TOWN OF LA JARA, COLORADO

FINANCIAL STATEMENTS

December 31, 2024

Wall,
Smith,
Bateman Inc.
Certified Public Accountants

TOWN OF LA JARA, COLORADO
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INDEPENDENT AUDITORS' REPORT

Wall,
Smith,
Bateman Inc.

To the Board of Trustees
Town of La Jara, Colorado
La Jara, Colorado

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, 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.

Emphasis of Matter – Restatement of Beginning Net Position

As discussed in Note 12 to the financial statements, the beginning net position of the Enterprise Fund as of January 1, 2024 has been restated to correct an error in the prior recognition of grant revenue. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for 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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and pension information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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 Enterprise Fund budget to actual comparison schedule and the Local Highway Finance Report are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Enterprise Fund budget to actual comparison schedule and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

September 03, 2025

TOWN OF LA JARA, COLORADO

BASIC FINANCIAL STATEMENTS

TOWN OF LA JARA, COLORADO

STATEMENT OF NET POSITION

December 31, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	TOTAL
ASSETS			
Current Assets			
Cash	$ 876,880	$ 177,061	$ 1,053,941
Cash with Fiscal Agent	-	394,400	394,400
Certificates of Deposit	114,678	98,186	212,864
Property Taxes Receivable	80,151	-	80,151
Accounts Receivable	152	65,153	65,305
Due from Other Governments	128,571	-	128,571
Internal Balances	611	(611)	-
Prepaid Expenses	3,939	1,299	5,238
Total Current Assets	1,204,982	735,488	1,940,470
Noncurrent Assets			
Construction in Progress	-	1,004,043	1,004,043
Land	92,875	-	92,875
Buildings	577,078	14,907	591,985
Improvements	382,900	-	382,900
Machinery and Equipment	559,294	240,965	800,259
Infrastructure	99,009	10,683	109,692
Collection and Transmission System	-	3,995,485	3,995,485
Less: Accumulated Depreciation	(981,033)	(2,010,770)	(2,991,803)
Lease Machinery and Equipment	253,805	-	253,805
Less: Accumulated Amortization	(12,086)	-	(12,086)
Total Noncurrent Assets	971,842	3,255,313	4,227,155
TOTAL ASSETS	2,176,824	3,990,801	6,167,625
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	78,269	-	78,269
LIABILITIES			
Current Liabilities			
Accounts Payable	43,557	9,767	53,324
Payroll Liability	2,905	-	2,905
Notes Payable	-	55,381	55,381
Financed Purchase Agreement	18,565	-	18,565
Lease Agreement	46,357		
Compensated Absences	8,820	-	8,820
Total Current Liabilities	120,204	65,148	138,995

The accompanying notes are an integral part of this financial statement.

TOWN OF LA JARA, COLORADO
STATEMENT OF NET POSITION
December 31, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	TOTAL
Noncurrent Liabilities			
Notes Payable	-	586,302	586,302
Financed Purchase Agreement	124,750	-	124,750
Lease Agreement	207,448		
Compensated Absences	7,955	-	7,955
Net Pension Liability	-	-	-
Total Noncurrent Liabilities	340,153	586,302	926,455
TOTAL LIABILITIES	460,357	651,450	1,111,807
DEFERRED INFLOWS OF RESOURCES			
Pensions	4,028	-	4,028
Unavailable Revenue - Property Taxes	80,151	-	80,151
TOTAL DEFERRED INFLOWS OF RESOURCES	84,179	-	84,179
NET POSITION			
Net Investment in Capital Assets	574,722	3,008,030	3,582,752
Restricted			
TABOR Reserve	24,200	16,800	41,000
Park Projects	19,371	-	19,371
Unrestricted	1,092,264	314,521	1,406,785
TOTAL NET POSITION	$ 1,710,557	$ 3,339,351	$ 5,049,908

The accompanying notes are an integral part of this financial statement.

TOWN OF LA JARA, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grants & Contributions	Net (Expense) Revenue and Changes in Net Position — Primary Government: Governmental Activities	Business-Type Activities	TOTAL
Primary Government:							
Governmental Activities:							
General Government	$ 249,853	$ 9,284	$ -	$ 15,538	$ (225,031)	$ -	$ (225,031)
Public Safety	268,847	12,341	-	-	(256,506)	-	(256,506)
Public Works	159,898	-	69,368	-	(90,530)	-	(90,530)
Health and Welfare	12,546	-	-	-	(12,546)	-	(12,546)
Culture and Recreation	-	-	8,772	-	8,772	-	8,772
Interest on Long-Term Debt	10,443	-	-	-	(10,443)	-	(10,443)
Total Governmental Activities	701,587	21,625	78,140	15,538	(586,284)	-	(586,284)
Business-Type Activities:							
Water	232,706	209,804	-	-	-	(22,902)	(22,902)
Sewer	225,140	285,886	-	62,889	-	123,635	123,635
Total Business-Type Activities	457,846	495,690	-	62,889	-	100,733	100,733
Total Primary Government	$ 1,159,433	$ 517,315	$ 78,140	$ 78,427	(586,284)	100,733	(485,551)

	Governmental Activities	Business-Type Activities	TOTAL
General Revenues:			
Taxes:			
Property Taxes	134,911	-	134,911
Sales Taxes	553,919	-	553,919
Franchise Taxes	28,549	-	28,549
Other Taxes	1,090	-	1,090
Payment in Lieu of Taxes	3,499	-	3,499
Interest on Accounts	5,324	271	5,595
Gain on Sale of Fixed Assets	7,850	-	7,850
Miscellaneous	2,583	-	2,583
Total General Revenues	737,725	271	737,996
Change in Net Position	151,441	101,004	252,445
Net Position - Beginning of Year, As Previously Stated	1,588,556	3,293,828	4,882,384
Adoption of New Accounting Principal	(29,440)	-	(29,440)
Adjustment to Correct Grant Revenues	-	(55,481)	(55,481)
Net Position - Beginning of Year, Restated	1,559,116	3,238,347	4,797,463
Net Position - End of Year	$ 1,710,557	$ 3,339,351	$ 5,049,908

The accompanying notes are an integral part of this financial statement.

TOWN OF LA JARA, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2024

	GENERAL FUND	CONSERVATION TRUST FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and Cash Equivalents	$ 857,509	$ 19,371	$ 876,880
Certificates of Deposit	114,678	-	114,678
Property Taxes Receivable	80,151	-	80,151
Accounts Receivable	152	-	152
Due from Other Governments	128,571	-	128,571
Due from Other Funds	611	-	611
Inventory	-	-	-
Prepaid Expenses	3,939	-	3,939
TOTAL ASSETS	$ 1,185,611	$ 19,371	$ 1,204,982
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts Payable	$ 43,557	$ -	$ 43,557
Payroll Liability	2,905	-	2,905
TOTAL LIABILITIES	46,462	-	46,462
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	80,151	-	80,151
FUND BALANCE			
Nonspendable	3,939	-	3,939
Restricted	24,200	19,371	43,571
Unassigned	1,030,859	-	1,030,859
TOTAL FUND BALANCE	1,058,998	19,371	1,078,369
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$ 1,185,611	$ 19,371	$ 1,204,982

The accompanying notes are an integral part of this financial statement.

TOWN OF LA JARA, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
December 31, 2024

Total governmental fund balances		$ 1,078,369
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the funds.		971,842
Long-term liabilities are not due and payable in the current period andtherefore are not reported in the funds.		
Financed Purchase Agreements	(143,315)	
Lease Agreements	(253,805)	
Compensated Absences	(16,775)	
		(413,895)
Deferred results and contributions to pension plans made after the measurement date are not recorded as expenditures in the governmental funds but must be deferred in the statement of net position.		78,269
Net pension liabilities (assets) are not due and payable in the current period and are not reported in the funds.		-
Certain amounts related to the net pension liability are deferred and amortized over time. These are not reported in the funds.		(4,028)
Net position of governmental activities		$ 1,710,557

The accompanying notes are an integral part of this financial statement.

TOWN OF LA JARA, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended December 31, 2024

	GENERAL FUND	CONSERVATION TRUST FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES			
Property Taxes	$ 112,409	$ -	$ 112,409
Sales and Use Taxes	554,585	-	554,585
Specific Ownership Taxes	22,502	-	22,502
Franchise Taxes	28,666	-	28,666
Fees and Fines	12,341	-	12,341
Licenses and Permits	8,440	-	8,440
Intergovernmental	89,299	8,772	98,071
Interest Earnings	5,309	15	5,324
Miscellaneous	2,840	-	2,840
TOTAL REVENUES	836,391	8,787	845,178
EXPENDITURES			
Current-			
General Government	184,562	-	184,562
Public Safety	236,295	-	236,295
Public Works	124,675	-	124,675
Health and Welfare	11,737	-	11,737
Capital Outlay	506,842	38,637	545,479
Debt Service	23,855	-	23,855
TOTAL EXPENDITURES	1,087,966	38,637	1,126,603
Excess (Deficiency) of Revenues Over Expenditures	(251,575)	-	(251,575)
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	7,850	-	7,850
Proceeds from long-term liabilities	327,505	-	327,505
TOTAL OTHER FINANCING SOURCES (USES)	335,355	-	335,355
Net Change in Fund Balance	83,780	(29,850)	53,930
Fund Balances at Beginning of Year	975,218	49,221	1,024,439
Fund Balances at End of Year	$ 1,058,998	$ 19,371	$ 1,078,369

The accompanying notes are an integral part of this financial statement.

TOWN OF LA JARA, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024

Net change in fund balances - total governmental funds		$ 53,930
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 those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital asset addition	$ 496,196	
Depreciation and amortization expense	(81,243)	
		414,953
Debt proceeds provide current financial resources to government funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the activity in debt in the current period.		
Proceeds from long-term liabiliteis	(327,505)	
Payments on long-term liabilities	13,412	
		(314,093)
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 governmental funds.		
Compensated absences		12,665
Certain items reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. This item consists of the change in pension expense.		(16,014)
Change in net position of governmental activities		$ 151,441

The accompanying notes are an integral part of this financial statement.

TOWN OF LA JARA, COLORADO
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
December 31, 2024

	WATER AND SEWER FUND
ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 177,061
Cash with Fiscal Agent	394,400
Certificates of Deposit	98,186
Accounts Receivable	65,153
Prepaid Expenses	1,299
Total Current Assets	736,099
Noncurrent Assets	
Construction in Progress	1,004,043
Buildings	14,907
Infrastructure	10,683
Collection and Transmission System	3,995,485
Machinery and Equipment	240,965
Less: Accumulated Depreciation	(2,010,770)
Total Noncurrent Assets	3,255,313
TOTAL ASSETS	3,991,412
LIABILITIES	
Current Liabilities	
Accounts Payable	9,767
Due to Other Funds	611
Notes Payable	55,381
Total Current Liabilities	65,759
Noncurrent Liabilities	
Notes Payable	586,302
TOTAL LIABILITIES	652,061
NET POSITION	
Net Investment in Capital Assets	3,008,030
Restricted - TABOR Reserve	16,800
Unrestricted	314,521
TOTAL NET POSITION	$ 3,339,351

TOWN OF LA JARA, COLORADO
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended December 31, 2024

	WATER AND SEWER FUND
OPERATING REVENUES	
Charges for Services	$ 493,551
Miscellanous Income	2,139
Total Operating Revenues	495,690
OPERATING EXPENSES	
Salaries	164,698
Payroll Taxes and Employee Benefits	22,962
Professional Services	54,379
Utilities	24,385
Monitoring Fees	16,037
Office Supplies	27,080
Repairs and Maintenance	3,637
Gas and Oil	9,819
Insurance	7,651
Traveling and Training	-
Miscellaneous	11,224
Depreciation	115,974
Total Operating Expenses	457,846
Operating Income (Loss)	37,844
NONOPERATING REVENUES (EXPENSES)	
Grant Revenue	62,889
Interest Income	2,617
Interest Expense	(2,346)
Total Nonoperating Revenues (Expenses)	63,160
Change in Net Position	101,004
Net Position, Beginning of Year, As Previously Stated	3,293,828
Adjustment to Correct Grant Revenues	(55,481)
Net Position, Beginning of Year, Restated	3,238,347
Net Position, End of Year	$ 3,339,351

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The accompanying notes are an integral part of this financial statement.

TOWN OF LA JARA, COLORADO
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024

	WATER/SEWER FUND
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 485,070
Cash Payments to Suppliers for Goods and Services	(154,378)
Cash Payments to Employees	(164,087)
Cash Payments for Employee Benefits and Taxes	(22,962)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	143,643
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Return of Grant Funds to Grantor	(55,481)
CASH FLOWS FROM INVESTING ACTIVITIES	
Grant Proceeds	62,889
Purchase of Fixed Assets	(89,309)
Interest Income	178
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(26,242)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Debt Proceeds	-
Payments on Notes and Financed Purchase Agreements	(85,297)
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(85,297)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(23,377)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	594,838
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 571,461
OPERATING INCOME (LOSS)	$ 37,844
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation Expense	115,974
Change in Assets and Liabilities	
(Increase) Decrease in Accounts Receivable	(10,620)
Increase (Decrease) in Accounts Payable	(166)
Increase (Decrease) in Due to Other Funds	611
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 143,643
SUPPLEMENTAL DISCLOSURES	
Reconciliation to the statement of net position	
Cash and cash equivalents	$ 177,061
Cash with fiscal agent	394,400
	$ 571,461

The accompanying notes are an integral part of this financial statement.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of La Jara, Colorado (the Town) operates as a statutory town under the laws of the state of Colorado and is governed by an independently elected mayor and six trustees. The Town was organized in March 1902 and provides the following services: public safety, highway and street maintenance, culture and recreation, general government, and water and sewer.

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

Reporting Entity

The reporting entity consists of the Town and, if applicable, organizations for which the Town is financially accountable. The Town is considered financially accountable for legally separate organizations if it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the Town. Consideration is also given to including other organizations in the reporting entity if they are considered fiscally dependent or exclusion from the Town's financial statements would render those financial statements misleading.

Based on these criteria, no potential component units have been included in the Town's reporting entity, nor is the Town a component unit of another entity.

Government-wide and Fund Financial Statements

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

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category or activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a function or activity. Program revenues include, if applicable, (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or activity; (2) grants and contributions that are restricted to meeting the operational requirements of a particular function or activity; and (3) grants and contributions that are restricted to meeting the capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues. The net cost by function or business-type activity is normally covered by general revenue such as property taxes, sales and use taxes, specific ownership and other taxes or other unrestricted revenues.

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

The government-wide focus is more on the sustainability of the Town as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

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 fund financial statements for the proprietary fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied, while grants and similar items are recognized as revenue when all eligibility requirements are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenue to be available if collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred as is the case with accrual accounting. However, debt service expenditures are recorded only when the liability has matured and payment is due. General capital asset acquisitions are reported as expenditures in governmental funds, while proceeds of long-term debt and acquisitions under financed purchase agreements are reported as other financing sources.

Property taxes, sales and use taxes, specific ownership taxes, grant and entitlement revenues, interest and charges for services are considered revenues susceptible to accrual. Contributions and miscellaneous revenue are recorded as revenues when received in cash because they are not generally measurable until that time. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance and, as such, entitlements and shared revenues are recorded at the time of receipt or earlier if the accrual criteria are met.

Business-type activities and the proprietary fund are accounted for using the flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the fund is included on the statement of net position. The proprietary fund-type operating statement presents increases (revenues) and decreases (expenses) in net total position. The proprietary fund distinguishes 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 operation. The principal operating revenues of the Town's water and sewer fund are charges to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental Funds

The Town reports the following major governmental funds:

- The general fund is the primary operating fund of the Town and is always classified as a major fund. The general fund is used to account for all financial resources of the Town except those required to be accounted for in a separate fund. Major revenue sources include property taxes, sales and use taxes, franchise taxes, specific ownership taxes and intergovernmental revenues. Primary expenditures include public safety, general government and public works.
- The conservation trust fund is used to account for the Town’s share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks and other public recreational facilities.

Proprietary Fund

The following is a description of the major proprietary fund of the Town:

- The water and sewer fund accounts for the operations of the Town's water and sewer utility. Activities of the fund include administration, operation and maintenance of the water and sewer system, along with accumulation of resources for the payment of principal on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary. Financial information for the separate segments (water and sewer) are presented where available.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and interest and non-interest-bearing demand deposits.

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when acquired, if held by the Town, are considered cash equivalents.

Property Taxes

Property taxes were levied on December 13, 2024 based on the assessed value of property as certified by the County Assessor the previous October. Assessed values are a percentage of actual values. A reappraisal of all property must be made every two years.

The taxes levied on December 13, 2024 reflect 2024 property taxes that will be collected in 2025 by the Conejos County Treasurer. Taxes collected by the Treasurer are remitted to the Town on a monthly basis. These taxes are due January 1, 2025 and may be paid in two installments (February 28 and June 15) or they may be paid in full April 30. Taxes not paid in accordance with this schedule accrue interest and penalty charges and are subject to liens if not paid by November, 2025.

Inventory

Inventory consists of fuel and is reported at the lower of cost (first-in, first-out) basis or market.

Capital Assets

Capital assets, which include land, buildings, improvements, infrastructure, machinery and equipment, and collection and transmission systems are reported in the applicable governmental or business-type activity columns on the government-wide financial statements. The capitalization level was established at $5,000 and the criteria for capitalization also includes (1) increasing the capacity or operating efficiency or (2) extending the useful life of the asset. Leases with annual payments exceeding $100,000 for infrastructure, $10,000 for equipment, and $25,000 for subscription-based information technology arrangements are capitalized. These levels and criteria were set so as to maintain a balance between accountability and managing the costs of recording and tracking these assets. Capital assets are defined as assets with an initial individual cost or estimated cost that equals or exceeds the limits identified above and have a useful life greater than one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Contributed capital assets are recorded at acquired value at the time received. Normal maintenance and repairs that do not add to the value of the asset or materially extend the useful life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the business-type activity is included as part of the capitalized value of the assets constructed when material. Construction-period interest recorded in proprietary funds is no longer capitalized beginning in 2018 due to the Town's adoption of GASB statement No. 89.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

	Governmental Activity	Business-Type Activity
Buildings	10-20	25
Improvements	10-20	-
Infrastructure	15	15
Collection and transmission system	-	15-20
Machinery and equipment	5-20	5-15

Compensated Absences

The Town adopted a policy as of January 1, 2023 for eligible employees to accrue paid time off. Employees will accrue paid time off at the rate of 4.92 to 10.46 hours per pay period with a maximum of 144 to 384 hours based on years of service. Employees who are terminated or leave are paid for all earned and unused paid time off. A liability for accrued compensated absences is included in the government-wide financial statements.

Long-term Liabilities

In the government-wide statement of net position and the fund financial statements for the proprietary fund, long-term debt and other similar long-term obligations, if any, are reported as liabilities in the applicable statement of net position.

In the governmental fund financial statements, bond premium and discounts, if any, as well as bond insurance and issue costs, are recognized during the current period. The face amount of the debt issue, along with the related discount or premium, if any, is reported as other financing sources while debt insurance and issue costs are reported as debt service expenditures.

Leases

Lessee: The Town recognizes a lease liability and intangible right-to-use lease assets in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease terms, and (3) lease payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the leases. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Unearned Revenue

Revenues on grants, which are restricted by the grant document for specific purposes, are recognized as revenue only after eligible grant costs have been incurred. Grant funds received in excess of grant expenditures are recorded as unearned revenue.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This represents a consumption of net position that applied to a future period(s) and will not be recognized as an outflow of resources (as either an expense or expenditure) until that period.

In addition to liabilities, the balance sheet reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

Certain amounts related to pensions must be deferred.

Fire and Police Pension Association of Colorado (FPPA)

For purposes of measuring the net pension liability (asset), deferred outflows of resources, and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Statewide Retirement Plan (SWRP) administered by FPPA, and additions to/deductions from this plans' fiduciary net pension have been determined on the same basis as they are reported by FPPA. FPPA follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA. Employer contributions in FPPA's financial statements are recognized in the period in which the contributions are due. Benefit payments are recognized when due and payable, in accordance with the benefit terms. Investments are reported at fair value. All employees who participate in the plans are funded through the General Fund and, therefore, the net pension liability (asset) is recorded at the government-wide level only.

Fund Equity

Governmental funds report fund balance in classifications based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balance for the Town's governmental funds consists of the following:

Nonspendable - includes amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash such as inventories, prepaid items and long-term notes receivable.

Restricted - includes amounts that are restricted for specific purposes stipulated by external resource providers constitutionally or through enabling legislation.

Committed - includes amounts that can only be used for the specific purposes determined by the passage of a resolution of the Town's board of trustees. Commitments may be modified or changed only by the Town's board of trustees approving a new resolution.

Assigned - includes amounts intended to be used by the Town for specific purposes that are neither restricted nor committed. Intent is expressed by the Town's manager to which the assigned amounts are to be used for specific purposes. Assigned amounts include appropriations of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget.

Unassigned - this is the residual classification for the general fund.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications, fund balance is reduced in the order of restricted, committed, assigned and unassigned.

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

Net investment in capital assets - this classification consists of capital assets net of accumulated depreciation and reduced by outstanding related debt that is attributed to the acquisition, construction or improvement of capital assets.

Restricted net position - this classification consists of restrictions created by external creditors, grantors, contributors, laws or regulations of other governments, enabling legislation and constitutional provisions.

Unrestricted net position - this classification represents the remainder of net position that does not meet the definition of "net investment in capital assets" or "restricted net position".

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

Interfund Transactions

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

Estimates

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

Reclassifications

Certain reclassifications were made to fiscal year 2023 financial statements in order to conform to the fiscal year 2024 financial statements presentation.

New Accounting Pronouncements

During fiscal year 2024, the Town adopted the provisions of GASB Statement No. 101, *Compensated Absences,* that aligns the recognition and measurement guidance for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means under a unified model. In addition, it amended certain previously required disclosures. As a result, an increase in Governmental Activities beginning net position as shown in the table below:

	Governmental Activities
12/31/2023 Net Position, as Previously Presented	$ 1,588,556
Adjustment for Change in Accounting Principle	(29,440)
12/31/2023 Net Position, as Restated	$ 1,559,116

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Principles

The Town adheres to the following procedures in establishing its budgets.

On or before October 15 of each year, the Town manager submits to the board of trustees a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the board of trustees to obtain taxpayer comments. The Town adopts budgets for all funds and the Town uses the current financial resources measurement focus and the modified accrual basis of accounting in preparing the budgets for all funds. In addition, appropriations lapse at the end of the year.

Expenditure estimates in the annual budgets are enacted into law through the passage of an appropriation resolution. The board of trustees may amend the original adopted budget during the year by passing a new resolution to reflect current needs and during 2024 the expenditure estimates were not amended. For each legally adopted annual operating budget, budgetary control exists at the total fund level. That is to say, total expenditures for each fund cannot legally exceed total appropriations for that fund.

Stewardship

General Fund expenditures exceeded the General Fund budget by $352,415. This may be a violation of state statute.

NOTE 3 CASH, DEPOSITS, AND INVESTMENTS

At December 31, 2024 cash, deposits, and certificates of deposit consisted of the following.

	Governmental Activities	Business-Type Activities	TOTAL
Cash on hand	$ 154	$ 101	$ 255
Cash deposited in banks	876,726	176,960	1,053,686
	876,880	177,061	1,053,941
Cash with fiscal agent	-	394,400	394,400
Total cash and cash equivalents	876,880	571,461	1,448,341
Certificates of deposit	114,678	98,186	212,864
Total cash, deposits, and investments	$ 991,558	$ 669,647	$ 1,661,205

Deposits

At December 31, 2024, the carrying amount of the Town's deposits, including certificates of deposit, was $1,266,805 and the bank balance was $1,290,292. Of the bank balance, $465,669 was covered by federal depository insurance and $824,623 was collateralized in single financial institution collateral pools maintained by the individual financial institutions that hold these deposits. Colorado law requires that depository institutions must apply for and be designated as an eligible public depository before the institution can accept public fund monies. The depository institution must pledge eligible collateral as security for all public deposits held by that institution that are not insured by depository insurance. The fair value of the collateral that each institution pledges must equal at least 102% of the total uninsured deposits held by that institution. Generally, the eligible collateral in the collateral pools is held by the depository institution or its agent in the name of the depository institution.

Credit Risk

The Town has no formal policy on managing credit risk; however, the Town is subject to the provisions of Colorado Revised Statutes 24-75-601, which is entitled "Concerning Investment in Securities by Public Entities". This law, among other things, outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government and agency securities, certain bonds of political subdivisions, bankers' acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, guaranteed insurance contracts and U.S. dollar-denominated corporate or bank debt. The statute also includes a provision limiting any investment to a five-year maturity unless the governing body authorizes a longer period.

Cash and Investments Restricted for Unspent Debt Proceeds -The Town had $394,400 of unspent note proceeds restricted to pay construction costs for the lagoon project.

NOTE 4 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Receivables/Payables

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

	Interfund Receivable	Interfund Payable
Governmental funds -		
General fund	$ 611	$ -
Enterprise fund -		
Water and sewer fund	-	(611)
	$ 611	$ (611)

The balance of $611 due to the General Fund from the Water Fund resulted from payment for office expenses.

NOTE 5 CAPITAL ASSETS

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

	Balance 12/31/2023	Additions	Deletions	Balance 12/31/2024
Governmental Activities:				
Capital assets not being depreciated				
Land	$ 92,875	$ -	$ -	$ 92,875
Construction in progress	8,325	-	8,325	-
Total capital assets not being depreciated	101,200	-	8,325	92,875
Capital assets being depreciated				
Buildings	577,078	-	-	577,078
Improvements	335,937	46,963	-	382,900
Infrastructure	35,983	63,026	-	99,009
Machinery and equipment	461,826	140,727	43,259	559,294
Total capital assets being depreciated	1,410,824	250,716	43,259	1,618,281
Less accumulated depreciation for:				
Buildings	359,582	21,138	-	380,720
Improvements	159,563	17,798	-	177,361
Infrastructure	17,992	4,838	-	22,830
Machinery and equipment	417,998	25,383	43,259	400,122
Total accumulated depreciation	955,135	69,157	43,259	981,033
Total capital assets being depreciated, net	455,689	181,559	-	637,248
Lease assets being amortized				
Machinery and equipment	-	253,805	-	253,805
Less accumulated amortization	-	12,086	-	12,086
Total lease assets being amortized, net	-	265,891	-	265,891
Governmental Activities Capital Assets, Net	$ 556,889	$ 447,450	$ 8,325	$ 996,014

	Balance 12/31/2023	Additions	Deletions	Balance 12/31/2024
Business-type activity:				
Capital assets not being depreciated				
Construction in progress	$ 950,950	$ 53,093	$ -	$ 1,004,043
Capital assets being depreciated				
Collection and transmission system	3,995,485	-	-	3,995,485
Building	14,907	-	-	14,907
Infrastructure	10,683	-	-	10,683
Machinery and equipment	204,749	36,216	-	240,965
Total capital assets being depreciated	4,225,824	36,216	-	4,262,040
Less accumulated depreciation for:				
Collection and transmission system	1,711,178	103,204	-	1,814,382
Building	7,614	358	-	7,972
Infrastructure	10,504	-	-	10,504
Machinery and equipment	165,500	12,412	-	177,912
Total accumulated depreciation	1,894,796	115,974	-	2,010,770
Total capital assets being depreciated, net	2,331,028	(79,758)	-	2,251,270
Business-type Activities Capital Assets, Net	$ 3,281,978	$ (26,665)	$ -	$ 3,255,313

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

Governmental activities:	
General government	$ 28,672
Public Safety	16,538
Highways and Streets	27,955
Health and Welfare	810
Culture and Recreation	7,268
Total depreciation and amortization expense - governmental activities	$ 81,243
Business-type activity:	
Water and sewer	$ 115,974
Total depreciation expense - business-type activity	$ 115,974

NOTE 6 LONG-TERM LIABILITIES

Changes in Long-term Liabilities

	Balance 12/31/2023	Additions	Repayments	Balance 12/31/2024	Due Within One Year
Governmental Activities					
Financed Purchase Agreement	$ 83,027	$ 73,700	$ 13,412	$ 143,315	$ 18,565
Lease Agreement	-	253,805	-	253,805	46,357
Compensated Absences	29,440	-	12,665	16,775	8,820
Governmental Activities Total	$ 112,467	$327,505	$ 26,077	$ 413,895	$ 73,742
Business-type Activity					
Notes Payable					
CWRPDA Loan	$ 112,415	$ -	$ 37,500	$ 74,915	$ 9,915
CWRPDA Loan	19,915	-	10,000	9,915	10,000
CWRPDA Loan	196,354	-	15,715	180,639	15,715
CWRPDA Loan	395,950	-	19,736	376,214	19,751
Business-type Activities Total	$ 724,634	$ -	$ 82,951	$ 641,683	$ 55,381

Governmental Activities

Financed Purchase Agreements

During 2021, the Town entered into a 10 year, $100,000, 3.99% interest financed purchase agreement with the proceeds to be used to construct and equip the Town maintenance building. At December 31 2024, the maintenance building is included in capital assets at a cost of $128,116, with accumulated depreciation of $19,217. Payments are due in semi-annual installments continuing through September 2031 from the General Fund.

During 2024, the Town entered into a 7 year, $73,700, 3.99% interest financed purchase agreement with the proceeds to be used to pay off a 2022 John Deere Cab Utility Tractor. At December 31, 2024, the Tractor is included in capital assets at a cost of $73,700, with accumulated depreciation of $3,685. Payments are due in semi-annual installments continuing through April 2031 from the General Fund.

Minimum annual lease purchase payments are as follows:

	Principal	Interest	Total
2025	$ 18,565	$ 15,578	$ 34,143
2026	19,432	15,201	34,633
2027	20,340	14,788	35,128
2028	21,286	14,405	35,691
2029	22,288	13,975	36,263
2030-2031	41,404	20,248	61,652
	$ 143,315	$ 94,195	$ 237,510

Lease Agreement

During 2024, the Town entered into a 5 year, $253,805, 5.96% lease agreement with Unified Fleet Services for three Ford Interceptors. The terms of the lease consist of twelve-monthly payments per year with the final payment due December 2029. The machinery and equipment are recorded in the lease machinery and equipment of the government-wide financial statements at $253,805 less accumulated amortization of $12,086, at December 31, 2024.

Minimum annual payments are as follows:

	Principal	Interest	Total
2025	$ 46,357	$ 16,895	$ 63,252
2026	52,434	10,818	63,252
2027	55,607	7,645	63,252
2028	48,244	4,566	52,810
2029	51,163	1,647	52,810
	$ 253,805	$ 41,571	$ 295,376

Business-Type Activities

Notes payable

$200,000 interest-free loan with Colorado Water Resources and Power Development Authority series 2005; due in semi-annual installments of $5,000 through November, 2025; debt is serviced by the water and sewer fund and on which revenue is pledged as collateral	$ 9,915
$750,000 interest-free loan with Colorado Water Resources and Power Development Authority, series 2006; due in semi-annual installments of $18,750 through November, 2026; debt is serviced by the water and sewer fund and on which revenue is pledged as collateral	74,915
$350,000 interest-free loan with Colorado Water Resources and Power Development Authority, series 2015; due in semi-annual installments of $7,858 through May, 2036; debt is serviced by the water and sewer fund on which revenue is pledged as collateral	180,639
$407,391 0.6% interest rate loan with Colorado Water Resources and Power Development Authority, series 2022; due in semi-annual installments of $11,041 through November, 2042; debt is serviced by the water and sewer fund on which revenue is pledged as collateral	376,214
Total business-type activity	$ 641,683

Minimum annual payments are as follows:

	Principal	Interest	Total
2025	$ 82,984	$ 2,228	$ 85,212
2026	73,104	2,108	75,212
2027	35,809	1,988	37,797
2028	35,929	1,868	37,797
2029	36,051	1,746	37,797
2030-2034	182,103	6,883	188,986
2035-2039	130,248	3,735	133,983
2040-2042	65,455	690	66,145
	$ 641,683	$ 21,246	$ 662,927

Debt Covenants

Debt covenants require that the water and sewer fund maintain a net income to debt ratio of 1.10 after excluding depreciation. For the year ended December 31, 2024, the Town was in compliance with debt covenant requirements.

NOTE 7 DEFINED BENEFIT PENSION PLAN

Plan description. The Statewide Retirement Plan is a cost-sharing multiple-employer defined benefit pension plan. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that 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 normal retirement pension. Members with 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 an 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 for the Defined Benefit Component is 2.0 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average of the member's highest three years' base salary for each year of service thereafter.

Beginning January 1, 2007, the annual normal retirement benefit for the Social Security Component is 1.0 percent of the average of the member's highest three years base salary for each year of credited service up to then years plus 1.25 percent of the average of the member's highest three years' base salary for each year thereafter. Prior to 2007, the benefit for members of the Social Security Component will be reduced by the amount of social security income the member receives annually, calculated as if the social security benefit started as of age 62.

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' based 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 for 0 percent to the higher of 3 percent of 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, the vested account balance within the Money Purchase Component becomes available to the member.

Upon termination, a member may elect to have 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.

Members of the Defined Benefit Component contribution 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2023, the total combined member and employer contribution rate was 21.5 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined rate of 25.2 percent in 2023, the total minimum required member and employer contribution rate was 21.7 percent.

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase .25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2023, the total combined member and employer contribution ate was 10.75 percent.

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.

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.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions form the employer are made on a pre-tax basis.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

Contributions to the Plan from the Town were $9,756 for the year ended December 31, 2024.

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

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

The net pension liability (asset) was measured as of December 31, 2023, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2023. The Town's proportion of the net pension liability (asset) was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined as of December 31, 2023, based upon the January 1, 2024 actuarial valuation. At December 31, 2023, the Town's proportion was 0.011 percent.

For the year ended December 31, 2024, the Town recognized pension expense for the SWRP of $16,014.

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	$ 21,768	$ 1,046
Net difference between projected and actual earnings on pension plan investments	15,628	-
Change in assumptions	12,626	-
Change in proportionate share	18,491	2,982
Contributions subsequent to the measurement date	9,756	-
Total	$ 78,269	$ 4,028

$9,756 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a decrease (increase) of the net pension liability (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 in pension expense as follows:

Year ended December 31,	
2025	$ 11,681
2026	15,780
2027	20,454
2028	4,765
2029	5,367
Thereafter	6,437
	$ 64,484

Actuarial assumptions. The actuarial valuations for the SWRP were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2023. The valuations used 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*	7.00%	7.00%
Projected Salary Increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Asjustments (COLA)	0.00%	0.00%
*Includes inflation at	2.50%	2.50%

For determining the total pension liability and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, and projected with the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses Pub2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, and then projected with MP-2020 Ultimate projection scale. The pre-retirement 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 & Company, 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.

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 Rate of Return
Global Equity	35.0%	8.33%
Equity Long/Short	6.0%	7.27%
Private Markets	34.0%	10.31%
Fixed Income - Rates	10.0%	5.35%
Fixed Income - Credit	5.0%	5.89%
Absolute Return	9.0%	6.39%
Cash	1.0%	4.32%
Total	100.0%	

The discount rate used to measure the total pension liability (asset) 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 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 (asset).

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 Boards's policy, the new COLA assumption will fluctuate form year to year depending on plan experience and is the long-term COLA assumption 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.

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

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

Regarding the sensitivity of the net pension liability/ (asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.00 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

1% Decrease (6.00%)	Single Discount Rate Assumption (7.00%)	1% Increase (8.00%)
$ 64,093	$ -	$ -

NOTE 8 OTHER POST-EMPLOYMENT BENEFITS (OPEB)

New Hire Fire and Police Death and Disability

The Town contributes to the statewide, cost-sharing, multiple-employer death and disability plan administered by the Colorado Fire and Police Pension Association (FPPA). The statewide plan provides death and disability benefits for those new hires employed after January 1, 1997 and their beneficiaries. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available financial report that includes the statewide death and disability plan. That report may be obtained by writing to FPPA of Colorado, 5290 OTC Parkway, Suite 100, Englewood, Colorado, 80111, or by calling FPPA at 303-770-3772 in the Denver metro area or 800-332-3772 from outside the metro area.

Funding Policy - Plan members and the Town are required to contribute at a rate set by statute. Pursuant to statute, the FPPA Board of Directors may adjust the contribution rate every two years based on an annual actuarial valuation by no more than one-tenth of one percent. The 2023 contribution rate for members is 3.00% of pensionable earnings. The Town's contributions to the statewide death and disability plan for the years ended December 31, 2024, 2023 and 2022 were $0, $0, and $0, equal to its required contributions for each year.

NOTE 9 NET POSITION AND FUND BALANCES

Net Position

Restricted net position represents net position whose uses are subject to constraints that are either (1) legally imposed by creditors (such as debt covenants), grantors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation. Restricted net position at December 31, 2024 is as follows:

	Governmental Activities	Business-type Activities	Total
TABOR	$ 24,200	$ 16,800	$ 41,000
Park Projects	19,371	-	19,371
	$ 43,571	$ 43,571	$ 60,371

Restricted for TABOR - This represents approximately 3% of the Town's fiscal year spending as that term is defined in the Colorado constitution. Under these provisions of the constitution, this portion of the Town's net position can be used for declared emergencies only and the Town must maintain 3% or more of its fiscal year spending in this account. The Water and Sewer Fund is normally considered a TABOR exempt enterprise a majority of revenues are derived from user fees and federal grants. However, during 2024, the fund received state grant revenues exceeding 10 percent of its annual revenue. Therefore, the Water and Sewer Fund did not qualify for TABOR enterprise status and is required to reserve 3% of its fiscal year spending for the year ended December 31, 2024.

Restricted for parks projects - The amount reported in this category represents the fund balance of the Town's conservation trust special revenue fund that is restricted for parks projects under state law.

Fund Balance

	Governmental Activities		
	General Fund	Conservation Trust Fund	Total
Nonspendable -			
Prepaid items	$ 3,939	$ -	$ 3,939
Inventory	-	-	-
Restricted -			
Tabor	24,200	-	24,200
Park Projects	-	19,371	19,371
Unassigned	1,030,859	-	1,030,859
Total fund balances	$ 1,058,998	$ 19,371	$ 1,078,369

NOTE 10 RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; property and casualty, errors and omissions, injuries to employees, and health claims. Risks of loss from torts, errors and omissions, property and casualty, and injuries to employees are covered by the Town's participation in the Colorado Intergovernmental Risk Pool (CIRSA) which is a separate and independent governmental public entity risk pool formed through intergovernmental agreement by member municipalities to provide defined coverage of covered risks. The membership agreement provides that the pool be self-sustaining through member premiums and reinsure with commercial companies for claims in excess of identified limits.

Employer health claims are covered by commercial insurance. Settlement claims for each of the last three years did not exceed insurance coverage amounts in areas where commercial insurance is used to cover the risk of loss.

NOTE 11 TABOR EMERGENCY RESERVE

Colorado voters passed an amendment to the state constitution on November, 1992 which contains several limitations, including revenue raising, spending abilities and other specific requirements affecting state and local governments. The amendment, commonly known as the TABOR amendment, is complex and subject to judicial interpretation; however, 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.

NOTE 12 PRIOR PERIOD ADJUSTMENT

Enterprise Fund

The beginning net position of the Enterprise Fund has been restated to correct grant revenues recorded in prior years. It was determined that grant funds recognized in prior years had to be spent within a certain time period or returned to the grantor. As the deadline passed during 2024, unspent funds were returned to the grantor. A reconciliation of the prior period ending net position to the current year beginning net position for the Enterprise Fund is as follow:

	Enterprise Fund and Business-type Activities	
12/31/2023 Net Position, as Previously Presented	$	3,293,828
Adjustment to Correct Grant Revenues		(55,481)
12/31/2023 Net Position, as Restated	$	3,238,347

The return of funds is presented in the Statement of Cash Flows as a noncapital financing activity.

NOTE 13 COMMITMENTS AND CONTINGENCIES

Notice of Violation

The Town was issued a notice of violation by the Colorado Department of Public Health & Environment on August 26, 2019 in relation to the Town's discharge permit. The Town was in failure to comply with all terms and conditions of the Permit and allowed discharge that contained effluents outside of parameter concentrations allowed.

The Town responded to the notice of violation on September 24, 2019 and hired an engineering company to perform an evaluation of the facility and recommend measures to ensure that adequate treatment is provided such that the facility complies with all terms and conditions of the Town's discharge permit. As of the issuance of this report, the plan was accepted and approved by the State, the design and engineering portion of the project was complete, and the physical improvements are nearly complete. The Town is awaiting final approval in 2024 with minimal cost left to be incurred.

Funding for project was provided by a 2022 CWRPDA Design and Engineering loan of $147,150, a 2022 CWRPDA Loan of $850,994 and a Small Communities Grant of $400,000. As of December 31, 2024 total project costs were $1,004,043.

TOWN OF LA JARA, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and major governmental fund. In addition, pension plan contributions and the Town's proportionate share of the net pension liability (asset) is required to supplement the basic financial statements.

TOWN OF LA JARA, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2024

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Property Taxes	$ 75,200	$ 75,200	$ 112,409	$ 37,209
Sales and Use Taxes	480,600	481,100	554,585	73,485
Specific Ownership Taxes	24,000	24,000	22,502	(1,498)
Franchise Taxes	25,250	25,050	28,666	3,616
Fees and Fines	22,700	22,700	12,341	(10,359)
Licenses and Permits	35,050	35,050	8,440	(26,610)
Intergovernmental	53,250	68,250	89,299	21,049
Interest Earnings	951	951	5,309	4,358
Miscellaneous	18,550	3,250	2,840	(410)
TOTAL REVENUES	735,551	735,551	836,391	100,840
EXPENDITURES				
Current:				
General Government	216,976	216,976	184,562	32,414
Public Safety	296,150	296,150	236,295	59,855
Public Works	118,400	118,400	124,675	(6,275)
Health and Welfare	20,300	20,300	11,737	8,563
Capital Outlay	71,500	71,500	506,842	(435,342)
Debt Service	12,225	12,225	23,855	(11,630)
TOTAL EXPENDITURES	735,551	735,551	1,087,966	(352,415)
Excess (defiency) revenues over expenditures	-	-	(251,575)	(251,575)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	7,850	7,850
Proceeds from long-term liabilities	-	-	327,505	327,505
TOTAL OTHER FINANCING SOURCES (USES)	-	-	335,355	335,355
Net Change in Fund Balance	-	-	83,780	83,780
Fund Balance at Beginning of Year	746,502	746,502	975,218	228,716
Fund Balance at End of Year	$ 746,502	$ 746,502	$ 1,058,998	$ 312,496

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
This schedule is presented on the GAAP basis.

TOWN OF LA JARA, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CONSERVATION TRUST FUND
For the Year Ended December 31, 2024

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Intergovernmental Revenue				
Lottery Funds	$ 34,300	$ 34,300	$ 8,772	$ (25,528)
Interest on Accounts	12	12	15	3
TOTAL REVENUES	34,312	34,312	8,787	(25,525)
EXPENDITURES				
Grant Expense	25,000	25,000	-	25,000
Capital Outlay	25,000	25,000	38,637	(13,637)
TOTAL EXPENDITURES	50,000	50,000	38,637	11,363
Net Change in Fund Balance	(15,688)	(15,688)	(29,850)	(14,162)
Fund Balance at Beginning of Year	39,853	39,853	49,221	9,368
Fund Balance at End of Year	$ 24,165	$ 24,165	$ 19,371	$ (4,794)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
This schedule is presented on the GAAP basis.

TOWN OF LA JARA, COLORADO
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (ASSET)
FPPA - STATEWIDE RETIREMENT PLAN
For the Years Ended December 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the net pension liability (asset)	0.01143%	0.01580%	0.01665%	0.01538%	0.02203%	0.02208%	0.02200%	0.02500%	0.03100%	0.02820%
Town's proportionate share of the net pension liability (asset)	$ -	$ 14,026	$ (90,247)	$ (33,394)	$ (12,457)	$ 28,077	$ (31,061)	$ 9,101	$ (541)	$ (31,826)
Town's covered payroll	$ 97,765	$ 112,576	$ 137,482	$ 134,054	$ 162,333	$ 143,891	$126,413	$ 128,900	$ 148,875	$ 126,433
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.00%	12.46%	-65.64%	-24.91%	-7.67%	19.51%	-24.57%	7.06%	0%	-25%
Plan fiduciary net position as a percentage of the total pension lliability (asset)	97.6%	97.6%	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%

*Prior to 2024, data reflects information related to FPPA Statewide Defined Benefit Plan (SWDB)

See notes to the required supplementary information

TOWN OF LA JARA, COLORADO
SCHEDULE OF TOWN CONTRIBUTIONS
FPPA - STATEWIDE RETIREMENT PLAN
For the Years Ended December 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 9,756	$ 10,688	$ 12,373	$ 11,395	$ 9,884	$ 12,987	$ 11,511	$ 10,113	$ 14,312	$ 11,910
Contributions in relation to the contractually required contribution	(9,756)	(10,688)	(12,373)	(11,395)	(9,884)	(12,987)	(11,511)	(10,113)	(14,312)	(11,910)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	97,765	112,576	137,482	134,054	123,555	162,333	143,891	126,413	128,900	148,875
Contributions as a percentage of covered payroll	9.98%	9.49%	9.00%	8.50%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

*Prior to 2024, data reflects information related to FPPA Statewide Defined Benefit Plan (SWDB)

TOWN OF LA JARA, COLORADO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
CHANGES IN BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS
For the Year Ended December 31, 2024

NOTE 1 FPPA STATEWIDE RETIREMENT PLAN

Changes in assumptions or other inputs effective for the December 31st measurement period for the following years ended:

2023

- Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan
- Decreased the municipal bond rate from 4.05% to 3.77%

2022

Post-retirement mortality assumptions were changed to the Pub-2010 Safely Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees.

- The municipal bond rate increased from 1.84 perecent ot 4.05 percent.

2021 There were no changes in assumptions or other inputs this measurement period compared to prior year.

2020 There were no changes in assumptions or other inputs this measurement period compared to prior year.

2019

- Reduced the real return rate from 5.00% to 4.50%, combined with an unchanged inflation rate of 2.5%, reduced the nominal investment assumption from 7.50% to 7.00%.
- Increased the productivity component of the salary scale assumption from 1.50% to 1.75%. Combined with the inflation creates of 2.50%, this creates and ultimate salary assumption of 4.25%.
- Removed the blue collar adjustment for the mortality tables being used and updated the mortality projection scale from Scale BB to the ultimate rates of the MP-2017 projection scale.
- Increased disability rates for members covered by a defined benefit program.
- Slightly modified retirement rates to reflect increased retirement utilization for low service members and slightly decreased the normal retirement rates after age 55.
- Limited the amortization period used to determine the Actuarially Determined Contribution Rate such that no negative amortization results (the payment always covers at least the interest on the unfunded liability).

2018

- The Long-Term Investment Rate of Return was lowered from 7.5% to 7.0%.
- Projected Salary Increases changed from 4.0%-14.0% to 4.25%-11.25%.
- Increase the expected incidence of Disability for members of FPPA's defined benefit plans.

2017 There were no changes in assumptions or other inputs this measurement period compared to prior year.

2016 There were no changes in assumptions or other inputs this measurement period compared to prior year.

2015

- The Inflation assumption was reduced from 3.0% to 2.5%.
- Added an explicit charge for administrative expenses in the actuarial contribution calculation.
- Revised the base mortality tables and the explicit assumption for increasing longevity in the future to reflect current mortality studies.
- Increase the expected incidence of Total Disability for members of FPPA's defined benefit plans.

TOWN OF LA JARA, COLORADO

SUPPLEMENTARY INFORMATION

TOWN OF LA JARA, COLORADO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP)
WATER AND SEWER FUND
Year Ended December 31, 2024

	ACTUAL - BUDGET BASIS			ORIGINAL AND FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	Water Activities	Sewer Activities	Total		
REVENUES AND OTHER FINANCING SOURCES					
Service Charges	$ 207,819	$ 285,732	$ 493,551	$ 533,100	$ (39,549)
Grant Revenue	-	62,889	62,889	1,500,000	(1,437,111)
Interest Income	2,529	88	2,617	490	2,127
Other Income	1,985	154	2,139	2,800	(661)
TOTAL REVENUES AND OTHER FINANCING SOURCES	212,333	348,863	561,196	2,036,390	(1,475,194)
EXPENDITURES					
Salaries	82,349	82,349	164,698	140,000	(24,698)
Payroll Taxes and Employee Benefits	11,481	11,481	22,962	32,500	9,538
Professional Services	22,517	31,862	54,379	64,000	9,621
Utilities	22,051	2,334	24,385	27,200	2,815
Monitoring Fees	2,255	13,782	16,037	10,113	(5,924)
Office Supplies	12,350	14,730	27,080	11,600	(15,480)
Repairs and Maintenance	1,614	2,023	3,637	26,500	22,863
Gas and Oil	4,581	5,238	9,819	9,200	(619)
Insurance- General	4,784	2,867	7,651	7,800	149
Traveling and Training	-	-	-	3,000	3,000
Capital Outlay	-	-	-	1,500,000	1,500,000
Miscellaneous	10,737	487	11,224	90,200	78,976
Debt Service					
Loan Payments	-	-	82,951	74,350	(8,601)
Interest Expense	-	2,346	2,346	-	(2,346)
TOTAL EXPENDITURES	174,719	169,499	427,169	1,996,463	1,569,294
NET CHANGE IN FUND BALANCE	$ 37,614	$ 179,364	134,027	$ 39,927	$ 94,100
GAAP ADJUSTMENTS					
Depreciation			(115,974)		
Principal Payments			82,951		
NET CHANGE IN FUND BALANCE			$ 101,004		

TOWN OF LA JARA, COLORADO

OTHER SCHEDULES AND REPORTS

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of La Jara
	YEAR ENDING : December 2024
This Information From The Records Of : Town of La Jara	Prepared By: Ariel Ruvolo Phone: (719)-274-5363

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	112,734
3. Other local imposts (from page 2)	22,502
4. Miscellaneous local receipts (from page 2)	12,195
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.)	0
7. Total (1 through 6)	147,431
B. Private Contributions	
C. Receipts from State government (from page 2)	102,914
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	250,345

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	64,141
2. Maintenance:	4,971
3. Road and street services:	
a. Traffic control operations	4,378
b. Snow and ice removal	2,000
c. Other	21,110
d. Total (a. through c.)	27,488
4. General administration & miscellaneous	
5. Highway law enforcement and safety	153,745
6. Total (1 through 5)	250,345
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	250,345

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
0	250,345	250,345	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2024

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	8,016
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	4,179
5. Specific Ownership &/or Other	22,502	g. Other Misc. Receipts	
6. Total (1. through 5.)	22,502	h. Other	
c. Total (a. + b.)	22,502	i. Total (a. through h.)	12,195
	(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	66,468	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	36,446	d. Federal Transit Admin	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)	-	f. Other Federal	$ -
f. Total (a. through e.)	36,446	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	102,914	3. Total (1. + 2.g)	$ -
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			-
b. Engineering Costs			-
c. Construction:			
(1). New Facilities			-
(2). Capacity Improvements			-
(3). System Preservation		63,266	63,266
(4). System Enhancement & Operation		875	875
(5). Total Construction (1) + (2) + (3) + (4)	-	64,141	64,141
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	64,141	64,141
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536 (Rev.1-05) PREVIOUS EDITIONS OBSOLETE