

TOWN OF LYONS, COLORADO

Basic Financial Statements
December 31, 2024



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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Town of Lyons, Colorado

Report on the Audit of the Financial Statements

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 Lyons, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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 auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, 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, the combining and individual nonmajor fund financial statements, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

The Adams Group, LLC

Greenwood Village, Colorado
July 15, 2025



Management's Discussion and Analysis

The management of the Town of Lyons offers this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2024.

Financial Highlights

- The assets and deferred outflows of revenues of the Town of Lyons exceeded its liabilities and deferred inflows of resources at the close of 2024 by \$82,872,734 (*net position*). Of this amount, \$6,595,605, (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$627,559.
- As of the close of the current fiscal year, the Town of Lyons governmental funds reported combined ending fund balances of \$6,057,809.
- At the end of the current year, the unassigned fund balance for the General Fund was \$1,864,089, or about 63.8% of total General Fund expenditures.

Overview of the Financial Statements

This overview is an introduction to the Town's financial statements. The Town of Lyons' basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the two 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 government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event 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 time periods (i.e. uncollected taxes and earned but unused employee leave time).

Both government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to cover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, administrative services, public safety, public works (streets), planning and zoning, judicial and legislative, parks, recreation and cultural activities, and grant funds that include the rebuilding and recovery from the 2013 Flood disaster. The business-type activities of the Town include the electric utility, water and wastewater utility, and the stormwater utility.

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

Governmental funds are used to account for essentially the same functions reported in 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 the Town'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 Town's near-term financial decisions. Both the governmental fund balance sheets 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 of Lyons maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Grants Fund, and the Parks, Recreation, and Cultural Fund, all of which are considered major funds. Individual fund data is presented for the Conservation Trust Fund, Capital Improvement Fund, and Lyons Urban Renewal Authority fund as non-major governmental funds.

Proprietary funds are generally used to account for services for which the Town charges customers. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Electric Fund and Water and Wastewater Fund which are considered major funds. Individual proprietary fund data is presented for the Stormwater Utility Fund as a non-major proprietary fund of the Town of Lyons.

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 required supplementary information concerning the Town of Lyons governmental funds budgetary comparisons. This comparison demonstrates actual results (using the basis of budgeting) with the original budget and the final budget of each individual major fund in the governmental funds.

Budgetary comparisons for the proprietary funds and other non-major governmental funds are also provided as supplemental information, although not required by Generally Accepted Accounting Principles (GAAP).

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position. In the case of the Town of Lyons, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$82,872,734, at the close of 2024.

Town of Lyons Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 12,528,713	\$ 11,770,969	\$ 5,048,611	\$ 5,047,977	\$ 17,577,324	\$ 16,818,946
Capital Assets	52,122,222	52,004,368	24,168,925	25,118,172	76,291,147	77,122,540
Total Assets	64,650,935	63,775,337	29,217,536	30,166,149	93,868,471	93,941,486
Long-term Liabilities Outstanding	5,183,248	5,099,323	2,894,651	3,484,650	8,077,899	8,583,973
Other Liabilities	979,810	970,492	341,905	394,739	1,321,715	1,365,231
Total Liabilities	6,163,058	6,069,815	3,236,556	3,879,389	9,399,614	9,949,204
Deferred Inflows of Resources-						
Unavailable resources of property taxes	896,227	940,898	-	-	896,227	940,898
Unavailable resources leases	699,896	806,209	-	-	699,896	806,209
Total Deferred Inflows	1,596,123	1,747,107	-	-	1,596,123	1,747,107
Net Investment in Capital Assets	51,775,082	52,004,368	21,296,055	21,650,865	73,071,137	73,655,233
Restricted						
Required emergency reserve	174,000	154,000	-	-	174,000	154,000
Debt Service	-	-	443,190	486,190	443,190	486,190
Parks and Open Space	1,144,560	1,080,197	-	-	1,144,560	1,080,197
Capital outlay - Grant Expenditures	1,444,242	993,101	-	-	1,444,242	993,101
Unrestricted	2,353,870	1,726,749	4,241,735	4,149,705	6,595,605	5,876,454
Total Net Position	\$ 56,891,754	\$ 55,958,415	\$ 25,980,980	\$ 26,286,760	\$ 82,872,734	\$ 82,245,175

By far the largest portion of the Town's net position (88.2%) reflects its investment of \$73.1 million in capital assets (e.g., land, buildings, machinery and equipment, utility plants and infrastructure), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to the public; 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, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position, \$3.2 million (3.9%), represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted assets, \$6.3 million (7.9%), is generally available to be used to meet the Town's ongoing obligations to the public and creditors. It is important to note that the unrestricted net position of the Town's business-type activities may not be used to fund governmental activities or vice versa.

At the end of the current fiscal year, the Town of Lyons can report positive balances in all categories of net position, both for the government in total, as well as for its separate governmental and business-type activities. Net position invested in capital assets, net of related debt, decreased by \$311,400, or 0.42%.

Governmental activities – Governmental activities increased the Town of Lyons' net position by \$933,339. Key elements of governmental activities are as follows:

- An increase in revenue from sources such as sales and use tax and grant contributions.
- A decrease in the amount spent on capital in 2024

Town of Lyons Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for services	\$ 1,111,596	\$ 1,117,022	\$ 3,758,535	\$ 3,630,001	\$ 4,870,131	\$ 4,747,023
Operating Grants and Contributions	360,006	188,743	-	-	360,006	188,743
Capital Grants and Contributions	1,641,427	1,436,457	79,500	62,961	1,720,927	1,499,418
General Revenues:						
Property Taxes	934,751	883,962	-	-	934,751	883,962
Other Taxes	2,486,802	2,127,685	-	-	2,486,802	2,127,685
Unrestricted investment earnings	193,040	177,763	158,757	141,858	351,797	319,621
Gain on disposal of equipment	-	-	-	26,056	-	26,056
Other	206,377	272,108	9,849	4,566	216,226	276,674
Total Revenues	<u>6,933,999</u>	<u>6,203,740</u>	<u>4,006,641</u>	<u>3,865,442</u>	<u>10,940,640</u>	<u>10,069,182</u>
Expenses:						
General Government	1,942,293	1,968,865	-	-	1,942,293	1,968,865
Public Safety	589,931	466,898	-	-	589,931	466,898
Public Health and Welfare	112,983	54,551	-	-	112,983	54,551
Public Works & Streets	1,002,640	1,523,206	-	-	1,002,640	1,523,206
Parks, Recreation & Culture	2,290,771	2,291,131	-	-	2,290,771	2,291,131
Interest	2,470	-	-	-	2,470	-
Electric	-	-	1,520,416	1,479,932	1,520,416	1,479,932
Water and Wastewater	-	-	2,700,539	2,869,315	2,700,539	2,869,315
Stormwater	-	-	151,038	149,432	151,038	149,432
Total Expenses	<u>5,941,088</u>	<u>6,304,651</u>	<u>4,371,993</u>	<u>4,498,679</u>	<u>10,313,081</u>	<u>10,803,330</u>
Excess (Deficiency) Before Extraordinary						
Gains and Transfers	992,911	(100,911)	(365,352)	(633,237)	627,559	(734,148)
Transfers	(59,572)	(52,417)	59,572	52,417	-	-
Extraordinary gain	-	-	-	2,237,659	-	2,237,659
Increase or Decrease in Net Position	<u>933,339</u>	<u>(153,328)</u>	<u>(305,780)</u>	<u>1,656,839</u>	<u>627,559</u>	<u>1,503,511</u>
Net Position, Beginning	<u>55,958,415</u>	<u>56,111,743</u>	<u>26,286,760</u>	<u>24,629,921</u>	<u>82,245,175</u>	<u>80,741,664</u>
Net Position, Ending	<u>\$ 56,891,754</u>	<u>\$ 55,958,415</u>	<u>\$ 25,980,980</u>	<u>\$ 26,286,760</u>	<u>\$ 82,872,734</u>	<u>\$ 82,245,175</u>

Proprietary (Business-type) activities - Business-type activities decreased the Town of Lyons net position by \$305,780 in 2024. Key elements of business-type activities are as follows:

- In 2023, the Water and Wastewater Fund had an extraordinary gain in the amount of \$2,237,659 from the settlement of a lawsuit related to design and construction defects and inefficiencies at the Town's wastewater treatment plant.

Financial Analysis of the Town's Funds

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

Governmental funds – The focus of the Town of Lyons governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the Town's financing requirements. Unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the Town include the General Fund; Grants Fund; Parks, Recreation and Cultural Fund; Conservation Trust Fund; Capital Improvement Fund, and Lyons Urban Renewal Authority Fund.

As of December 31, 2024, the Town's governmental funds reported combined ending fund balances of \$6,057,809, an increase of \$1,351,789 over the previous year. This increase is partially due to a large street rehabilitation project in the Capital Improvement Fund that took place in 2023 in the amount of \$720,593 and 2024 did not have large capital projects that utilized fund balance.

The General Fund is the chief operating fund of the Town of Lyons. At the end of the fiscal year, the unassigned fund balance of the General Fund was \$1,864,089, while the total fund balance reached \$2,807,002. The total fund balance increased \$422,667 from 2023. As of December 31, 2024, \$550,000 of the total fund balance has been assigned for the Town's share of flood costs. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. The unassigned fund balance represents 63.8% of total General Fund expenditures, while total fund balance represents 96.1% percent of that same amount.

The Grant Fund had an ending fund balance of \$1,444,242. Other funds often transfer into the Grant Fund for grant matches and/or contributions for various projects. In 2024, \$72,640 was transferred to the Grant Fund for grant related projects.

As of December 31, 2024, the Parks, Recreation and Cultural Fund had an ending fund balance of \$1,042,579. The Town has determined that approximately \$300,000 of the available restricted funds may be necessary to cover disallowed program costs related to park expenditures resulting from the 2013 flood and has excluded these funds from the budgetary process.

The Capital Improvement Fund did not have any expense activity in 2024. A voter approved sales tax of 0.5% went into effect in July 2024 and brought in \$141,050 in tax revenue to be used towards capital improvement projects. The General Fund currently budgets annual transfers to the fund and transferred \$250,000 to be used for future street improvement projects.

Proprietary funds – the Town of Lyons' proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

As of December 31, 2024, the unrestricted net position of the Electric Fund was \$1,118,854; the Water and Wastewater Fund was \$2,788,239; the Stormwater Fund was \$334,642. The total increase in unrestricted net position for all proprietary funds was \$92,030.

General Fund Budgetary Highlights

While still applying a conservative approach when projecting 2024 revenues and expenditures, in most cases revenues came in higher and expenses came in lower than expected.

Actual revenue compared to the budget was \$288,549 higher than budgeted. The largest contributing revenue sources to this variance were investment earnings revenue coming in over budget (\$89,424) as well as sales tax (\$92,847). Expenses, including transfers out to the Capital Fund, were \$617,623 lower than budget projections. Much of this is related to delayed capital purchases/projects (\$359,250).

Capital Asset and Debt Administration

Capital Assets – The Town of Lyons investment in capital \$73,071,137 (net of accumulated depreciation). This investment in capital assets includes land, water rights, buildings, streets, utility systems, improvements, machinery and equipment, park facilities, and structures.

Major capital asset events during the 2024 fiscal year included the following:

- Vehicle and equipment replacements
- Depot building irrigation and landscaping
- Electric undergrounding

Town of Lyons Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land, Water and Construction in Progress	\$ 24,904,904	\$ 24,923,042	\$ 3,006,886	\$ 2,867,049	\$ 27,911,790	\$ 27,790,091
Right to Use Assets	73,586	-	-	-	73,586	-
Building and Improvements	26,736,595	26,689,469	-	-	26,736,595	26,689,469
Plant and systems	-	-	21,066,846	22,070,513	21,066,846	22,070,513
Machinery and Equipment	407,137	391,857	95,193	180,610	502,330	572,467
	<u>\$ 52,122,222</u>	<u>\$ 52,004,368</u>	<u>\$ 24,168,925</u>	<u>\$ 25,118,172</u>	<u>\$ 76,291,147</u>	<u>\$ 77,122,540</u>

Long-Term Debt – At the end of the current fiscal year, the Town of Lyons had debt outstanding of \$8,077,899. Debt represented by bonds and loans secured solely by specified revenue sources (i.e., revenue bonds) is within the proprietary funds. The Town of Lyons does not hold any general obligation within the governmental funds. Compensated Absences represent the total employee benefit dollar amount (at the current rate of pay) regarding paid time off (PTO) and compensated time, earned but not taken. In addition to the summary below, see the notes in the Financial Statements section for more information.

Town of Lyons Outstanding Debt Revenue Bonds and Loans

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Advance from State	\$ 5,067,394	\$ 5,067,394	\$ -	\$ -	\$ 5,067,394	\$ 5,067,394
Compensated Absences	41,411	31,929	20,780	17,345	62,191	49,274
Lease Liability	74,443	-	-	-	74,443	-
Revenue Bonds	-	-	63,216	92,415	63,216	92,415
Revenue Loans	-	-	2,810,655	3,374,890	2,810,655	3,374,890
Total	<u>\$ 5,183,248</u>	<u>\$ 5,099,323</u>	<u>\$ 2,894,651</u>	<u>\$ 3,484,650</u>	<u>\$ 8,077,899</u>	<u>\$ 8,583,973</u>

All issues of the Town of Lyons are unrated.

Economic Factors and Next Year's Budget

Revenue and expenditure projections for the various funds are based on historical trends, various economic and inflation forecasts, rate changes, and known changes in operations.

The 2025 budget was approved by the Board of Trustees in November 2024. In preparing the 2025 budget, the Town conservatively projected all revenues. The Town enters 2025 with little sales tax growth projected. The Town budgeted a 1.0% increase in General Fund revenues primarily due to small projected increases in sales and use tax. The 2025 budget has the mill levy set at an amount allowed under Tabor at 15.137 mills. The Town's fund balances continue to set aside a 3-month operating reserve to enable operations to continue in the event of an economic downturn or emergency.

The Town will continue to focus on capital projects and improvements. The Town's 5-year capital plan will ensure projects will be prioritized and funding secured for critical needs.

Contacting the Town's Financial Management

This financial report is designed to provide the public, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds and assets it receives. If you have questions about this report, or need additional financial information contact the Finance Director of the Town of Lyons at P.O. Box 49, 432 5th Ave, Lyons, Colorado 80540.



Basic Financial Statements

TOWN OF LYONS, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities	Business-type Activities	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 6,355,303	\$ 4,636,134	\$ 10,991,437
Restricted cash and cash equivalents	-	34,190	34,190
Receivables	18,098	317,768	335,866
Lease receivables	740,515	-	740,515
Due from other governments	4,478,076	-	4,478,076
Property tax receivable	896,227	-	896,227
Internal balances	(8,258)	8,258	-
Prepaid items	10,606	20,011	30,617
Inventories	-	32,250	32,250
Revolving loan funds receivable	38,146	-	38,146
Capital assets not being depreciated			
Land, water rights and construction in progress	24,904,904	3,006,886	27,911,790
Capital assets, net of accumulated depreciation			
Buildings	3,647,838	-	3,647,838
Improvements	23,088,757	-	23,088,757
Plant and systems	-	21,066,846	21,066,846
Equipment	407,137	95,193	502,330
Right to use assets	73,586	-	73,586
Total Assets	64,650,935	29,217,536	93,868,471
<u>Liabilities</u>			
Current liabilities			
Accounts payable and other current liabilities	612,059	331,299	943,358
Other current liabilities	86,344	6,006	92,350
Deposits	-	4,600	4,600
Unearned revenues	281,407	-	281,407
Due within one year	3,060,732	317,028	3,377,760
Due in more than one year	2,122,516	2,577,623	4,700,139
Total Liabilities	6,163,058	3,236,556	9,399,614
<u>Deferred Inflows of Resources</u>			
Unavailable resources property taxes	896,227	-	896,227
Unavailable resources leases	699,896	-	699,896
	1,596,123	-	1,596,123
<u>Net Position</u>			
Net investment in capital assets	51,775,082	21,296,055	73,071,137
Restricted			
Required emergency reserve	174,000	-	174,000
Debt service	-	443,190	443,190
Parks and open space	1,144,560	-	1,144,560
Grant expenditures	1,444,242	-	1,444,242
Unrestricted	2,353,870	4,241,735	6,595,605
Total Net Position	\$ 56,891,754	\$ 25,980,980	\$ 82,872,734

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

TOWN OF LYONS, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities							
General government	\$ 1,942,293	\$ 417,830	\$ 165,542	\$ 57,099	\$ (1,301,822)	\$ -	\$ (1,301,822)
Public safety	589,931	138,424	108,327	-	(343,180)	-	(343,180)
Public health and welfare	112,983	-	-	-	(112,983)	-	(112,983)
Public works and streets	1,002,640	-	59,784	235,946	(706,910)	-	(706,910)
Parks, recreation and cultural	2,290,771	555,342	26,353	1,348,382	(360,694)	-	(360,694)
Interest	2,470	-	-	-	(2,470)	-	(2,470)
Total governmental activities	5,941,088	1,111,596	360,006	1,641,427	(2,828,059)	-	(2,828,059)
Business-type activities							
Electric	1,520,416	1,587,432	-	13,500	-	80,516	80,516
Water and Wastewater	2,700,539	2,050,106	-	66,000	-	(584,433)	(584,433)
Storm Sewer	151,038	120,997	-	-	-	(30,041)	(30,041)
Total business-type activities	4,371,993	3,758,535	-	79,500	-	(533,958)	(533,958)
Total primary government	<u>\$ 10,313,081</u>	<u>\$ 4,870,131</u>	<u>\$ 360,006</u>	<u>\$ 1,720,927</u>	<u>(2,828,059)</u>	<u>(533,958)</u>	<u>(3,362,017)</u>
General revenues							
Property taxes					934,751	-	934,751
Sales and use taxes					2,289,175	-	2,289,175
Ownership taxes					37,888	-	37,888
Other taxes and fees					159,739	-	159,739
Unrestricted investment earnings					193,040	158,757	351,797
Other income					206,377	9,849	216,226
Transfers					(59,572)	59,572	-
Total general revenues					3,761,398	228,178	3,989,576
Change in net position					933,339	(305,780)	627,559
Net position, beginning					55,958,415	26,286,760	82,245,175
Net position, ending					<u>\$ 56,891,754</u>	<u>\$ 25,980,980</u>	<u>\$ 82,872,734</u>

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

TOWN OF LYONS, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	Major Funds					
	General	Grants	Parks, Recreation, and Cultural	Capital Improvement Fund	Other Governmental	Total Governmental
Assets						
Cash and cash equivalents	\$ 2,594,316	\$ 1,957,059	\$ 1,033,634	\$ 575,685	\$ 194,609	\$ 6,355,303
Accounts receivable	18,098	-	-	-	-	18,098
Revolving loan funds receivable	-	38,146	-	-	-	38,146
Due from other governments	249,792	4,098,325	89,486	40,473	-	4,478,076
Property taxes receivable	896,227	-	-	-	-	896,227
Leases receivable	740,515	-	-	-	-	740,515
Prepaid items	10,426	-	180	-	-	10,606
Due from other funds	108,721	1,451,903	-	-	413	1,561,037
Total Assets	\$ 4,618,095	\$ 7,545,433	\$ 1,123,300	\$ 616,158	\$ 195,022	\$ 14,098,008
Liabilities						
Accounts payable	\$ 100,520	\$ 485,730	\$ 23,857	\$ -	\$ 1,952	\$ 612,059
Accrued liabilities	85,518	826	-	-	-	86,344
Due to other funds	19,134	1,497,861	7,058	-	45,242	1,569,295
Unearned revenue	9,798	221,803	49,806	-	-	281,407
Total Liabilities	214,970	2,206,220	80,721	-	47,194	2,549,105
Deferred Inflows of Resources						
Unavailable resources property taxes	896,227	-	-	-	-	896,227
Unavailable resources grants and rlf funds	-	3,894,971	-	-	-	3,894,971
Unavailable resources leases	699,896	-	-	-	-	699,896
Total Deferred Inflows of Resources	1,596,123	3,894,971	-	-	-	5,491,094
Fund Balance						
Nonspendable for						
Inventory and prepaid items	10,426	-	180	-	-	10,606
Restricted for						
Emergencies	174,000	-	-	-	-	174,000
Grant expenditures	-	1,444,242	-	-	-	1,444,242
Parks, recreation and cultural	-	-	1,042,399	-	102,161	1,144,560
Assigned to						
Subsequent year's expenditures	208,487	-	-	-	-	208,487
Community development	-	-	-	-	45,667	45,667
Town's share of flood costs	550,000	-	-	-	-	550,000
Capital projects	-	-	-	616,158	-	616,158
Unassigned	1,864,089	-	-	-	-	1,864,089
Total Fund Balance	2,807,002	1,444,242	1,042,579	616,158	147,828	6,057,809
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 4,618,095	\$ 7,545,433	\$ 1,123,300	\$ 616,158	\$ 195,022	\$ 14,098,008
Reconciliation of total fund balance to net position of governmental activities:						
Total fund balance shown above						\$ 6,057,809
Amounts reported for governmental activities in the statement of net position are different because long-term liabilities are not due and payable in the current period and, therefore, not reported in the funds.						(5,183,248)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.						3,894,971
Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds.						52,122,222
Net Position of Governmental Activities						\$ 56,891,754

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

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

	Major Funds					Total Governmental Funds
	General Fund	Grants	Parks, Recreation and Cultural	Capital Improvement Fund	Other Governmental	
<u>Revenues</u>						
Taxes	\$ 2,659,082	\$ -	\$ 586,973	\$ 141,051	\$ 34,447	\$ 3,421,553
Licenses and permits	100,794	-	-	-	-	100,794
Intergovernmental	74,905	2,224,434	-	-	26,353	2,325,692
Charges for services	374,480	-	555,342	-	-	929,822
Fines and forfeitures	80,980	-	-	-	-	80,980
Investment earnings	129,424	282	58,319	-	5,015	193,040
Rental income	117,755	-	-	-	-	117,755
Contributions and donations	-	26,742	-	-	-	26,742
Other income	22,083	50,375	3,561	-	-	76,019
Total Revenues	3,559,503	2,301,833	1,204,195	141,051	65,815	7,272,397
<u>Expenditures</u>						
Current						
General government	1,665,223	26,742	-	-	6,497	1,698,462
Public safety	573,637	16,294	-	-	-	589,931
Health and welfare	-	112,983	-	-	-	112,983
Economic development	135,253	21,031	-	-	-	156,284
Public works	408,906	60	-	-	-	408,966
Parks, recreation and cultural	-	23,072	1,097,935	-	-	1,121,007
Debt service						
Principal	4,827	-	4,827	-	-	9,654
Interest	1,235	-	1,235	-	-	2,470
Capital outlay	131,650	1,673,150	112,752	-	-	1,917,552
Total Expenditures	2,920,731	1,873,332	1,216,749	-	6,497	6,017,309
Excess (deficiency) of revenues over (under) expenditures	638,772	428,501	(12,554)	141,051	59,318	1,255,088
<u>Other financing sources (uses)</u>						
Lease proceeds	42,049	-	42,049	-	-	84,098
Insurance recoveries	12,603	-	-	-	-	12,603
Transfers in	51,883	72,640	-	250,000	-	374,523
Transfers out	(322,640)	(50,000)	-	-	(1,883)	(374,523)
Total other financing sources (uses)	(216,105)	22,640	42,049	250,000	(1,883)	96,701
Change in fund balances	422,667	451,141	29,495	391,051	57,435	1,351,789
Fund balance, beginning	2,384,335	993,101	1,013,084	225,107	90,393	4,706,020
Fund balance, ending	\$ 2,807,002	\$ 1,444,242	\$ 1,042,579	\$ 616,158	\$ 147,828	\$ 6,057,809

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

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

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

Net change in fund balances, total governmental funds	\$ 1,351,789
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Issuances of debt are treated as revenues in the governmental funds, but are recorded as liabilities on the statement of net position. Repayments of this debt are recorded as expenses in the governmental funds and reduce liabilities on the statements of net position.

Principal payments on outstanding debt	9,655
Capital lease proceeds	(84,098)

Net amount by which debt proceeds exceeded principal payments	(74,443)
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Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.

Total governmental funds capital outlay - capitalized	1,833,454
Donated capital assets are not reported as revenues at the fund level	57,099
Less capital assets contributed to enterprise funds	(59,572)
Right to use assets	84,098
Less current period depreciation	<u>(1,797,225)</u>

Net amount by which depreciation and loss on disposal of assets exceeded capital outlay in the current period	117,854
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(452,379)
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Accrued compensated absences are not reported as an expenditure at the fund level.	<u>(9,482)</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 933,339</u></u>
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The accompanying notes are an integral part of these financial statements.

TOWN OF LYONS, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024

	<u>Electric Fund</u>	<u>Water and Wastewater Fund</u>	<u>Stormwater Fund</u>	<u>Totals</u>
<u>Assets</u>				
Current assets				
Cash and cash equivalents	\$ 1,072,421	\$ 3,236,881	\$ 326,832	\$ 4,636,134
Restricted cash, cash equivalents	34,190	-	-	34,190
Accounts receivable	143,709	162,586	11,473	317,768
Due from other funds	-	8,258	-	8,258
Inventory, at cost	21,000	11,250	-	32,250
Prepays	-	20,011	-	20,011
Total current assets	<u>1,271,320</u>	<u>3,438,986</u>	<u>338,305</u>	<u>5,048,611</u>
<u>Noncurrent assets</u>				
Capital assets not being depreciated				
Land, construction in progress and water rights	<u>326,017</u>	<u>2,680,869</u>	<u>-</u>	<u>3,006,886</u>
Capital assets being depreciated				
Plant and systems	4,224,538	27,778,071	1,833,557	33,836,166
Equipment	<u>58,531</u>	<u>410,348</u>	<u>5,069</u>	<u>473,948</u>
Plant, systems and equipment	4,283,069	28,188,419	1,838,626	34,310,114
Less accumulated depreciation	<u>(1,973,169)</u>	<u>(10,694,191)</u>	<u>(480,715)</u>	<u>(13,148,075)</u>
Capital assets, net of accumulated depreciation	<u>2,309,900</u>	<u>17,494,228</u>	<u>1,357,911</u>	<u>21,162,039</u>
Total noncurrent assets	<u>2,635,917</u>	<u>20,175,097</u>	<u>1,357,911</u>	<u>24,168,925</u>
 Total Assets	 <u>3,907,237</u>	 <u>23,614,083</u>	 <u>1,696,216</u>	 <u>29,217,536</u>
<u>Liabilities</u>				
Current liabilities				
Accounts payable	110,849	218,305	2,145	331,299
Accrued liabilities	42	5,964	-	6,006
Customer deposits	-	4,600	-	4,600
Compensated absences-current	6,384	12,878	1,518	20,780
Revenue notes payable - current	<u>30,777</u>	<u>265,471</u>	<u>-</u>	<u>296,248</u>
Total current liabilities	<u>148,052</u>	<u>507,218</u>	<u>3,663</u>	<u>658,933</u>
<u>Noncurrent liabilities</u>				
Notes payable	<u>32,439</u>	<u>2,545,184</u>	<u>-</u>	<u>2,577,623</u>
Total noncurrent liabilities	<u>32,439</u>	<u>2,545,184</u>	<u>-</u>	<u>2,577,623</u>
 Total Liabilities	 <u>180,491</u>	 <u>3,052,402</u>	 <u>3,663</u>	 <u>3,236,556</u>
<u>Net position</u>				
Net investment in capital assets	2,573,702	17,364,442	1,357,911	21,296,055
Restricted for debt service	34,190	409,000	-	443,190
Unrestricted	<u>1,118,854</u>	<u>2,788,239</u>	<u>334,642</u>	<u>4,241,735</u>
Total Net Position	<u>\$ 3,726,746</u>	<u>\$ 20,561,681</u>	<u>\$ 1,692,553</u>	<u>\$ 25,980,980</u>

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

TOWN OF LYONS, COLORADO
STATEMENT OF REVENUES, EXPENSES
AND CHANGE IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Electric Fund	Water and Wastewater Fund	Stormwater Fund	Totals
<u>Operating revenues</u>				
Charges for services	\$ 1,577,441	\$ 2,041,855	\$ 120,997	\$ 3,740,293
Other	9,991	8,251	-	18,242
Total operating revenues	1,587,432	2,050,106	120,997	3,758,535
<u>Operating expenses</u>				
Operations and maintenance	1,159,119	1,058,051	13,530	2,230,700
Administrative	235,440	577,966	73,068	886,474
Depreciation	121,524	978,669	64,440	1,164,633
Total operating expenses	1,516,083	2,614,686	151,038	4,281,807
Operating income (loss)	71,349	(564,580)	(30,041)	(523,272)
<u>Non-operating revenues (expenses)</u>				
Insurance proceeds	500	9,349	-	9,849
Investment earnings	55,079	90,718	12,960	158,757
Loss on disposal of equipment	-	(45,884)	-	(45,884)
Interest on indebtedness	(4,333)	(39,969)	-	(44,302)
Total non-operating revenues (expenses)	51,246	14,214	12,960	78,420
Income (loss) before capital contributions, and transfers	122,595	(550,366)	(17,081)	(444,852)
Capital contributions	13,500	125,572	-	139,072
Change in net position	136,095	(424,794)	(17,081)	(305,780)
Net position, beginning of year	3,590,651	20,986,475	1,709,634	26,286,760
Net position, end of year	\$ 3,726,746	\$ 20,561,681	\$ 1,692,553	\$ 25,980,980

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

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

	Electric Fund	Water and Wastewater Fund	Stormwater Fund	Total
<u>Cash flows from operating activities</u>				
Receipts from customers and users	\$ 1,585,660	\$ 2,074,032	\$ 121,171	\$ 3,780,863
Other services	9,991	8,251	-	18,242
Payments to suppliers and employees	(1,463,674)	(1,624,137)	(83,930)	(3,171,741)
Net cash provided by operating activities	131,977	458,146	37,241	627,364
<u>Cash Flows from Noncapital Financing Activities</u>				
Insurance proceeds	500	9,349	-	9,849
Net cash provided by (used for) noncapital financing activities	500	9,349	-	9,849
<u>Cash flows from capital and related financing activities</u>				
Principal repayments	(29,199)	(564,235)	-	(593,434)
Contributions from customers	13,500	66,000	-	79,500
Interest paid	(4,333)	(39,969)	-	(44,302)
Purchase of fixed assets	(76,195)	(125,503)	-	(201,698)
Net cash provided (used) for capital and related financing activities	(96,227)	(663,707)	-	(759,934)
<u>Cash flows from investing activities</u>				
Interest earned	55,079	90,718	12,960	158,757
Net cash provided by investing activities	55,079	90,718	12,960	158,757
Net change in cash and equivalents	91,329	(105,494)	50,201	36,036
Cash and equivalents, beginning of year	1,015,282	3,342,375	276,631	4,634,288
Cash and equivalents, end of year	<u>\$ 1,106,611</u>	<u>\$ 3,236,881</u>	<u>\$ 326,832</u>	<u>\$ 4,670,324</u>
Operating income (loss)	\$ 71,349	\$ (564,580)	\$ (30,041)	\$ (523,272)
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	121,524	978,669	64,440	1,164,633
(Increase) decrease in prepaids	-	(18)	-	(18)
Decrease (increase) in accounts receivable	17,119	29,377	174	46,670
Decrease (increase) in inventory	-	(11,250)	-	(11,250)
(Decrease) increase in accounts payable	(68,438)	23,781	2,145	(42,512)
(Decrease) increase in accrued liabilities	(677)	(633)	523	(787)
(Decrease) increase in customer deposits	(8,900)	2,800	-	(6,100)
Total adjustments	60,628	1,022,726	67,282	1,150,636
Net cash provided by operating activities	<u>\$ 131,977</u>	<u>\$ 458,146</u>	<u>\$ 37,241</u>	<u>\$ 627,364</u>

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

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Town of Lyons (the “Town”) was organized on April 6, 1891 as an incorporated municipality as defined by Colorado Revised Statutes. The Town is governed by an elected Mayor and a six-member Board of Trustees (Board). The Town provides the following services to the residents and businesses: public safety (police and building inspections), economic development, streets and storm drainage, sewer treatment, water, electric, cultural activities, parks and recreation, public improvements, planning and zoning, judicial, and general administrative services. Police protection is provided by an intergovernmental agreement with the Boulder County Sheriff's Office.

The accounting policies of the Town conform to generally accepted accounting principles (GAAP) as applicable to government units. The following is a summary of the more significant policies.

Reporting Entity

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

Based on the application of these criteria, the financial statements include only the funds of the Town of Lyons for which the Mayor and Board of Trustees have oversight responsibility. During June 2015, The Town Board of Trustees created the Lyons Urban Renewal Authority (LURA) and appointed several members of the Town's management as management of the LURA. The LURA is considered a blended component unit of Town and does not issue separate financial statements.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary activity is not reported in the government-wide financial statements.

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

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. There are no legal restrictions concerning the use of property taxes. Grants and similar items are recognized as revenue 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 *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, sales taxes, public improvement fees, grants and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered measurable and available only when cash is received.

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

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

- The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.
- The *Grants Fund* is a special revenue fund created as a result of the flood that occurred September 12, 2013. This fund primarily captures grants, insurance proceeds, donations and expenses related to flood restoration.
- The *Parks, Recreation, and Cultural Fund* is a special revenue fund that accounts for the acquisition and maintenance of parkland and related facilities including the visitor center, as well as organizing and promoting special events and other community programs. Financing is provided by sales and use taxes, impact fees on new construction, activity fees, grants, donations, and other park use fees.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

- The *Capital Improvement Fund* is used to account for the Town's capital projects.

The Town reports the following major proprietary funds:

- *Electric Fund* - This enterprise fund was established to finance and account for the activities of the municipally owned electric utility. It is predominantly self-supported by customer user charges but also receives revenue from investment fees for new connections.
- *Water and Wastewater Fund* - This enterprise fund was established to finance and account for the acquisition, operation and maintenance of water facilities and wastewater facilities and distribution. It is predominantly self-supported by customer user charges but also receives revenue from plant investment fees (tap fees).

The Town reports two governmental funds and one proprietary fund as non-major:

- The *Conservation Trust Fund* is used to account for monies received from the Colorado Lottery, on a per capita basis. By statute, funds can be used for the acquisition, development, and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on any public site.
- The *Lyons Urban Renewal Authority Fund* is used to account for monies received from incremental property taxes to be used to help develop areas within the district.
- *Stormwater Fund* – This enterprise fund was established to finance and account for the acquisition, operation and maintenance of stormwater facilities of the Town. It is self-supported by customer user charges.

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

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

Budgets are adopted on a basis consistent with Colorado Revised Statutes and Local Government Budget Law. The budgets for the Town are adopted for all funds and presented on a basis consistent with GAAP except as follows. In the budgets for the enterprise funds: 1) bond and other debt proceeds are treated as other financing sources, and bond and other debt principal payments are treated as budget expenditures, 2) tap fees for the Electric Fund and Water and Wastewater Fund are treated as budgeted revenues, 3) no depreciation or amortization is budgeted 4) capital acquisitions are treated as budget expenditures and 5) gains on disposals of equipment are not recognized as revenues for budget purposes.

Expenditures may not legally exceed budgeted appropriations at the fund level for all funds. Appropriations for all funds lapse at fiscal year-end. The budget of the Town is a detailed operating plan, which identifies estimated costs and results in relation to estimated revenues and represents a process through which policy decisions are made, implemented, and controlled.

The Town made two budget amendments in 2024 which increased the original budget by \$4,651,608.

Legal Compliance – TABOR Amendment

Colorado voters passed an amendment to the Colorado Constitution (Article X, Section 20 or "TABOR") at the general election held on November 3, 1992. The language of TABOR applies to the State and all local governments, including the Town. TABOR has several limitations, including revenue increases, spending abilities, and other specific requirements of state and local government.

TABOR generally requires that the voters of the town approve any new tax, increase of existing tax, or property tax mill levy increase. TABOR also limits increases in the Town's property tax revenue over the prior year to the rate of inflation plus the net percentage change in the actual value of all real property in the Town from construction of taxable real property improvements, minus destruction of similar improvements, and additions to, minus deletions from taxable real property, unless otherwise approved by the voters. Any revenues collected in excess of these limits are required to be refunded during the next fiscal year.

On November 8, 1994, the voters within the Town approved a ballot question which authorizes the Town to collect, retain and expend the full amount of revenues generated by the Town of Lyons without any increase in any tax rate. All remaining restrictions of TABOR remain in full force and effect.

The Town believes it is in compliance with the requirements of the amendment. In order to determine its compliance, the Town has made certain interpretations of the amendment's language.

Restricted Revenue

Restrictions are placed upon certain revenue received by the Town when legally mandated to be used for specific purposes. Currently the voters have approved a restriction for 1% of the 3.5% sales and use tax to be used for parks and recreation.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Revenue (Continued)

The exception to this allocation is the amount of recreational marijuana sales tax which remains in the General Fund. The Town voters approved an additional .5% sales tax for capital improvements in 2024 that went into effect July 1, 2024.

Under this formula, sales and use tax was recorded in the funds as follows:

	<u>Percentage</u>	<u>Sales Tax</u>	<u>Use Tax</u>	<u>Total</u>
General Fund	68.75%	\$ 1,406,651	\$ 162,660	\$ 1,569,311
Cultural Fund	24.36%	498,479	80,334	578,813
Capital Improvement Fund	<u>6.89%</u>	<u>141,051</u>	<u>-</u>	<u>141,051</u>
	<u>100%</u>	<u>\$ 2,046,181</u>	<u>\$ 242,994</u>	<u>\$ 2,289,175</u>

Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position/Fund Balances

Cash and Investments – For the purpose of the statement of cash flows, cash equivalents are defined as investments with original maturities of three months or less, which are available for unrestricted purposes. Investments are stated at fair value.

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

Accounts receivable in the enterprise funds represent the utility billings for customer accounts. Unpaid amounts represent an enforceable lien on the property; therefore, no allowance for uncollectible amounts is made.

Interfund Receivables and Payables – During the course of operations, numerous transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *due from other funds* and *due to other funds* because they are short-term in nature.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as *internal balances*.

Inventories - Inventories are valued at cost, using the first-in, first-out (FIFO) method.

Capital Assets - Capital assets, including "public domain" infrastructure capital assets such as streets, bridges, curbs, and gutters, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual acquisition cost of more than \$10,000 for infrastructure assets and \$5,000 for all other capital assets, with an estimated useful life of more than one year. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position/Fund Balances (Continued)

Capital Assets (Continued)

Donated capital assets are recorded at estimated acquisition cost at the date of the donation.

Acquisition costs incurred for the purchase or construction of capital assets for governmental activities are recorded as capital outlay expenditures in the governmental funds. Only those infrastructure assets associated with governmental activities that were completed beginning in 2004 have been capitalized as additions.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Depreciation is reported on the government-wide financial statements.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives. Capital assets not being depreciated include land, water rights, and construction in progress.

Building and improvements	10 - 30 years
Plant and systems	20 - 40 years
Infrastructure	20 - 50 years

The Town holds various artworks including photography, maps, artifacts, tools and other memorabilia in addition to monuments and statues on display at various sites around Town which are for public exhibition rather than financial gain; these works of art are not capitalized.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes earned but levied for a subsequent period, reimbursable grant revenues which were earned but were not available and lease revenues to be received in the future as of December 31, 2024.

Unearned Revenues – Unearned revenues generally would include advance payments related to camping fees and certain grant advance payments.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position/Fund Balances (Continued)

Compensated Absences – It is the policy of the Town to permit employees to accumulate a limited amount of earned but unused paid time off (PTO). Upon separation from Town service, earned but unused PTO up to 80 hours is paid to the employee. Accumulated PTO is accrued when earned in the government-wide and proprietary fund type financial statements. A liability is reported in the governmental funds financial statements when payment is due.

Long-Term Debt – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Premiums and discounts related to debt issuance are deferred and amortized over the life of the bonds using the straight-line method.

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

Net Position/Fund Balances – In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed.

Fund balances of the governmental funds are classified as follows:

Nonspendable – Amounts that cannot be spent either because they are in nonspendable form (i.e. inventories or prepaid items) or because they are legally or contractually required to be maintained intact.

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

Committed – Amounts that can be used only for specific purposes determined by a formal action of the Board. The Board is the highest level of decision-making body for the Town. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The Town has no committed fund balance.

Assigned – Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Only the Board may assign fund balances for specific purposes.

Unassigned – All other spendable amounts.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position/Fund Balances (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first.

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

Property Taxes - Property taxes are levied by the Board and certified to Boulder County for collection by December 15 of each year. These taxes attach an enforceable lien on property as of January 1 of the succeeding year and are payable in full by May 2 or in two installments by February 28 and June 15 in the year of collection. The County Treasurer collects the property taxes and remits the collections to the Town monthly.

Retirement Commitments – The Town offers a 401(a) and a 457-plan administrated by the Colorado Retirement Association (CRA). Under these plans, participation in the 401(a) plan is mandatory at 3% of the employee's gross salary and the Town automatically matches this percentage. The employee can choose to contribute an additional 2% and the Town will match that additional amount. A new employee is eligible to participate following successful completion of a one-month period. Employee contributions are 100% vested at the time of contribution with the Town's contribution being vested 20% for every year of employment and fully vested after 5 years. During the year ended December 31, 2024, the Town contributed \$86,648 to the Plan on behalf of the employees.

Risk Management

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

The purposes of CIRSA are to provide members defined liability and property coverage and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers. It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position/Fund Balances (Continued)

Risk Management (Continued)

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

The Town's claims have not exceeded coverage in the last three fiscal years.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions that affect certain reported amounts and disclosures. The Town has recorded a receivable for approximately \$3,100,000 from the State of Colorado for the Federal and State share of costs related to the flood restoration grants. Due to the nature of the grants, the amounts which will ultimately be reimbursed by the State of Colorado is an estimate which may have a significant effect on future year's financial results. The Town believes that all costs which have been accrued are allowable.

NOTE 2 - CASH AND INVESTMENTS

A summary of deposits and investments as of December 31, 2024, follows:

Petty cash	\$ 2,154
Deposits	4,304,500
Investments	<u>6,718,973</u>
Total Cash and Investments	<u>\$ 11,025,627</u>

The above amounts are classified in the financial statements as follows:

Cash and investments	\$ 10,991,437
Restricted cash and investments	<u>34,190</u>
Total Cash and Investments	<u>\$ 11,025,627</u>

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Deposits

Custodial Credit Risk – Deposits - In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The Town's deposit policy is in accordance with CRS 11-10.5-101 et. seq., The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group.

The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. 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. At December 31, 2024, the carrying amount of the Town's deposits was \$4,304,500 and the bank balance was \$4,430,682. Of this amount \$250,000 was covered by FDIC insurance. The remaining \$4,068,601 was included in the PDPA funds. The Town has \$112,081 of funds held by a credit card processor, which is uninsured.

Credit Risk – Investments - Colorado statutes specify which instruments units of local government may invest, which include:

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

The Town does not have an investment policy that would further limit its investment choices. The Town invests excess funds under the prudent investor rule. Criteria for selection of investments and their order of priority are:

- Safety
- Liquidity
- Yield

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Investments

The Town invests funds in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds (pool). The Trust was organized in 1985 in accordance with the Investment Funds - Local Government Pooling Act, (Part 7, Article 75, Title 24, Colorado Revised Statutes), to allow Colorado governmental entities to pool their funds to take advantage of short-term investments and maximize net interest earnings.

The State Securities Commissioner administers and enforces all State statutes governing the pool. The pool operates similar to a money market fund and each share is equal in value to \$1.00. The pool offers shares in three portfolios, COLOTRUST PRIME, COLOTRUST PLUS+ and COLOTRUST EDGE. Both COLOTRUST and COLOTRUST PLUS+ portfolios 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 the U.S. agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of the U.S. government agencies. The general objective of COLOTRUST EDGE is to generate a higher level of income than provided by a traditional stable NAV LGIP while seeking to protect participant capital. A designated custodial bank serves as custodian for the pool's portfolios pursuant to a custodial agreement. The custodian acts as safekeeping agent for the pool's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST places no restrictions or limitations on withdrawals. The fund is rated AAAM by the Standard and Poor's Corporation. At December 31, 2024, the Town and had invested \$6,718,973 in COLOTRUST PLUS+. COLOTRUST funds are valued at NAV rather than by level. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Interest Rate Risk - The Town has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At December 31, 2024, the Town has interest rate risk related only to its investments in COLOTRUST. At December 31, 2024, COLOTRUST PLUS+ had a weighted average to final maturity of 85 days.

Custodial Credit Risk – Investments - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2024, the Town's investments consisted of the investment pool.

Fair Value Hierarchy - The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above investment pool is not subject to the Fair Value Hierarchy.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 3 - CASH - RESTRICTED

The Electric Fund revenue note agreement contains a provision requiring the Town to maintain \$34,190 in a bond sub-account restricted for debt service as of December 31, 2024.

NOTE 4 - LEASES

The Town leases building space to the U.S. Postal Service under an operating lease for which the first five-year option period ends in September of 2026 with another five-year option through September of 2031. The agreement calls for monthly payments of \$9,798 for the first option period and \$10,305 for the second option period. The Town adopted GASB 87 effective January 1, 2022, and based upon that, the Town recognized the receivable of \$1,016,305 and deferred inflow of resources of the same amount. In addition, the Town recognized a reduction in the inflow of resources of \$106,313 for the year ending December 31, 2024, and interest of \$22,506 based on the Town's estimated incremental borrowing rate of 2.87%. The balance of the receivable is \$740,515 and deferred inflow of resources related to the lease is \$699,896 as of December 31, 2024. The assets leased were constructed by the Town in 2013 at a cost of \$322,000.

The following is a summary of expected lease payments as of December 31, 2024:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 97,864	\$ 19,712	\$ 117,576
2026	102,708	16,896	119,604
2027	109,784	13,876	123,660
2028	112,902	10,758	123,660
2029	116,175	7,485	123,660
2030-2031	<u>201,082</u>	<u>5,018</u>	<u>206,100</u>
	<u>\$ 740,515</u>	<u>\$ 73,745</u>	<u>\$ 814,260</u>

NOTE 5 - INTERNAL BALANCES

During the year ended December 31, 2024, the Town transferred the following amounts. The Town also transferred capital assets related to projects completed in the Grant fund in the amount of \$59,572 to the various Enterprise funds during 2024.

	<u>Transfer From Other Funds</u>	<u>Transfer To Other Funds</u>
General Fund	\$ 51,883	\$ 322,640
Lyons Urban Renewal Fund	-	1,883
Capital Improvement Fund	250,000	-
Grant Fund	<u>72,640</u>	<u>50,000</u>
Totals	<u>\$ 374,523</u>	<u>\$ 374,523</u>

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 5 - INTERNAL BALANCES (CONTINUED)

The following are the balances owed between funds as of December 31, 2024. The balances are generally expected to be repaid within one year.

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major funds		
General Fund	\$ 108,721	\$ 19,134
Grants Fund	1,451,903	1,497,861
Parks Fund	-	7,058
Water and Wastewater Fund	8,258	-
Non-Major Funds		
Conservation Trust Fund	413	-
Lyons Urban Renewal Fund	<u>-</u>	<u>45,242</u>
Totals	<u>\$ 1,569,295</u>	<u>\$ 1,569,295</u>

NOTE 6 - CAPITAL ASSETS

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

	<u>Balance 1/1/24</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/24</u>
<u>Governmental Activities</u>				
Capital assets, not being depreciated				
Land	\$ 21,646,418	\$ -	\$ -	\$ 21,646,418
Construction in progress	<u>3,276,624</u>	<u>1,673,150</u>	<u>(1,691,288)</u>	<u>3,258,486</u>
Total capital assets, not depreciated	<u>24,923,042</u>	<u>1,673,150</u>	<u>(1,691,288)</u>	<u>24,904,904</u>
Capital assets being depreciated				
Buildings	4,947,497	164,847	-	5,112,344
Improvements	33,112,948	1,596,827	-	34,709,775
Equipment	1,028,596	87,445	(2,000)	1,114,041
Right to use assets	<u>-</u>	<u>84,098</u>	<u>-</u>	<u>84,098</u>
Total capital assets, depreciated	<u>39,089,041</u>	<u>1,933,217</u>	<u>(2,000)</u>	<u>41,020,258</u>
Less accumulated depreciation for				
Buildings	(1,310,683)	(153,823)	-	(1,464,506)
Improvements	(10,060,293)	(1,560,725)	-	(11,621,018)
Equipment	(636,739)	(72,165)	2,000	(706,904)
Right to use assets	<u>-</u>	<u>(10,512)</u>	<u>-</u>	<u>(10,512)</u>
Total accumulated depreciation	<u>(12,007,715)</u>	<u>(1,797,225)</u>	<u>2,000</u>	<u>(13,802,940)</u>
Total capital assets being depreciated, net	<u>27,081,326</u>	<u>135,992</u>	<u>2,000</u>	<u>27,217,318</u>
Governmental activities				
Capital assets, net	<u>\$ 52,004,368</u>	<u>\$ 1,809,142</u>	<u>\$ (1,691,288)</u>	<u>\$ 52,122,222</u>

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 6 - CAPITAL ASSETS (CONTINUED)

The amount of depreciation charged to each governmental function on the government-wide Statement of Activities is as follows:

General government	\$ 38,317
Public works and streets	593,159
Parks, culture, and recreation	<u>1,165,749</u>
Total current year depreciation	<u>\$ 1,797,225</u>

Capital asset activity for the business-type activities for the year ended December 31, 2024, was as follows:

	Balance 1/1/24	Additions	Deletions	Balance 12/31/24
<u>Business-type Activities</u>				
Capital assets, not being depreciated				
Land and water rights	\$ 2,620,560	\$ 42,000	\$ -	\$ 2,662,560
Construction in progress	<u>246,489</u>	<u>143,721</u>	<u>(45,884)</u>	<u>344,326</u>
Total capital assets, not depreciated	<u>2,867,049</u>	<u>185,721</u>	<u>(45,884)</u>	<u>3,006,886</u>
Capital assets being depreciated				
Plant and systems	33,760,615	75,551	-	33,836,166
Equipment	<u>491,294</u>	<u>-</u>	<u>(17,346)</u>	<u>473,948</u>
Total capital assets, depreciated	<u>34,251,909</u>	<u>75,551</u>	<u>(17,346)</u>	<u>34,310,114</u>
Less accumulated depreciation for				
Plant and systems	(11,637,685)	(1,131,635)	-	(12,769,320)
Equipment	<u>(363,101)</u>	<u>(32,998)</u>	<u>17,344</u>	<u>(378,755)</u>
Total accumulated depreciation	<u>(12,000,786)</u>	<u>(1,164,633)</u>	<u>17,344</u>	<u>(13,148,075)</u>
Total capital assets being depreciated, net	<u>22,251,123</u>	<u>(1,089,082)</u>	<u>(2)</u>	<u>21,162,039</u>
Business-type activities, Capital assets, net	<u>\$ 25,118,172</u>	<u>\$ (903,361)</u>	<u>\$ (45,886)</u>	<u>\$ 24,168,925</u>

Depreciation expense for the business-type activities totaled \$1,164,633 for the year ended December 31, 2024

NOTE 7 - LONG TERM DEBT

	Balance 1/1/24	Advances	Payments	Balance 12/31/24	Due Within One Year
<u>Governmental activities</u>					
Advance from State	\$ 5,067,394	\$ -	\$ -	\$ 5,067,394	\$ 3,000,000
Lease liability	-	84,098	9,655	74,443	19,321
Compensated absences	<u>31,929</u>	<u>65,174</u>	<u>55,692</u>	<u>41,411</u>	<u>41,411</u>
	<u>\$ 5,099,323</u>	<u>\$ 149,272</u>	<u>\$ 65,347</u>	<u>\$ 5,183,248</u>	<u>\$ 3,060,732</u>

Compensated absences from governmental activities are generally liquidated by the General Fund.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 7 - LONG TERM DEBT (CONTINUED)

During 2014, the Town received an advance from the State of Colorado to assist with cashflow issues in the amount of \$3,500,000. During 2015, the Town received an additional \$3,000,000 and an additional \$3,000,000 in 2016. The advance is to be paid with the final FEMA reimbursements. Currently, the Town expects to repay approximately \$3,000,000 to the State in 2025. The advance has no interest component.

The Town is the lessee for certain leases of equipment. The Town recognizes a lease liability and an intangible right to use lease asset in the government-wide financial statements. At the commencement of the lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term, including any purchase option price that the Town is reasonably certain to exercise. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The right to use assets are initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement to date, plus certain initial direct costs.

Subsequently, the lease asset is amortized on a straight-line basis over the lease period.

Lease related amortization expense of \$10,512 was recorded for the year ended December 31, 2024. The Town will remeasure the lease and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. The right to use assets are reported with other capital assets and lease liabilities are reported with long-term debt in the Statement of Position.

The Town currently has one right to use assets lease agreement. The leases are paid from the revenues of the General Fund, and the Parks, Recreation and Cultural Fund. The leases include interest recognized at 7.50%. The lease matures in 2028.

The annual debt service requirements for the outstanding right to use leases as of December 31, 2024, are as follows:

Year ended December 31,	
2025	\$ 24,248
2026	24,248
2027	24,248
2028	<u>12,124</u>
	84,868
Less amount representing interest	<u>(10,425)</u>
	<u>\$ 74,443</u>

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 7 - LONG TERM DEBT (CONTINUED)

	Balance 1/1/24	Advances	Payments	Balance 12/31/24	Due Within One Year
<u>Business-type activities</u>					
2006 Elec Rev Note	\$ 92,415	\$ -	\$ 29,199	\$ 63,216	\$ 30,777
2003 CWRPDA Loan	301,982	-	301,982	-	-
2013 CWRPDA Loan	3,072,908	-	262,253	2,810,655	265,471
Compensated absences	17,345	34,865	31,430	20,780	20,780
	<u>\$ 3,484,650</u>	<u>\$ 34,865</u>	<u>\$ 624,864</u>	<u>\$ 2,894,651</u>	<u>\$ 317,028</u>

- *Electric Fund – Revenue Refunding Bonds*

In 2006, a revenue note was issued in the amount of \$412,000 in support of the same project as the previously paid off 2019 Bonds. The rate on this note is 5.4% with a twenty-year term. The 2019 Bonds and 2006 revenue note are secured by pledged revenues consisting of gross revenues after deducting operating and maintenance expenses and by amounts in the reserve account.

- *Water fund - loans payable*

A loan agreement was approved June 1, 2003 with the Colorado Water Resources and Power Development Authority (CWRPDA) (the 2003 loan) through the Drinking Water Revolving Fund in the principal amount of \$4,582,306 at 3.03% interest. Payments were due on February 1 and August 1 of each year, payable from the revenues of the Water and Wastewater Fund. Final payment was originally due on August 1, 2024. Revenues are pledged.

This note was refinanced by the CWRPDA in February 2013. The refinancing provided a present value savings of approximately 4.1% as a percentage of current outstanding loan principal. These anticipated refunding credits will be reduced against the Town's principal at the time the credit is issued. The 2003 loan matured on August 1, 2024.

The Town entered into a loan agreement with the CWRDPA through the Water Pollution Control Revolving Fund, dated April 18, 2014 (the 2013 loan), in the principal amount of \$5,200,000. \$3,200,000 of the loan balance bears interest at 2.00% interest while the balance or "green" portion is at 0%. Payments were due on May 1 and November 1 of each year, payable from the revenues of the Water and Wastewater Fund. Final payment is due on November 1, 2034. Capital improvements are pledged.

The Water and Wastewater fund loan agreements with the CWRPDA require three months operations and maintenance expenses be restricted for debt service. For purposes of the bond issue, the Water and Wastewater funds are combined. The required amount of restricted net position totals \$409,000 as of December 31, 2024.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 7 - LONG TERM DEBT (CONTINUED)

As of December 31, 2024, the Town was in compliance with the required debt service covenants regarding adequate rates on both notes.

Principal and interest payments on long term debt are due as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 296,248	\$ 38,387	\$ 134,635
2026	301,193	33,442	334,635
2027	272,103	28,341	334,635
2028	275,520	24,924	300,444
2029	279,005	21,439	300,444
2030-2034	<u>1,449,802</u>	<u>52,422</u>	<u>1,502,223</u>
	<u>\$ 2,873,871</u>	<u>\$ 188,955</u>	<u>\$ 3,713,404</u>

Interest expense for the year ended December 31, 2024, totaled \$44,302.

NOTE 8 - NET POSITION

As described in Note 1, net position in the Government-Wide Statement of Net Position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulators of other governments. As of December 31, 2024 restrictions on the governmental activities net position totaled \$2,762,802. Restrictions on the net position of the business type activities totaled \$443,190.

NOTE 9 - ADDITIONAL CASH FLOW INFORMATION

The Town recognized capital asset additions of \$59,572 in the Water and Wastewater Fund which were non-cash contributions from the Grant Fund.

NOTE 10- COMMITMENTS AND CONTINGENCIES

The Town has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies, as well as matching obligations from the Town. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants.

Commitments

During 2024, the Town entered several agreements related to capital projects. The total remaining balances of these agreements as of December 31, 2024, is approximately \$1,674,000. The Town anticipates that most of these costs will be paid by grant reimbursements.

TOWN OF LYONS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 11- SUBSEQUENT EVENT

The Town was awarded and accepted several grants in 2025 prior to the issuance of the 2024 financial statements. The Town has been awarded a \$947,514 grant through the Safe Routes to School program for sidewalk improvements. The Town was also awarded a Building Resilient Infrastructure and Communities (BRIC) grant in the amount of \$163,772 for design of stormwater improvements.



Required Supplementary Information

TOWN OF LYONS, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final
<u>Revenues</u>				
Taxes				
General property tax	\$ 905,310	\$ 905,310	\$ 900,304	\$ (5,006)
Specific ownership tax	34,000	34,000	37,888	3,888
Sales tax	1,313,804	1,313,804	1,406,651	92,847
Use tax	114,500	114,500	162,660	48,160
Other taxes and fees	129,602	129,602	151,579	21,977
Licenses and permits	109,795	109,795	100,794	(9,001)
Intergovernmental	38,500	38,500	74,905	36,405
Charges for services	367,467	367,467	374,480	7,013
Fines and forfeitures	75,000	75,000	80,980	5,980
Investment earnings	40,000	40,000	129,424	89,424
Rental income	127,976	127,976	117,755	(10,221)
Other income	15,000	15,000	22,083	7,083
Total revenues	3,270,954	3,270,954	3,559,503	288,549
<u>Expenditures</u>				
Current				
General government				
Legislative council	61,571	61,571	50,810	10,761
Judicial	33,859	33,859	32,032	1,827
Administrative	1,129,385	1,129,385	1,044,832	84,553
Public safety	582,390	638,030	573,637	64,393
Economic development	137,475	137,475	135,253	2,222
Building inspections	100,564	100,564	90,413	10,151
Public works - streets	443,519	443,519	408,906	34,613
Planning	321,939	321,939	231,036	90,903
Health, welfare and community	225,892	225,892	207,288	18,604
Visitor's Center	7,860	7,860	8,812	(952)
Debt service				
Principal	-	-	4,827	(4,827)
Interest	-	-	1,235	(1,235)
Capital outlay	251,500	490,900	131,650	359,250
Total expenditures	3,295,954	3,590,994	2,920,731	670,263
Excess (deficiency) of revenues over (under) expenditures	(25,000)	(320,040)	638,772	958,812
<u>Other financing sources (uses)</u>				
Lease proceeds	-	-	42,049	42,049
Insurance recoveries	-	-	12,603	12,603
Transfers in	-	-	51,883	51,883
Transfers out	(170,000)	(270,000)	(322,640)	(52,640)
Total other financing sources (uses)	(170,000)	(270,000)	(216,105)	53,895
Net change in fund balances	\$ (195,000)	\$ (590,040)	422,667	\$ 1,012,707
Fund balances - beginning			2,384,335	
Fund balances - ending			\$ 2,807,002	

See accompanying Independent Auditors' Report.

TOWN OF LYONS, COLORADO
GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u>
<u>Revenues</u>				
Intergovernmental	\$ 20,000	\$ 3,806,293	\$ 2,224,434	\$ (1,581,859)
Contributions and donations	-	-	26,742	26,742
Investment interest	-	-	282	282
Other income	11,000	11,000	50,375	39,375
Total revenues	31,000	3,817,293	2,301,833	(1,515,460)
<u>Expenditures</u>				
Current				
General government	11,000	11,000	26,742	(15,742)
Public safety	-	-	16,294	(16,294)
Health and Welfare	-	-	112,983	(112,983)
Economic development	-	-	21,031	(21,031)
Public works	-	-	60	(60)
Parks, recreation and cultural	-	20,400	23,072	(2,672)
Capital outlay	40,000	3,805,893	1,673,150	2,132,743
Total expenditures	51,000	3,837,293	1,873,332	1,963,961
Excess (deficiency) of revenues over (under) expenditures	(20,000)	(20,000)	428,501	448,501
<u>Other financing sources (uses)</u>				
Transfers in	20,000	20,000	72,640	52,640
Transfers (out)	-	-	(50,000)	(50,000)
Total other financing sources (uses)	20,000	20,000	22,640	2,640
Net change in fund balances	\$ -	\$ -	451,141	\$ 451,141
Fund balances - beginning			993,101	
Fund balances - ending			\$ 1,444,242	

See accompanying Independent Auditors' Report.

TOWN OF LYONS, COLORADO
PARKS, RECREATION, AND CULTURAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>Revenues</u>				
Sales tax	\$ 474,141	\$ 474,141	\$ 498,479	\$ 24,338
Use tax	67,000	67,000	80,334	13,334
Home additions fees	1,000	1,000	8,160	7,160
Interest income	23,000	23,000	58,319	35,319
Charges for services				
Camping	305,000	305,000	318,231	13,231
Other park division charges	209,550	209,550	190,316	(19,234)
Recreation	40,200	40,200	31,777	(8,423)
Cultural and special events	10,500	10,500	15,018	4,518
Other income	1,000	1,000	3,561	2,561
	<u>1,131,391</u>	<u>1,131,391</u>	<u>1,204,195</u>	<u>72,804</u>
 <u>Expenditures</u>				
Administrative	267,538	267,538	198,415	69,123
Allocated expenses	168,128	168,128	168,488	(360)
Cultural and recreation				
Special event expenditures	21,500	21,500	28,724	(7,224)
Parks				
Operations and maintenance	694,710	694,710	694,769	(59)
Recreation	23,000	23,000	7,539	15,461
Debt service				
Principal	-	-	4,827	(4,827)
Interest	-	-	1,235	(1,235)
Capital outlay	41,500	116,500	112,752	3,748
	<u>1,216,376</u>	<u>1,291,376</u>	<u>1,216,749</u>	<u>74,627</u>
 Excess (deficiency) of revenues over (under) expenditures	 (84,985)	 (159,985)	 (12,554)	 147,431
 <u>Other financing sources (uses)</u>				
Lease proceeds	<u>-</u>	<u>-</u>	<u>42,049</u>	<u>42,049</u>
 Net change in fund balances	<u>\$ (84,985)</u>	<u>\$ (159,985)</u>	<u>29,495</u>	<u>189,480</u>
 Fund balance, beginning			<u>1,013,084</u>	
 Fund balance, end			<u>\$ 1,042,579</u>	

See accompanying Independent Auditors' Report.



Other Supplementary Information
Combining and Individual Fund
Statements and Schedules

TOWN OF LYONS, COLORADO
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2024

	Special Revenue		
	Conservation Trust Fund	Lyons Urban Renewal Authority	Total
Assets			
Cash and cash equivalents	\$ 101,748	\$ 92,861	\$ 194,609
Due from other funds	413	-	413
Total Assets	<u>\$ 102,161</u>	<u>\$ 92,861</u>	<u>\$ 195,022</u>
Liabilities			
Accounts payable	\$ -	\$ 1,952	\$ 1,952
Due to other funds	-	45,242	45,242
Total Liabilities	<u>-</u>	<u>47,194</u>	<u>47,194</u>
Fund Balance			
Restricted for			
Parks, recreation and cultural	102,161	-	102,161
Assigned to			
Community development	-	45,667	45,667
Total Fund Balance	<u>102,161</u>	<u>45,667</u>	<u>147,828</u>
Total Liabilities and Fund Balance	<u>\$ 102,161</u>	<u>\$ 92,861</u>	<u>\$ 195,022</u>

See accompanying Independent Auditors' Report.

TOWN OF LYONS, COLORADO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2024

	Special Revenue		
	Conservation	Lyons	
	Trust Fund	Urban Renewal	Total
		Authority	
<u>Revenues</u>			
Property taxes	\$ -	\$ 34,447	\$ 34,447
Intergovernmental revenue	26,353	-	26,353
Investment earnings	5,015	-	5,015
Total revenues	31,368	34,447	65,815
<u>Expenditures</u>			
General government	-	6,497	6,497
Total expenditures	-	6,497	6,497
Excess (deficiency) of revenues over (under) expenditures	31,368	27,950	59,318
<u>Other financing sources (uses)</u>			
Transfers out	-	(1,883)	(1,883)
Total other financing sources (uses)	-	(1,883)	(1,883)
Net change in fund balance	31,368	26,067	57,435
Fund balance, beginning of year	70,793	19,600	90,393
Fund balance, end of year	\$ 102,161	\$ 45,667	\$ 147,828

See accompanying Independent Auditors' Report.

TOWN OF LYONS, COLORADO
NON-MAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Conservation Trust Fund			Variance With Final Budget
	Original Budget	Final Budget	Actual	
<u>Revenues</u>				
Intergovernmental revenue	\$ 30,000	\$ 30,000	\$ 26,353	\$ (3,647)
Investment earnings	1,000	1,000	5,015	4,015
Total revenues	31,000	31,000	31,368	368
<u>Expenditures</u>				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ 31,000</u>	<u>\$ 31,000</u>	31,368	<u>\$ 368</u>
Fund balance, beginning of year			<u>70,793</u>	
Fund balance, end of year			<u>\$ 102,161</u>	

See accompanying Independent Auditors' Report.

TOWN OF LYONS, COLORADO
NON-MAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Lyons Urban Renewal Authority			Variance With Final Budget
	Original Budget	Final Budget	Actual	
<u>Revenues</u>				
Property taxes	\$ 36,670	\$ 36,670	\$ 34,447	\$ (2,223)
Total revenues	36,670	36,670	34,447	(2,223)
<u>Expenditures</u>				
General government	20,746	20,746	6,497	14,249
Excess (deficiency) of revenues over (under) expenditures	15,924	15,924	27,950	12,026
<u>Other financing sources (uses)</u>				
Transfers out	(5,300)	(5,300)	(1,883)	3,417
Net change in fund balance	<u>\$ 10,624</u>	<u>\$ 10,624</u>	26,067	<u>\$ 15,443</u>
Fund balance, beginning of year			19,600	
Fund balance, end of year			<u>\$ 45,667</u>	

See accompanying Independent Auditors' Report.

TOWN OF LYONS, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Capital Improvement Fund			Variance With Final Budget
	Original Budget	Final Budget	Actual	
<u>Revenues</u>				
Sales taxes	\$ -	\$ -	\$ 141,051	\$ 141,051
Total revenues	-	-	141,051	141,051
<u>Expenditures</u>				
Capital outlay	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	141,051	141,051
<u>Other financing sources (uses)</u>				
Transfers in	150,000	250,000	250,000	-
Total other financing sources (uses)	150,000	250,000	250,000	-
Net change in fund balance	<u>\$ 150,000</u>	<u>\$ 250,000</u>	391,051	<u>\$ 141,051</u>
Fund balance, beginning of year			225,107	
Fund balance, end of year			<u>\$ 616,158</u>	

See accompanying Independent Auditors' Report.

TOWN OF LYONS, COLORADO
ENTERPRISE FUNDS - SCHEDULE OF REVENUE, EXPENDITURES,
AND CHANGES IN NET POSITION - BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Electric Fund			Variance
	Original Budget	Final Budget	Actual	With Final Budget
<u>Revenues</u>				
Sales	\$ 1,466,180	\$ 1,466,180	\$ 1,577,441	\$ 111,261
Investment / tap fees	4,500	4,500	13,500	9,000
Investment earnings	22,000	22,000	55,079	33,079
Other income	20,000	20,000	9,991	(10,009)
Insurance proceeds	-	-	500	500
Total revenues	1,512,680	1,512,680	1,656,511	143,831
<u>Operating expenses</u>				
Administrative	234,745	234,745	177,065	57,680
Allocated expenses	58,375	58,375	58,375	-
Distribution and maintenance	1,155,307	1,155,307	1,159,119	(3,812)
Debt service				
Bond principal	29,200	29,200	29,200	-
Bond interest	4,991	4,991	4,333	658
Capital outlay	100,000	380,942	76,197	304,745
Total expenses	1,582,618	1,863,560	1,504,289	359,271
Net income (loss)	<u>\$ (69,938)</u>	<u>\$ (350,880)</u>	152,222	<u>\$ 503,102</u>
<u>Reconciliation to change in net position</u>				
Add bond principal paid			29,200	
Add Capital outlay			76,197	
Less depreciation expense			(121,524)	
Change in net position			<u>\$ 136,095</u>	

See accompanying Independent Auditors' Report.

TOWN OF LYONS, COLORADO
ENTERPRISE FUNDS - SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN NET POSITION - BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Water and Wastewater Fund			Variance
	Original Budget	Final Budget	Actual	With Final Budget
<u>Revenues</u>				
Sales	\$ 1,950,700	\$ 1,950,700	\$ 2,041,855	\$ 91,155
Tap fees	52,000	52,000	66,000	14,000
Investment earnings	30,000	30,000	90,718	60,718
Miscellaneous	27,500	27,500	8,251	(19,249)
Insurance proceeds	-	-	9,349	9,349
Total revenues	2,060,200	2,060,200	2,216,173	155,973
<u>Expenses</u>				
Administration	398,324	398,324	459,366	(61,042)
Allocated expenses	118,600	118,600	118,600	-
Treatment services	600,500	600,500	813,147	(212,647)
Distribution services	284,123	284,123	244,904	39,219
Capital outlay	1,000,000	1,075,333	-	1,075,333
Debt service				
Principal	563,373	563,373	563,373	-
Interest	43,017	43,017	39,969	3,048
Loss on disposal of assets	-	-	45,884	(45,884)
Total expenses	3,007,937	3,083,270	2,285,243	798,027
Net income (loss)	<u>\$ (947,737)</u>	<u>\$ (1,023,070)</u>	(69,070)	<u>\$ 954,000</u>
<u>Reconciliation to change in net position</u>				
Contributed assets			59,572	
Add bond principal paid			563,373	
Less depreciation expense			(978,669)	
Change in net position			<u>\$ (424,794)</u>	

See accompanying Independent Auditors' Report.

TOWN OF LYONS, COLORADO
ENTERPRISE FUNDS - SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Stormwater Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget
<u>Revenues</u>				
Service fees	\$ 118,000	\$ 118,000	\$ 120,997	\$ 2,997
Investment earnings	4,500	4,500	12,960	8,460
Total revenues	122,500	122,500	133,957	11,457
<u>Expenses</u>				
Administration	62,043	62,043	53,204	8,839
Allocated expenses	19,864	19,864	19,864	-
Maintenance	37,612	37,612	13,530	24,082
Capital outlay	-	39,000	-	39,000
Total expenses	119,519	158,519	86,598	71,921
Net income (loss)	<u>\$ 2,981</u>	<u>\$ (36,019)</u>	47,359	<u>\$ 83,378</u>
<u>Reconciliation to change in net position</u>				
Less depreciation expense			(64,440)	
Change in net position			<u>\$ (17,081)</u>	

See accompanying Independent Auditors' Report.



Other Supplementary Information State Compliance

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/24
This Information From The Records Of: Town of Lyons	Prepared By: Cassandra Eyestone - Finance Director

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 purpose				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

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

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 1,502,163
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 347,587
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 3,990
2. General fund appropriations	\$ 678,850	b. Snow and ice removal	\$ 36,061
3. Other local imposts (from page 2)	\$ 37,888	c. Other	\$ 48,036
4. Miscellaneous local receipts (from page 2)	\$ 35,789	d. Total (a. through c.)	\$ 88,087
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 147,036
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 146,050
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 2,230,924
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 752,526	b. Redemption	
B. Private Contributions	\$ -	c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 224,839	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ 1,253,558	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 2,230,924	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 2,230,924

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		\$ 2,230,924	\$ 2,230,924		\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
		YEAR ENDING (mm/yy): 12/24	

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 & Penalties	
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	
5. Specific Ownership &/or Other	\$ 37,888	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 37,888	h. Other - Boulder County	\$ 35,789
c. Total (a. + b.)	\$ 37,888	i. Total (a. through h.)	\$ 35,789
(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.)	\$ 70,014	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	\$ 13,993	d. Federal Transit Administration	\$ 1,253,558
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other - State RMS	\$ 140,832	f. Other Federal ARPA	
f. Total (a. through e.)	\$ 154,825	g. Total (a. through f.)	\$ 1,253,558
4. Total (1. + 2. + 3.f)	\$ 224,839	3. Total (1. + 2.g)	\$ 1,253,558
(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	\$ 42,152	\$ 268,837	\$ 310,989
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements	\$ 933,691		\$ 933,691
(3). System Preservation		\$ 257,483	\$ 257,483
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ 933,691	\$ 257,483	\$ 1,191,174
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ 975,843	\$ 526,320	\$ 1,502,163
(Carry forward to page 1)			
Notes and Comments:			