Town of Morrison, Colorado

Financial Statements
with Independent Auditor's Report

December 31, 2024

HINKLE & COMPANY PC
Strategic Business Advisors

Town of Morrison, Colorado
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December 31, 2024

HINKLE & COMPANY PC
Strategic Business Advisors

Independent Auditor's Report

Honorable Mayor and Members of the Board of Trustees
Town of Morrison, Colorado
Morrison, Colorado

Report on the Audit of the Financial Statements

Opinions
We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Town of Morrison, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Responsibilities of Management for the Financial Statements
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 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.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule - General Fund information 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 Towns's basic financial statements. The budgetary comparison schedule - Utility Fund and local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information listed in the table of contents 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 budgetary comparison schedule - Utility Fund and local highway finance report listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hinkle & Company, PC

Englewood, Colorado
July 24, 2025

TOWN OF MORRISON

Management's Discussion and Analysis

As Management of the Town of Morrison, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2024.

Financial Highlights

- The Town's assets as of December 31, 2024 exceeded its liabilities and deferred inflows of resources by $26,932,998 (net position).
- The Town's net position is comprised of the following:
  (1) Net investment in capital assets, $12,267,316 includes property and equipment net of accumulated depreciation, and reduced for outstanding debt related to the purchase of the capital assets.
  (2) Restricted net position, $495,901 includes resources constrained by obligations imposed by the State of Colorado laws and regulations (TABOR), and other restricted revenues for parks and open space.
  (3) Unrestricted net position, $14,169,781 represents amounts available to maintain the Town's continuing obligations to residents, businesses, and creditors.
- The Town's net position increased by $3,106,288 (13.0%) during the year.
- The Town's governmental fund, the General Fund, had a fund balance of $8,685,840 at December 31, 2024. This compares to the prior year ending fund balance of $7,156,942, an increase of $1,528,898 (21.4%) during the year.
- At the end of 2024, the unrestricted fund balance of the General Fund was $8,189,939 or 1.96 times total General Fund expenditures during the year.
- The Town continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "Financial Analysis" sections of this report.

Overview of the Financial Statements

This Management Discussion and Analysis report introduces the Town's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Town includes additional information to supplement the basic financial statements. These schedules include budgetary comparison information.

<u>Government-wide Financial Statements</u>

The Town's financial statements include two government-wide statements, which are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business. The first government-wide statement is the Statement of Net Position. This statement presents information that includes all the Town's assets and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the Town as a whole is improving or deteriorating. Evaluation of the overall health of the Town would extend to other non-financial factors such as diversification of the taxpayer base or the condition of Town infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the Town's net position changed during the most recent fiscal year. All revenues earned and expenses incurred during the year are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Town's distinct activities/functions on revenues provided by the Town's taxpayers.

Both government-wide financial statements distinguish activities of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are generally intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include general government, community development, public safety, public works (streets and highways), and culture and recreation. Business-type activities include the water and sewer systems.

The government-wide financial statements are presented on pages 4 & 5 of this report.

Fund Financial Statements

A fund is a group of related accounts used to maintain control over resources segregated for specific activities or objectives. The Town of Morrison, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town has two funds that fall into two fund types. The Town's General Fund is a governmental fund, and its Utility Fund is a proprietary fund.

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. The focus of the governmental fund financial statements, however, is very different. They report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They show the reader whether there are more or fewer financial resources available at the end of a fiscal year that can be spent in the near future to finance government programs and objectives.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 6 through 8 of this report.

The *proprietary fund* is reported in the fund financial statements and generally reports water and sewer services for which the Town charges customers a fee. The Town's proprietary fund (Utility Fund) is classified as an enterprise fund. This enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements.

The basic enterprise fund financial statements are presented on pages 9 through 11 of this report.

Notes to the Basic Financial Statements
The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 12 of this report.

Required Supplementary Information
In addition to the basic financial statements including the accompanying notes, this report also presents certain required supplementary information concerning the Town's budget. The budget and actual comparison schedule is included as "Required Supplementary Information" for the General Fund. This schedule demonstrates compliance with the Town's adopted and final revised budget. The budget comparison schedule is presented on page 22.

Supplementary Information
The Utility Fund budgetary comparison schedule is presented on page 24.

Government-wide Financial Analysis

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to evaluate the changing financial position of the Town as a whole. The following table provides a summary of the Town's net position over the past two years:

Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	$ 9,035,358	$ 7,419,428	$ 6,120,084	$ 4,645,895	$15,154,967	$12,065,323
Capital assets, net	4,122,269	4,017,430	8,145,047	8,255,394	12,267,316	12,272,824
Total assets	$13,157,627	$11,436,858	$14,265,131	$12,901,289	$27,422,283	$24,338,147
Current liabilities	$ 243,768	$ 112,659	$ 71,763	$ 89,718	$ 315,056	$ 202,377
Noncurrent Liabilities	33,560	122,405	34,919	36,479	68,479	158,884
Total liabilities	$ 277,328	$ 235,064	$ 106,682	$ 126,197	$ 383,535	$ 361,261
Deferred inflows of resources	$ 105,750	$ 150,176	$ 0	$ 0	$ 105,750	$ 150,176
Net position:						
Net investment in capital assets	$ 4,122,269	$ 3,952,468	$ 8,145,047	$ 8,255,394	$12,267,316	$12,207,862
Restricted	495,901	389,473	0	0	495,901	389,473
Unrestricted	$8,156,379	$ 6,709,677	$6,013,402	$4,519,698	$14,169,781	$11,229,375
Total net position	$12,774,549	$11,051,618	$14,158,449	$12,775,092	$26,932,998	$23,826,710

The Town continues to maintain a high "current ratio" of approximately 48:1 The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The Town's current ratio is strong. The Town reported positive balances in net position for both governmental and business-type activities. During 2024, net position increased $1,722,931 (15.6%) for governmental activities and increased $1,383,357 (10.8%) for business-type activities. The Town's overall net position increased from 2023 by $3,106,288 (13.0 %).

Note that approximately 32.3% of the governmental activities' net position is "tied up" in capital assets. The Town uses these capital assets to provide services to its residents and businesses. In the business-type activities, the Town has approximately 57.5% of its net position invested in capital assets. Capital assets in the business-type activities enable the provision of utility services that generate revenues for this fund. Approximately 45.5% of the Town's total net position was invested in capital assets at December 31, 2024.

The following table provides a summary of the Town's changes in net position during 2024:

Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program revenues:						
Charges for services	$2,521,253	$1,357,365	$1,692,564	$1,023,852	$4,213,817	$2,381,217
Operating grants & contributions	212,334	154,921	162,066	361,981	374,400	516,902
Capital grants & contributions	7,457	21,688	1,135,049	525,530	1,142,506	547,218
General revenues:						
Property & specific ownership taxes	110,595	94,650	0	0	110,595	94,650
Sales & use taxes	2,451,404	2,455,711	0	0	2,451,404	2,455,711
Other taxes	54,623	48,353	0	0	54,623	48,353
Investment income	332,113	436,869	201,290	1,162	533,403	438,031
Gain (loss) on sale of capital assets	-	25,000	0	0	-	25,000
Other general revenues	26,947	198,544	0	17,281	26,947	215,825
Total revenues	$5,716,726	$4,793,101	$3,190,969	$1,929,806	$8,907,695	$6,722,907
Program expenses:						
General government	$1,075,437	$665,326	$0	$0	$1,075,437	$665,326
Community development	269,854	182,571	0	0	269,854	182,571
Public safety	1,758,960	1,499,845	0	0	1,758,960	1,499,845
Public works	453,539	329,884	0	0	453,539	329,884
Culture and recreation	436,005	389,798	0	0	436,005	389,798
Water and sewer utility	0	0	1,807,612	1,468,179	1,807,612	1,468,179
Total expenses	$3,993,795	$3,067,424	$1,807,612	$1,468,179	$5,801,407	$4,535,603
Increase/(decrease)in net position	$1,722,931	$1,725,677	$1,383,357	$461,627	$3,106,288	$2,187,304
Net Position, Beginning	11,051,618	9,325,941	12,775,092	12,313,465	23,826,710	21,639,406
Net Position, Ending	$12,774,549	$11,051,618	$14,158,449	$12,775,092	$26,932,998	$23,826,710

Governmental Activities

The Town relies substantially on sales and use taxes to support governmental operations and capital assets. Taxes of all types provided 45.8% of the Town's total governmental revenues in 2024. Revenues from fines and forfeitures, development, and museum admission fees make up the majority of program revenues. The Town also receives grants and miscellaneous fees as revenues. Note that because program revenues do not cover governmental operating expenses, the general economy and vitality of the Town's businesses have a major impact on the Town's revenue streams through the taxes they generate.

Business-type Activities

Business-type activities increased the Town's net position by $1,383,357 during 2024. Most of this improvement was due to charges for services and tap fees for future capital expansion.

Financial Analysis of the Town's Funds

Governmental Fund: *General Fund*

As discussed above, governmental funds are reported in the fund statements with a short-term, inflow/outflow focus on spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. The Town's governmental fund, the General Fund, is the chief operating fund of the Town. It accounts for all the general services provided by the Town. The General Fund reported an ending fund balance of $8,685,840 at the end of 2024, as compared to $7,156,942 at the end of 2023. Of the 2024 year-end fund balance, $8,189,939 is unrestricted, indicating availability for continuing the Town's service requirements. Legally restricted fund balances are reported for shared Open Space sales taxes received from Jefferson County, shared Colorado Lottery proceeds received from the State, and amounts restricted for emergencies by the Colorado Taxpayers Bill of Rights (TABOR).

General fund revenues increased by approximately 16.3% ($777,932) from the prior year primarily due to increases in fine revenue. Expenditures increased by approximately 34.8% ($1,080,945). In both years, revenues plus other grants and contributions exceeded expenditures by over $1.5 million. The combined change in general fund balances over the past two years was an increase of $3,215,116.

The following chart shows the Town's General Fund Ending Fund Balances for the last ten years.

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund Ending Balance	$3,966,528	$4,242,713	$4,568,685	$4,336,768	$3,936,105	$4,374,350	$4,793,976	$5,470,724	$7,156,942	$8,685,840

Proprietary Fund: *Utility Fund*

The Town's proprietary fund is the Utility Fund that provides water and sewer services. It has separate water and wastewater treatment plants, infrastructure, and customers that are billed monthly for water and sewer services. Overall net position increased by $1,383,357 (10.8%) to $14,158,449 in 2024. This increase was primarily due to the utility tap and resource fees received. The water and sewer enterprise had a net operating gain of $47,018 in 2024 as opposed to a net operating loss of -$65,065 in 2023. This improvement was primarily due to increases in user fee revenue.

The Town is a party to an Intergovernmental Agreement with Mount Carbon Metropolitan District to provide water and sewer services to Red Rocks Ranch. Revenues from Mount Carbon Metropolitan District will ultimately offset the majority of the costs of improvements to the water and sewer systems.

Capital Assets and Debt Administration

Capital Assets

Capital assets include items such as infrastructure, parks, buildings, vehicles and equipment, and land. Infrastructure includes streets, curbs, gutters and sidewalks, traffic signals, storm water structures, and trails. The Town uses capital assets to provide services to its residents and businesses; consequently, these assets are not available for future spending. Town Management monitors capital asset acquisition and replacement needs, and includes them its annual budget development.

The following table provides a summary of capital assets at December 31, 2024 and the prior year:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Capital assets not being depreciated						
Land	$415,013	$415,013	$45,535	$45,535	$460,548	$460,548
Water Rights	0	0	85,243	85,243	85,243	85,243
Construction in Progress	208,582	141,969	0	0	208,582	141,969
Total capital assets not being depreciated	$623,595	$556,982	$130,778	$130,778	$754,373	$687,760
Capital assets being depreciated						
Parks	$3,491,461	$3,491,461	$0	$0	$3,491,461	$3,491,461
Buildings	1,508,515	1,412,693	0	0	1,508,515	1,412,693
Water Treatment Plant	0	0	8,933,786	8,711,336	8,933,786	8,711,336
Sewer Treatment Plant	0	0	5,213,331	5,213,331	5,213,331	5,213,331
Vehicles and Equipment	1,394,290	1,250,664	577,486	526,916	1,971,776	1,777,580
Infrastructure	1,757,192	1,728,612	0	0	1,757,192	1,728,612
Total capital assets being depreciated	$8,151,458	$7,883,430	$14,724,603	$14,451,583	$22,876,061	$22,335,013
Less Accumulated Depreciation	-$4,652,784	-$4,422,982	-$6,710,334	-$6,326,967	-$11,363,118	-$10,749,949
Net capital assets	$4,122,269	$4,017,430	$8,145,047	$8,255,394	$12,267,316	$12,272,824

Additional information on the Town's Capital Assets can be found in Note 3 to the Financial Statements.

<u>Long-term Debt</u>
During 2022, the Town entered into a 3-year lease-purchase agreement for $195,000 to acquire three police vehicles. During 2024, the Town made the final payment required by the agreement. The Town had accrued compensated absences (untaken leave benefits) estimated to total $68,479 at December 31, 2024. Additional information on the Town's Long-term Debt can be found in Note 4 to the Financial Statements.

Economic Factors & Next Year's Budget

The 2025 Budget conservatively estimated revenues from the Town's taxes, fees, licenses, permits, and other general revenues. Expenses are expected to decrease in public safety, public works, and community development. Management carefully monitors actual revenues and expenditures throughout the year and makes adjustments to budgets and spending if necessary.

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

Requests for Information

This financial report was designed to provide the Town of Morrison's residents, taxpayers, customers, potential investors, and creditors with a general overview of the Town's finances, to comply with finance-related laws and regulations, and to demonstrate the Town's accountability for the funds it receives and assets it maintains. If you have questions about this report, or should you desire additional financial information, contact the Town of Morrison at 321 Colorado Highway 8, Morrison, CO 80465-3001 or call the Town Offices at (303) 697-8749.

Basic Financial Statements

Town of Morrison, Colorado
Statement of Net Position
December 31, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Investments	$ 8,245,994	$ 5,184,286	$ 13,430,280
Accounts Receivable	683,614	925,478	1,609,092
Property Taxes Receivable	105,750	-	105,750
Inventory	-	10,320	10,320
Capital Assets, Not Being Depreciated	623,595	130,778	754,373
Capital Assets, Net of Accumulated Depreciation	3,498,674	8,014,269	11,512,943
Total Assets	13,157,627	14,265,131	27,422,758
Liabilities			
Current Liabilities			
Accounts Payable	186,870	54,975	241,845
Accrued Salaries	28,231	16,788	45,019
Deposits on Developments	28,667	-	28,667
Total Current Liabilities	243,768	71,763	315,531
Non-Current Liabilities			
Due Within One Year	3,356	3,492	6,848
Due In More Than One Year	30,204	31,427	61,631
Total Non-Current Liabilities	33,560	34,919	68,479
Total Liabilities	277,328	106,682	384,010
Deferred Inflows of Resources			
Property Taxes	105,750	-	105,750
Total Deferred Inflows of Resources	105,750	-	105,750
Net Position			
Net Investment in Capital Assets	4,122,269	8,145,047	12,267,316
Restricted for:			
Emergencies	171,000	-	171,000
Parks and Open Space	324,901	-	324,901
Unrestricted	8,156,379	6,013,402	14,169,781
Total Net Position	$ 12,774,549	$ 14,158,449	$ 26,932,998

Town of Morrison, Colorado
Statement of Activities
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position: Governmental Activities	Net (Expense) Revenue and Change in Net Position: Business-Type Activities	Total
Primary Government							
Governmental Activities							
General Government	$ 1,075,437	$ 15,179	$ 22,672	$ -	$ (1,037,586)	$ -	$ (1,037,586)
Community Development	269,854	224,433	128,900	7,457	90,936	-	90,936
Public Safety	1,758,960	1,998,831	11,664	-	251,535	-	251,535
Public Works	453,539	-	23,581	-	(429,958)	-	(429,958)
Culture and Recreation	436,005	282,810	25,517	-	(127,678)	-	(127,678)
Total Governmental Activities	3,993,795	2,521,253	212,334	7,457	(1,252,751)	-	(1,252,751)
Business-Type Activities							
Water and Sewer	1,807,612	1,692,564	162,066	1,135,049	-	1,182,067	1,182,067
Total Business-Type Activities	1,807,612	1,692,564	162,066	1,135,049	-	1,182,067	1,182,067
Total Primary Government	$ 5,801,407	$ 4,213,817	$ 374,400	$ 1,142,506	(1,252,751)	1,182,067	(70,684)
General Revenues							
Property Taxes					104,313	-	104,313
Specific Ownership Taxes					6,282	-	6,282
Sales and Use Taxes					2,451,404	-	2,451,404
Franchise Taxes					54,623	-	54,623
Intergovernmental Revenues Not Restricted to Specific Programs					4,383	-	4,383
Investment Income					332,113	201,290	533,403
Lease Income					7,500	-	7,500
Miscellaneous Income					15,064	-	15,064
Total General Revenues					2,975,682	201,290	3,176,972
Change in Net Position					1,722,931	1,383,357	3,106,288
Net Position, *Beginning of Year*					11,051,618	12,775,092	23,826,710
Net Position, *End of Year*					$ 12,774,549	$ 14,158,449	$ 26,932,998

Town of Morrison, Colorado
Balance Sheet
Governmental Funds
For the Year Ended December 31, 2024

	General
Assets	
Cash and Investments	$ 8,245,994
Accounts Receivable - Customers	251,848
Sales & Use Tax Receivable	431,766
Property Taxes Receivable	105,750
Total Assets	$ 9,035,358
Liabilities	
Accounts Payable	$ 186,870
Accrued Salaries	28,231
Deposits Payable	28,667
Total Liabilities	243,768
Deferred Inflows of Resources	
Property Taxes	105,750
Total Deferred Inflows of Resources	105,750
Fund Balance	
Restricted for:	
Emergencies	171,000
Parks and Open Space	324,901
Unrestricted, Unassigned	8,189,939
Total Fund Balance	8,685,840
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 9,035,358

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balance of Governmental Funds	$ 8,685,840
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.	
Capital Assets	4,122,269
The long-term liabilities are not due and payable in the current year and, therefore, are not reported in governmental funds:	
Compensated Absences	(33,560)
Total Net Position of Governmental Activities	$ 12,774,549

Town of Morrison, Colorado

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

	General
Revenues	
Taxes	$ 2,616,622
Licenses and Permits	80,255
Charges for Services	892,183
Fines and Forfeitures	1,548,815
Intergovernmental	53,481
Investment Income	332,113
Lease Income	7,500
Miscellaneous Income	15,064
Total Revenues	5,546,033
Expenditures	
Current	
General Government	1,063,071
Community Development	269,853
Public Safety	1,688,687
Public Works	408,810
Culture and Recreation	354,748
Capital Outlay	334,641
Debt Service	
Principal	64,962
Interest	3,056
Total Expenditures	4,187,828
Revenues Over (Under) Expenditures	1,358,205
Other Financing Sources (Uses)	
Capital Contributions	7,457
Other Grants	163,236
Net Change in Fund Balance	1,528,898
Fund Balance, *Beginning of Year*	7,156,942
Fund Balance, *End of Year*	$ 8,685,840

Town of Morrison, Colorado

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

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balance of Governmental Funds	$	1,528,898
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. Dispositions of capital assets are reported in governmental funds as revenues. 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. Dispositions are reported as reductions in capital assets and in accumulated depreciation on the Statement of Activities.		
Capital Outlay		334,641
Depreciation Expense		(229,802)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in Accrued Interest		349
Change in Accrued Compensated Absences		23,883
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term leases consume current financial resources of governmental funds.		
Principal Payments on Financing Leases		64,962
Change in Net Position of Governmental Activities	$	1,722,931

Town of Morrison, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2024

	Utility
Assets	
Current Assets	
Cash and Investments	$ 5,184,286
Accounts Receivable	925,478
Inventory	10,320
Total Current Assets	6,120,084
Non-Current Assets	
Capital Assets, *Not Being Depreciated*	130,778
Capital Assets, *Net of Accumulated Depreciation*	8,014,269
Total Noncurrent Assets	8,145,047
Total Assets	$ 14,265,131
Liabilities	
Current Liabilities	
Accounts Payable	$ 54,975
Accrued Salaries	16,788
Compensated Absences, *Current Portion*	3,492
Total Current Liabilities	75,255
Non-Current Liabilities	
Compensated Absences	31,427
Total Liabilities	106,682
Net Position	
Investment in Capital Assets	8,145,047
Unrestricted	6,013,402
Total Net Position	$ 14,158,449

See Notes to the Financial Statements.

Town of Morrison, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Utility
Operating Revenues	
Charges for Services	$ 1,692,564
Mount Carbon Metropolitan District Subsidy	85,848
Other Grants	76,218
Total Operating Revenues	1,854,630
Operating Expenses	
Operations and Maintenance	1,424,245
Depreciation	383,367
Total Operating Expenses	1,807,612
Net Operating Gain (Loss)	47,018
Nonoperating Revenues (Expenses)	
Investment Income	201,290
Total Nonoperating Revenues (Expenses)	201,290
Net Income (Loss) Before Capital Contributions	248,308
Capital Contributions	
Tap and Resource Fees	1,135,049
Change in Net Position	1,383,357
Net Position, *Beginning of Year*	12,775,092
Net Position, *End of Year*	$ 14,158,449

Town of Morrison, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Utility
Cash Flows From Operating Activities	
Cash Received from Customers	$ 1,817,481
Cash Received from Grants and Contributions	76,218
Cash Paid to Employees	(587,071)
Cash Paid to Suppliers	(851,113)
Net Cash Used in Operating Activities	455,515
Cash Flows From Investing Activities	
Interest Received	201,290
Cash Flows From Capital and Related Financing Activities	
Acquisition of Capital Assets	(273,020)
Capital Contributions	1,135,049
Net Cash Provided by Capital and Related Financing Activities	862,029
Net Change in Cash and Cash Equivalents	1,518,834
Cash and Cash Equivalents, *Beginning of year*	3,665,452
Cash and Cash Equivalents, *End of year*	$ 5,184,286
Reconciliation of Net Operating Loss to Net Cash Used in Operating Activities	
Net Operating Gain/(Loss)	$ 47,018
Adjustments to Reconcile Net Operating Loss to Net Cash Used in Operating Activities	
Depreciation	383,367
Changes in Assets and Liabilities Related to Operations	
Accounts Receivable	39,344
Prepaid Expenses	5,301
Accounts Payable	(34,468)
Accrued Salaries and Benefits	16,788
Deposits	(275)
Compensated Absences Payable	(1,560)
Net Cash Used in Operating Activities	$ 455,515

Note 1: Summary of Significant Accounting Policies

The Town of Morrison (the Town) was organized in 1906. In September 2000, citizens voted to become a home rule municipality, as authorized by State statutes. The Town is governed by a Mayor and six-member Board of Trustees.

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

Reporting Entity

The financial reporting entity consists of the Town, organizations for which the Town is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the Town. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Town. Legally separate organizations for which the Town is financially accountable are considered part of the reporting entity. Financial accountability exists if the Town appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the Town.

Based on the application of these criteria, the Town does not include additional organizations within its reporting entity.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as 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 to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered measurable and available only when cash is received by the Town.

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

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

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

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

> The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those accounted for in the enterprise fund.

Additionally, the Town reports the following major proprietary fund:

> The *Utility Fund* is an enterprise fund that accounts for the financial activities associated with the provision of water and sewer services.

Note 1: Summary of Significant Accounting Policies (Continued)

<u>Assets, Liabilities and Net Position/Fund Balance</u>

Receivables - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Interfund Receivables and Payables - During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *interfund receivables* and *interfund payables*. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as *internal balances*.

Capital Assets - Capital assets, which include land, water rights, water and sewer systems, infrastructure, parks, buildings, vehicles, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of donation.

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

Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Water Treatment Plant and Systems	10 - 40 years
Sewer Treatment Plant and Systems	40 years
Infrastructure	10 - 50 years
Parks	50 years
Vehicles and Equipment	5 - 20 years

Compensated Absences - Employees of the Town are allowed to accumulate up to 120 hours of unused vacation time and up to 240 hours of unused sick time. Upon termination of employment from the Town, an employee will be compensated for all accrued vacation time, and one-half of any accrued sick time. Compensated absences are accrued when earned in the government-wide and proprietary fund financial statements. A liability is recorded in the governmental fund financial statements only when payment is due.

Deferred Inflows of Resources - Deferred inflows of resources are acquisitions of net assets by the government that are applicable to a future reporting period and include property taxes earned but levied for a subsequent year as well as deferred revenues.

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balance *(Continued)*

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. Committed fund balance represents amounts constrained by the Board of Trustees, which is the highest level of decision-making authority, by formal action (resolution). The policy approved by the Board of Trustees established the Town's ideal target reserves at 40% of the current operating budget of the General Fund. The reserves should not be allowed to fall below 20% of the current operating budget, including the emergency reserves required by the TABOR Amendment (See Note 7). The Board of Trustees has authorized the Town Administrator or her designee to assign fund balances for specific purposes consistent with the adopted budget. If both restricted and unrestricted fund balances are available, the Town uses restricted fund balance first, followed by committed, assigned and unassigned.

As of December 31, 2024, the Town reported the following restriction in the Statement of Net Position: $324,901 restricted for parks and open space and $171,000 restricted for emergencies (see Note 7) reported under governmental activities. Restricted net position is a result of externally imposed restrictions.

Property Taxes

Property taxes attached as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the Town on a monthly basis.

Subsequent Events

The Town has evaluated subsequent events through July 24, 2025, the date the financial statements were available to be issued.

Note 2: Cash and Investments

At December 31, 2024, cash consisted of the following:

Petty Cash	$ 200
Cash Deposits	3,974,206
Investments	9,455,874
Total	$ 13,430,280

Note 2: Cash and Investments (Continued)

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels (FDIC) must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution 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 uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2024, the Town had bank deposits of $3,823,962 collateralized with securities held by the financial institutions' agents but not in their name.

Investments

The Town is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which the Town may invest, which include the following. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of 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

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit certain investments to those with specified ratings established by nationally recognized statistical rating organizations, depending on the type of investment.

Concentration of Credit Risk - State statutes do not limit the amount the Town may invest in a single issuer of investment securities, except for corporate securities.

Local Government Investment Pool - At December 31, 2024, the Town had $9,455,874 invested in the Colorado Local Government Liquid Asset Trust (Colotrust).

Colotrust - Colotrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables. This investment is valued using the NAV per share (or its equivalent) of the investments.

Note 2: Cash and Investments (Continued)

Investments *(Continued)*

Colotrust is an investment vehicle established by state statute for local entities in Colorado to pool surplus funds for investment purposes and are registered with the State Securities Commissioner. The pools operate similarly to money market funds and each share is equal in value to $1.00. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. Securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the participating governments. Investments of the pools consist of US Treasury bills, notes, and note strips, commercial paper allowed by state statute and repurchase agreements collateralized by US Treasury securities and or US Instrumentalities. Colotrust is rated AAAm by Standard and Poor's. Information regarding Colotrust's financial statements is available at their website www.colotrust.com.

Note 3: Capital Assets

Capital asset activity for the year ended December 31, 2024, is summarized below:

	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Governmental Activities				
Capital Assets, *Not Being Depreciated*				
Land	$ 415,013	$ -	$ -	$ 415,013
Construction in Progress	141,969	66,613	-	208,582
Total Capital Assets, Not *Being Depreciated*	556,982	66,613	-	623,595
Capital Assets, *Being Depreciated*				
Infrastructure	1,728,612	28,580	-	1,757,192
Parks	3,491,461	-	-	3,491,461
Buildings	1,412,693	95,822	-	1,508,515
Vehicles and Equipment	1,250,664	143,626	-	1,394,290
Total Capital Assets, *Being Depreciated*	7,883,430	268,028	-	8,151,458

(Continued)

Note 3: Capital Assets (Continued)

	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Governmental Activities (Continued)				
Less Accumulated Depreciation				
Infrastructure	(1,355,233)	(42,311)	-	(1,397,544)
Parks	(1,289,347)	(72,341)	-	(1,361,688)
Buildings	(813,490)	(35,566)	-	(849,056)
Vehicles and Equipment	(964,912)	(79,584)	-	(1,044,496)
Total Accumulated Depreciation	(4,422,982)	(229,802)	-	(4,652,784)
Total Capital Assets, Being Depreciated	3,460,448	38,226	-	3,498,674
Governmental Activities Capital Assets, Net	$ 4,017,430	$ 104,839	$ -	$ 4,122,269

	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Business-Type Activities				
Capital Assets, *Not Being Depreciated*				
Land	$ 45,535	$ -	$ -	$ 45,535
Water Rights	85,243	-	-	85,243
Total Capital Assets, *Not Being Depreciated*	130,778	-	-	130,778
Capital Assets, *Being Depreciated*				
Water Treatment Plant and System	8,711,336	222,450	-	8,933,786
Sewer Treatment Plant and System	5,213,331	-	-	5,213,331
Vehicles and Equipment	526,916	50,570	-	577,486
Total Capital Assets, *Being Depreciated*	14,451,583	273,020	-	14,724,603
Less Accumulated Depreciation				
Water Treatment Plant and System	(4,473,131)	(198,932)	-	(4,672,063)
Sewer Treatment Plant and System	(1,557,072)	(133,545)	-	(1,690,617)
Vehicles and Equipment	(296,764)	(50,890)	-	(347,654)
Total Accumulated Depreciation	(6,326,967)	(383,367)	-	(6,710,334)
Total Capital Assets, *Being Depreciated, net*	8,124,616	(110,347)	-	8,014,269
Business-Type Activities Capital Assets, *net*	$ 8,255,394	$ (110,347)	$ -	$ 8,145,047

Depreciation expense was charged to governmental programs of the Town as follows:

General Government	$ 36,249
Public Safety	67,566
Public Works	44,730
Culture and Recreation	81,257
Total	$ 229,802

Note 4: Long-Term Debt

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

		Balance 12/31/2023		Additions		Deletions		Balance 12/31/2024		Due Within One Year
Governmental Activities										
Financing Leases	$	64,962	$	-	$	(64,962)	$	-	$	-
Compensated Absences		57,443		-		(23,883)		33,560		3,356
Total	$	122,405	$	-	$	(88,845)	$	33,560	$	3,356

Compensated absences are expected to be liquidated with revenues of the General Fund.

During the year ended December 31, 2022, the Town entered into a 3-Year lease-purchase for the acquisition of 3 police vehicles with a total cost of $195,000. Annual payments of principal and interest are $67,755 with an interest rate of 4.3%. The lease transfers ownership of the underlying asset to the lessee by the end of the contract and does not contain any termination options. As of December 31, 2024, leased assets were $195,000 and accumulated amortization was $84,500.

There are no remaining future minimum lease payments as of year ended December 31, 2024.

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

		Balance 12/31/2023		Additions		Deletions		Balance 12/31/2024		Due Within One Year
Business-Type Activities										
Compensated Absences	$	36,479	$	-	$	(1,560)	$	34,919	$	3,492

Note 5: Retirement Commitments

Employees' Pension Plan

The Town contributes to a multiple-employer defined contribution retirement plan on behalf of its employees. All regular full-time employees are eligible to participate in the plan. The plan provisions and contribution requirements are established and may be amended by the Board of Trustees. The Town is required to contribute 3% of each participating employee's compensation, and each participating employee must contribute a matching amount. Employees may make additional voluntary contributions not to exceed 10% of their compensation. Employees fully vest in the Town's contributions at a rate of 33.3% for each full year of participation. During the year ended December 31, 2024, the Town contributed $51,778 to the plan, equal to the required contributions. The Plan is administered by the Colorado Retirement Association.

Note 6: Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Public Entity Risk Pool

For property, liability and workers compensation risks, 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, and the Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members with defined liability, property, and workers compensation coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and 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. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages 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 the ability to significantly affect the operations of CIRSA.

Note 7: Commitments and Contingencies

Litigation

The Town has pending or threatened litigation. Management believes the outcome of any litigation will not have a significant impact on the Town's financial position.

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. On April 2, 1996, voters authorized the Town to collect, retain, use or expend all revenues, including any reduction in debt service, and to spend such revenues for municipal operations, capital projects, reserve increases, and debt service, beginning January 1, 1996, and each subsequent year without limitation by the restrictions of the Amendment. The Amendment is complex and subject to interpretation. However, the Town's management believes it is in compliance with the provisions of the Amendment.

Note 7: Commitments and Contingencies (Continued)

TABOR Amendment *(Continued)*

The Town has established emergency reserves, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2024, the Town reported emergency reserves of $171,000 as restricted fund balance in the General Fund.

Mount Carbon Metropolitan District

Pursuant to the 2008 intergovernmental agreement between the Town and the Mount Carbon Metropolitan District (the District), the District agreed to design and construct, with Town oversight and review, a wastewater treatment facility to replace the Town's existing facility. The District financed construction of the facility and the Town agreed to waive future system development fees for the District's sewer tap purchases as more fully set forth in the agreement. In addition, the District agreed to subsidize the operation of the wastewater treatment facility until 500 sewer taps have been purchased.

During the year ended December 31, 2024, the Town received $85,848 under this agreement, which is reported as operating revenue in the Utility Fund. As of December 31, 2024, 405 taps have been purchased.

Required Supplementary Information

Town of Morrison, Colorado

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Taxes				
Sales	$ 1,500,000	$ 1,500,000	$ 2,373,956	$ 873,956
Use	45,000	45,000	77,448	32,448
Property	102,151	102,151	104,313	2,162
Specific Ownership	5,000	5,000	6,282	1,282
Franchise	35,000	35,000	54,623	19,623
Licenses and Permits	18,600	18,600	80,255	61,655
Charges for Services	633,100	633,100	892,183	259,083
Fines and Forfeitures	966,000	1,416,000	1,548,815	132,815
Intergovernmental	48,700	48,700	53,481	4,781
Investment Income	91,000	91,000	332,113	241,113
Lease Income	-	-	7,500	7,500
Miscellaneous	-	-	15,064	15,064
Total Revenues	3,444,551	3,894,551	5,546,033	1,651,482
Expenditures				
Current				
General Government	537,411	987,411	1,063,071	(75,660)
Community Development	65,000	65,000	269,853	(204,853)
Public Safety	1,526,065	1,526,065	1,688,687	(162,622)
Public Works	590,300	590,300	408,810	181,490
Culture & Recreation	307,300	307,300	354,748	(47,448)
Capital Outlay	684,225	684,225	334,641	349,584
Debt Service				
Principal	-	-	64,962	(64,962)
Interest	-	-	3,056	(3,056)
Total Expenditures	3,710,301	4,160,301	4,187,828	(27,527)
Revenues Over (Under) Expenditures	(265,750)	(265,750)	1,358,205	1,623,955
Other Financing Sources (Uses)				
Capital Contributions	-	-	7,457	7,457
Other Grants	54,633	54,633	163,236	108,603
Net Change in Fund Balance	(211,117)	(211,117)	1,528,898	1,740,015
Fund Balance, *Beginning of Year*	6,636,030	6,636,030	7,156,942	520,912
Fund Balance, *End of Year*	$ 6,424,913	$ 6,424,913	$ 8,685,840	$ 2,260,927

Note 1: Stewardship, Compliance, and Accountability

Budgets

Budgets are legally adopted for all funds of the Town. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the Utility Fund are presented on a non-GAAP budgetary basis. Capital outlay and debt principal are budgeted as expenditures, and depreciation is not budgeted.

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

- Management submits to the Board of Trustees a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of an ordinance.
- Management is authorized to transfer budgeted amounts within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Board of Trustees.
- All appropriations lapse at year end.

During the year ended December 31, 2024, the Town had actual expenditures in excess of appropriations for its General and Utility Fund. This may be a violation of State statutes.

Supplementary Information

Town of Morrison, Colorado

Budgetary Comparison Schedule
Utility Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Water Charges	$ 680,000	$ 680,000	$ 1,117,519	$ 437,519
Sewer Charges	355,000	355,000	479,619	124,619
Other Charges for Services	5,000	5,000	95,426	90,426
Mount Carbon Metropolitan District Subsidy	100,000	100,000	85,848	(14,152)
Other Grants	-	-	76,218	76,218
Investment Income	2,000	2,000	201,290	199,290
Total Revenues	1,142,000	1,142,000	2,055,920	913,920
Expenditures				
Operations and Maintenance	1,188,500	1,288,500	1,424,245	(135,745)
Capital Outlay	325,000	325,000	273,020	51,980
Total Expenditures	1,513,500	1,613,500	1,697,265	(83,765)
Revenues Over (Under) Expenditures	(371,500)	(471,500)	358,655	830,155
Capital Contributions				
Tap and Resource Fees	620,400	620,400	1,135,049	514,649
Change in Net Position, *Budgetary Basis*	$ 248,900	$ 148,900	1,493,704	$ 1,344,804
Reconciliation to GAAP Basis				
Capital Outlay - Capitalized			273,020	
Depreciation			(383,367)	
Change in Net Position, *GAAP Basis*			$ 1,383,357	

State Compliance

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

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

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	198,392
3. Other local imposts (from page 2)	33,527
4. Miscellaneous local receipts (from page 2)	1,499,385
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	1,731,304
B. Private Contributions	
C. Receipts from State government (from page 2)	13,070
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	1,744,374

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	117,466
2. Maintenance:	174,785
3. Road and street services:	
a. Traffic control operations	6,488
b. Snow and ice removal	19,421
c. Other	0
d. Total (a. through c.)	25,909
4. General administration & miscellaneous	32,234
5. Highway law enforcement and safety	1,393,981
6. Total (1 through 5)	1,744,373
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	1,744,373

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
0	1,744,374	1,744,374		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 31, 2024

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	1,180,715
1. Sales Taxes	0	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	308,159
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	33,527	g. Other Mis County Road & Bridge Tax	10,511
6. Total (1. through 5.)	33,527	h. Other	
c. Total (a. + b.)	33,527	i. Total (a. through h.)	1,499,385
	(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	11,926	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	1,144	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	1,144	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	13,070	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation		117,466	117,466
(5). Total Construction (1) + (2) + (3) + (4)	0	117,466	117,466
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	117,466	117,466
			(Carry forward to page 1)

Notes and Comments:

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