process	732,203	166,821	-	899,024
Total capital assets, not depreciated	912,131	466,136	-	1,378,267
Capital Assets, being depreciated				
Buildings	2,029,594	149,805	-	2,179,399
Equipment	1,679,779	126,353	(8,949)	1,797,183
Streets	4,005,168	3,980,194	-	7,985,362
Total capital assets, depreciated	7,714,541	4,256,352	(8,949)	11,961,944
Accumulated depreciation				
Buildings	(848,879)	(89,026)	-	(937,905)
Equipment	(893,220)	(168,909)	8,949	(1,053,180)
Streets	(963,382)	(175,814)	-	(1,139,196)
Total accumulated depreciation	(2,705,481)	(433,749)	8,949	(3,130,281)
Net capital assets, depreciated	5,009,060	3,822,603	-	8,831,663
Governmental Activities Capital Assets, net	$ 5,921,191	$ 4,288,739	$ -	$ 10,209,930

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

Governmental activities	
General government	$ 104,100
Public safety	17,350
Public works	281,937
Culture and recreation	30,362
Total	$ 433,749

NOTE 4 - CAPITAL ASSETS (CONTINUED)

	Balances December 31, 2023	Additions	Deletions	Balances December 31, 2024
Governmental Activities:				
Leased assets, being amortized				
Equipment	$ 272,861	$ -	$ -	$ 272,861
Total leased assets being amortized	272,861	-	-	272,861
Accumulated amortization				
Equipment	(57,089)	(29,806)	-	(86,895)
Total accumulated amortization	(57,089)	(29,806)	-	(86,895)
Total lease assets, being amortized, net	$ 215,772	$ (29,806)	$ -	$ 185,966

$7,011 of amortization expense was charged to the general government function and $22,795 was charged to the public works function on the statement of activities.

Capital assets for business-type activities for the year ended December 31, 2024, is summarized below:

	Balances December 31, 2023	Additions	Deletions	Balances December 31, 2024
Business-Type Activities:				
Capital Assets, not being depreciated				
Land	$ 168,679	$ -	$ -	$ 168,679
Construction in progress	1,739,529	153,748	(116,048)	1,777,229
Water rights	1,144,489	2,112,688	-	3,257,177
Total capital assets, not depreciated	3,052,697	2,266,436	(116,048)	5,203,085
Capital Assets, being depreciated				
Buildings	40,907	-	-	40,907
Equipment	211,789	3	-	211,792
Improvements - lagoons	428,139	-	-	428,139
Lagoon discharge rights	11,904	-	-	11,904
Wastewater system	984,152	-	-	984,152
Waterworks system	6,880,008	9,600	(3,836)	6,885,772
Total capital assets, depreciated	8,556,899	9,603	(3,836)	8,562,666
Accumulated depreciation				
Buildings	(39,680)	(157)	-	(39,837)
Equipment	(138,871)	(25,125)	-	(163,996)
Improvements - lagoons	(284,228)	(20,803)	-	(305,031)
Lagoon discharge rights	(11,904)	-	-	(11,904)
Wastewater system	(301,638)	(48,566)	-	(350,204)
Waterworks system	(2,295,422)	(231,503)	3,836	(2,523,089)
Total accumulated depreciation	(3,071,743)	(326,154)	3,836	(3,394,061)
Net capital assets, depreciated	5,485,156	(316,551)	-	5,168,605
Business-Type Activities Capital Assets, net	$ 8,537,853	$ 1,949,885	$ (116,048)	$ 10,371,690

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to business-type activities of the Town as follows:

Business-type activities:		
Waterworks	$	246,845
Wastewater		79,309
Total	$	326,154

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at December 31, 2024 are as follows:

Fund		Interfund Receivable		Interfund Payable
General	$	-	$	809,190
Capital Improvement		485,004		3,727
Impact Fee		63,265		-
Waterworks		217,796		5,598
Wastewater		52,450		-
	$	818,515	$	818,515

The residual balances of governmental funds and the proprietary funds is shown as internal balances on the government-wide statement of net position.

NOTE 6 - LONG-TERM DEBT

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

		Balances December 31, 2023		Additions		Deletions		Balances December 31, 2024		Due In One Year
Governmental Activities:										
Series 2014, Sales Tax										
Revenue Bonds	$	330,000	$	-	$	(105,000)	$	225,000	$	110,000
Lease liabilities		221,635		-		(27,560)		194,075		27,560
Compensated absences		21,178		5,083		-		26,261		26,261
Total	$	572,813	$	5,083	$	(132,560)	$	445,336	$	163,821

* Changes in compensated absences are reported net

$960,000 Sales Tax Revenue Refunding Bonds, Series 2014 (the 2014 Bonds), were issued to fund street improvements within the Town. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at 2.92% per annum. Principal payments are due annually on December 1, through 2026. The Bonds are subject to redemption prior to maturity at the option of the Town as provided in the Sale Certificate.

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The 2014 Bonds are payable from pledged revenues and the Town has established a 3% municipal sales tax of which 1/12th is pledged monthly to be used to pay principal and interest on the 2014 bonds. The pledge revenues are accounted for in the Capital Improvements Fund.

To provide additional security for the payment of the 2014 Bonds, sales tax collections in excess of the required annual amounts shall be maintained in a reserve account. The amount of the reserve at December 31, 2024, is $48,000, which means the requirement as set in the 2014 Official Statement.

In May of 2022 the Town entered into a lease agreement for the use of copiers and a folding machine. The lease term is 63 months with fixed payments of $415 due each month. The implicit borrowing rate on the lease was determined to be 1.37% and management utilized this rate to calculate the net present value of the right to use lease asset and lease liability recorded on the statement of net position.

In January of 2022, the Town entered into a lease purchase agreement with WagnerCat Financial Services for the use of a motor grader. The lease purchase agreement term is 84 months and the payments under the agreement are fixed at $2,375 per month. The lease purchase agreement carries a fixed interest rate of 2.99%. The Town used the fixed interest rate per the agreement to calculate the net present value of the right to use lease asset and lease liability recorded on the statement of net position. The Town plans to exercise the $82,320 purchase option at the end of the agreement, so the right to use lease asset was amortized over the asset's useful life of 10 years, instead of the length of the lease purchase agreement.

Remaining debt service at December 31, 2024, was as follows:

2014 Revenue Refunding Bonds

Year ended December 31,	Principal	Interest	Total
2025	110,000	6,570	116,570
2026	115,000	3,358	118,358
Total	$ 225,000	$ 9,928	$ 234,928

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Lease Liability - Equipment

Year ended December 31,	Principal	Interest	Total
2025	27,560	5,157	32,717
2026	29,093	4,389	33,482
2027	28,219	3,602	31,821
2028	109,203	2,848	112,051
Total	$ 194,075	$ 15,996	$ 210,071

Compensated Absences – The liability is typically liquidated with resources of the same fund that has paid the applicable employee's regular salaries and fringe benefits.

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2024:

	Balances December 31, 2023	Additions	Deletions	Balances December 31, 2024	Due In One Year
Business-Type Activities:					
Series 2018, Wastewater Revenue Bonds	$ 241,593	$ -	$ (13,977)	$ 227,616	$ 14,267
CWCB Loan	-	1,644,000	-	1,644,000	-
Compensated absences*	11,686	1,094	-	12,780	12,780
Total	$ 253,279	$ 1,645,094	$ (13,977)	$ 1,884,396	$ 27,047

* Changes in compensated absences are reported net

$496,000 Wastewater Revenue Bonds, Series 2018 (the 2018 Bonds), were issued for the purpose of financing the repair and replacement of existing sewer collection lines and expansion of the Town's aerated lagoon. Principal installments are due annually on December 1 with semiannual interest payments due on June 1 and December 1, at an annual interest rate of 2.75%. Payment of principal and interest are derived from the fees charged by the Wastewater Fund.

Annual debt service requirements for the outstanding 2018 Bonds at December 31, 2024, are as follows.

Series 2018 Revenue Bonds

Year ended December 31,	Principal	Interest	Total
2025	14,267	6,259	20,526
2026	14,659	5,867	20,526
2027	15,062	5,464	20,526
2028	15,476	5,050	20,526
2029	15,902	4,624	20,526
2030-2034	86,314	16,316	102,630
2035-2038	65,936	4,108	70,044
Total	$ 227,616	$ 47,688	$ 275,304

NOTE 6 - LONG-TERM DEBT (CONTINUED)

In August of 2023 the Town entered into a loan contract with the Colorado Water Conservation Board (CWCB) for an amount of $2,100,000 to finance acquiring additional water supply capacity and connecting the new water rights to existing infrastructure. The loan is secured by water activity revenues collected by the Town. The loan accrues interest at a fixed rate of 2.7% per annum and the loan contract matures 30 years from the close of the disbursement period. During the year ended December 31, 2024, The Town submitted and received loan draws totaling $1,644,000, and no repayment was made during the year.

Compensated Absences – Compensated absences of the business-type activities are expected to be liquidated with resources of the same fund that has paid the applicable employee's regular salaries and fringe benefits.

NOTE 7 - RETIREMENT PLAN AND PENSION PLAN

The Town provides retirement benefits for all full-time employees through individual SEP accounts of the employee's choosing. The current year covered payroll of eligible employees amounted to $1,285,996. The Town contributes 5% of the employees' compensation; however, the total contribution for each employee may not exceed 15% of annual earnings or $30,000, whichever is less. Contributions by the Town on behalf of the employees amounted to $66,282 for 2024. All contributions are 100% vested for the benefit of each employee immediately upon deposit.

Statewide Retirement Plan – Hybrid Defined Benefit Component

The Town contributes to the Statewide Retirement Plan (SRP), a cost-sharing multiple-employer defined benefit pension plan. The Town participates in the hybrid component of the defined benefit plan. The plan is administered by the Fire and Police Pension Association of Colorado (FPPA). The Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Plan. All full-time, paid police officers of the Town are members of the SRP and the Statewide Death and Disability Plan. Local revenue sources are responsible for funding of the Death and Disability benefits for firefighters hired on or after January 1, 1997. Colorado statutes assign the Town to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and requires supplementary information for both the SRP and the Statewide Death and Disability Plan. FPPA issues a publicly available financial report that includes information on the plan. That report may be obtained at www.fppaco.org..

The Plan assets associated with the Defined Benefit Component are included in the Fire & Police Members' Benefit Investment Fund and the Plan assets associated with the Money Purchase Component and Deferred Retirement Option Plan (DROP) assets are included in the Fire & Police Members' Self-Directed Investment Fund.

NOTE 7 - RETIREMENT PLAN AND PENSION PLAN (CONTINUED)

Statewide Retirement Plan – Hybrid Defined Benefit Component (Continued)
The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report which can be obtained on FPPA's website at http://www.FPPAco.org.

Benefits Provided
The FPPA Board of Directors may change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The normal retirement age should not be less than age 55 or more than age 60. Any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension. Members with a combined age and years of service totaling 80 or more, with a minimum age of 50 also qualify for a normal retirement pension. A member is eligible for retirement after attainment of age 55 with at least five years of credited service. A member is eligible for early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023. Benefits paid to retired members and beneficiaries may be increased annually on October 1 via cost of living adjustment (COLA). COLAs may be compounding or non-compounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0 percent to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1. Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

Contributions
Contribution rates for the Plan are set by state statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election of both employers and members.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2023, the total minimum combined member and employer contribution rate was 16.25 percent.

NOTE 7 - RETIREMENT PLAN AND PENSION PLAN (CONTINUED)

Contributions (continued)
The Hybrid Defined Benefit Component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Component is set annually by the FPPA Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2023 through June 30, 2024 is 14.24 percent. The Hybrid Defined Benefit Component contribution rate from January 1, 2023 through June 30, 2023 was 13.90 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase Component.

Pension Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At December 31, 2024, the Town reported a net pension liability of $0 representing its proportionate share of the net pension liability of the plan. The net pension liability was measured at December 31, 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2024. The Town’s proportion of the net pension liability was based on the Town’s share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2023, the Town’s proportion was 0.0486 percent which was a decrease of 2.0243 percent from its proportion measured at December 31, 2022. For the year ended December 31, 2024, the Town recognized pension expense of $334,147. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 92,500	$ 4,444
Changes of Assumptions or other Inputs	53,654	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	66,407	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	-	174,204
Contributions Subsequent to the Measurement Date	52,397	-
Total	$ 264,958	$ 178,648

$52,397 reported as deferred outflows of resources related to pension resulting from Town contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

NOTE 7 - RETIREMENT PLAN AND PENSION PLAN (CONTINUED)

Year Ended December 31,	Amount
2025	$12,406
2026	29,544
2027	52,342
2028	(13,203)
2029	(10,793)
Thereafter	(36,383)
Total	$ 33,913

Actuarial Assumptions

The actuarial valuations as of January , 2024 determined the total pension liability using the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2024	January 1, 2023
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%	0%
*Includes Inflation at	2.5%	2.5%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The preretirement off-duty mortality tables are adjusted to 60 percent of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The preretirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

NOTE 7 - RETIREMENT PLAN AND PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

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

Discount Rate

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

As of the measurement period ending December 31, 2023, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate

NOTE 7 - RETIREMENT PLAN AND PENSION PLAN (CONTINUED)

Discount Rate (Continued)

based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of the valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.77% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00%.

Sensitivity of the Net Pension Liability (Asset) to changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as the Town's proportionate share of the net pension asset (liability) if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate, as follows:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability (Asset)	$ 272,355	$ -	$ -

Pension Plan Fiduciary Net Postion

Detailed information about the plan's fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

NOTE 8 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a joint self-insurance pool created by intergovernmental agreement of 275 members to provide property and liability and/or workers' compensation coverage to its members.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund, and those 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 it is not legally required to do so.

NOTE 8 - RISK MANAGEMENT (CONTINUED)

The Town maintains commercial insurance for workmen's compensation coverage. Claims have not exceeded coverage in any of the past three fiscal years.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Claims and Judgements

The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. At December 31, 2024, certain grant expenditures have not been audited but management believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

NOTE 10 - RELATED ORGANIZATION

The Timberwood Housing Authority (the Authority) is an autonomous municipal entity governed by a board approved by the Mayor, but there is no continuing relationship between the Authority and the Town. The management of the Authority is selected by the governing board and operations are the exclusive responsibility of the Authority's management.

The Authority is responsible for its financial affairs including the funding of deficits and the disposition of surpluses, also the Town does not guarantee the Authority's outstanding debt.

The Authority operates within the geographical boundaries of the Town. The Authority is treated as a related organization rather than a component unit since there is not financial interdependency, control, or oversight responsibility.

NOTE 11 - TAX AND SPENDING LIMITATIONS

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. In accordance with the amendment, the registered electors of the Town of Keenesburg, Colorado, passed an ordinance in 1995 allowing the collection, retention, and expenditure of the full proceeds of the Town's revenues, without any increase in any tax rate, from January 1, 1994 and thereafter. The Town believes it is in compliance with the requirements of the Amendment. The Town has made certain interpretations of the amendment's language in order to determine its compliance. The effect, if any, on the future operations of the Town is not determinable at this time.

NOTE 11 - TAX AND SPENDING LIMITATIONS (CONTINUED)

The Amendment requires that Emergency Reserves be established. These reserves must be at least 3 percent of “fiscal Year Spending” (as defined in the Amendment). As of December 31, 2024, the Town’s restricted fund balance and net position for this purpose is $202,000.

NOTE 10 - SUBSEQUENT EVENTS

On January 29, 2025 the Town entered into a lease agreement for a backhoe loader. The agreement spans 49 months and total cash outflows over the agreement are approximately $155,000.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes			
General property tax	$ 2,642,776	$ 2,763,651	$ 120,875
Specific ownership taxes	100,000	95,674	(4,326)
Penalties and interest	1,500	1,379	(121)
Total property taxes	2,744,276	2,860,704	116,428
Other taxes			
Cigarette tax	2,000	2,247	247
Sales tax	211,000	211,000	-
Franchise tax	300,000	450,436	150,436
Severance tax	95,000	70,823	(24,177)
Highway users' tax	89,085	113,669	24,584
Use tax	55,000	235,426	180,426
Payment in lieu of taxes	2,800	3,731	931
Total other taxes	754,885	1,087,332	332,447
Intergovernmental			
Motor vehicle registration	9,000	10,370	1,370
County road and bridge	50,000	37,479	(12,521)
Grant proceeds	88,273	1,183	(87,090)
Donations	5,000	-	(5,000)
Intergovernmental agreements	-	7,160	7,160
Total intergovernmental	152,273	56,192	(96,081)
License and fees			
Liquor license	1,500	3,011	1,511
Occupation fees	100	128	28
Building permits	240,000	218,378	(21,622)
Business licenses and permits	10,000	8,808	(1,192)
Street cut fees	500	1,600	1,100
Solid waste fees	150,000	136,323	(13,677)
Total license and fees	402,100	368,248	(33,852)
Charges for services			
Development fees - consulting	100,000	74,525	(25,475)
Development fees - legal	75,000	39,945	(35,055)
Oil and gas permitting	20,000	-	(20,000)
Animal control fees	5,200	5,101	(99)
Municipal court fees	90,000	131,589	41,589
SRO and IGA	61,200	53,155	(8,045)
Police Department fees	8,500	-	(8,500)
Total charges for services	359,900	304,315	(55,585)
Miscellaneous			
Investment earnings	100,000	256,568	156,568
Miscellaneous revenues	100,000	109,008	9,008
Total miscellaneous	200,000	365,576	165,576
Total revenues	4,613,434	5,042,367	428,933

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures			
Legislative			
Mayor salary	7,200	7,200	-
Payroll taxes - mayor/trustees	1,800	1,515	285
Worker's compensation	230	232	(2)
Miscellaneous	3,600	8,230	(4,630)
Director/trustee fees	14,000	12,100	1,900
Total legislative	26,830	29,277	(2,447)
General administration			
Salaries	356,286	360,732	(4,446)
Payroll taxes	28,503	30,320	(1,817)
Telephone	3,500	3,923	(423)
Utilities	6,547	9,499	(2,952)
Office expense	31,902	28,462	3,440
Maintenance and repairs	25,789	25,433	356
Insurance and bonds	17,000	22,565	(5,565)
Audit and accounting	12,000	10,500	1,500
Professional services	115,000	19,223	95,777
Legal	70,000	75,282	(5,282)
Publishing	2,000	2,014	(14)
Dues and subscriptions	47,650	22,807	24,843
Health and insurance	47,250	39,536	7,714
Planning and zoning	50,000	21,486	28,514
Capital outlay	316,425	119,283	197,142
Employee benefits	17,814	26,144	(8,330)
Worker's compensation	2,000	1,392	608
Miscellaneous	23,000	18,920	4,080
Treasurer's fees	264,278	27,651	236,627
Legal/development/planning	183,400	112,755	70,645
Total general administration	1,620,344	977,927	642,417
Public safety			
Salaries	920,684	809,213	111,471
Payroll taxes	73,655	62,024	11,631
FPPA contributions	84,216	122,496	(38,280)
Worker's compensation	20,000	17,658	2,342
Health Insurance	126,781	39,089	87,692
Training	69,184	11,939	57,245
Weld County dispatch	38,000	35,367	2,633
Victims advocate	5,000	2,516	2,484
Contract IT	20,000	15,890	4,110
Legal - judge & court attorney	12,000	27,122	(15,122)
Lab fees	3,000	-	3,000
Insurance and bonds	35,000	50,931	(15,931)
Licensing	25,600	46,041	(20,441)
Supplies	59,000	73,300	(14,300)
Repair and maintenance	8,000	59,344	(51,344)
Fuel and oil	40,000	22,343	17,657
Inspection services	57,750	66,759	(9,009)
Capital outlay	560,000	428,029	131,971
Miscellaneous	6,000	9,614	(3,614)
Total public safety	2,163,870	1,899,675	264,195

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
Public works			
Salaries	214,362	207,206	7,156
Payroll taxes	17,149	17,216	(67)
Telephone	3,800	3,923	(123)
Utilities	3,000	2,246	754
Office expense	6,000	4,772	1,228
Maintenance and repair - equipment	80,000	43,262	36,738
Maintenance and repair - streets	275,000	176,912	98,088
Street lighting	15,000	15,330	(330)
Gas and oil	18,000	15,160	2,840
Shop supplies	7,500	9,725	(2,225)
Trash service fees	13,000	22,888	(9,888)
Capital outlay	20,650	25,480	(4,830)
Employee benefits	10,538	14,020	(3,482)
Health insurance	2,845	25,146	(22,301)
Worker's compensation	20,000	18,139	1,861
Miscellaneous	7,200	6,179	1,021
Total public works	714,044	607,604	106,440
Health and welfare			
Code enforcement	57,750	84,078	50,436
Mosquito spraying	7,000	7,314	4,176
Animal control	4,000	2,824	(80,078)
Total health and welfare	68,750	94,216	(25,466)
Culture and recreation			
Utilities	500	527	(27)
Maintenance and repair	6,000	5,304	696
Miscellaneous	5,000	8,150	(3,150)
Miscellaneous contributions	17,000	11,867	5,133
Town events	29,500	25,069	4,431
Tree USA / Arbor Dat	20,000	17,858	2,142
Total culture and recreation	78,000	68,775	9,225
Debt Service			
Principal - lease liabilities	-	27,560	(27,560)
Interest - lease liabilities	-	5,922	(5,922)
Total debt service	-	33,482	(33,482)
Total expenditures	4,671,838	3,710,956	960,882
Other financing sources and (uses)			
Proceeds from insurance recoveries	-	51,059	51,059
Total other financing sources (uses)	-	51,059	51,059
Net changes in fund balance	$ (58,404)	1,382,470	$ 1,440,874
Fund balance - beginning of year		5,102,679	
Fund balance - end of year		$ 6,485,149	

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
IMPACT FEE FUND
YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Police impact fee	$ 93,210	$ 7,689	$ (85,521)
Town Hall impact fee	73,760	60,852	(12,908)
Roadway impact fee	189,080	155,991	(33,089)
Drainage impact fee	40,611	1,340	(39,271)
Park impact fee	105,720	87,219	(18,501)
Grants	252,000	-	(252,000)
Investment earnings	45,000	67,995	22,995
Total revenues	799,381	381,086	(418,295)
Expenditures			
Capital outlay	1,852,000	272,384	1,579,616
Total expenditures	1,852,000	272,384	1,579,616
Net changes in fund balance	$ (1,052,619)	108,702	$ 1,161,321
Fund balance - beginning of year		1,880,898	
Fund balance - end of year		$ 1,989,600	

TOWN OF KEENESBURG
SCHEDULE OF THE TOWN'S CHANGES IN THE NET PENSION
LIABILITY (ASSET) – STATEWIDE RETIREMENT PLAN – HYBRID COMPONENT
LAST 10 FISCAL YEARS

Measurement period ending December 31,	**2023**	**2022 ***
Town's Proportion of the Net Pension Liability (Asset)	0.0486%	2.0729%
Town's Proportionate Share of the Net Pension Liability (Asset)	$ -	$ (30,233)
Town's Covered Payroll	539,149	477,000
Town's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered payroll	0.00%	(6.34%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.0%	101.4%

* The Town did not begin participating in the plan until 2022, so there is no previous historical data to present.

TOWN OF KEENESBURG
SCHEDULE OF THE TOWN'S CONTRIBUTIONS AND RELATED RATIOS
STATEWIDE RETIREMENT PLAN – HYBRID COMPONENT
LAST 10 FISCAL YEARS

Fiscal Year	**2024**	**2023**	**2022**
Statutorily Required Contributions	$ 52,397	$ 45,332	$ 38,160
Contributions in Relation to the Statutorily Required Contribution	52,397	45,332	38,160
Contribution Deficiency (Excess)	$ -	$ -	$ -
Covered Payroll	$ 614,906	$ 539,149	$ 477,000
Contributions as a Percentage of Covered Payroll *	8.5%	8.4%	8.0%

* The Town has elected to make voluntary contributions above the statutory requirement, and these voluntary contributions are post-tax. This will cause contributions as a % of covered payroll to differ from the statutorily required rate.

SUPPLEMENTARY INFORMATION

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
CAPITAL IMPROVEMENTS FUND
YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Sales tax	$ 790,000	$ 1,022,066	$ 232,066
Intergovernmental	1,225,640	234,250	(991,390)
Investment earnings	6,500	13,015	6,515
Total revenues	2,022,140	1,269,331	(752,809)
Expenditures			
Capital outlay	2,663,296	728,043	1,935,253
Debt service			
Principal	105,000	105,000	-
Interest	9,636	9,636	-
Total expenditures	2,777,932	842,679	1,935,253
Net changes in fund balance	$ (755,792)	426,652	$ 1,182,444
Fund balance - beginning of year		1,554,269	
Fund balance - end of year		$ 1,980,921	

See the accompanying independent auditors' report

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – CONSERVATION TRUST FUND
YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Lotto contributions/donations	$ 16,000	$ 25,444	$ 9,444
Investment earnings	600	325	(275)
Total revenues	16,600	25,769	9,169
Expenditures			
Capital outlay	3,000	-	3,000
Total expenditures	3,000	-	3,000
Net changes in fund balance	$ 13,600	25,769	$ 12,169
Fund balance - beginning of year		30,802	
Fund balance - end of year		$ 56,571	

See the accompanying independent auditors' report

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION – BUDGET AND ACTUAL – NON – GAAP BUDGETARY BASIS
WATERWORKS FUND
YEAR ENDED DECEMBER 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Water sales	$ 750,000	$ 750,000	$ 804,571	$ 54,571
Water tap fees	285,560	285,560	235,587	(49,973)
Raw water acquisition fee	480,040	480,040	415,173	(64,867)
Water pipeline use income	63,099	63,099	63,099	-
Bulk water sales	20,000	20,000	41,018	21,018
Intergovernmental revenues	-	-	-	-
Investment earnings	50,000	50,000	288,280	238,280
Miscellaneous revenues	7,500	7,500	8,890	1,390
Total revenues	1,656,199	1,656,199	1,856,618	200,419
Expenditures				
Public works				
Salaries	240,643	240,643	238,085	2,558
Payroll taxes	19,252	19,251	18,361	890
Utilities	60,000	60,000	69,696	(9,696)
Maintenance and repair equipment	105,500	105,500	133,459	(27,959)
Gas and oil	7,000	7,000	7,673	(673)
Operating supplies	25,000	25,000	41,971	(16,971)
Health insurance	35,686	35,686	30,594	5,092
Employee benefits	11,826	11,826	15,764	(3,938)
Worker's compensation	5,020	5,020	4,752	268
Water testing	8,000	8,000	9,120	(1,120)
Miscellaneous	500	500	-	500
Capital outlay	1,140,000	3,324,973	2,159,988	1,164,985
Total public works	1,658,427	3,843,399	2,729,463	1,113,936
Administration				
Salaries	160,010	160,010	153,219	6,791
Payroll taxes	12,801	12,801	11,752	1,049
Telephone	4,000	4,000	3,924	76
Utilities	3,000	3,000	5,048	(2,048)
Office expense	4,000	4,000	6,104	(2,104)
Maintenance and repairs	23,900	23,900	29,768	(5,868)
Insurance and bonds	22,200	22,200	22,465	(265)
Audit and accounting	6,000	6,000	5,250	750
Professional services	75,000	75,000	31,047	43,953
Dues and subscriptions	23,700	23,700	15,447	8,253
Health insurance	22,922	22,922	16,364	6,558
Employee benefits	8,000	8,000	11,280	(3,280)
Worker's compensation	760	760	696	64
Miscellaneous	300	300	-	300
Total administration	366,593	366,593	312,364	54,229

See the accompanying independent auditors' report

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION – BUDGET AND ACTUAL – NON – GAAP BUDGETARY BASIS
WATERWORKS FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Debt service				
Principal - notes payable	46,791	46,791	-	46,791
Interest - notes payable	57,267	57,267	-	57,267
Total debt service	104,058	104,058	-	104,058
Total expenditures	2,129,078	4,314,050	3,041,827	1,272,223
Other financing sources and (uses)				
Transfers out	(1,500,000)	(1,500,000)	-	1,500,000
Loan proceeds	-	2,100,000	1,644,000	(456,000)
Total other financing sources (uses)	(1,500,000)	(1,500,000)	1,644,000	1,044,000
Changes in net position, budgetary basis	$ (1,972,879)	$ (4,157,851)	458,791	2,516,642
Reconciliation to GAAP basis				
Capital outlay			2,159,988	
Depreciation			(246,845)	
Loan proceeds			(1,644,000)	
Changes in net position, GAAP basis			727,934	
Net position, beginning of year			11,754,278	
Net position, end of year			$ 12,482,212	

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION – BUDGET AND ACTUAL – NON – GAAP BUDGETARY BASIS
WASTEWATER FUND
YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Sewer sales	$ 700,000	743,593	$ 43,593
Sewer tap fees	326,880	269,676	(57,204)
Investment earnings	10,000	73,336	63,336
Total revenues	1,036,880	1,086,605	49,725
Expenditures			
Public works			
Salaries	173,523	173,534	(11)
Payroll taxes	13,882	13,347	535
Utilities	50,000	34,359	15,641
Maintenance and repair equipment	97,500	98,630	(1,130)
Gas and oil	7,000	7,987	(987)
Operating supplies	20,000	23,600	(3,600)
Health insurance	23,273	22,044	1,229
Employee benefits	8,547	11,060	(2,513)
Worker's compensation	3,012	2,821	191
Sewer testing	6,000	3,840	2,160
Miscellaneous	200	(539)	739
Capital outlay	2,700,600	-	2,700,600
Total public works	3,103,537	390,683	2,712,854
Administration			
Salaries	160,010	153,219	6,791
Payroll taxes	12,801	11,752	1,049
Telephone	3,800	3,923	(123)
Utilities	2,800	4,612	(1,812)
Office expense	20,010	6,104	13,906
Maintenance and repairs	4,000	17,205	(13,205)
Insurance and bonds	22,192	22,465	(273)
Audit and accounting	6,000	5,250	750
Professional services	60,000	43,736	16,264
Dues and subscriptions	20,700	9,189	11,511
Health insurance	22,922	16,364	6,558
Employee benefits	8,000	11,280	(3,280)
Worker's compensation	755	696	59
Total administration	343,990	305,795	38,195

TOWN OF KEENESBURG
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION – BUDGET AND ACTUAL –
NON – GAAP BUDGETARY BASIS
WASTEWATER FUND
YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
Debt service			
Principal	13,856	13,601	255
Interest and fiscal charges	6,593	6,847	(254)
Total debt service	20,449	20,448	1
Total expenditures	3,467,976	716,926	2,751,050
Other financing sources and (uses)			
Transfers in	1,500,000	-	(1,500,000)
	1,500,000	-	(1,500,000)
Changes in net position, budgetary basis	$ (931,096)	$ 369,679	$ 1,300,775
Reconciliation to GAAP basis			
Depreciation		(79,309)	
Debt principal payments		13,601	
Changes in net position, GAAP basis		303,971	
Net position, beginning of year		4,284,088	
Net position, end of year		$ 4,588,059	

COMPLIANCE SECTION

The public report burden for this information collection is estimated to average 380 hours annually. Form Approved OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO YEAR ENDING (mm/yy): 12/2024
This Information From The Records Of: Town of Keenesburg	Prepared By: Shawna Finkenbinder - toktreasurer@keenesburg.org	

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	$ 275,000.00
3. Other local imposts (from page 2)	$ 1,178,057.47
4. Miscellaneous local receipts (from page 2)	$ 28,405.77
5. Transfers from toll facilities	$ -
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	$ -
b. Bonds - Refunding Issues	$ -
c. Notes	$ -
d. Total (a. + b. + c.)	$ -
7. Total (1 through 6)	$ 1,481,463.24
B. Private Contributions	$ 3,172,122.08
C. Receipts from State government (from page 2)	$ 113,669.45
D. Receipts from Federal Government (from page 2)	$ -
E. Total receipts (A.7 + B + C + D)	$ 4,767,254.77

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	$ 3,916,206.42
2. Maintenance:	$ 176,911.79
3. Road and street services:	
a. Traffic control operations	$ -
b. Snow and ice removal	$ -
c. Other	$ -
d. Total (a. through c.)	$ -
4. General administration & miscellaneous	$ -
5. Highway law enforcement and safety	$ 442,588.25
6. Total (1 through 5)	$ 4,535,706.46
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	$ 9,636.01
b. Redemption	$ 105,000.00
c. Total (a. + b.)	$ 114,636.01
2. Notes:	
a. Interest	$ -
b. Redemption	$ -
c. Total (a. + b.)	$ -
3. Total (1.c + 2.c)	$ 114,636.01
C. Payments to State for highways	$ -
D. Payments to toll facilities	$ -
E. Total expenditures (A.6 + B.3 + C + D)	$ 4,650,342.47

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				$ -
1. Bonds (Refunding Portion)	$ 330,000.00		$ 105,000.00	$ 225,000.00
B. Notes (Total)				$ -

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

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
$ 2,469,102.44	$ 4,767,254.77	$ 4,650,342.47	$ 2,586,014.74	$ -

Notes and Comments:
New Facilities and Sys Preservation includes streets and sidewalks from new developments built/added in 2024 - Recorded under Private Contributions.

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

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 Assesments		a. Interest on investments	13,015.77
b. Other local imposts:		b. Traffic Fines & Penalties	$ 15,390.00
1. Sales Taxes	$ 1,022,066.47	c. Parking Garage Fees	$ -
2. Infrastructure & Impact Fees	$ 155,991.00	d. Parking Meter Fees	$ -
3. Liens	$ -	e. Sale of Surplus Property	$ -
4. Licenses	$ -	f. Charges for Services	$ -
5. Specific Ownership &/or Other	$ -	g. Other Misc. Receipts	$ -
6. Total (1. through 5.)	$ 1,178,057.47	h. Other	$ -
c. Total (a. + b.)	$ 1,178,057.47	i. Total (a. through h.)	$ 28,405.77
(Carry forward to page 1)		***(Carry forward to page 1)***	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes (from Item I.C.5.)	$ 113,669.45	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	$ -	d. Federal Transit Administration	$ -
d. DOLA Grant	$ -	e. U.S. Corps of Engineers	$ -
e. Other	$ -	f. Other Federal ARPA	$ -
f. Total (a. through e.)	$ -	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	$ 113,669.45	3. Total (1. + 2.g)	$ -
(Carry forward to page 1)		***(Carry forward to page 1)***	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			$ -
b. Engineering Costs		$ 36,015.00	$ 36,015.00
c. Construction:			
(1). New Facilities		$ 2,055,854.04	$ 2,055,854.04
(2). Capacity Improvements		$ 60,028.61	$ 60,028.61
(3). System Preservation		$ 1,463,521.82	$ 1,463,521.82
(4). System Enhancement And Operation		$ 300,786.95	$ 300,786.95
(5). Total Construction (1)+(2)+(3)+(4)	$ -	$ 3,880,191.42	$ 3,880,191.42
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	$ -	$ 3,916,206.42	$ 3,916,206.42
(Carry forward to page 1)			

Notes and Comments:

New Facilities and Sys Preservation includes streets and sidewalks from new developments built/added in 2024 - Recorded under Private Contributions.

FORM FHWA-536