TOWN OF OAK CREEK
OAK CREEK, COLORADO

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2024

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TOWN OF OAK CREEK, COLORADO
BOARD OF TRUSTEES
December 31, 2024

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FINANCIAL SECTION

Town of Oak Creek
Management Discussion and Analysis
December 31, 2024

The discussion and analysis of the Town of Oak Creek's financial performance provides an overall review of the Town's financial activities for the year ended December 31, 2024. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. Readers should also review the financial statements and the notes to the financial statements to broaden their understanding of the Town's financial performance.

Financial Highlights

The Town of Oak Creek's governmental net position increased by $296,883 and business-type net position increased by $43,859 for the year.

- The assets of the Town exceeded its liabilities at the close of fiscal year 2024 by $15,423,677 *(net position).* Of this amount, $4,996,934 *(unrestricted net position)* may be used to meet the Town's ongoing obligations or unforeseen expenses.
- As of the close of fiscal year 2024, the Town's General Fund reported an ending fund balance of $1,482,832 compared to the fiscal year 2023 balance of $1,156,323.
- At the end of 2024 unrestricted net position for the proprietary funds (business-type activities) was $3,482,879 or 98% of total 2024 operating expenses.
- General Fund 2024 revenues decreased by $96,884 to $1,461,039.
- General Fund expenditures increased in 2024 by $28,536 to $1,134,530.

Using the Basic Financial Statements

The Basic Financial Statements consists of the Management's Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Town of Oak Creek as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first two statements are government-wide financial statements - the Statement of Net Position and the Statement of Activities. Both provide long and short-term information about the Town's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the Town's operations in more detail. The governmental fund statements tell how general Town services were financed in the short term as well as what remains for future spending. The Town's one governmental fund is the General Fund.

Proprietary fund statements offer short and long-term financial information about the activities that the Town operates as a business. The Town operates four proprietary funds as follows:

- Electric Fund
- Water Fund
- Sewer Fund
- Trash Fund

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Financial Analysis of the Town as a Whole

The Town's total net position was $15,423,677 as of December 31, 2024 and $15,082,935 as of December 31, 2023. This represents an increase of $340,742 or 2.2%.

Government-Wide Financial Statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private businesses. The statements include all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Town's net position and how it has changed. The change in net position is important because it tells the reader that for the Town as a whole, the financial position of the Town has improved or diminished. The causes of this change may be the result of various factors, some financial, some not. Non-financial factors include facility conditions, and state or federal government required programs.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes, intergovernmental revenues and taxes *(Governmental Activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(Business-type Activities).* The Governmental Activities of the Town include: general government, public safety (police), public works, and parks and recreation. The Business-type Activities of the Town of Oak Creek consist of electric, water, sewer, and trash services.

Net Position

Net position might serve over time as a useful indicator of a government's financial position. In the case of the Town of Oak Creek, assets exceeded liabilities by approximately $15.4 million at the close of 2024.

Net position of the Town at December 31, 2024 was as follows:

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
ASSETS						
Current Assets	$ 1,717,716	$ 1,348,038	$ 3,672,109	$ 3,504,921	$ 5,389,825	$ 4,852,959
Noncurrent Assets	1,475,138	1,553,251	10,090,013	10,322,542	11,565,151	11,875,793
Total Assets	3,192,854	2,901,289	13,762,122	13,827,463	16,954,976	16,728,752
DEFERRED OUTFLOWS	152,815	152,815	-	-	152,815	152,815
LIABILITIES						
Current Liabilities	73,040	73,333	166,230	235,783	239,270	309,116
Noncurrent Liabilities	98,178	141,451	1,129,939	1,169,586	1,228,117	1,311,037
Total Liabilities	171,218	214,784	1,296,169	1,405,369	1,467,387	1,620,153
DEFERRED INFOWS	216,727	178,479	-	-	216,727	178,479
NET POSITION						
Net Investment in Capital Assets	1,395,069	1,449,722	8,960,074	9,152,956	10,355,143	10,602,678
Restricted	48,600	77,570	23,000	23,000	71,600	100,570
Unrestricted	1,514,055	1,133,549	3,482,879	3,246,138	4,996,934	4,379,687
Total Net Position	$ 2,957,724	$ 2,660,841	$ 12,465,953	$ 12,422,094	$ 15,423,677	$ 15,082,935

The statement of net position reflects a cash position totaling $5,389,825 or 32% of total assets. The bulk of the Town's resources, $11.5 million or 68.2% of total assets, are invested in capital assets. These assets consist of land and improvements, buildings, equipment, and utility system assets. The remaining 5.1% of total assets are receivables or prepaid expenses.

The Town of Oak Creek uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Oak Creek's investment in its capital assets is reported net of related debt, it should be noted that the funds needed to repay this debt must be provided from other sources since; in general, the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net assets may be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position

Governmental activities increased the Town of Oak Creek's net position by $296,883. This was mostly due to an increase in sales tax revenue and interest income.

Town of Oak Creek
Management Discussion and Analysis
December 31, 2024

Business activities increased the Town's net position by $43,859.

A summary of the changes in net position is as follows:

CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
PROGRAM REVENUES						
Charges for Services	$ 240,080	$ 250,959	$ 2,274,758	$ 2,271,074	$ 2,514,838	$ 2,522,033
Operating Grants	320,656	133,097	-	-	320,656	133,097
Capital Grants	-	103,489	139,670	450,392	139,670	553,881
Total Program Revenues	560,736	487,545	2,414,428	2,721,466	2,975,164	3,209,011
GENERAL REVENUES						
Property Taxes	131,001	118,120	-	-	131,001	118,120
Specific Ownership Taxes	7,354	8,152	-	-	7,354	8,152
Sales and Use Taxes	554,666	547,649	-	-	554,666	547,649
Other Taxes	837	1,032	-	-	837	1,032
Interest Income	204,414	191,612	-	351	204,414	191,963
Other Revenues	2,031	10,045	-	-	2,031	10,045
Total General Revenues	900,303	876,610	-	351	900,303	876,961
Total Revenues & Transfers	1,461,039	1,364,155	2,414,428	2,721,817	3,747,314	3,747,314
PROGRAM EXPENSES						
General Government	384,557	256,648	-	-	384,557	256,648
Public Safety	265,612	368,499	-	-	265,612	368,499
Public Works	143,342	100,495	-	-	143,342	100,495
Culture and Recreation	370,645	346,554	-	-	370,645	346,554
Electric Operations	-	-	1,198,959	1,216,692	1,198,959	1,216,692
Water Operations	-	-	473,939	450,324	473,939	450,324
Sewer Operations	-	-	476,600	431,441	476,600	431,441
Trash Operations	-	-	221,071	163,815	221,071	163,815
Total Program Expenses	1,164,156	1,072,196	2,370,569	2,262,272	3,534,725	3,334,468
CHANGE IN NET POSITION	296,883	291,959	43,859	459,545	340,742	751,504
Net Position, Beginning	2,660,841	2,368,882	12,422,094	11,962,549	15,082,935	14,331,431
NET POSITION, ENDING	$ 2,957,724	$ 2,660,841	$ 12,465,953	$ 12,422,094	$ 15,423,677	$ 15,082,935

Financial Analysis of the Town’s Funds

The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

General Fund – The General Fund went from a balance of $1,156,323 to $1,482,832. This increase is principally the result of cash and investment increases. Total General Fund revenues decreased by $96,884, while expenditures increased by $28,536.

Proprietary Funds - Proprietary funds have historically operated as enterprise funds using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the business-type activities of the Town as a whole. The proprietary fund statements, however, will provide a greater level of detail than the information found in the government-wide statements.

Electric Fund – Electric Fund net position increased by $46,137, following an increase of $74,505 in 2023. Expenditures decreased by $17,356.

Water Fund – Water Fund net position increased by $79,623 after a 2023 increase of $422,026.

Sewer Fund – Sewer Fund net position decreased by $79,102 compared to a decrease of $48,072 in 2023.

Trash Fund – Trash Fund net position decreased by $2,799 for the current year, down from a 2023 increase of $11,086. The Trash Fund is a tightly run enterprise to benefit the citizens of Oak Creek and includes an annual Clean-Up Day.

Capital Assets

Approximately 13% of the Town's capital assets support governmental activities. The majority of the value is invested in land, buildings and improvements.

	Balance 12/31/23	Additions	Deletions/ Reclassifications	Balance 12/31/24
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	$ 678,169	$ -	$ -	$ 678,169
Capital Assets being Depreciated:				
Buildings & Improvements	1,733,698	22,435	-	1,756,133
Vehicles & Equipment	774,847	5,316	-	780,163
Leased Vehicles & Equipment	38,876	-	-	38,876
Total Capital Assets being Depreciated	2,547,421	27,751	-	2,575,172
Less Accumulated Depreciation:				
Buildings & Improvements	(1,128,324)	(60,631)	-	(1,188,955)
Vehicles & Equipment	(534,809)	(37,048)	-	(571,857)
Leased Vehicles & Equipment	(19,311)	(2,971)	-	(22,282)
Total Accumulated Depreciation	(1,682,444)	(100,650)	-	(1,783,094)
Net Capital Assets	**$ 1,543,146**	**$ (72,899)**	**$ -**	**$ 1,470,247**

The Town's business-type activities capital assets consist of its investments in its utility systems and related equipment.

	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Business-Type Activities:				
Capital Assets not being Depreciated:				
Construction in Progress	$ 1,018,252	$ 95,538	$ -	$ 1,113,790
Capital Assets being Depreciated:				
Utility Systems	16,264,082	-	-	16,264,082
Leased Property	191,156	-	-	191,156
Leased Equipment	116,628	-	-	116,628
Total Capital Assets being depreciated	16,571,866	-	-	16,571,866
Total Capital Assets	17,590,118	95,538	-	17,685,656
Less Accumulated Depreciation:				
Utility Systems	(7,203,270)	(312,782)	-	(7,516,052)
Leased Property	(6,372)	(6,372)	-	(12,744)
Leased Equipment	(57,933)	(8,913)	-	(66,846)
Total Accumulated Depreciation	(7,267,575)	(328,067)	-	(7,595,642)
Net Capital Assets	**$ 10,322,543**	**$ (232,529)**	**$ -**	**$ 10,090,014**

Long-Term Debt

The Town's governmental long-term debt consists of capital leases and accrued compensated absences payable. Governmental activities debt transactions for the year were as follows:

	Balance 12/31/23	Advances	Payments	Balance 12/31/24	Current Portion	Interest Paid
2017 Equipment Lease	$ 10,047	$ -	$ 3,006	$ 7,041	$ 3,111	$ 24
2019 Equipment Lease	83,377	-	15,240	68,137	15,921	3,725
Accrued Compensated Absences	35,249	-	-	35,249	-	-
Totals	**$ 128,673**	**$ -**	**$ 18,246**	**$ 110,427**	**$ 19,032**	**$ 3,749**

The Town's business-type activities long-term debt consists of various bonds and notes payable that were used for system improvements. Business-type activities debt transactions for the year were as follows:

	Balance 12/31/23	Advances	Payments	Balance 12/31/24	Current Portion	Interest Expense
2017 Equipment Lease	$ 30,140	$ -	$ 9,020	$ 21,120	$ 9,333	$ 73
2021 Sewer Revenue Bonds	960,207	-	30,625	929,582	31,455	14,211
2023 Water RTU Asset Permit (Lease)	179,239	-	2,848	176,391	2,848	9,069
Totals	**$ 1,169,586**	**$ -**	**$ 39,645**	**$ 950,702**	**$ 9,333**	**$ 73**

General Fund Budget

The General Fund accounts for all of the general government services provided by the Town of Oak Creek including: public safety (police), public works, parks and recreation and general government services. The Town's General Fund revenues were $91,121 more than planned, having sales and use taxes and investment income coming in $12,524 and $89,414, respectively, more than budgeted, and offset by less grant revenues than expected. The Town's expenditures were $201,910 less than budgeted, with capital expenditures and general government expenses totaling $42,949 and $101,584, respectively, less than planned.

ECONOMIC FACTORS AND FUTURE BUDGETS AND RATES

The Town of Oak Creek's main economic drivers are regional recreation and tourism, agriculture and energy. Both Stagecoach Reservoir and the Steamboat Ski Area provide area employment opportunities. Agricultural products such as hay, grain, sheep, horses and cattle from the region are local exports. The downtown area remains a vital commercial hub for the whole of South Routt County as well.

The estimated 2023 population for Oak Creek is 859 (State of Colorado Demography Office) and has remained relatively stable over the last several years with the expectation that increases and decreases in the permanent population will continue to follow the dynamics of regional employment and housing changes and challenges. These include those related to the transitions evident in the oil, gas and mining industries, primary in coal-based and related railroad operations, and the local impacts of unavailability of affordable and attainable workforce housing in Steamboat Springs on housing growth in Oak Creek and the surrounding areas. The potential for near-term significant development in the Stagecoach area is also a factor that must be considered for Oak Creek's future economy.

The Town's water, sewer and electric infrastructure must be diligently maintained and upgraded, and the costs associated with such always relate back to rates for these services. Careful planning for significant capital projects is critical to avoid unexpected rate increases and associated financial system impacts.

Unknowns that may impact Town operations or revenues that bear watching include the regulatory environment concerning air, water and energy resources and the uncertain politic environments.

Request for Information

The financial statements are designed to provide information for regulatory reporting to federal and state agencies and those with an interest in the Town's finances. Questions concerning this or any additional information should be addressed to Town Clerk, Town of Oak Creek, PO Box 128, Oak Creek, CO 80467.

Board of Trustees
Town of Oak Creek
Oak Creek, Colorado

Independent Auditors' Report

Opinion
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 Town of Oak Creek, as of and for the year ended December 31, 2024, and the related notes to the financial statements which collectively comprise Town of Oak Creek'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 of Oak Creek 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 Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Town of Oak Creek and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of these 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 the 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 of Oak Creek'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' Responsibility 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on 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 Town of Oak Creek'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 Town of Oak Creek'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.

Report on Summarized Comparative Information

We have previously audited the Town of Oak Creek's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 5, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Ault's basic financial statements. The combining and individual nonmajor fund financial statements 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Local Highway Finance Report is presented for purposes of legal compliance and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Mayberry + Company, LLC

Englewood, CO
September 5, 2025

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BASIC FINANCIAL STATEMENTS

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TOWN OF OAK CREEK, COLORADO

STATEMENT OF NET POSITION
DECEMBER 31, 2024

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash and Investments	$ 1,351,986	$ 3,237,725	$ 4,589,711
Restricted Cash and Investments	100	-	100
Receivables			
Property Tax Receivable	161,844	-	161,844
Intergovernmental Receivables	92,527	-	92,527
Utility Receivable	-	434,384	434,384
Cash with Fiscal Agent	6,718	-	6,718
Accounts Receivable	104,541	-	104,541
Total Current Assets	1,717,716	3,672,109	5,389,825
Noncurrent Assets			
Long-Term Receivables	4,891	-	4,891
Capital Assets not being Depreciated	678,169	1,113,790	1,791,959
Capital Assets being Depreciated	2,575,172	16,571,866	19,147,038
Accumulated Depreciation	(1,783,094)	(7,595,643)	(9,378,737)
Total Noncurrent Assets	1,475,138	10,090,013	11,565,151
TOTAL ASSETS	3,192,854	13,762,122	16,954,976
DEFERRED OUTFLOWS OF FINANCIAL RESOURCES			
Deferred Pension Outflows	152,815	-	152,815
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 3,345,669	$ 13,762,122	$ 17,107,791
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	$ 38,132	$ 89,966	$ 128,098
Accrued Liabilities	(1,027)	-	(1,027)
Accrued Salaries and Benefits	13,551	-	13,551
Deposits and Escrow	1,160	52,500	53,660
Accrued Interest Payable	-	23,764	23,764
Unearned Revenue	21,224	-	21,224
Total Current Liabilities	73,040	166,230	239,270
Noncurrent Liabilities			
Due within one year	19,032	43,324	62,356
Due in more than one year	79,146	1,086,615	1,165,761
Total Noncurrent Liabilities	98,178	1,129,939	1,228,117
TOTAL LIABILITIES	171,218	1,296,169	1,467,387
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	161,844	-	161,844
Deferred Pension Inflows	49,992	-	49,992
Other Deferred Inflows	4,891	-	4,891
TOTAL DEFERRED INFLOWS	216,727	-	216,727
NET POSITION			
Net Investment in Capital Assets	1,395,069	8,960,074	10,355,143
Restricted Net Position	48,600	23,000	71,600
Unrestricted Net Position	1,514,055	3,482,879	4,996,934
TOTAL NET POSITION	2,957,724	12,465,953	15,423,677
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 3,345,669	$ 13,762,122	$ 17,107,791

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

TOWN OF OAK CREEK

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

		PROGRAM REVENUES		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
FUNCTIONS/PROGRAMS				
Governmental Activities				
Current:				
General Government	$ 384,557	$ 151,503	$ 105,722	$ -
Public Safety	265,612	1,237	1,770	-
Public Works	143,342	-	39,982	-
Culture and Recreation	370,645	87,340	173,182	-
TOTAL GOVERNMENT ACTIVITIES	1,164,156	240,080	320,656	-
Business-type Activities				
Current:				
Electric	1,198,959	1,244,115	-	981
Water	473,939	437,853	-	115,709
Sewer	476,600	374,518	-	22,980
Trash	221,071	218,272	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	2,370,569	2,274,758	-	139,670
TOTAL GOVERNMENT	$ 3,534,725	$ 2,514,838	$ 320,656	$ 139,670

GENERAL REVENUES
Property Taxes
Specific Ownership Taxes
Sales, Use and Excise Taxes
Other Taxes
Interest Income
Other Revenues
TOTAL GENERAL REVENUES AND TRANSFERS
CHANGE IN NET POSITION
NET POSITION - BEGINNING
NET POSITION - ENDING

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

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITES	TOTAL
$ (127,332)	$ -	$ (127,332)
(262,605)	-	(262,605)
(103,360)	-	(103,360)
(110,123)	-	(110,123)
(603,420)	-	(603,420)
-	46,137	46,137
-	79,623	79,623
-	(79,102)	(79,102)
-	(2,799)	(2,799)
-	43,859	43,859
(603,420)	43,859	(559,561)
131,001	-	131,001
7,354	-	7,354
554,666	-	554,666
837	-	837
204,414	-	204,414
2,031	-	2,031
900,303	-	900,303
296,883	43,859	340,742
2,660,841	12,422,094	15,082,935
$ 2,957,724	$ 12,465,953	$ 15,423,677

TOWN OF OAK CREEK, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024
With Comparative Totals for December 31, 2023

	GENERAL FUND	TOTAL 2024	TOTAL 2023
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash and Investments	$ 1,351,986	$ 1,351,986	$ 1,105,693
Restricted Cash and Investments	100	100	12,235
Receivables			
Property Tax Receivable	161,844	161,844	118,382
Intergovernmental Receivables	92,527	92,527	-
Cash with Fiscal Agent	6,718	6,718	947
Accounts Receivable	104,541	104,541	110,781
Long-Term Receivables	4,891	4,891	10,105
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 1,722,607	$ 1,722,607	$ 1,358,143
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	$ 38,132	$ 38,132	$ 21,389
Accrued Liabilities	(1,027)	(1,027)	2,690
Accrued Salaries and Benefits	13,551	13,551	22,094
Deposits and Escrow	1,160	1,160	1,160
Unearned Revenue	21,224	21,224	26,000
TOTAL LIABILITIES	73,040	73,040	73,333
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	161,844	161,844	118,382
Other Deferred Inflows	4,891	4,891	10,105
FUND BALANCE			
Restricted Fund Balance	48,600	48,600	77,570
Committed Fund Balance	319,188	319,188	211,381
Unassigned Fund Balance	1,115,044	1,115,044	867,372
TOTAL FUND BALANCE	1,482,832	1,482,832	1,156,323
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	$ 1,722,607	$ 1,722,607	$ 1,358,143

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

TOWN OF OAK CREEK, COLORADO

RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO GOVERNMENTAL ACTIVITIES NET POSITION
DECEMBER 31, 2024

Fund Balance - Governmental Funds		$ 1,482,832
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		
Capital assets, not being depreciated	$ 678,169	
Capital assets, being depreciated	2,575,172	
Accumulated depreciation	(1,783,094)	1,470,247
Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds		
FPPA Statewide Defined Benefit Plan		
Deferred outflows - pensions (net)	152,815	
Net pension liability	(12,778)	
Deferred inflows - pensions (net)	(49,992)	90,045
Internal Service operations primarily benefit Governmental Activities		
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Capital leases payable	(75,178)	
Accrued compensated absences	(10,222)	(85,400)
Total Net Position - Governmental Activities		$ 2,957,724

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

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	GENERAL	**TOTAL**	
	FUND	**2024**	**2023**
REVENUES			
Taxes	$ 693,858	$ 693,858	$ 674,954
Intergovernmental Revenues	320,260	320,260	229,597
Licenses and Permits	25,790	25,790	52,638
Fines and Forfeits	1,105	1,105	338
Internal Charges	110,487	110,487	116,370
Charges for Services	102,698	102,698	81,613
Investment Earnings	204,414	204,414	191,612
Other Revenues	2,427	2,427	17,033
TOTAL REVENUES	1,461,039	1,461,039	1,364,155
EXPENDITURES			
Current:			
General Government	394,878	394,878	228,474
Public Safety	252,057	252,057	351,515
Public Works	118,286	118,286	74,138
Parks, Recreation and Other	319,562	319,562	292,301
Capital Outlay	27,751	27,751	133,053
Debt Service	21,996	21,996	26,513
TOTAL EXPENDITURES	1,134,530	1,134,530	1,105,994
NET CHANGE IN FUND BALANCE - GAAP BASIS	326,509	326,509	258,161
FUND BALANCE, BEGINNING	1,156,323	1,156,323	898,162
FUND BALANCE, ENDING	$ 1,482,832	$ 1,482,832	$ 1,156,323

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

TOWN OF OAK CREEK, COLORADO

RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024

Change in Fund Balance - Governmental Funds		$ 326,509
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level		
Capitalized Asset Purchases	27,751	
Depreciation Expense	(100,650)	(72,899)
Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.		
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level		
Principal payments on capital leases	18,246	
Change in accrued compensated absences	25,027	43,273
Change in Net Position - Governmental Activities		$ 296,883

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

TOWN OF OAK CREEK, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024
With Comparative Totals for December 31, 2023

	BUSINESS - TYPE ACTIVITIES		
	ELECTRIC FUND	**WATER FUND**	**SEWER FUND**
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash and Investments	$ 1,875,180	$ 775,169	$ 605,251
Receivables			
Utility Receivable	284,364	57,827	51,329
Internal Balances	-	(280,000)	280,000
Total Current Assets	2,159,544	552,996	936,580
Noncurrent Assets			
Capital Assets not being depreciated	-	1,113,790	-
Capital Assets being depreciated	2,496,584	8,116,024	5,959,258
Accumulated Depreciation	(1,987,135)	(3,151,866)	(2,456,642)
Total Noncurrent Assets	509,449	6,077,948	3,502,616
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 2,668,993	$ 6,630,944	$ 4,439,196
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	$ 75,439	$ 6,528	$ 7,999
Deposits and Escrow	52,500	-	-
Accrued Interest Payable	-	9,069	14,695
Total Current Liabilities	127,939	15,597	22,694
Noncurrent Liabilities			
Due within one year	3,007	5,855	34,462
Due in more than one year	4,033	180,423	902,159
Total Noncurrent Liabilities	7,040	186,278	936,621
TOTAL LIABILITIES	134,979	201,875	959,315
NET POSITION			
Net Investment in Capital Assets	502,409	5,891,670	2,565,995
Restricted Net Position	-	23,000	-
Unrestricted Net Position	2,031,605	514,399	913,886
TOTAL NET POSITION	2,534,014	6,429,069	3,479,881
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 2,668,993	$ 6,630,944	$ 4,439,196

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

Trash Fund	TOTAL 2024	2023
$ (17,875)	$ 3,237,725	$ 3,121,704
40,864	434,384	383,217
-	-	-
22,989	3,672,109	3,504,921
-	1,113,790	435,816
-	16,571,866	17,154,302
-	(7,595,643)	(7,267,576)
-	10,090,013	10,322,542
$ 22,989	$ 13,762,122	$ 13,827,463
$ -	$ 89,966	$ 157,410
-	52,500	54,125
-	23,764	24,248
-	166,230	235,783
-	43,324	42,491
-	1,086,615	1,127,095
-	1,129,939	1,169,586
-	1,296,169	1,405,369
-	8,960,074	9,152,956
-	23,000	23,000
22,989	3,482,879	3,246,138
22,989	12,465,953	12,422,094
$ 22,989	$ 13,762,122	$ 13,827,463

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	Business-type Activities			
	Electric Fund	**Water Fund**	**Sewer Fund**	**Trash Fund**
Operating Revenues				
Utility Charges	$ 1,218,427	$ 435,023	$ 371,688	$ 218,272
Other Charges for Services	25,688	2,830	2,830	-
Total Revenues	1,244,115	437,853	374,518	218,272
Operating Expenses				
Management Fees	128,484	37,048	56,033	3,577
Personnel Services	263,430	143,981	142,996	4,540
Commodity Charges	694,854	-	-	-
Administrative/Office Expenses	173	300	-	-
Insurance	22,702	14,814	11,994	-
Operating Supplies	2,014	20,859	5,547	-
Professional Fees	2,045	27,266	34,412	211,565
Repairs and Maintenance	22,939	21,386	1,035	-
Travel and Training	-	-	-	-
Treatment	-	18,328	33,152	-
Telephone and Utilities	6,881	29,223	30,456	-
Other Operating Expenses	5,899	4,881	-	1,389
Depreciation Expense	36,825	155,829	135,413	-
Other Capital Outlay	12,689	-	-	-
Total Expenditures	1,198,935	473,915	451,038	221,071
Operating Income (Loss)	45,180	(36,062)	(76,520)	(2,799)
Other Income (Expense)				
Investment Earnings	-	-	-	-
Interest Expense	(24)	(24)	(25,562)	-
Total Other Income (Expense)	(24)	(24)	(25,562)	-
Net Income (Loss)	45,156	(36,086)	(102,082)	(2,799)
Contributed Capital				
Plant Investment Fees	-	10,480	10,480	-
Intergovernmental Revenue	981	105,229	12,500	-
Total Contributed Capital	981	115,709	22,980	-
Change in Net Position	46,137	79,623	(79,102)	(2,799)
Net Position, Beginning	2,487,877	6,349,446	3,558,983	25,788
Net Position, Ending	$ 2,534,014	$ 6,429,069	$ 3,479,881	$ 22,989

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

Total	
2024	**2023**
$ 2,243,410	$ 2,187,686
31,348	83,388
2,274,758	2,271,074
225,142	211,706
554,947	502,751
694,854	734,190
473	493
49,510	40,855
28,420	27,531
275,288	192,519
45,360	41,973
-	14
51,480	63,822
66,560	67,877
12,169	3,502
328,067	336,493
12,689	-
2,344,959	2,223,726
(70,201)	47,348
-	351
(25,610)	(38,546)
(25,610)	(38,195)
(95,811)	9,153
20,960	11,300
118,710	439,092
139,670	450,392
43,859	459,545
12,422,094	11,962,549
$ 12,465,953	$ 12,422,094

TOWN OF OAK CREEK

STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	BUSINESS - TYPE ACTIVITES			
	ELECTRIC FUND	**WATER FUND**	**SEWER FUND**	**Trash Fund**
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers	$ 1,195,670	$ 444,069	$ 380,918	$ 201,309
Cash Paid to Suppliers	(841,154)	(191,794)	(163,859)	(249,622)
Cash Paid for Interfund Services	(128,484)	(37,048)	(56,033)	(3,577)
Cash Paid to Employees	(195,981)	(106,808)	(106,808)	(3,169)
Net Cash Provided by Operating Activities	30,051	108,419	54,218	(55,059)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Tap Fees Received	-	10,480	10,480	-
Debt Principal Payments	(3,007)	(3,007)	(33,632)	-
Grant Proceeds	981	105,229	12,500	-
Interest Payments	(24)	(24)	(26,046)	-
Proceeds of Capital Asset Sales	-	-	-	-
Acquisition of Capital Assets	-	(95,538)	-	-
Cash Flows Used by Capital and Related Financing Activities	(2,050)	17,140	(36,698)	-
CASH FLOWS (USES) FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash from Other Funds	-	(8,750)	8,750	-
Net Cash Provided (Used) by Noncapital Financing Activities	-	(8,750)	8,750	-
CASH FLOWS (USES) FROM INVESTING ACTIVITIES:				
Interest Received	-	-	-	-
NET INCREASE (DECREASE) IN CASH	28,001	116,809	26,270	(55,059)
CASH - BEGINNING	1,847,179	658,360	578,981	37,184
CASH - ENDING	$ 1,875,180	$ 775,169	$ 605,251	$ (17,875)
Cash and Investments	$ 1,875,180	$ 775,169	$ 605,251	$ (17,875)
TOTAL	$ 1,875,180	$ 775,169	$ 605,251	$ (17,875)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED FOR OPERATING ACTIVITIES:				
Operating Income (Loss)	$ 45,180	$ (36,062)	$ (76,520)	$ (2,799)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	36,825	155,829	135,413	-
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Utility Receivable	(46,820)	6,216	6,400	(16,963)
Prepaid Expenses	-	-	-	-
(Increase) Decrease in:				
Accounts Payable	(3,509)	(17,564)	(11,075)	(35,297)
Deposits and Escrow	(1,625)	-	-	-
Unearned Revenue	-	-	-	-
TOTAL ADJUSTMENTS	(15,129)	144,481	130,738	(52,260)
NET CASH USED FOR OPERATING ACTIVITIES	$ 30,051	$ 108,419	$ 54,218	$ (55,059)

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

TOTAL	
2024	2023
$ 2,221,966	$ 2,098,050
(1,446,429)	(1,227,512)
(225,142)	(211,706)
(412,766)	(379,942)
137,629	278,890
20,960	11,300
(39,646)	77,201
118,710	439,092
(26,094)	(29,948)
-	1
(95,538)	(801,431)
(21,608)	(303,785)
-	-
-	-
-	351
116,021	(24,544)
3,121,704	3,146,248
$ 3,237,725	$ 3,121,704
$ 3,237,725	$ 3,121,704
$ 3,237,725	$ 3,121,704
$ (70,201)	$ 47,348
328,067	336,493
(51,167)	(57,249)
-	-
(67,445)	68,073
(1,625)	(175)
-	(115,600)
207,830	231,542
$ 137,629	$ 278,890

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

HISTORY AND FUNCTION OF ORGANIZATION

The Town of Oak Creek, Colorado is a political subdivision of the State of Colorado governed by a seven member board of trustees. The Town was incorporated in 1907 in Routt County, Colorado. The Town is a full service entity providing public safety, public works, and parks and recreation services as well as providing electric, water, sewer and trash services.

REPORTING ENTITY

In accordance with Governmental Accounting Standards, the Town has considered the possibility of inclusion of additional entities in its basic financial statements.

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 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 to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it. Based on the application of these criteria, the Town has not included any other 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) present financial information of the Town as a whole. The reporting information includes all of the non-fiduciary activities of the Town. These statements are to distinguish between the governmental and business-type activities of the Town. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues are presented as general revenues. Internal activity has been eliminated within the function for the statement of activities 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 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 and use taxes, franchise fees, state shared revenues, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses 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.

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

General Fund
The general fund uses the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Certain service fees and non-tax revenues are recognized when received or billed. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal sources of revenues are property and sales taxes. Principal expenditures are for police protection, public works, parks and recreations and Town administration.

Proprietary Funds
The Town also reports the following major proprietary funds

Electric, Water, Sewer and Trash Funds
These funds account for the activities related to the offering of the respective services to the Town's residents.

NOTE 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

<u>Measurement Focus, Basis of Accounting, and Financial Statement Presentation</u> (Continued)

BUDGETS AND BUDGETARY ACCOUNTING

Budgets were adopted for all funds. Budgets are prepared on the same basis of accounting as that used for accounting purposes. In the budget versus actual statements, the actual results of operations are presented on the budgetary basis of accounting for proper comparison to the budget.

Budgets are adopted based on the requirements of state statutes. The following timetable is used:

- Submission of the proposed budget to the Board of Trustees by October 15 of each year.
- Certification of mill levies to the County Commissioners by December 15 of each year.
- Final adoption of the budget and appropriations by December 31 of each year.

The Town does not utilize encumbrance accounting and all appropriations lapse at year end. The budgets presented are as originally adopted or supplemented during the year.

CASH AND EQUIVALENTS

Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

PROPERTY TAXES

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. 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.

Since property tax revenues are collected in arrears during the succeeding year, receivable and corresponding deferred revenue are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue, and the receivable is reduced. The deferred revenue is shown as a deferred inflow of financial resources in the financial statements.

ACCOUNTS RECEIVABLE

Based upon a review of the existing accounts receivable and the fact that any uncollectible water and sewer receivables can be certified to the County Treasurer as such and attached to the tax rolls, no allowance for doubtful accounts is provided.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 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 estimated fair market value at the date of donation.

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

The Town has elected to not retroactively report infrastructure and had no additions to its infrastructure for the year. Property and equipment of the Town is depreciated using the straight line method over the following estimated useful lives.

Buildings	20 - 40 years
Vehicles and Equipment	10 - 20 years
Utility Systems	5 - 50 years

ACCUMULATED UNPAID LEAVE (COMPENSATED ABSENCES)

The Town permits an employee to carry over up to 80 hours of unused vacation pay to the next calendar year upon approval by the town administrator with amounts above that requiring board approval. The Town assumes that the employee will use all carryover vacation as well as any current vacation earned in the same year. Sick leave accumulates up to 12 days annually with no limitation on the maximum amount that can be accumulated. An employee will not be paid upon termination for sick leave. The Town has accrued $10,222 in the governmental activities presentation for accrued compensated absences at December 31, 2024.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element 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. The government only has pension related items as further described in Note 6.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element 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. The Town is reporting three items, the two are at the governmental activity and governmental fund level related to property taxes that were milled in 2024 for collection in 2025 and a long-term lease receivable further described in Note 11. In addition, the governmental activities reports deferred inflows related to pension obligations as further described in Note 6.

NOTE 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

NET POSITION/FUND BALANCES

In the government-wide financial statements and for the proprietary fund statements, net position is either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balances are reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Amounts that can only be used for specific purposes pursuant to constraints imposed by the highest formal action, the adoption of an Ordinance, of the government's highest level of decision-making authority, the Town Board, are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

All remaining fund balance in the General Fund or deficits in the other governmental funds are presented as unassigned.

NET POSITION/FUND BALANCE FLOW ASSUMPTIONS

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying basic financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to understand.

NOTE 2: <u>CASH AND INVESTMENTS</u>

DEPOSITS

The Town's cash and investment balances as of December 31, 2024 are comprised of and allocated in the financial statements as follows:

Cash	$	590,045
Investments		3,999,767
Total Cash and Investments	**$**	**4,589,812**
Cash and Investments	$	4,589,712
Restricted Cash and Investments		100
Total Cash and Investments	**$**	**4,589,812**

<u>Custodial Credit Risk - Deposits</u>
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, 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, all of the Town's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	Bank Balance	Book Balance
FDIC Insured	$ 250,000	$ 250,000
PDPA Secured (Not in Entity's Name)	356,246	339,545
Cash on Hand	-	500
Total Cash	**$ 606,246**	**$ 590,045**

NOTE 2: <u>CASH AND INVESTMENTS</u> (Continued)

INVESTMENTS

<u>Credit Risk</u>
Colorado statutes specify which instruments units of local government may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- 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.

During the year ended December 31, 2024, the Town invested funds in Colotrust. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner.

It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pool operates similar to a 2a-7-like money market fund with a share value equal to $1.00 and a maximum weighted average maturity of 60 days. This fund is rated AAAm by the Standard and Poor's Corporation. The balance of this investment at December 31, 2024 was $3,999,766.

<u>Concentration of Credit Risk</u>
The Town places no limit on the amount that may be invested in any one issuer.

<u>Interest Rate Risk</u>
Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in the statutes.

<u>Custodial Credit Risk – Investments</u>
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 did not hold any securities that required safekeeping.

NOTE 2: CASH AND INVESTMENTS (Continued)

RESTRICTED CASH

Restricted cash represents those amounts collected for a particular purpose but unspent as of the end of the fiscal year.

The Town's restricted cash balances at December 31, 2024 are comprised of the following:

General Fund		
Conservation Trust Funds	$	100

NOTE 3: CAPITAL ASSETS

Changes in governmental capital assets for the year were as follows:

	Balance 12/31/23	Additions	Deletions/ Reclassifications	Balance 12/31/24
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	$ 678,169	$ -	$ -	$ 678,169
Capital Assets being Depreciated:				
Buildings & Improvements	1,733,698	22,435	-	1,756,133
Vehicles & Equipment	774,847	5,316	-	780,163
Leased Vehicles & Equipment	38,876	-	-	38,876
Total Capital Assets being Depreciated	2,547,421	27,751	-	2,575,172
Less Accumulated Depreciation:				
Buildings & Improvements	(1,128,324)	(60,631)	-	(1,188,955)
Vehicles & Equipment	(534,809)	(37,048)	-	(571,857)
Leased Vehicles & Equipment	(19,311)	(2,971)	-	(22,282)
Total Accumulated Depreciation	(1,682,444)	(100,650)	-	(1,783,094)
Net Capital Assets	**$ 1,543,146**	**$ (72,899)**	**$ -**	**$ 1,470,247**

Depreciation has been allocated across governmental activity functions as follows:

Depreciation by Function:	
General Government	$ 14,705
Public Safety	13,530
Public Works	21,331
Parks and Recreation	51,084
Total Depreciation	**$ 100,650**

NOTE 3: CAPITAL ASSETS

A summary of changes in business-type activity capital assets for the year is as follows:

	Restated Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Business-Type Activities:				
Capital Assets not being Depreciated:				
Construction in Progress	$ 1,011,002	$ 95,538	$ -	$ 1,106,540
Capital Assets being Depreciated:				
Utility Systems	16,264,082	-	-	16,264,082
Leased Property	-	-	-	-
Leased Equipment	116,628	-	-	116,628
Total Capital Assets being depreciatec	16,380,710	-	-	16,380,710
Total Capital Assets	17,391,712	95,538	-	17,487,250
Less Accumulated Depreciation:				
Utility Systems	(7,203,270)	(312,782)	-	(7,516,052)
Leased Property	-	-	-	-
Leased Equipment	(57,933)	(8,913)	-	(66,846)
Total Accumulated Depreciation	(7,261,203)	(321,695)	-	(7,582,898)
Net Capital Assets	**$ 10,130,509**	**$ (226,157)**	**$ -**	**$ 9,904,352**

Depreciation has been allocated across business-type activity functions as follows:

Depreciation by Function:	
Electric	$ 36,825
Water	149,457
Sewer	135,413
Total Depreciation	**$ 321,695**

In 2023, the Town entered into a Right to Use agreement with the U.S. Department of Agriculture for the Sheriff Reservoir site. This asset was capitalized. In 2024, it was determined that, due to the variable nature of the underlying permit (lease) payment, the associated disbursements should be expensed when incurred. The 2023 Water Fund financial statements have been restated to reflect the removal of this asset as further discussed in Note 16.

NOTE 4: LONG TERM DEBT – GOVERNMENTAL ACTIVITIES

At December 31, 2024, the Town had the following governmental long term debt obligations:

	Balance 12/31/23	Advances	Payments	Balance 12/31/24	Current Portion	Interest Paid
2017 Equipment Lease	$ 10,047	$ -	$ 3,006	$ 7,041	$ 3,111	$ 24
2019 Equipment Lease	83,377	-	15,240	68,137	15,921	3,725
Accrued Compensated Absences	35,249	-	-	35,249	-	-
Totals	**$ 128,673**	**$ -**	**$ 18,246**	**$ 110,427**	**$ 19,032**	**$ 3,749**

Leases

In 2017, the Town entered into a lease agreement for the purchase of a 2015 Ford Van, 2016 Ford Explorer Police Interceptor, Caterpillar Backhoe Loader, and a 2017 Dodge Ram 3500 Pickup. As part of this agreement the Town agreed to trade in the 2002 Cat Loader that the Town owned, which had no remaining basis. The lease requires monthly payments of $3,318. The lease bears interest at 3.46%. Payments related to this lease will be paid by the General, Water, Sewer and Electric Funds. The allocation of the assets and lease liability are 46.75% General, 17.75% Electric, 17.75 % Water and 17.75% Sewer. The Town has capitalized assets with a remaining basis of $83,174 related to this lease, the General Fund will be responsible for their proportionate share of $33,392.

In the event of a default the lessor may terminate the affected lease and any other lease or lessee's rights thereunder and in any such event repossess the equipment at the lessor's expense. The equipment shall be repossessed free and clear of all liens and security interests.

Upon repossession, if the equipment is damaged or otherwise made less suitable for the purposes for which it was manufactured then the lessee has the option to repair and restore to the same condition in which it was received or pay the lessor the reasonable costs of such a repair and restoration. In the event the lessor liquidates the equipment following an event of default and realizes net proceeds in excess of total rental payments under the lease, the lessor shall immediately pay the amount of any such excess to the lessee. If the lessee continues to use the equipment leased and refuses to pay rental payments the lessor may declare the rental payments due and owing for the fiscal period for which such appropriations have been made to be immediately due and payable and shall be entitled to bring such action at law or in equity to recover money and other damages attributable to such holdover period under the lease. The lessor shall also be entitled to exercise any and all remedies available under the applicable Uniform Commercial Code and all other rights and remedies that the lessor may have at law or in equity. The lessee is liable for any expense reasonably incurred with respect to the enforcement of any remedy available to the lessor, but only from legally available funds.

NOTE 4: <u>LONG TERM DEBT – GOVERNMENTAL ACTIVITIES</u> (Continued)

Leases (Continued)

The following is a schedule of the future minimum lease payments required under the lease for the General Fund proportionate share:

Year	Principal	Interest	Total
2025	$ 3,111	$ 196	$ 3,307
2026	3,219	88	3,307
2027	710	117	827
Total	**$ 7,040**	**$ 401**	**$ 7,441**

In 2019, the Town entered into a lease agreement for the purchase of one Caterpillar Loader. The lease requires annual payments of $18,965. The lease bears interest at 4.47%. Payments related to this lease will be paid by the General Fund. The Town has capitalized assets with a remaining basis of $112,301 related to this lease. In the event of a default the lessor may terminate the affected lease and any other lease or lessee's rights thereunder and in any such event repossess the equipment at the lessor's expense. The equipment shall be repossessed free and clear of all liens and security interests. Upon repossession, if the equipment is damages or otherwise made less suitable for the purposes for which it was manufactured then the lessee has the option to repair and restore to the same condition in which it was received or pay the lessor the reasonable costs of such a repair and restoration. In the event the lessor liquidates the equipment following an event of default and realizes net proceeds in excess of total rental payments under the lease, the lessor shall immediately pay the amount of any such excess to the lessee. If the lessee continues to use the equipment leased and refuses to pay rental payments the lessor may declare the rental payments due and owing for the fiscal period for which such appropriations have been made to be immediately due and payable and shall be entitled to bring such action at law or in equity to recover money and other damages attributable to such holdover period under the lease.

The lessor shall also be entitled to exercise any and all remedies available under the applicable Uniform Commercial Code and all other rights and remedies that the lessor may have at law or in equity. The lessee is liable for any expense reasonably incurred with respect to the enforcement of any remedy available to the lessor, but only from legally available funds.

The following is a schedule of the future minimum lease payments required under the lease:

Year	Principal	Interest	Total
2025	$ 15,921	$ 3,044	$ 18,965
2026	16,632	2,333	18,965
2027	17,375	1,590	18,965
2028	18,209	757	18,966
Total	**$ 68,137**	**$ 7,724**	**$ 75,861**

NOTE 5: LONG-TERM DEBT – BUSINESS-TYPE ACTIVITIES

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

	Restated Balance 12/31/23	Advances	Payments	Balance 12/31/24	Current Portion	Interest Expense
2017 Equipment Lease	$ 30,140	$ -	$ 9,020	$ 21,120	$ 9,333	$ 73
2021 Sewer Revenue Bonds	960,207	-	30,625	929,582	31,455	14,211
2023 Water RTU Asset Permit (Lease	-	-	-	-	-	-
Totals	**$ 990,347**	**$ -**	**$ 39,645**	**$ 950,702**	**$ 9,333**	**$ 73**

Details of the Town's outstanding business-type activity debt are as follows:

WATER FUND

In January 2023, the Town entered into a Right to Use agreement for the Sheriff Reservoir site with the U.S. Forest Service. The agreement requires an January 1 annual payment of $11,917 for a period of thirty years which may be adjusted annually based on an Implicit Price Deflator factor. For the year ended December 31, 2024, the Town determined that the underlying lease payment was not determinable, with the variable nature more appropriately expensed as incurred rather than amortized. The Town has restated the 2023 financial activities of the Water Fund as further discussed in Note 16 to remove the lease and underlying asset.

The fund paid $11,197 in January 2023 for the 2023 annual permit, $7,250 in December 2023 for the 2024 annual permit and $7,908 in December 2024 for the 2025 annual permit, presented as a prepaid expense.

SEWER FUND

In 2010, the Town issued Sewer Revenue Bonds in the amount of $1,208,000 through the USDA Department of Rural Development. The bonds bear interest at 4% with semi-annual payments of $30,406 due on February 1st and August 1st beginning February 1, 2011. In 2021, the Town refunded $1,019,787 bearing an interest rate at 2.71% with annual payments of $56,647 due June 1st beginning June 1, 2022, and ending June 1, 2046. The loan contains rate maintenance provisions.

Future payments on long-term debt are scheduled as follows:

Year	Principal	Interest	Total
2025	$ 31,455	$ 25,191	$ 56,646
2026	32,308	24,339	56,647
2027	33,183	23,463	56,646
2028	34,082	22,564	56,646
2029	35,006	21,640	56,646
2030-2034	189,786	93,448	283,234
2035-2039	216,934	66,300	283,234
2040-2044	247,964	35,269	283,233
2045-2046	108,864	4,445	113,309
Totals	**$ 929,582**	**$ 316,659**	**$ 1,246,241**

NOTE 5: <u>LONG-TERM DEBT – BUSINESS-TYPE ACTIVITIES</u> (Continued)

In addition, the Enterprise Funds will be responsible for their proportionate share of the 2017 equipment lease with a remaining balance of $49,782 as described in the Governmental Activities Long-Term Debt shown above (Note 4).

The following is a schedule of the future minimum lease payments required under the lease for the Electric, Water and Sewer Funds proportionate share:

Year	Principal	Interest	Total
2025	$ 9,333	$ 588	$ 9,921
2026	9,657	264	9,921
2027	2,129	351	2,480
Total	**$ 21,119**	**$ 1,203**	**$ 22,322**

Coverage for the rate maintenance agreement requirement is as follows:

	Sewer	Wastewater
Gross Charges for Services	374,517	$ 374,517
Operating Expenses (excluding depreciation)		315,624
Net Operating Revenues		58,893
Debt Service		
2021 Sewer Revenue Bonds		56,647
Debt Coverage Ratio 110%		62,312
Excess (Shortfall)		**$ (3,419)**

The Town may be out of compliance with this provision and will monitor the status of the rate maintenance agreement in futures years and make adjustments to rates or expenses as deemed necessary.

NOTE 6: <u>EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS</u>

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA)

Summary of Significant Accounting Policies

Pensions. The Fire & Police Pension Association Defined Benefit System – Statewide Retirement Plan ("Plan") is a cost-sharing multiple-employer defined benefit pension plan. The Plan covers substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. The Statewide Defined Benefit Plan was established in 1980 pursuant to Colorado Revised Statutes. The Statewide Hybrid Plan was established January 1, 2004 pursuant to Colorado Revised Statutes. HB 22-1034 combined the assets and liabilities of the former Statewide Defined Benefit Plan and the Statewide Hybrid Plan to form the Statewide Retirement Plan. The combined membership now participates under one of four benefit "components":

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

Summary of Significant Accounting Policies (Continued)

- Defined Benefit Component
- Hybrid Defined Benefit Component
- Money Purchase Component
- Social Security Component

The City participates in the Defined Benefit Component.

Employers once had the option to elect to withdraw from the Plan, but a change in state statutes permitted no further withdrawals after January 1, 1988, unless the Employer elects into and is determined to be eligible to participate in the Statewide Money Purchase Plan. In 2003, legislation was enacted to allow departments who cover their firefighters and police officers in money purchase plans to elect coverage under the FPPA Defined Benefit System.

As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Defined Benefit System and the Statewide Death and Disability Plan.

General Information about the Pension Plan

Plan description. Eligible employees of the Town are provided with pensions through the Defined Benefit Component of the SRP Plan. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), rules and regulations codified by the Fire and Police Pension Association, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report, that can be obtained at htttp://www.FPPAco.org.

The Defined Benefit Component and Social Security Component cover substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, clerical and other personnel from fire districts whose services are auxiliary to fire protection may also participate in the Plan.

The net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB have been determined using the accrual basis of accounting as required by the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

General Information about the Pension Plan (Continued)

Members Included. Members included are active, full-time salaried employees of a participating municipality, fire protection district, fire authority, or county improvement district normally serving at least 1,600 hours in a calendar year and whose duties are directly involved with the provision of police or fire protection. As of August 5, 2003, the Plan may also include clerical and other personnel employed by a fire protection district, fire authority, or a county improvement district.

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

A member is eligible for retirement after attainment of age 55 with at least five years of credited service.

A member eligible for early retirement after completion of 30 years of service or attainment of age 50 with a least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

The annual retirement benefit for the Defined Benefit Component is 2.0 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average of the member's highest three years' base salary for year of service thereafter.

Benefits paid to retired members and beneficiaries may be increased annually on October 1 via a cost of living adjustment (COLA). COLAs be compounding or non-compounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0 percent to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for a least 12 calendar months prior to October 1.

Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

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

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 22.0 percent.

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

General Information about the Pension Plan (Continued)

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

Employer contributions are recognized by FPPA in the period in which the compensation becomes payable to the member and the Town is statutorily committed to pay the contributions to FPPA. Employer contributions recognized by the FPPA from the Town were $12,475 for the plan year ended December 31, 2023 and $2,005 for the fiscal year ended December 31, 2024. The current year contributions will be expensed in 2025 for FPPA purposes and are a timing difference at year end. The Town had nine contributing members to the plan during 2024.

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

At December 31, 2024, the Town reported a liability of $0 for its proportionate share of the SRP's net pension liability. The net pension asset or liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. The Town's proportion of the net pension liability was based on Town's contributions to the SWDB for the calendar year 2023 relative to the total contributions of participating employers to the SWDB.

At December 31, 2024, the Town's proportion was 0.0134%, which was a decrease of 0.001% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2024, the Town recognized pension expense of $53,508. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	$ 25,021	$ (1,225)
Changes of assumptions or other inputs	$ 14,638	$ -
Net difference between projected and actual earnings on pension plan investments	$ 17,470	$ -
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	$ -	$ 5,562
Contributions subsequent to the measurement date	$ 2,005	$ -
Total	**$ 59,134**	**$ 4,337**

$2,005 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an adjustment of the net pension asset in the year ended December 31, 2025.

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Fiscal year Total
2025	$ 10,701
2026	15,227
2027	21,799
2028	3,932
2029	4,388
2030-2032	5,419
Total	**$ 61,466**

Actuarial assumptions. The actuarial valuations for the Defined Benefit Component were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2023. The valuations used the following actuarial assumption and other inputs:

Actuarial method	Entry Age Normal
Amortization method	Level % of Payroll, Open
Amortization period	30 Years
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Payroll Growth	3.00%
Investment Rate of Return	7.00%
Salary increase, including wage inflation	4.25%-11.75%
Retirement Age	Age-based rates for members with more than 25 years of service starting at age 55 with 100% retirement at age 62. Service based rates for members with less than 25 years starting at age 55 with 100% retirement at age 70.
Mortality	**Pre-retirement:** Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale, 60% multiplier for off-duty mortality. Increased by 0.00015 for on-duty related Fire and Police experience. **Post-retirement:** Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale.

NOTE 6: <u>EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS</u> (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption used Pub-2010 Safety Health Employees Mortality Tables for males and females, amount-weighted, and then projected with the MP-2020 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60% multiplier. The on-duty mortality rate is 0.00015.

Termination rates (for causes other than death, disability or retirement): Termination rates are based on service. Termination rates are not applied after a member becomes eligible for a retirement benefit.

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

The long-term expected rate of return on pension plan investments for the Long-Term Pool was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2024 are summarized in the following table:

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

NOTE 6: <u>EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS</u> (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

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

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

In accordance with GASB Statement No. 67 regarding the disclosure of the sensitivity of the net pension liability to changes in the discount rate, the above table presents the net pension liability of the participating employers calculated using the discount rate of 7.00 percent, as well as what the employers' net pension liability would be calculated using a discount rate that is 1.00 percent lower (6.00 percent) or 1.00 percent higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	**Current Discount Rate (7.00%)**	**1% Increase (8.00%)**
Proportionate share of the SRP net pension asset (liability) (1)	$ (75,072)	$ -	$ -

(1) The Statewide Retirement Plan Net Pension Liability of $0 reflects a reserve for cost of living adjustments and to manage adverse experience of $2,628 at a 7.00 percent discount rate and $66,989 at an 8.00 percent discount rate.

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

DEFINED CONTRIBUTION PLAN

The Town offers its employees a Deferred Compensation Plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The contribution rate for the Town is 3% for covered employees or as contractually agreed to by the board. The Town's contributions to the Benefit Plan for the year ending December 31, 2024, 2023 and 2022 were $36,157, $38,816, and $29,278, respectively, equal to their required contributions.

All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to these amounts, property, or rights are held in trust for the exclusive benefits of participants and their beneficiaries. The Town has no ownership interest in the Plan nor is the Town liable for any losses under the Plan.

NOTE 7: STATEWIDE DEATH AND DISABILTY PLAN

The Town contributes to the Statewide Death and Disability Plan (SWD&DP), a cost-sharing multiple-employer defined benefit death and disability plan covering full-time employees of substantially all fine and police departments in Colorado. As of August 5, 2003, the Plan may include part-time police and fire employees. Contributions to the Plan are used for the payment of death and disability benefits. The Plan was established in 1980 pursuant to Colorado Revised Statutes. The Plan assets are included in the Fire & Police Members' Benefit Investment Fund Long-Term Pool

Plan benefits provide 24-hour coverage, both on- and off-duty and are available for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase pension plan.

In the case of an on-duty death, benefits may be payable to the surviving spouse and/or dependent children of active members who were eligible to retire, but were still working. Death and disability benefits are free from state and federal taxes in the event that an member's disability is determined to be the result of an on-duty injury or an occupational disease.

All full-time firefighters are members of the plan. Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by state statute and generally allow for benefits upon the death or disability of a plan member prior to retirement.

FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for SWD&DP. That report may be obtained at www.fppaco.org.

NOTE 7: STATEWIDE DEATH AND DISABILTY PLAN (Continued)

Contributions

Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado Statute. In 1997, the State made a one time contribution to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. In 2022 and 2023, the State made additional one time contributions to fund past and future service costs for the same members based on updated actuarial calculation of liabilities.

Members hired on or after January 1, 1997, and members covered by Social Security contribute to this plan. The contribution rate may be increased 0.2 percent annually by the FPPA Board. This contribution percentage can vary depending on actuarial experience. All contributions are made by or on behalf of members. The contribution may be paid entirely by the employer or member, or may be split between the employer and member.

The Town contributed 3.6% of base salaries on behalf of the members during the year ended December 31, 2024. Contributions to the plan for the year ended December 31, 2024 were $437, equal to the required contributions. The Town had nine employees contributing to the Statewide Retirement Plan, not all of which were eligible to contribute to the SWD&DP.

Other Postemployment Benefits (OPEB) Liabilities, OPEB Expense And Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To OPEB

The Town has no requirement to contribute to the plan and does not receive contributions from a nonemployer entity. Therefore, the Town does not report a net OPEB liability or deferred outflows of resources and deferred inflows of resources related to OPEB.

NOTE 8: INTERFUND ACTIVITY

In 2017, the Town's Sewer Fund advanced $350,000 to the Water Fund for capital needs. The Water Fund is repaying this advance over a period of forty years in the amount of $8,750 per year. There is no interest being assessed against this advance. The balance as of December 31, 2024 was $280,000 and is reported as an Internal Balance in the respective funds.

The General Fund allocates shared costs to the enterprise funds related to administration and maintenance (overhead) as well as a separate management fee. These costs are reported as Management Fees expense in the enterprise funds with the overhead charges netted against the related expenditures and the management fee reported as Internal Charges in the General Fund. A summary of these charges is as follows:

	Overhead Allocations	Management Fees
General Fund	$ 114,655	$ 110,487
Electric Fund	(37,015)	(91,469)
Water Fund	(37,048)	-
Sewer Fund	(37,015)	(19,018)
Trash Fund	(3,577)	-
	$ -	**$ -**

NOTE 9: COMMITMENTS AND CONTINGENCIES

The Town receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of the Town, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the Town at December 31, 2024.

NOTE 10: FUND BALANCE/NET POSITION APPROPRIATIONS AND RESTRICTIONS

Tax Spending and Debt Limitations

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado, all local governments, and special districts.

The Town's financial activity for the year ended December 31, 2024 will provide the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth.

Subsequent to December 31, 1992, revenue in excess of the Town's "spending limit" must be refunded unless voters approve the retaining of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases and new debt.

In November 1998, the electors of the Town authorized the Town to collect, retain and expend the full amount of the revenues from all sources during 1998, as well as the full amount of all revenues generated by all sources for each subsequent year without limitation under Article X, Section 20 of the Colorado Constitution.

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance. The Town's management believes it is in compliance with the TABOR amendment.

The Article requires an emergency reserve be set aside for 2024 in the amount of 3% or more of its fiscal year spending. At December 31, 2024, the Town has reserved or restricted the following for emergencies:

General Fund	$ 43,000
Water Fund	14,000
Total Emergency Reserve	$ 57,000

NOTE 10: FUND BALANCE/NET POSITION APPROPRIATIONS AND RESTRICTIONS (Continued)

Subsequent Appropriations/Other Restrictions and Commitments

The Town has restricted or committed other funds as noted below:

	Restricted Equity
Governmental Activities	
Conservation Trust Fund	$ 100
TABOR Emergency Reserve	43,000
Coal Queen Scholarship	5,500
Net Pension Asset	79,666
Total Government Activities	**$ 128,266**
Business-type Activity	
TABOR Emergency Reserve	**$ 23,000**

	Fund Equity	
General Fund	**Committed**	**Restricted**
Conservation Trust Fund	$ -	$ 100
TABOR Emergency Reserve	-	43,000
Coal Queen Scholarship	-	5,500
Operating Reserve	235,112	-
Capital Reserve - Parks	21	-
Capital Reserve - Police	11,055	-
Capital Reserve - Public Works	47,000	-
Capital Reserve - Streets	26,000	-
Total General Fund	**$ 319,188**	**$ 48,600**
Water Fund		
TABOR Emergency Reserve		**$ 23,000**

Through the adoption of the 2025 budget, the Town has committed $503,373 and $52,102 for subsequent year's expenditures in the Electric and Water Funds, respectively. This amount does not qualify for a restricted presentation on the face of the financial statements.

NOTE 11: RISK MANAGEMENT

The Town of Oak Creek, Colorado carries commercial insurance coverage for all foreseeable risks of loss. These include, but are not necessarily limited to, worker's compensation. The Town's risk of loss transfers to those carriers.

The Town has not materially changed its coverage from previous years. Based on the lack of previous loss occurrences, the Town has not recorded any liability for unpaid claims at December 31, 2024.

The Town is involved with 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).

NOTE 11: RISK MANAGEMENT (Continued)

The purposes of CIRSA are to provide members defined liability and property coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons and 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 ability to significantly affect the operations of the unit.

The Town has not materially changed its coverage from previous years. Based on the lack of previous loss occurrences, the Town has not recorded any liability for unpaid claims at December 31, 2024.

NOTE 12: LONG-TERM RECEIVABLE

In November 2005, the Town entered into a long-term lease agreement for antenna space with a third party. The Town entered into a revised lease agreement in November 2020 for a period of five years through October 2025. The lease requires a monthly tower lease payment of $450 per month plus other concessions. With the adoption of GASB Statement No. 87 – Leases, the Town has recorded a long-term receivable and related deferred inflow in the General Fund representing the remaining balance at year end of $4,891. The lease is discounted using an estimated interest rate of 2.41%.

NOTE 13: CONSERVATION TRUST FUNDS

A summary of the Town's Conservation Trust activity for the year ended December 31, 2024 is as follows:

Beginning balance	$	100
Cons. Trust receipts		10,701
Expenditures		(10,701)
Ending Balance	**$**	**100**

Under intergovernmental agreements, the Town allocates and disburses at least 50 percent of lottery receipts to other local governments for conservation projects.

NOTE 14: CHANGE IN ESTIMATE – FPPA STATEWIDE RETIREMENT PLAN

Based on a retrospective review of the estimate of the net pension obligation for the FPPA Statewide Retirement Plan – Defined Benefit System, the Town has revised its methodology to better align the Town's proportionate share of the pension expense with the amount being reported at the Plan level. This has resulted in a reduction of the prior year pension obligation, including deferrals, of $15,578 that has been reflected in the current year's activity.

NOTE 15: ADOPTION OF GASB STATEMENT 101 – COMPENSATED ABSENCES

The Town has adopted GASB Statement 101 – Compensated Absences. This is considered a change in accounting principle. A change in accounting principle is the application of an accounting principle to transactions or other events of a similar type that is different from the accounting principle previously applied to those transactions or other events.

Based on a last-in first-out analysis of the Town's leave usage, it was determined that no changes were required as part of this adoption.

NOTE 16: PRIOR PERIOD RESTATEMENT

Grants Receivable

The Town has restated the 2023 financial and prior activity to reflect passthrough grant revenues and receivables that had been earned in prior years but not recorded as of December 31, 2023. Of these amounts, $13,374 was recorded as community support to the Tracks and Trails Museum in 2023 with an additional $28,918 recorded in prior years.

The Town received a $42,292 reimbursement from Great Outdoors Colorado for the flowthrough funding that the Town had previously provided with regards to the Tracks and Trails Bucket Park project.

Accordingly, the Town has increased the beginning fund balance in the General Fund by $28,918 and recorded additional grant revenue of $13,374 for the fiscal year 2023. The Town has also increased the beginning net position of the governmental activities by $42,292 as of January 1, 2024.

Right to Use Asset and Associated Lease

As described in Notes 3 and 5, the Town, through its Water Fund, has entered into a thirty year right to use (RTU) agreement with the U.S.D.A. Forest Service for a special use permit for operating and maintaining Sheriff Reservoir. This RTU was initially capitalized with a corresponding lease obligation reported. During 2024, the Town determined, due to the nature of the variable payments, that the permit should be expensed when incurred rather than being recorded as an asset with a corresponding liability.

The Town has restated the 2023 activity in the Water Fund to reflect this change. Leased assets were reduced by $191,156, net of $6,372 depreciation, lease obligations were reduced by $191,156, net of the 2023 upfront permit payment of $11,917, and accrued interest payable was reduced by $9,069. The Town changed the presentation of the 2024 permit paid in 2023 for 2024 from a capital to a prepaid asset. The overall restatement was an increase in net position of $3,524 for fiscal year 2023 in the Water Fund and Business-Type Activities.

REQUIRED SUPPLEMENTARY INFORMATION
(Pension Schedules – Unaudited)

TOWN OF OAK CREEK

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY)
FPPA SWDB Pension Plan

Fiscal Year Ended	Town's proportion of the net pension asset (liability)	Town's proportionate share of the net pension asset (liability)	Town's covered payroll	Town's proportionate share of the net pension asset (liability) as a proportion of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
December 31, 2014	0.021324%	$ 19,067	$ 142,663	13.37%	105.83%
December 31, 2015	0.014438%	$ 16,294	$ 123,650	13.18%	106.83%
December 31, 2016	0.014525%	$ 256	$ 141,225	0.18%	100.10%
December 31, 2017	0.019547%	$ (7,063)	$ 148,575	4.75%	98.21%
December 31, 2018	0.017643%	$ 25,382	$ 105,675	24.02%	106.34%
December 31, 2019	0.015901%	$ (20,103)	$ 106,513	-18.87%	95.20%
December 31, 2020	0.015734%	$ 8,898	$ 115,963	7.67%	101.94%
December 31, 2021	0.010004%	$ 21,718	$ 80,350	27.03%	106.72%
December 31, 2022	0.014700%	$ 79,666	$ 118,341	67.32%	116.16%
December 31, 2023	0.014396%	$ (12,778)	$ 125,244	-10.20%	97.63%
December 31, 2024	0.013388%	$ -	$ 131,316	0.00%	100.00%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

See the accompanying Independent Auditors' Report.

TOWN OF OAK CREEK

SCHEDULE OF TOWN CONTRIBUTIONS
FPPA SWDB Pension Plan
Last 10 Fiscal Years

Fiscal Year Ended	Contractually required contributions	Actual contributions	Contribution deficiency (excess)	Town's covered payroll	Contributions as a percentage of covered payroll
December 31, 2014	$ 7,409	(7,409)	$ -	$ 142,663	8.00%
December 31, 2015	$ 5,194	(5,194)	$ -	$ 123,650	8.00%
December 31, 2016	$ 5,633	(5,633)	$ -	$ 141,225	8.00%
December 31, 2017	$ 8,003	(8,003)	$ -	$ 148,575	8.00%
December 31, 2018	$ 8,256	(8,256)	$ -	$ 105,675	8.00%
December 31, 2019	$ 8,521	$ (8,521)	$ -	$ 76,550	8.00%
December 31, 2020	$ 9,277	$ (9,277)	$ -	$ 115,963	8.00%
December 31, 2021	$ 6,428	$ (6,428)	$ -	$ 80,350	8.00%
December 31, 2022	$ 10,059	$ (10,059)	$ -	$ 118,341	8.50%
December 31, 2023	$ 11,272	$ (11,272)	$ -	$ 125,244	9.00%
December 31, 2024	$ 12,475	$ (12,475)	$ -	$ 131,316	9.50%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

See the accompanying Independent Auditors' Report.

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REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF OAK CREEK, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	2024				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2023 ACTUAL
REVENUES					
Taxes					
Property Taxes	$ 118,382	$ 118,382	$ 131,001	$ 12,619	$ 118,120
Specific Ownership Taxes	6,760	6,760	7,354	594	8,152
Sales, Use and Excise Taxes	535,909	535,909	554,666	18,757	547,649
Other Taxes	850	850	837	(13)	1,033
Total Tax Revenue	661,901	661,901	693,858	31,957	674,954
Intergovernmental Revenues					
Cigarette Taxes	850	850	985	135	1,261
Cons Trust Fund Revenue	10,500	10,500	10,701	201	12,135
Highway Users	31,000	31,000	36,454	5,454	31,347
Road and Bridge	3,135	3,135	2,798	(337)	3,207
Clerk/Motor Vehicle Fees	4,335	4,335	4,295	(40)	4,445
Mineral Lease	1,300	1,300	2,450	1,150	2,888
Severance Tax	15,179	15,179	14,343	(836)	16,230
State Grants	243,700	243,700	248,234	4,534	158,084
Total Intergovernmental Revenue	309,999	309,999	320,260	10,261	229,597
Licenses and Permits					
Liquor Licenses	1,600	1,600	1,374	(226)	1,381
Marijuana Licenses	48,000	48,000	24,284	(23,716)	51,074
Animal Licenses	200	200	132	(68)	183
Total Licenses and Permits	49,800	49,800	25,790	(24,010)	52,638
Fines and Forfeits	710	710	1,105	395	338
Internal Charges					
Administrative/Management Fees	116,330	116,330	110,487	(5,843)	116,370
Charges for Services					
Recreation/Comm Ctr Charges	79,354	79,354	87,340	7,986	54,829
Other Charges for Services	20,000	20,000	15,358	(4,642)	26,784
Total Charges for Services	99,354	99,354	102,698	3,344	81,613
Investment Earnings	115,000	115,000	204,414	89,414	191,612
Other Revenues					
Donations	200	200	397	197	6,989
Other Miscellaneous Revenue	2,400	2,400	2,030	(370)	10,044
Total Other Revenue	2,600	2,600	2,427	(173)	17,033
TOTAL REVENUES	1,355,694	1,355,694	1,461,039	105,345	1,364,155

See accompanying Independent Auditors' Report.

(Continued)

TOWN OF OAK CREEK, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	2024				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2023 ACTUAL
(Continued)					
EXPENDITURES					
General Government					
Personnel Services	130,410	130,410	98,824	31,586	118,274
Contract labor	1,000	1,000	1,453	(453)	605
Equipment Rentals	600	600	638	(38)	786
Insurance	29,142	29,142	27,716	1,426	22,812
Professional Fees	208,850	208,850	151,816	57,034	52,612
Repairs and Maintenance	20,050	20,050	22,496	(2,446)	19,799
Supplies	11,500	11,500	14,505	(3,005)	11,006
Telephone and Utilities	14,760	14,760	12,367	2,393	9,709
Travel and Training	5,200	5,200	4,055	1,145	1,490
Overhead	(63,108)	(63,108)	(38,792)	(24,316)	(37,101)
Other Expenses	34,600	34,600	99,800	(65,200)	28,482
Total General Government	393,004	393,004	394,878	(1,874)	228,474
Public Safety					
Personnel Services	347,255	347,255	234,682	112,573	327,088
Fuel and Automotive	5,000	5,000	2,908	2,092	4,493
Professional Fees	5,070	5,070	6,629	(1,559)	2,632
Repairs and Maintenance	6,600	6,600	2,887	3,713	3,941
Supplies	3,000	3,000	489	2,511	2,590
Telephone and Utilities	2,200	2,200	1,866	334	2,790
Travel and Training	7,200	7,200	2,050	5,150	3,943
Other Expenses	1,400	1,400	546	854	4,038
Total Public Safety	377,725	377,725	252,057	125,668	351,515
Public Works					
Personnel Services	78,723	78,723	71,375	7,348	59,494
Contract Labor	1,000	1,000	875	125	-
Equipment Rentals	1,000	1,000	-	1,000	-
Fuel and Automotive	21,000	21,000	25,743	(4,743)	22,856
Insurance	3,072	3,072	2,922	150	2,412
Professional Fees	2,000	2,000	915	1,085	1,378
Repairs and Mainenance	48,900	48,900	61,891	(12,991)	12,115
Supplies	13,200	13,200	5,296	7,904	8,053
Telephone and Utilities	27,400	27,400	21,887	5,513	24,043
Travel and Training	1,000	1,000	224	776	231
Other Expenses	(61,638)	(61,638)	(72,842)	11,204	(56,444)
Total Public Works	135,657	135,657	118,286	17,371	74,138

See accompanying Independent Auditors' Report.

(Continued)

TOWN OF OAK CREEK, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	2024				2023
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
(Continued)					
Parks, Recreation and Other					
Personnel Services	215,350	215,350	210,917	4,433	197,540
Contract labor	1,200	1,200	625	575	1,610
Equipment Rentals	16,980	16,980	14,689	2,291	16,981
Fuel and Automotive	1,750	1,750	1,873	(123)	1,122
Insurance	-	-	309	309	516
Professional Fees	500	500	398	102	-
Repairs and Maintenance	9,800	9,800	949	8,851	3,378
Supplies	13,500	13,500	16,836	(3,336)	13,060
Telephone and Utilities	13,720	13,720	16,160	(2,440)	17,340
Travel and Training	7,600	7,600	14,352	(6,752)	1,634
Vehicle Lease	13,500	13,500	13,991	(491)	13,500
Other Expenses	19,200	19,200	28,463	(9,263)	25,620
Total Parks, Recreation & Other	313,100	313,100	319,562	(5,844)	292,301
Capital Outlay					
General Government Capital Outlay	5,700	5,700	5,316	384	133,053
Public Works Capital Outlay	15,000	15,000	-	15,000	-
Parks, Recreation and Other Capital Outlay	50,000	50,000	22,435	27,565	-
Total Capital Outlay	70,700	70,700	27,751	42,949	133,053
Debt Service					
Principal	31,254	31,254	21,996	9,258	26,513
TOTAL EXPENDITURES	1,321,440	1,321,440	1,134,530	187,528	1,105,994
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	34,254	34,254	326,509	292,873	258,161
OTHER FINANCING SOURCES (USES)					
Debt Proceeds	14,224	14,224	-	14,224	-
NET CHANGE IN FUND BALANCE - BUDGET BASIS	$ 48,478	$ 48,478	326,509	$ 307,097	258,161
FUND BALANCE, BEGINNING			1,156,323		898,162
FUND BALANCE, ENDING			$ 1,482,832		$ 1,156,323

See accompanying Independent Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
ELECTRIC FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	2024			
	FINAL BUDGET	**ACTUAL**	**VARIANCE WITH FINAL BUDGET**	**2023 ACTUAL**
OPERATING REVENUES				
Utility Charges	$ 1,265,913	$ 1,218,427	$ (47,486)	$ 1,210,953
Other Charges for Services	102,280	25,688	(76,592)	80,244
TOTAL REVENUES	1,368,193	1,244,115	(124,078)	1,291,197
OPERATING EXPENSES				
Management Fees	130,042	128,484	1,558	128,100
Personnel Services	294,509	263,430	31,079	233,942
Commodity Charges	730,000	694,854	35,146	734,190
Administrative/Office Expenses	1,000	173	827	173
Insurance	23,237	22,702	535	18,736
Operating Supplies	30,000	2,014	27,986	15,156
Professional Fees	19,850	2,045	17,805	16,472
Repairs and Maintenance	23,300	22,939	361	18,432
Travel and Training	2,000	-	2,000	-
Telephone and Utilities	6,105	6,881	(776)	6,544
Other Operating Expenses	10,300	5,899	4,401	1,028
Other Capital Outlay	306,800	12,689	294,111	15,000
TOTAL EXPENDITURES	1,577,143	1,162,110	415,033	1,187,773
Operating Income (Loss)	(208,950)	82,005	290,955	103,424
OTHER INCOME (EXPENSE)				
Other Revenue	500	-	(500)	-
Debt Service	(8,048)	(3,031)	5,017	(3,307)
Net Income (Loss) before Transfers	(216,498)	78,974	295,472	100,117
CONTRIBUTED CAPITAL				
Intergovernmental Revenue	-	981	981	-
Change in Net Position (Budget Basis)	$ (216,498)	79,955	$ 296,453	100,117
BUDGET TO GAAP RECONCILIATION				
Principal Paid		3,007		2,906
Depreciation Expense		(36,825)		(43,518)
Capital Outlay		-		15,000
CHANGE IN NET POSITION - GAAP BASIS		46,137		74,505
NET POSITION - BEGINNING		2,487,877		2,413,372
NET POSITION - ENDING		$ 2,534,014		$ 2,487,877

See accompanying Independent Auditors' Report.

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	2024			2023
	Final Budget	Actual	Variance with Final Budget	Actual
OPERATING REVENUES				
Utility Charges	$ 441,824	$ 435,023	$ (6,801)	$ 425,866
Other Charges for Services	600	2,830	2,230	1,572
TOTAL REVENUES	442,424	437,853	(4,571)	427,438
OPERATING EXPENSES				
Management Fees	32,731	37,048	(4,317)	30,748
Personnel Services	164,313	143,981	20,332	132,520
Administrative/Office Expenses	325	300	25	320
Insurance	14,942	14,814	128	12,224
Operating Supplies	21,700	20,859	841	6,206
Professional Fees	27,000	27,266	(266)	14,965
Repairs and Maintenance	25,000	21,386	3,614	22,320
Travel and Training	1,500	-	1,500	14
Treatment	14,800	18,328	(3,528)	30,701
Telephone and Utilities	29,800	29,223	577	28,379
Other Operating Expenses	4,600	4,881	(281)	2,427
Other Capital Outlay	287,150	95,537	191,613	778,632
TOTAL EXPENDITURES	623,861	413,623	210,238	1,059,456
Operating Income (Loss)	(181,437)	24,230	205,667	(632,018)
OTHER INCOME (EXPENSE)				
Other Revenue	250	-	(250)	-
Debt Service	(8,048)	(3,031)	5,017	101,443
TOTAL OTHER INCOME (EXPENSE)	(7,798)	(3,031)	4,767	101,443
Net Income (Loss) before Transfers	(189,235)	21,199	210,434	(530,575)
CONTRIBUTED CAPITAL				
Plant Investment Fees	12,750	10,480	(2,270)	5,820
Intergovernmental Revenue	84,000	105,229	21,229	439,092
Total Contributed Capital	96,750	115,709	18,959	444,912
CHANGE IN NET POSITION (BUDGET BASIS)	$ (92,485)	136,908	$ 229,393	(85,663)
BUDGET TO GAAP RECONCILATION				
Principal Paid		3,007		(112,824)
Depreciation Expense		(155,829)		(158,119)
Capital Outlay		95,537		778,632
CHANGE IN NET POSITION - GAAP BASIS		79,623		422,026
NET POSITON - BEGINNING		6,349,446		5,927,420
NET POSITION - ENDING		$ 6,429,069		$ 6,349,446

See accompanying Independent Auditors' Report.

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	2024			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2023 ACTUAL
OPERATING REVENUES				
Utility Charges	$ 370,463	$ 371,688	$ 1,225	$ 375,966
Other Charges for Services	850	2,830	1,980	1,572
TOTAL REVENUES	371,313	374,518	3,205	377,538
OPERATING EXPENSES				
Management Fees	51,749	56,033	(4,284)	49,766
Personnel Services	163,627	142,996	20,631	131,205
Insurance	11,977	11,994	(17)	9,895
Operating Supplies	6,000	5,547	453	6,136
Professional Fees	18,850	34,412	(15,562)	5,476
Repairs and Maintenance	11,000	1,035	9,965	1,221
Travel and Training	500	-	500	-
Treatment	28,500	33,152	(4,652)	33,121
Telephone and Utilities	32,000	30,456	1,544	32,954
Other Operating Expenses	500	-	500	47
Other Capital Outlay	25,000	-	25,000	7,799
TOTAL EXPENDITURES	349,703	315,625	34,078	277,620
Operating Income (Loss)	21,610	58,893	37,283	99,918
OTHER INCOME (EXPENSE)				
Investment Earnings	50	-	(50)	351
Other Revenue	58,750	-	(58,750)	-
Debt Service	(64,695)	(59,194)	5,501	(59,483)
TOTAL OTHER INCOME (EXPENSE)	(5,895)	(59,194)	(53,299)	(59,132)
Net Income (Loss) before Transfers	15,715	(301)	(16,016)	40,786
CONTRIBUTED CAPITAL				
Plant Investment Fees	2,750	10,480	7,730	5,480
Intergovernmental Revenue	-	12,500	12,500	-
CHANGE IN NET POSITION (BUDGET BASIS)	$ 18,465	22,679	$ 4,214	46,266
BUDGET TO GAAP RECONCILATION				
Principal Paid		33,632		32,719
Depreciation Expense		(135,413)		(134,856)
Capital Outlay		-		7,799
CHANGE IN NET POSITION - GAAP BASIS		(79,102)		(48,072)
NET POSITION - BEGINNING		3,558,983		3,607,055
NET POSITION - ENDING		$ 3,479,881		$ 3,558,983

See accompanying Independent Auditors' Report.

TOWN OF OAK CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
TRASH FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

	2024			2023
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
OPERATING REVENUES				
Utility Charges	$ 208,820	$ 218,272	$ 9,452	$ 174,901
OPERATING EXPENSES				
Management Fees	5,260	3,577	1,683	3,092
Personnel Services	8,377	4,540	3,837	5,084
Operating Supplies	-	-	-	33
Professional Fees	179,721	211,565	(31,844)	155,606
Other Operating Expenses	-	1,389	(1,389)	-
TOTAL EXPENDITURES	193,358	221,071	(27,713)	163,815
CHANGE IN NET POSITION (BUDGET BASIS)	$ 15,462	(2,799)	$ (18,261)	11,086
NET POSITION - BEGINNING		25,788		14,702
NET POSITION - ENDING		$ 22,989		$ 25,788

See accompanying Independent Auditors' Report.

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STATE COMPLIANCE

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/2024
This Information From The Records Of: Town of Oak Creek	Prepared By: Jennifer Hewes, jennifer@townofoakcreek.com

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	$ 1,724.78
3. Other local imposts (from page 2)	$ 173,959.86
4. Miscellaneous local receipts (from page 2)	$ -
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	$ -
7. Total (1 through 6)	$ 175,684.64
B. Private Contributions	
C. Receipts from State government (from page 2)	$ 40,749.41
D. Receipts from Federal Government (from page 2)	$ -
E. Total receipts (A.7 + B + C + D)	$ 216,434.05

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	$ -
2. Maintenance:	$ 69,230.46
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	$ 69,230.46
c. Other	
d. Total (a. through c.)	$ 69,230.46
4. General administration & miscellaneous	$ 14,999.77
5. Highway law enforcement and safety	$ 62,973.36
6. Total (1 through 5)	$ 216,434.05
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
2. Notes:	
a. Interest	
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)	$ 216,434.05

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
	$ 216,434.05	$ 216,434.05		$ -

Notes and Comments:

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assesments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	$ 166,606.10	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	$ 7,353.76	g. Other Misc. Receipts	
6. Total (1. through 5.)	$ 173,959.86	h. Other	
c. Total (a. + b.)	$ 173,959.86	i. Total (a. through h.)	$ -
(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.)	$ 36,454.12	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	$ 4,295.29	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	$ 4,295.29	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	$ 40,749.41	3. Total (1. + 2.g)	$ -
(Carry forward to page 1)		***(Carry forward to page 1)***	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments:

FORM FHWA-536