Town of Parachute
Financial Statements and
Independent Auditor's Report
as of
December 31, 2024

Town of Parachute

Table of Contents

Blair and Associates, P.C.

INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Parachute, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Parachute, Colorado, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town of Parachute, Colorado'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 Parachute, Colorado, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Parachute, Colorado'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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Parachute, Colorado's internal control. Accordingly, no such opinion is expressed.

Certified Public Accountants
105 S.E. Frontier Ave, Suite A Cedaredge, CO 81413 | 970-856-7550 | 970-856-2122 | www.bandacpas.com

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Parachute, Colorado's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Blair and Associates, P.C.

Cedaredge, Colorado

June 24, 2024

MANAGEMENT’S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the annual financial report of the Town of Parachute, Colorado (the Town), the Town's management is pleased to provide this narrative discussion and analysis of the financial activities of the Town for the fiscal year ended December 31, 2024. The Town's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The Town's assets exceeded its liabilities by $18,624,145 (net position) as of December 31, 2024.

- Total net position is comprised of the following:

  Net investment in capital assets in the amount of $12,388,946 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.

  Net position $119,756 is restricted for emergency reserves.

  Net position of $6,115,443, which includes committed funds for capital projects, represents the portion available to maintain the Town's continuing obligations to citizens and creditors.

- The Town's governmental funds (the General, Streets and Alleys, Conservation Trust, and Capital Projects Funds) report a total ending fund balance of $4,775,312 this year. This compares to the prior year ending fund balance of $5,517,726, a decrease of $742,414.

  The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Town's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Town also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available.

Government-wide Financial Statements

The Town's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Town's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The Statement of Net Position presents information that includes all of the Town's assets and liabilities, with the difference reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town as a whole is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods.

Both government-wide financial statements distinguish the governmental activities of the Town that are principally supported by property, sales and use taxes from the business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, parks and recreation, community services, and economic development. Business-type activities include the Water Utility, the Wastewater Utility, and the Garbage trash collection system.

The government-wide financial statements are presented in a later section of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Town uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Town's most significant funds rather than the Town as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The Town has two types of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different, with fund financial statements providing a distinctive view of the Town's governmental funds. These statements report short-term fiscal accountability, focusing on the use of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near term.

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

The basic governmental fund financial statements are presented in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the Town charges customers a fee. The three Town proprietary funds are classified as enterprise funds. The enterprise funds encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the governmental activities of the Town as described above.

The basic financial statements for the three enterprise funds are presented in a later section of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements are included in a later section of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) concerning the Town. The Town adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund, Streets and Alleys Fund, Conservation Trust Fund, Parachute Capital Improvement Fund, and the Reserve Fund to demonstrate compliance with this budget.

Supplementary Information

Budget to actual comparisons for the Capital Projects Fund and the enterprise funds are presented in the supplementary section of this report.

Financial Analysis of the Town as a Whole

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the Town as a whole.

The Town's net position at fiscal year-end is $18,624,145. The following tables provide a summary of the Town's net position for 2024.

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current Assets	5,536,988	6,408,519	1,492,522	1,447,832	7,029,510	7,856,351
Capital Assets	10,088,558	9,851,114	2,453,288	2,581,628	12,541,846	12,432,742
Total Assets	15,625,546	16,259,633	3,945,810	4,029,460	19,571,356	20,289,093
Deferred Outflows of Resources	202,373	213,123			202,373	213,123
Liabilities:						
Current Liabilities	357,468	422,879	90,485	90,892	447,953	513,771
Noncurrent Liabilities	-	-	152,900	175,427	152,900	175,427
Net pension liability	-	-	-	-	-	-
Total Liabilities	357,468	422,879	243,385	266,319	600,853	689,198
Deferred Inflows of Resources	548,731	588,464	-	-	548,731	588,464
Net Position:						
Net Investment in Capital Assets	10,088,558	9,851,114	2,300,388	2,406,201	12,388,946	12,257,315
Restricted	119,756	100,400			119,756	100,400
Unrestricted	4,713,406	5,509,899	1,402,037	1,356,940	6,115,443	6,866,839
Total Net Position	14,921,720	15,461,413	3,702,425	3,763,141	18,624,145	19,224,554

Note that approximately 63% of the Town's total net position is tied up in capital assets.

In 2024, revenues in various funds reflect the following activity.

The following tables provide a summary of the Town's revenues and expenses for 2024.

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for Services	90,720	116,862	943,416	897,097	1,034,136	1,013,959
Operating Grants	112,094	101,169	-	5,325	112,094	106,494
Capital grants	393,768	410,830	469,746	351,370	863,514	762,200
General Revenues						
Property Taxes	619,862	484,562	-	-	619,862	484,562
Intergovernmental	223,873	469,892	-	-	223,873	469,892
Oil & Gas Lease	24,905	44,678			24,905	44,678
Sales taxes and other	2,587,563	2,913,452	-	-	2,587,563	2,913,452
Franchise taxes	3,631	2,146	-	-	3,631	2,146
Miscellaneous	21,878	85,680	-	-	21,878	85,680
Interest income	170,576	189,125	51,560	7,112	222,136	196,237
Gain on Sale of Assets	-	(161,417)			-	(161,417)
Transfers in (out)	(75,000)	(355,506)	75,000	355,506	-	-
Total Revenues	4,173,870	4,301,473	1,539,722	1,616,410	5,713,592	5,917,883
Expenses						
General Government	1,667,821	1,393,232	-	-	1,667,821	1,393,232
Public Safety	1,009,251	813,294	-	-	1,009,251	813,294
Highways & Streets	1,259,142	1,240,572	-	-	1,259,142	1,240,572
Culture & Recreation	777,349	746,637	-	-	777,349	746,637
Water	-	-	787,100	525,679	787,100	525,679
Wastewater	-	-	405,317	326,749	405,317	326,749
Garbage	-	-	68,472	68,736	68,472	68,736
Area Transit System			339,549	323,810	339,549	323,810
Total Expenses	4,713,563	4,193,735	1,600,438	1,244,974	6,314,001	5,438,709
Increase (Decrease)						
In Net Position	(539,693)	107,738	(60,716)	371,436	(600,409)	479,174
Residual Transfer			-	-	-	-
Net Position - Beginning	15,461,413	15,353,675	3,763,141	3,391,705	19,224,554	18,745,380
Net Position - Ending	14,921,720	15,461,413	3,702,425	3,763,141	18,624,145	19,224,554

GOVERNMENTAL REVENUES

The Town relies heavily on property, sales and use taxes to support governmental operations. In 2024, taxes equaled $3,211,056 or 76% of total revenues of $4,173,870 for the Town.

GOVERNMENTAL FUNCTIONAL EXPENSES

Overall operating costs increased $519,828, an increase of 12% when compared to 2023. Public Safety comprises 21% of the Town's total governmental expenses, General Government at 35%, Highways and Street at 26%, Culture and Recreation at 16%.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

Governmental Funds

Information about the Town's governmental funds begin on page 17. These funds are accounted for using the modified accrual basis of accounting.

As of December 31, 2024, the total fund balances of the Town's governmental funds were

$4,775,312. Approximately 26 percent of this consists of unassigned fund balance, which is available as for current spending in accordance with the purposes of the Town. The remainder of fund balance is not available for new spending because it is for the following purposes: (1) a state-Constitution mandated emergency reserve ($119,756), (2) capital reserves ($912,662), (3) Reserve Fund ($2,307,562), (4) Parks and Open Space ($39,374) and (5) Streets and Alleys ($123,774). The Town had Governmental revenues and other financing sources of $4,173,870 and expenditure of $4,713,563.

Proprietary Funds

Information about the Town's proprietary funds begin on page 23. These funds are accounted for using the accrual basis of accounting.

As of December 31, 2024, the total net position of the Town's proprietary funds was $3,702,425. Approximately 37% or $1,402,037 consists of unrestricted net position, which is available as working capital and for current spending in accordance with the purposes of the Town. The remainder of the net position is invested in capital assets ($2,300,388). The Town had Proprietary operating revenues, non-operating revenues, and contributions of $1,539,722 and operating expenses and non-operating expenses of $1,600,438.

Budgetary Highlights

The Towns budget is prepared in accordance with Colorado Revised Statutes.

	Original Appropriation	Amendments	Revised Appropriation	Actual Expenditures
General Fund	5,476,591	-	5,476,591	4,955,397
Streets and Alleys Fund	372,315	-	372,315	312,434
Conservation Trust Fund	-		-	-
Grant fund	-	200,000	200,000	83,368
Reserve Fund	-		-	-
Parachute Capital Improvement Fu	2,844,365		2,844,365	1,695,085
Water fund	866,910		866,910	739,768
Waste Water fund	411,555		411,555	373,491
Garbage Fund	80,184	-	80,184	68,472
Parachute Area Transit System	359,015	-	359,015	312,894
Parks and Recreation Fund	-	-	-	-
	$ 10,410,935.00	$ 200,000.00	$ 10,610,935.00	$ 8,540,909.00

Capital Assets and Debt Administration Capital Assets

The Town's net investment in capital assets as of December 31, 2024, was $10,088,558 for governmental activities and $2,453,288 for business-type activities. The governmental activities capital assets include infrastructure that was first reported in 2004. The following table provides a summary of capital asset activity.

	Beginning Balance	Additions	Dispositions	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 3,121,003	$ -	$ -	$ 3,121,003
Total Capital Assets Not Being Depreciat	3,121,003	-	-	3,121,003
Depreciable Capital Assets:				
Buildings	4,617,247	592,201		5,209,448
Improvements/Infrastructure	8,942,483	83,368		9,025,851
Furniture & Equipment	243,631	-		243,631
Machinery & Equipment	777,717	56,570		834,287
Vehicles	928,239	335,027		1,263,266
Total Depreciable Capital Assets	15,509,317	1,067,166	-	16,576,483
Accumulated Depreciation:				
Buildings	(1,621,740)	(125,976)		(1,747,716)
Improvements/Infrastructure	(5,829,057)	(513,307)		(6,342,364)
Furniture & Equipment	(217,001)	(11,515)		(228,516)
Machinery & Equipment	(441,671)	(49,347)		(491,018)
Vehicles	(669,738)	(129,576)		(799,314)
Total Accumulated Depreciation	(8,779,207)	(829,721)	-	(9,608,928)
Net Depreciable Capital Assets	6,730,110	237,445	-	6,967,555
Total Net Governmental Activities	$ 9,851,113	$ 237,445	$ -	$ 10,088,558

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land and Water Rights	$ 287,168	$ -	$ -	$ 287,168
	-	-	-	
Total Capital Assets Not Being Depreciat	287,168	-	-	287,168
Depreciable Capital Assets:				
Water Utility System	3,038,625		-	3,038,625
Wastewater Utility System	1,019,132		-	1,019,132
Water Storage Tanks	848,143		-	848,143
Machinery & Equipment	326,770	25,674	-	352,444
Vehicles	218,701	-	-	218,701
Total Depreciable Capital Assets	5,451,371	25,674	-	**5,477,045**
Accumulated Depreciation:				
Water Utility System	(1,715,929)	(64,448)	-	(1,780,377)
Wastewater System	(783,315)	(25,963)	-	(809,278)
Water Storage Tanks	(249,350)	(16,583)	-	(265,933)
Machinery & Equipment	(246,412)	(7,438)	-	(253,850)
Vehicles	(161,906)	(39,582)	-	(201,488)
Total Accumulated Depreciation	(3,156,912)	(154,013)	-	(3,310,927)
Net Depreciable Capital Assets	2,294,458	(128,339)	-	2,166,118
Total Business-Type Activities	$ 2,581,627	$ (128,339)	$ -	$ 2,453,288

On December 31, 2024, the depreciable capital assets for governmental activities were 58% depreciated. As for the Town's business-type activities, 60% of the asset values were depreciated on December 31, 2024.

Additional information on Town's capital assets can be found in Note 10.

Long-term Debt

During the year ended December 31, 2024, the Town did not enter any new capital leases. The Town has an existing note payable with Alpine Bank and borrowed an additional $175,000 for the Water fund. Monthly payments of $1265.02 began in 2018 and existing annual payment of $17,922 was paid in April.

Additional information on Town's debt can be found in Note 7.

Grant Funding / Awarded Projects

The Town of Parachute continues to receive grant funding for projects and other purposes. During 2024, the Town of Parachute received or was awarded grant funds for local projects, totaling $1,971,475, as follows:

GCFMLD.. $705,000

The Town received funding from Garfield County Federal Mineral Leasing District (GCFMLD) through four different grant awards for various projects: acquisition of a Police Drone, acquisition of a Public Works asphalt milling machine, construction of a storage facility building and improvements at the Public Works shop facility, and the reconstruction of Cardinal Way and Hill Street.

CDOT MMOF $325,000

An additional grant from the Colorado Department of Transportation (CDOT) MMOF fund was awarded to the Town of Parachute by the IMTPR to help complete the final phase of design and engineering for the implementation of the Town's recently adopted Downtown Development Plan and various streetscape improvements in the Town's downtown corridor on 1st Street.

CDOT FTA $247,000

The Parachute Area Transit System (PATS) was awarded $247,000 through the FTA 5339 formula funding program to help offset the replacement costs of two buses. This is expected to cover at least 75% of the costs, and the new vehicles are expected to arrive early in 2026.

DOLA EIAF.. $400,000

The Town was awarded two EIAF Tier I Grants through the Department of Local Affairs (DOLA) Energy Impact Assistance Fund (EIAF) in 2024. One $200,000 grant was awarded to the Town for the final design and engineering work for the 1st Street / Downtown Development Plan. An additional $200,000 grant was awarded to help offset the costs for the reconstruction of Cardinal Way and Hill Street in 2025.

Garfield County $250,000

Garfield County has contributed, and committed to future ongoing support, for the operation of the PATS transit system.

City of Rifle $40,000

In 2024, the City of Rifle also committed to contributing funds and investing in the operation of the PATS transit system.

POST... $4,475

In 2024, the Town was awarded funds through the Colorado Peace Officer Standards and Training Program to use towards training, equipment, and other law enforcement costs.

SWOT Analysis

Strengths, Weaknesses, Opportunities and Threats for the Town

Strengths

- Proximity to the Piceance Basin and natural resources — oil shale, natural gas, nahcolite (sodium bicarbonate) deposits
- Proximity to I-70 and two major railroads (Union Pacific & Burlington Northern)
- Proximity to the Colorado River
- Proximity to large employment centers in larger communities and resort areas
- Revelle Springs and an abundant and resilient municipal water supply.
- Parachute Creek and raw water irrigation supply.
- Roan Plateau & Book Cliffs rock formations
- Mild climate with an average of 243 sunny days per year
- Education facilities – Garfield District 16 (Parachute), Colorado Mountain College (Rifle/Glenwood Springs), and Colorado Mesa University (Grand Junction)
- Medical facilities - Grand River Health Clinic West provinces local residents with an in-town option for their healthcare needs. Grand River Hospital is also located 16 miles from Parachute in Rifle, CO and offers a variety of additional medical services and advanced care.
- Leadership - The Town is guided by a collaborative Town Council and experienced management team that prioritize transparency, responsiveness, and long-term planning.
- Location – the Town's proximity to both Glenwood Springs and Grand Junction makes both cities accessible for shopping, essential services, and other business.
- Parachute can be considered the Day Trip Destination – Many destinations, both east and west are within a two-hour drive from the Town. Moab, UT; Fruita' Grand Junction; Colorado Monument; DeBeque (Book Cliffs and Wild Horse area); Rifle; Glenwood Springs; Aspen; and Vail.
- Parachutes also have an abundance of natural resources and outdoor recreation opportunities that are a draw to tourists. Examples include fishing and boating on the river, the Battlement Mesa golf course, and many other trails in the nearby National Forest and Battlement Lakes region.
- Many Town employers are also able to benefit from the large and skilled workforce within commuting distances in the Grand Valley area.

- The greater Grand Junction area also offers many essential services and benefits to the region, which is available to Town residents with a short drive. Colorado Mesa University offers comprehensive regional public higher education with technical programs and varying certificate levels. St. Mary's, the VA Medical Center, and Community Hospitals are all located within 45 miles and offer advanced medical care.

- Housing Affordability – the lack of housing for the workforce has become a crisis for a lot of communities and has stifled growth. Parachute, meanwhile, remains a final remaining market in the region where real estate prices remain attainable for working class residents.

- Cost of Living – Parachute is one of the most affordable towns to live in in Colorado with the overall cost of living being approximately 18% lower compared to the rest of the state – resulting in a high quality of life.

- Community Partnerships – the region has a strong collection of neighboring agencies and governmental entities that collect their own revenues to provide public services and improve the overall quality of life in the community. Examples include the Grand Valley Fire Protection District, Parachute Battlement Mesa Parks & Recreation District, the Garfield County Library District, and the Grand River Hospital District.

- Strategic Investment in Capital Improvements - Recent investments in capital infrastructure—including water, wastewater, and road systems—position the Town to meet future growth needs and improve service reliability.

- Strong financial stewardship - The Town has maintained a tradition of conservative budgeting and fiscal responsibility, resulting in healthy fund balances and reserves that support long-term stability and resilience. In 2024, the Town also hired a grant coordinator consultant to strategically pursue additional funding opportunities through grant programs.

Weaknesses

- Single-based (natural gas) economy – The local economy remains dependent on a small number of industries. The natural gas industry's challenges have intensified following the passage of Senate Bill 19-181 and the subsequent implementation of stricter regulations by the Colorado Energy and Carbon Management Commission (ECMC). Operators are required to comply with significantly more rigorous state oversight and regulatory standards that hinder any new development and investments.

- Lack of retail and entertainment amenities – The community currently lacks diverse retail, dining, and entertainment amenities, especially those that appeal to young professionals. While the Town has made progress expanding outdoor recreation opportunities, additional commercial and lifestyle offerings remain a need.

- Small population – Parachute's population is growing at a modest pace, with constrained areas available for new residential construction within Town limits. Much of the anticipated residential growth is projected to occur in nearby Battlement Mesa.

- As a smaller town, Parachute faces inherent limitations in financial and staffing capacity. These constraints can affect the scope, pace, and implementation of large-scale initiatives and infrastructure projects. Also, while grant opportunities exist, the Town may lack sufficient local match funding, administrative capacity, or eligibility to take full advantage of them.

- Much of the Town's infrastructure was developed during the 1970s oil shale boom, resulting in systems that are now approaching the end of their useful life. Significant reinvestment will be required to maintain, upgrade, or replace aging utilities and public facilities.

Opportunities

- New Development - Love's Travel Stops has completed construction of a new travel center, convenience store, McDonald's, and Chester's Chicken. It opened in June 2023. The Gateway / Parachute Inn is a ~70-unit housing development with two commercial spaces. It has broken ground and commenced construction.

- The newly established Parachute Urban Renewal Authority, which has the ability to attract new types of development and leverage TIF district revenues to promote economic growth and housing projects.

- Potential Future Development – the Town has an abundance of vacant lots that are prime for commercial, manufacturing, and industrial businesses, including the area located around the West Parachute I70 interchange. Town officials are also seeing an increase in inquiries from real estate and development professionals about potential projects.

- Business-Friendly Environment - Parachute offers a low cost of doing business, affordable land, and streamlined permitting processes through a land use code rewrite that was completed in 2024.

- Sodium bicarbonate mineral deposits (soda ash industry) – Natural Soda Inc. is sitting on top of the resource. The identified resource has an expected life of several hundred years at the current mining level. The potential is here to easily double, or even triple current capacity as the market and investors allow.

- Potential Oil Shale extraction companies – Both Caerus Oil and Gas LLC and Terra Energy Partners have recently sold and been acquired by new, larger investment companies. With the new investment in the region, we anticipate there may be increased exploration drilling in the near future.

- Recreation and Tourism potential – The Town adopted its first ever trails master plan in June 2023. Projects have continued in 2024 toward development of new outdoor recreation opportunities for the community and guests, including the Town-owned parcels in northwest portion of the Town adjacent to Bureau of Land Management (BLM) acreage.

Threats

- Commodity Prices / Inflation – As inflation and the cost of construction continues to grow, potential development in the Town becomes less attractive. This is especially true for traditional brick-and-motor retail locations, which are lacking in the region.

- Changes in state or federal regulations that could impact funding, development projects, or operational procedures of oil and natural gas industries.

- Front range competing formations – Exploration drilling for natural gas is inherently more expensive in the mountains than on the Front Range. Once drilling resumes, the less expensive operations will be the first to start up again.

- Drought and Natural Disasters – The Town has an abundance of water rights and a resilient supply through both the Colorado River and Revel Springs intakes. However, prolonged drought and the threat of natural disasters, such as wildfires, could threaten the Town.

- Potential Reduction in State or Federal Funding – The Town is susceptible to changes and reduced funding availability from other levels of government as a result of changing federal priorities and with the state of Colorado facing budget shortfalls. Changes in grant program structures or reductions in intergovernmental revenue (e.g., severance tax, HUTF, MMOF) could limit the Town's ability to fund critical services or projects.

- Regional Competition and Cannabis Market Uncertainty – The cannabis market has been in decline across the state of Colorado. Since the City of Grand Junction approved retail marijuana stores in 2022, and the first locations opened in late 2023, the Town has seen a decline in sales tax revenue generated from the industry. Two retail stores have closed, but the Town still has four retail stores operating today.

Financial Planning and Resilience

The Town has diligently worked to secure its financial future through comprehensive fiscal planning and analysis. A thorough evaluation of our assets was completed in 2023 and 2024, and we have developed a robust asset management plan that ensures the optimal use and maintenance of town resources. We conducted detailed street condition assessments to prioritize infrastructure improvements and maximize the lifespan of our roadways. Additionally, a utility rate study was completed in 2024 to ensure that the Town is collecting sufficient resources to remain financially solvent in the long term. As a result, the Town Council adopted an updated rate structure in 2025. The new rates will distribute system costs more equitably and are estimated to increase revenues by approximately 10%. This will help the Town be prepared for future capital expenses and demonstrates our commitment to sustainable fiscal management and the continued prosperity of our community.

In addition, the Town was recently awarded the GFOA Distinguished Budget Award for the 2025 Budget document. This was the Town's first such award, and it demonstrates the Town's commitment to transparency and accountability through the established best practices of municipal finance.

Urban Renewal (URA) and Revitalization

The Town of Parachute continues to make progress in implementing targeted economic development strategies aimed at fostering long-term fiscal sustainability and community revitalization. The Parachute Renewal Partnership Urban Renewal Authority (URA), established in 2024, will be a key tool in advancing these efforts. The URA has created a framework for public-private partnerships and the use of Tax Increment Financing (TIF) to support infrastructure investment and incentivize redevelopment within designated urban renewal areas. The first Urban Renewal Plan Area is already underway with the redevelopment of the Parachute Inn property.

This project, in partnership with the developer, will significantly upgrade and renovate the dilapidated structures and construct new public improvements and infrastructure. These improvements will lay the foundation for future development and investment in the area.

Economic Development / Downtown Development Plan

In the past year, the Town has focused on aligning the Town's broader economic development priorities, including expanding commercial activity, attracting new businesses, and supporting the redevelopment of underutilized properties. These initiatives are designed to improve the local sales tax base, enhance services and amenities, and diversify the Town's economy beyond its traditional reliance on the energy sector.

To support these goals, the Town adopted the Downtown Development Plan in 2023. It identifies key infrastructure upgrades, streetscape improvements, and potential redevelopment opportunities intended to foster a more vibrant, walkable, and business-friendly downtown environment. The plan has reached 30% design and it is currently in its final stages.

Together, these coordinated efforts reflect the Town's commitment to strengthening the local economy, improving quality of life, and positioning Parachute as a welcoming and resilient community for future investment and growth.

Contacting the Town's Financial Management Staff

This financial report is designed to provide a general overview of the Town's finances, comply with finance-related laws and regulations, and demonstrate the Town's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Town at tbeecraft@parachute.gov or at 222 Grand Valley Way Parachute, CO 81635.

BASIC FINANCIAL STATEMENTS

Town of Parachute
Statement of Net Position
December 31, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 4,568,859	$ 1,227,725	$ 5,796,584
Property Taxes Receivable	545,446	-	545,446
Accounts Receivable	386,791	264,797	651,588
Inventory	35,892	-	35,892
Capital assets			
Nondepreciable	3,121,003	287,168	3,408,171
Depreciable, net of accumulated depreciation	6,967,555	2,166,120	9,133,675
Total assets	15,625,546	3,945,810	19,571,356
DEFERRED OUTFLOWS			
Deferred outflows of resources related to pensions	202,373	-	202,373
Total Deferred outflows	202,373	-	202,373
LIABILITIES			
Accounts Payable	160,698	31,381	192,079
Accrued payroll	55,532	15,933	71,465
Accrued compensated absences	141,238	43,171	184,409
Noncurrent liabilities:			
Due within one year	-	24,052	24,052
Due more than one year:	-	128,848	128,848
Net pension liability	-	-	-
Total liabilities	357,468	243,385	600,853
Deferred inflows of resources			
Deferred property taxes	545,446	-	545,446
Deferred inflows of resources related to pensions	3,285	-	3,285
Total Deferred inflows of resources	548,731	-	548,731
NET POSITION			
Invested in capital assets	10,088,558	2,300,388	12,388,946
Restricted for:			
Tabor	119,756	-	119,756
Unrestricted	4,713,406	1,402,037	6,115,443
Total net position	$ 14,921,720	$ 3,702,425	$ 18,624,145

The accompanying notes are an integral part of this statement.

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

Functions/Programs	Expenses	Program Revenues: Charges for Service and Fees	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue — Primary Government: Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	$ 1,667,821	$ 69,599	$ -	$ 393,768	$ (1,204,454)	$ -	$ (1,204,454)
Public Safety	1,009,251	14,506	-	-	(994,745)	-	(994,745)
Highway and Streets	1,259,142	-	103,555	-	(1,155,587)	-	(1,155,587)
Culture and Recreation	777,349	6,615	8,539	-	(762,195)	-	(762,195)
Total governmental activities	4,713,563	90,720	112,094	393,768	(4,116,981)	-	(4,116,981)
Business-type activities:							
Water	787,100	504,765	-	172,373	-	(109,962)	(109,962)
Wastewater	405,317	351,597	-	7,373	-	(46,347)	(46,347)
Garbage	68,472	74,686	-	-	-	6,214	6,214
Area Transit System	339,549	12,368	-	290,000	-	(37,181)	(37,181)
Total business- type activities	1,600,438	943,416	-	469,746	-	(187,276)	(187,276)
Total primary government	$ 6,314,001	$ 1,034,136	$ 112,094	$ 863,514	(4,116,981)	(187,276)	(4,304,257)

	Governmental Activities	Business-Type Activities	Total
General Revenues			
Taxes:			
Sales and Use tax	2,473,823	-	2,473,823
Property Tax	619,862	-	619,862
Franchise taxes	3,631	-	3,631
Other Tax	113,740	-	113,740
Intergovernmental	223,873	-	223,873
Oil and Gas Lease	24,905	-	24,905
Unrestricted investment earnings	170,576	51,560	222,136
Miscellaneous	21,878	-	21,878
Transfers In (out)	(75,000)	75,000	-
Total General Revenues and Transfers	3,577,288	126,560	3,703,848
Changes in Net Position	(539,693)	(60,716)	(600,409)
Net Position-January 1	15,461,413	3,763,141	19,224,554
Net Position-December 31	$ 14,921,720	$ 3,702,425	$ 18,624,145

The accompanying notes are an integral part of this statement.

Town of Parachute
Governmental Funds
Balance Sheet
December 31, 2024

	General Fund	Reserve Fund	Grant Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and Cash Equivalents	$ 867,187	$ 2,307,562	$ 291,769	$ 942,259	$ 160,082	$ 4,568,859
Property Taxes Receivable	545,446	-	-	-	-	545,446
Accounts Receivable	378,293	-	-	-	8,498	386,791
Inventory	35,892	-	-	-	-	35,892
Total assets	$ 1,826,818	$ 2,307,562	$ 291,769	$ 942,259	$ 168,580	$ 5,536,988
Liabilities						
Accounts Payable	$ 103,799	$ -	$ 26,106	$ 29,597	$ 1,196	$ 160,698
Accrued Payroll	51,296	-	-	-	4,236	55,532
Total Liabilities	155,095	-	26,106	29,597	5,432	216,230
Deferred inflows of resources						
Deferred property taxes	545,446	-	-	-	-	545,446
Total Deferred inflows of resources	545,446	-	-	-	-	545,446
Fund Balance						
Restricted						
Parks and Open Space	-	-	-	-	39,374	39,374
Emergency Reserves	119,756	-	-	-	-	119,756
Assigned						
Future Operations	-	2,307,562	265,663	-	-	2,573,225
Streets and Alleys	-	-	-	-	123,774	123,774
Capital Projects	-	-	-	912,662	-	912,662
Unassigned	1,006,521	-	-	-	-	1,006,521
Total Fund Equity	1,126,277	2,307,562	265,663	912,662	163,148	4,775,312
Total Liabilities, deferred inflows of resources and fund equity	$ 1,826,818	$ 2,307,562	$ 291,769	$ 942,259	$ 168,580	$ 5,536,988

The accompanying notes are an integral part of this statement.

Town of Parachute
Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
December 31, 2024

Total fund balance, governmental funds		$ 4,775,312
Amounts reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		
Cost of capital assets	$ 19,697,488	
Less accumulated depreciation	(9,608,930)	10,088,558
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		
Compensated absences		(141,238)
Net pension liability and related deferred inflows and outflows of resources are not recorded in the funds.		199,088
Net Position of Governmental Activities in the Statement of Net Position		$ 14,921,720

The accompanying notes are an integral part of this statement.

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

	General Fund	Reserve Fund	Grant Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 3,211,050	$ -	$ -	$ -	$ 44,797	$ 3,255,847
Licenses/Permits	46,373	-	-	-	67,297	113,670
Intergovernmental	192,977	-	256,027	125,775	-	574,779
Fines and Forfeitures	25,479	-	-	-	-	25,479
Miscellaneous	106,432	-	-	-	6,821	113,253
Interest	63,705	100,050	-	-	2,089	165,844
Total revenues	3,646,016	100,050	256,027	125,775	121,004	4,248,872
EXPENDITURES						
Current:						
Executive	120,559	-	-	-	-	120,559
Finance	327,155	-	-	-	-	327,155
Town Clerk	110,732	-	-	-	-	110,732
Police Department	856,092	-	-	-	-	856,092
Records	92,055	-	-	-	-	92,055
Community Development	152,915	-	-	-	-	152,915
Economic Development	269,359	-	-	-	-	269,359
Building Maintenance	176,715	-	-	-	-	176,715
Parks	288,329	-	-	-	-	288,329
Contributions	28,969	-	-	-	-	28,969
Other Departments	402,519	-	-	-	-	402,519
Streets and Alleys	-	-	-	-	312,434	312,434
Capital Outlay	-	-	83,368	1,695,085	-	1,778,453
Total expenditures	2,825,399	-	83,368	1,695,085	312,434	4,916,286
Excess of Revenues over (under) Expenditures	820,617	100,050	172,659	(1,569,310)	(191,430)	(667,414)
Other Financing Sources (Uses)						
Transfers In (Out)	(2,130,000)	-	-	1,800,000	255,000	(75,000)
Change in available resources	(1,309,383)	100,050	172,659	230,690	63,570	(742,414)
Fund Balances- January 1	2,435,660	2,207,512	93,004	681,972	99,578	5,517,726
Fund Balances- December 31	$ 1,126,277	$ 2,307,562	$ 265,663	$ 912,662	$ 163,148	$ 4,775,312

The accompanying notes are an integral part of this statement.

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

Net change in fund balances - total governmental funds		$ (742,414)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as deprecation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Fixed assets current additions	$ 1,067,166	
Depreciation expense	(829,721)	
Excess of capital outlay over depreciation		237,445
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences		(54,811)
Pension expenses not in current year		20,087
Change in net position of governmental funds		$ (539,693)

The accompanying notes are an integral part of this statement.

Town of Parachute
Statement of Net Position
Enterprise Funds
December 31, 2024

	Water	Wastewater	Garbage	Parks and Recreation	Area Transit System	Total Enterprise Funds
ASSETS						
Current Assets:						
Cash	$ 484,368	$ 316,144	$ 81,662	$ 5,859	$ 339,692	$ 1,227,725
Accounts receivable, net	217,340	38,020	9,437	-	-	264,797
Total current assets	701,708	354,164	91,099	5,859	339,692	1,492,522
Capital assets:						
Water Shares	282,101	-	-	-	-	282,101
Land	4,095	972	-	-	-	5,067
Property, plant and Equipment	4,104,645	1,239,125	-	-	133,276	5,477,046
Less accumulated depreciation	(2,221,111)	(973,751)	-	-	(116,064)	(3,310,926)
Total capital assets	2,169,730	266,346	-	-	17,212	2,453,288
Total Assets	2,871,438	620,510	91,099	5,859	356,904	3,945,810
LIABILITIES						
Current liabilities:						
Accounts payable	1,317	22,593	5,696	-	1,775	31,381
Accrued payroll	7,214	2,139	-	76	6,504	15,933
Accrued compensated absences	19,979	6,738	-	680	15,774	43,171
Notes Payable	24,052	-	-	-	-	24,052
Total current liabilities	52,562	31,470	5,696	756	24,053	114,537
Noncurrent Liabilities						
Notes Payable	128,848	-	-	-	-	128,848
Total noncurrent liabilities	128,848	-	-	-	-	128,848
Net Position						
Invested in capital assets, net of related debt	2,016,830	266,346	-	-	17,212	2,300,388
Unrestricted	673,198	322,694	85,403	5,103	315,639	1,402,037
Total Net Position	$ 2,690,028	$ 589,040	$ 85,403	$ 5,103	$ 332,851	$ 3,702,425

The accompanying notes are an integral part of this statement.

Town of Parachute
Statement of Revenues, Expenses and Changes in Net Position
Enterprise Funds
Year Ended December 31, 2024

	Water	Wastewater	Garbage	Parks and Recreation	Area Transit System	Total
Operating Revenues						
Charges for services	$ 501,765	$ 351,597	$ 74,686	$ -	$ 12,368	$ 940,416
Other	3,000	-	-	-	-	3,000
Total operating revenues	504,765	351,597	74,686	-	12,368	943,416
Operating Expenses						
Operations	414,817	269,122	68,472	-	46,655	799,066
Personnel	278,068	91,829	-	-	266,239	636,136
Depreciation	82,993	44,366	-	-	26,655	154,014
Total operating expenses	775,878	405,317	68,472	-	339,549	1,589,216
Operating income (loss)	(271,113)	(53,720)	6,214	-	(327,181)	(645,800)
Nonoperating revenues (expenses)						
Interest income	25,457	13,858	3,446	-	8,799	51,560
Interest expense	(11,222)	-	-	-	-	(11,222)
Total nonoperating revenues (expenses)	14,235	13,858	3,446	-	8,799	40,338
						-
Income (loss) before transfers and and Capital Contributions	(256,878)	(39,862)	9,660	-	(318,382)	(605,462)
Contributions and Transfers						
Transfers	-	-	-	-	75,000	75,000
Grants	172,373	7,373	-	-	290,000	469,746
Total Contributions and Transfers	172,373	7,373	-	-	365,000	544,746
Change in net position	(84,505)	(32,489)	9,660	-	46,618	(60,716)
Total net position, January 1	2,774,533	621,529	75,743	5,103	286,233	3,763,141
Total net position, December 31	$ 2,690,028	$ 589,040	$ 85,403	$ 5,103	$ 332,851	$ 3,702,425

The accompanying notes are an integral part of this statement.

Town of Parachute
Statement of Cash Flows
Enterprise Funds
Year Ended December 31, 2024

Cash Flows From Operating Activities	**Water**	**Wastewater**	**Garbage**	**Parks and Recreation**	**Area Transit System**	**Total Enterprise Funds**
Cash received from customer and others	$ 329,820	$ 346,426	$ 74,262	$ -	$ 12,368	$ 762,876
Cash payments for personnel	(407,917)	(266,556)	(68,472)	-	(41,436)	(784,381)
Cash payments for goods and services	(294,809)	(89,712)	(40)	-	(265,084)	(649,645)
Net cash provided (used) by operating activities	(372,906)	(9,842)	5,750	-	(294,152)	(671,150)
Cash Flows from Noncapital Financing Activities						
Transfers	-	-	-	-	75,000	75,000
Net cash provided (used) by noncapital financing activities	-	-	-	-	75,000	75,000
Cash Flows from Capital and Related Financing Activities						
Receipt of capital grants	172,373	7,373	-	-	290,000	469,746
Acquisition and construction of capital assets	(13,134)	(12,540)	-	-	-	(25,674)
Long term debt payment- principal	(22,527)	-	-	-	-	(22,527)
Long term debt payment- interest	(11,222)	-	-	-	-	(11,222)
Net cash provided (used) by capital and related financing activities	125,490	(5,167)	-	-	290,000	410,323
Cash Flows from Investing Activities						
Interest on investments	25,457	13,858	3,446	-	8,799	51,560
Net Cash provided by Investing Activities	25,457	13,858	3,446	-	8,799	51,560
Net increase (decrease) in cash and equivalents	(221,959)	(1,151)	9,196	-	79,647	(134,267)
Cash balances, January 1	706,327	317,295	72,466	5,859	260,045	1,361,992
Cash balances, December 31	$ 484,368	$ 316,144	$ 81,662	$ 5,859	$ 339,692	$ 1,227,725
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	$ (271,113)	$ (53,720)	$ 6,214	$ -	$ (327,181)	$ (645,800)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	82,993	44,366	-	-	26,655	154,014
Assets (increase) decrease:						
Accounts receivables	(173,362)	(5,171)	(424)	-	-	(178,957)
Liabilities increase (decrease):						
Accounts payable	(16,741)	2,117	(40)	-	1,155	(13,509)
Accrued payroll	728	53	-	-	726	1,507
Accrued compensated absences	6,172	2,513	-	-	4,493	13,178
Unearned revenues	(1,583)	-	-	-	-	(1,583)
Total adjustments	(101,793)	43,878	(464)	-	33,029	(25,350)
Net cash provided (used) by operating activities	$ (372,906)	$ (9,842)	$ 5,750	$ -	$ (294,152)	$ (671,150)

The accompanying notes are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Parachute, Colorado (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Financial Reporting Entity

The Town is a municipality with a mayor and town council's form of government that are elected by the voters. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town of Parachute (the primary government). The Town has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing body.

B. Government-wide Financial Statements

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

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

C. Fund Financial Statements

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Note 1 - Summary of Significant Accounting Policies (continued)

C. Fund Financial Statements (continued)

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period.

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

The Town reports the following major governmental funds:

- The General Fund is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.
- The Reserve Fund is a special revenue fund used to account for funds set aside by the council for future operations and emergency reserves.
- The Capital Improvement Fund accounts for long-term capital construction projects of the Town.
- The Grant Fund is utilized to account for grants received from external entities to be used in the construction or purchase of capital assets.

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Town are charges for water, sewer, and garbage income. Operating expenses for the enterprise funds include purchased services, utilities, repairs and maintenance, supplies, insurance and depreciation cost. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Town reports the following major enterprise fund business-type activities:

- Water, Wastewater and Garbage Funds, which account for all operations of the Town's water, sewer and garbage services. They are primarily financed by user charges.
- Parks and Recreation Fund, which account for all operations of the Town's Park and recreation services. They are primarily financed by user charges.
- Area Transit System Fund, which account for the operations of the Town's public busing system, which is financed by user charges.

Note 1 - Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due, and compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

Those revenues susceptible to accrual are interest revenue and charges for services. Entitlement revenues are not susceptible to accrual because generally, they are not measurable until received. Grant revenues are recognized as they are earned.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

E. Cash and Cash Equivalents

For the purposes of the statement of cash flows of the enterprise funds, cash and cash equivalents consist of operating and restricted cash and highly liquid securities with an initial maturity of three months or less.

F. Investments

Investments at December 31, 2024, consisted of investments with Colotrust which is stated at net asset value.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 1 - Summary of Significant Accounting Policies (continued)

H. Property Taxes

Property taxes for the current year are levied and attached as a lien on property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable at December 31. However, since the taxes are not available to pay current liabilities, the receivable is recorded as deferred inflow of resources in the governmental and enterprise funds.

I. Capital Assets

Capital assets, which include property, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of one or more years, and for which the initial, individual value equals or exceeds $ 5,000.

All purchased assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Asset Class	Useful Life
Buildings	50 years
Building Improvements	10-20 years
Water Distribution System	5-40 years
Wastewater Facilities	50 years
Vehicles, Machinery and Equipment	5-10 years
Infrastructure	10-20 years

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets as their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

Under GASB 34 the town is not required to retroactively report on infrastructure assets before June 30, 2004. Therefore, infrastructure assets before that date are not shown on the financial statements.

Note 1 - Summary of Significant Accounting Policies (continued)

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position/balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position/balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports unavailable revenue for property taxes to be collected in the subsequent period. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

K. Long-Term Liabilities

In the government-wide financial statements, and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise fund type statement of net position.

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

L. Compensated Absences

Accumulated unpaid vacation amounts are accrued as a liability as the benefits are earned, if the employees' rights to receive compensation are attributable to services already rendered, and it is probable that the employer will compensate employees for the benefits through paid time off or some other means. A portion of accumulated unpaid sick leave amounts are accrued as a liability as the benefits are earned, if the employees' rights to receive compensation are attributable to services already rendered, and it is probable that the employer will compensate employees for the benefits through paid time off or some other means. The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated liability at the fund reporting level only when due. Proprietary funds report the liability when incurred.

Note 1 - Summary of Significant Accounting Policies (continued)

M. Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements on those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

N. Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year end, outstanding balances between funds are reported as "due to/from other funds." Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

O. Encumbrances

The Town does not use an encumbrance system for budgetary control.

P. Accounts Receivable

The Town considers accounts receivable for water and sewer to be fully collectible because the Town can place liens on the individual properties; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Q. Fund Equity

Beginning with fiscal year 2011, the Town implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance-amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation;

Note 1 - Summary of Significant Accounting Policies (continued)

Q. Fund Equity (continued)

- Committed fund balance-amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
- Assigned fund balance-amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance-amounts that are available for any purpose; positive amounts are reported only in the general fund.

When expenditures are incurred for purposes for which both restricted and unrestricted net position are available, the Town considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town Council has provided otherwise in its commitment or assignment actions.

Note 2 - Reconciliation of Government-wide and Fund Financial Statements

The governmental funds balance sheet includes reconciliation between fund balances total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net change in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The enterprise fund statement of net position and statement of revenues, expenses and changes in net position also includes reconciliation to the government-wide statement of net position and activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the governmental fund statements during the consolidation of governmental activities.

Note 3 - Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments, excluding “enterprises.”

Note 3 - Tax, Spending and Debt Limitations (continued)

In November 1998, a majority of the Town's electors approved a ballot issue permitting the Town, without increasing or adding any taxes of any kind, to collect, retain, and expend the full proceeds of the Town's fees, revenues and non-federal grants and to spend such revenue for debt service, municipal operations, capital projects, and any other lawful municipal operations, notwithstanding any state restrictions on fiscal year spending, including, without limitation the restrictions of Article X, Section 20, of the Colorado Constitution from the date of January 1,1994 and thereafter.

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment.

The Amendment requires that an emergency reserve be maintained at three percent of fiscal year spending. A portion of the General and Reserve Funds' fund balance are classified as restricted for emergencies as required by the Amendment. Total emergency reserves for 2024 was $119,756.

Note 4 - Budgets

The Town adheres to the following procedures in establishing budgetary data reflected in the financial statements:

A. By September of each year, the administrator gives public notice of the budget calendar for the next fiscal year. The administrator asks that all Town departments, boards, commissions or citizens submit within thirty days from the notice, any request for funds under the budget being prepared. The administrator then prepares a proposed budget for the ensuing fiscal year and submits it to the Council no later than forty-five days prior to any date required by state law for the certification to the County of the tax levy.
B. The budget provides a complete financial plan of all Town funds and activities for the ensuing fiscal year indicating anticipated revenues, proposed operating and capital expenditures, a provision for contingencies, and anticipated net surplus or deficit for the ensuing fiscal year.
C. A public hearing on the proposed budget is held by the Council in early December.
D. The Council adopts the budget by resolution on or before the final day established by law for the certification of the ensuing year's tax levy to the County. Adoption of the budget by the Council shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.
E. If during the fiscal year the administrator determines that there are expenses in excess of those estimated in the budget, the Council by resolution may make supplemental appropriations for the year up to the amount of such excess. To meet an emergency affecting public property, health, peace or safety, the Council may make emergency appropriations. If at any time during the fiscal year it appears probable to the administrator that the revenues available will be insufficient to meet the amount appropriated, the administrator reports to the Council, indicating the estimated amount of deficit, any remedial action already taken, and a recommendation as to any other steps to be taken. Any time during the fiscal year the administrator may transfer part or all of any unencumbered appropriation balance within a department.
F. Budget appropriations lapse at the end of each year.

Note 4 - Budgets (continued)

G. Expenditures may not exceed appropriations at the fund level. Budget amounts included in the financial statements are based on the final amended budget. There were revisions made to the original budgeted expenditures for the Grant Fund for the year ending December 31, 2024.
H. Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for long-term receivables and advances and capital lease financing which are budgeted when liquidated rather than when the receivable/liability is incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds.
I. Budget for the Enterprise Funds are adopted on a basis consistent with the Governmental Funds.

Note 5 - Deposits and Investments

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local governments deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. 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 the aggregate uninsured deposits. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At December 31, 2024, the bank balance of the Town's deposits was $3,262,612 of which $250,000 was covered by federal depository insurance and $3,012,612 was collateralized under PDPA.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. Authorized investments include obligations of the United States and certain U.S. government agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptances of certain banks; commercial paper; local government investment pools; written repurchase agreements collateralized by certain authorized securities; certain money market funds; and guaranteed investment contracts. The Town has no formal investment policy. At December 31, 2023, the Town’s investments included funds held in government Colotrust.

The Town had invested $2,578,371 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operates similarly to a money market fund and each share is equal in value to $1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities.

Note 5 - Deposits and Investments (continued)

A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to and are not registered with the SEC. COLOTRUST's funds are rated AAA by Standard and Poor's, Fitch's and Moody's rating services.

The composition of all cash and cash investments held by the Town at December 31, 2024 is as follows:

Cash on hand	$ 400
Cash in bank	3,217,814
Colotrust	2,578,371
Total cash and investments	$ 5,796,585

Note 6 - Interfund Transactions

Interfund Transfers

The outstanding balance between funds result mainly from the time lag between the date of payments between funds are made and borrowing from the pooled cash account.

The following are the interfund transfers that occurred in 2024:

	Transfers	
Funds	In	Out
General Fund	$ -	$ 2,130,000
Capital Improvement Fund	1,800,000	-
Street and alleys Fund	255,000	-
Area Transit System Fund	75,000	-
Totals	$ 2,130,000	$ 2,130,000

Note 7 - Long-Term Liabilities

Schedule of Long-Term Debt

Governmental Activities	Balance January 1, 2024	Additions	Reductions	Balance December 31, 2024	Due within one year
Compensated absences	$ 86,429	$ 54,809	$ -	$ 141,238	$ 141,238
Total	$ 86,429	$ 54,809	$ -	$ 141,238	$ 141,238
Enterprise Activities					
Note payable-Alpine Bank	$ 175,427	$ -	$ (22,527)	$ 152,900	$ 24,052
Compensated absences	29,992	13,178	-	43,170	43,170
Total	$ 205,419	$ 13,178	$ (22,527)	$ 196,070	$ 67,222

Alpine Bank

The Town entered into a note payable with Alpine Bank for $250,000 on November 2005 to be used for the expansion of the water treatment plant. Payments are due in annual installments of $17,926 due April 1, 2006 through 2025 at an interest of 3.60%. Principal and interest payments are payable from income derived by the Town from operation of the water system. Principal and interest requirements for this loan are as follows:

	Principal	Interest	Totals
2025	17,481	1,161	18,642

The town borrowed an additional $175,000 at 6.50% on the loan in 2018 with an additional monthly payment of $1,265.02. Principal and interest payments are payable from income derived by the Town from operation of the water system. Principal and interest requirements for this loan are as follows:

	Principal	Interest	Totals
2025	$ 6,571	$ 8,609	$ 15,180
2026	7,012	8,169	15,181
2027	7,481	7,699	15,180
2028	7,982	7,198	15,180
2029	8,517	6,663	15,180
2030 to 2034	51,943	23,958	75,901
2035 to 2039	45,913	5,347	51,260
Total	$ 135,419	$ 67,643	$ 203,062

Note 8 - Contingent liabilities

Risk management

The Town is exposed to various risks of loss related to torts; theft of, damages to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town pays an annual premium to CIRSA Property/Casualty and Workers' Compensation for its general liability and workmen's compensation insurance coverage. The agreement with CIRSA will be self-sustaining through member premiums. CIRSA rate-setting policies are established by the Board of Directors, in consultation with independent actuaries. The Board of Directors may credit member municipalities' future contributions in the event of a surplus. Although it has never occurred, CIRSA member municipalities are subject to a supplemental assessment in the event of a deficiency.

There were no settlements exceeding insurance coverage over the last three years.

Note 9 - Retirement Plans

Defined Contribution Plan

The Town participates in the Colorado Retirement Association Defined Contribution Plan (CRA), a multiple-employer public employee retirement system, which is a qualified plan as defined by Internal Revenue Service Code Section 401 (A) and CRS 24.54. The plan provides retirement benefits through a defined contribution plan to participating Colorado counties, municipalities, and special districts. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Plan provisions and contribution requirements are established and may be amended by CRA and would have to be approved by the Town.

There are no unfunded past service liabilities. All of its full-time employees and regular part-time employees, who work 30 hours or more per week, are eligible to contribute to the plan. Employees are eligible to participate immediately upon employment. Both the Town and the employees contribute 5% of the employee's monthly base salary to the plan. Employees may also make additional contributions up to a maximum of 10% of compensation.

Employees are immediately vested in their participant contributions and become vested in employer contributions to the plan over a five-year period. For the year ended December 31, 2024, the Town's total payroll was $1,599,367, the total covered payroll by the retirement plan was $1,145,866. During 2024, the Town and employees each made their respectively required contribution of $57,515 and $57,515, for a total of $115,030. Complete financial statements for the retirement plans may be obtained from CRA, 4949 S. Syracuse St., Suite 400, Denver, Colorado, 80237.

Note 9 - Retirement Plans (continued)

Defined Benefit Plan

The Town's police officers participate in the Statewide Defined Benefit Plan (SWDB), which is a cost-sharing multiple-employer defined benefit pension plan. The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at http://www.fppaco.org.

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 55 (Rule of 80).

The annual normal retirement benefit is 2 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 for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings. In 2022, members of the SWDB plan and their employers are contributing at the rate of 12 percent and 9.5 percent, respectively, of pensionable earnings for a total contribution rate of 21.5 percent.

Note 9 - Retirement Plans (continued)

Defined Benefit Plan- SWDB (continued)

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 6.0 percent and 4.5 percent, respectively, of pensionable earnings for a total contribution rate of 10.5 percent in 2021. Per the 2014-member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

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

At December 31, 2024, the Entity reported a net pension liability of $ 0. The net pension 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 December 31, 2023. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2023, the Town's proportion was 0.03590%, which was an increase of 0.00166% from its proportion of 0.03424% measured as of December 31, 2022.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resource. For the year ended December 31, 2024, the Town recognized pension expense of $20,087 related to the SWDB.

At December 31, 2024, the Entity 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	$ 68,365	$ 3,285
Changes in assumptions	39,654	-
Net difference between projected and actual earnings on pension plan investments	49,080	-
Contributions subsequent to the measurment date	45,274	-
Total	$ 202,373	$ 3,285

Note 9 - Retirement Plans (continued)

Defined Benefit Plan- SWDB (continued)

The SWDB plan reported $202,373 as deferred outflows of resources related to pensions resulting from the Town contributions subsequent to the measurement date will be recognized as an increase in net position asset in the year ended December 31, 2024.

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:		
2024	$	23,543
2025	$	39,209
2026	$	56,058
2027	$	7,615
2028	$	9,397
Thereafter	$	14,992

The actuarial valuations for the Statewide Retirement Plan 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:

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of payroll, Open
Amortization Period	30 years
Long-term Investment rate of return*	7.0%
Projected Salary Increases	4.25%-11.25%
Cola adjustment	0.0%
*Includes Inflation At	2.5%

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

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

Note 9 - Retirement Plans (continued)

Defined Benefit Plan- SWDB (continued)

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

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	35%	8.33%
Equity Long/Short	6%	7.27%
Private Markets	34%	10.31%
Fixed Income- Rates	10%	5.35%
Fixed Income- Credit	5%	5.89%
Absolute Return	9%	6.39%
Cash	1%	4.32%
Total	100.00%	

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

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

Note 9- Retirement Plans (continued)

Defined Benefit Plan- SWDB (continued)

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

1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
$201,292	$ -	$ -

Note 10- Capital Assets

Governmental Activities	Balance January 1, 2024	Additions	Dispositions	Balance December 31, 2024
Capital assets not being depreciated				
Land	$ 3,121,003	$ -	$ -	$ 3,121,003
	3,121,003	-	-	3,121,003
Capital assets being depreciated				
Buildings	4,617,247	592,201	-	5,209,448
Improvements/infrastructure	8,942,483	83,368	-	9,025,851
Furniture and equipment	243,631	-	-	243,631
Machinery and equipment	777,717	56,570	-	834,287
Vehicles	928,239	335,027	-	1,263,266
	15,509,317	1,067,166	-	16,576,483
Less accumulated depreciation				
Buildings	(1,621,740)	(125,976)	-	(1,747,716)
Improvements/infrastructure	(5,829,057)	(513,307)	-	(6,342,364)
Furniture and equipment	(217,001)	(11,515)	-	(228,516)
Machinery and equipment	(441,671)	(49,347)	-	(491,018)
Vehicles	(669,738)	(129,576)	-	(799,314)
	(8,779,207)	(829,721)	-	(9,608,928)
Capital asset being depreciated, net	6,730,110	237,445	-	6,967,555
Total Capital Assets	$ 9,851,113	$ 237,445	$ -	$ 10,088,558

Depreciation was charged to governmental activity functions/programs as follows:

General government	$ 109,772
Public safety	80,422
Highway and streets	489,631
Culture and recreation	149,896
Total	$ 829,721

Note 10 - Capital Assets (continued)

Business - Type Activities	Balance January 1, 2024	Additions	Dispositions	Balance December 31, 2024
Capital assets not being depreciated				
Land and water rights	$ 287,168	$ -	$ -	$ 287,168
Capital assets being depreciated				
Water utility system	3,038,625	-	-	3,038,625
Wastewater utility system	1,019,132	-	-	1,019,132
Water and storage tanks	848,143	-	-	848,143
Machinery and equipment	326,771	25,674	-	352,445
Vehicles	218,701	-	-	218,701
Less accumulated depreciation	(3,156,913)	(154,013)	-	(3,310,926)
Capital assets being depreciated, net	2,294,459	(128,339)	-	2,166,120
Total Business-Type Activities Capital Assets	$ 2,581,627	$ (128,339)	$ -	$ 2,453,288

Depreciation charged to the Enterprise Funds are as follows:

Water Fund	$ 82,993
Wastewater Fund	44,366
Area Transit System Fund	26,655
Total	$ 154,014

Town of Parachute
Schedule of Town's Proportionate Share of Net Pension Asset/Liability
Fire and Police Association of Colorado
Statewide Defined Benefit Plan
Year Ended December 31, 2023 (Measurement Date)

	2023	2022	2021	2020	2019	2018	2017	2016
Town's portion of the net pension assets (liability)	0.03590%	0.03424%	0.03450%	0.35484%	0.03215%	0.04390%	0.03796%	0.04463%
Town's proportionate share of the net pension asset (liability)	$ -	$ (30,391)	$ 186,965	$ 22,801	$ 18,185	$ (55,502)	$ 54,604	$ (15,402)
Town's covered payroll	$ 398,299	$ 321,320	$ 285,013	$ 236,988	$ 256,288	$ 294,287	$ 222,016	$ 218,150
Town's proportionate share of the net pension asset (liability) as a percentage of covered payroll	0.00%	-9.46%	65.60%	9.62%	7.10%	-18.86%	24.59%	-7.06%
Plan fiduciary net position as a percentage of the total pension assets/(liability)	100.00%	97.60%	116.20%	106.70%	101.90%	95.20%	106.30%	98.21%

Note to Schedule

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complied, the Town is presenting information for those years for which information is available.

Town of Parachute
Schedule of Town's Contributions to Pension Plan
Fire and Police Association of Colorado
Statewide Defined Benefit Plan
For the Year Ended December 31, 2023 (Measurement Date)

	2023	2022	2021	2020	2019	2018
Contractually required contributions	$ 33,504	$ 26,810	$ 22,801	$ 18,959	$ 20,503	$ 23,543
Contributions in relation to the contractually required contribution	$ 33,504	$ 26,810	$ 22,801	$ 18,959	$ 20,503	$ 23,543
Contribution (excess) deficiency	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	$ 398,299	$ 321,320	$ 285,013	$ 236,988	$ 256,288	$ 294,287
Contributions as a percentage of covered payroll	8.41%	8.34%	8.00%	8.00%	8.00%	8.00%

Note to Schedule

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complied, the Town is presenting information for those years for which information is available.

Town of Parachute
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Property Tax	$ 598,646	$ 598,646	**$ 619,862**	$ 21,216
Sales Tax	2,460,000	2,460,000	**2,465,785**	5,785
Use Tax	90,000	90,000	**8,038**	(81,962)
Lodging Tax	110,000	110,000	**108,645**	(1,355)
Other Tax	9,000	9,000	**8,720**	(280)
Fines and Forfeitures	60,050	60,050	**25,479**	(34,571)
Licenses and Permits	57,275	57,275	**46,373**	(10,902)
State Mineral Severance	85,000	85,000	**49,223**	(35,777)
Sate Mineral Lease	148,000	148,000	**131,788**	(16,212)
State Grants	5,766	5,766	**11,966**	6,200
Miscellaneous	124,150	124,150	**106,432**	(17,718)
Interest	98,000	98,000	**63,705**	(34,295)
Total revenues	3,845,887	3,845,887	**3,646,016**	(199,871)
Expenditures				
Executive	189,340	189,340	**120,559**	68,781
Finance	358,265	358,265	**327,155**	31,110
Town Clerk	126,125	126,125	**110,732**	15,393
Police Department	894,851	894,851	**856,092**	38,759
Records	92,420	92,420	**92,055**	365
Community Development	184,917	184,917	**152,915**	32,002
Economic Development	369,345	369,345	**269,359**	99,986
Building Maintenance	194,990	194,990	**176,715**	18,275
Parks	296,006	296,006	**288,329**	7,677
Contributions	40,240	40,240	**28,969**	11,271
Other Departments	600,092	600,092	**402,519**	197,573
Total Expenditures	3,346,591	3,346,591	**2,825,399**	521,192
Excess of Revenues over (under) Expenditures	499,296	499,296	**820,617**	321,321
Other Financing Sources (Uses)				
Transfers (Out)	(2,130,000)	(2,130,000)	**(2,130,000)**	-
Change in available resources	(1,630,704)	(1,630,704)	**(1,309,383)**	321,321
Fund Balance, January 1	2,552,866	2,552,866	**2,435,660**	(117,206)
Fund Balance, December 31	$ 922,162	$ 922,162	**$ 1,126,277**	$ 204,115

Town of Parachute
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Reserve Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Interest Income	$ -	$ -	**$ 100,050**	$ 100,050
Total revenues	-	-	**100,050**	100,050
Expenditures				
Expenditures	-	-	**-**	-
Total expenditures	-	-	**-**	-
Change in available resources	-	-	**100,050**	100,050
Fund balance, January 1	2,077,800	2,077,800	**2,207,512**	129,712
Fund balance, December 31	$ 2,077,800	$ 2,077,800	**$ 2,307,562**	$ 229,762

Town of Parachute
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Grant Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Grant Revenues	$ -	$ 250,000	**$ 256,027**	$ 6,027
Total revenues	-	250,000	**256,027**	6,027
Expenditures				
Expenditures	-	200,000	**83,368**	116,632
Total expenditures	-	200,000	**83,368**	116,632
Change in available resources	-	50,000	**172,659**	122,659
Fund balance, January 1	1,578	1,578	**93,004**	91,426
Fund balance, December 31	$ 1,578	$ 51,578	**$ 265,663**	$ 214,085

Town of Parachute
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Capital Improvement Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	**Final**	**Actual**	**(Unfavorable)**
Revenues				
Grants	$ 660,000	$ 660,000	**$ 125,775**	$ (534,225)
Total revenues	660,000	660,000	**125,775**	(534,225)
Expenditures				
Capital Outlay	2,844,365	2,844,365	**1,695,085**	1,149,280
Total expenditures	2,844,365	2,844,365	**1,695,085**	1,149,280
Excess of Revenues over (under) Expenditures	(2,184,365)	(2,184,365)	**(1,569,310)**	(1,683,505)
Other Financing Sources (Uses)				
Net Transfers In (Out)	1,800,000	1,800,000	**1,800,000**	-
Change in available resources	(384,365)	(384,365)	**230,690**	615,055
Fund Balance, January 1	479,131	479,131	**681,972**	202,841
Fund Balance, December 31	$ 94,766	$ 94,766	**$ 912,662**	$ 817,896

Town of Parachute
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	Conservation Trust Fund		Streets and Alleys Fund		Total Nonmajor Governmental Funds	
Assets						
Cash and cash equivalents	$	39,374	$	120,708	$	160,082
Accounts receivable		-		8,498		8,498
Total assets	$	39,374	$	129,206	$	168,580
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable	$	-	$	1,196	$	1,196
Accrued Payroll		-		4,236		4,236
Total liabilities		-		5,432		5,432
Fund balances:						
Unreserved:		39,374		123,774		163,148
Total fund balances		39,374		123,774		163,148
Total liabilities and fund balances	$	39,374	$	129,206	$	168,580

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

	Conservation Trust Fund	Streets and Alleys Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ -	$ 44,797	$ 44,797
Intergovernmental	8,539	58,758	67,297
Interest Income	1,744	5,077	6,821
Miscellaneous	-	2,089	2,089
Total revenues	10,283	110,721	121,004
EXPENDITURES			
Street and Alleys	-	312,434	312,434
Total expenditures	-	312,434	312,434
Excess revenues over (under) expenditures	10,283	(201,713)	(191,430)
Other Financing Sources (Uses)			
Transfers in (out)	-	255,000	255,000
Net change in fund balance	10,283	53,287	63,570
Fund balance, January 1	29,091	70,487	99,578
Fund balance, December 31	$ 39,374	$ 123,774	$ 163,148

Town of Parachute
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Conservation Trust Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Lottery funds	$ 9,500	$ 9,500	**$ 8,539**	$ (961)
Interest	-	-	**1,744**	1,744
Total revenues	9,500	9,500	**10,283**	783
Expenditures				
Capital Projects	-	-	**-**	-
Total expenditures	-	-	**-**	-
Excess of Revenues over (under) Expenditures	9,500	9,500	**10,283**	783
Fund Balance, January 1	27,914	27,914	**29,091**	1,177
Fund Balance, December 31	$ 37,414	$ 37,414	**$ 39,374**	$ 1,960

Town of Parachute
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Street and Alleys Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Taxes	$ 38,500	$ 38,500	**$ 44,797**	$ 6,297
Intergovernmental	52,000	52,000	**58,758**	6,758
Interest Income	-	-	**5,077**	5,077
Miscellaneous	2,000	2,000	**2,089**	89
Total revenues	92,500	92,500	**110,721**	18,221
Expenditures				
Street and Alleys	372,315	372,315	**312,434**	59,881
Total expenditures	372,315	372,315	**312,434**	59,881
Excess of Revenues over (under) Expenditures	(279,815)	(279,815)	**(201,713)**	78,102
Other Financing Sources (Uses)				
Transfers In/out	255,000	255,000	**255,000**	-
Change in available resources	(24,815)	(24,815)	**53,287**	78,102
Fund Balance, January 1	65,206	65,206	**70,487**	5,281
Fund Balance, December 31	$ 40,391	$ 40,391	**$ 123,774**	$ 83,383

Town of Parachute
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Water Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Charges for Services	$ 454,481	$ 454,481	**$ 501,765**	$ 47,284
Interest Income	50	50	**25,457**	25,407
Grants	-	-	**172,373**	172,373
Tap Fees	30,000	30,000	**-**	(30,000)
Miscellaneous	200	200	**3,000**	2,800
Total revenues	484,731	484,731	**702,595**	217,864
Expenditures				
Personnel	293,280	293,280	**278,068**	15,212
Office	2,020	2,020	**3,846**	(1,826)
Operations Supplies	19,400	19,400	**17,066**	2,334
Water	14,000	14,000	**9,663**	4,337
Repairs and Maintenance	56,500	56,500	**51,465**	5,035
Purchased Services	5,400	5,400	**4,013**	1,387
Insurance	14,270	14,270	**14,270**	-
Utilities	36,600	36,600	**23,298**	13,302
Professional Services	49,100	49,100	**24,283**	24,817
Other Expenses	31,500	31,500	**17,710**	13,790
Debt Service	31,540	31,540	**33,749**	(2,209)
Capital Outlay	313,300	313,300	**262,337**	50,963
Total expenditures	866,910	866,910	**739,768**	127,142
Change in available resources	(382,179)	(382,179)	**(37,173)**	345,006
Available resources, January 1	736,509	736,509	**710,371**	(26,138)
Available resources, December 31	$ 354,330	$ 354,330	**$ 673,198**	$ 318,868

Town of Parachute
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Wastewater Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Charges for Services	$ 334,000	$ 334,000	**$ 351,597**	$ 17,597
Interest Income	-	-	**13,858**	13,858
Grant Revenue	-	-	**7,373**	7,373
Tap Fees	15,750	15,750	**-**	(15,750)
Miscellaneous	-	-	**-**	-
Total revenues	349,750	349,750	**372,828**	23,078
Expenditures				
Personnel	97,235	97,235	**91,829**	5,406
Office	4,330	4,330	**4,869**	(539)
Operations Supplies	1,200	1,200	**1,080**	120
Treatment	181,500	181,500	**187,139**	(5,639)
Repairs and Maintenance	17,000	17,000	**17,379**	(379)
Purchased Services	3,030	3,030	**2,252**	778
Utilities	8,700	8,700	**6,079**	2,621
Professional Services	15,000	15,000	**26,322**	(11,322)
Other Expenses	61,560	61,560	**24,002**	37,558
Capital Outlay	22,000	22,000	**12,540**	9,460
Total expenditures	411,555	411,555	**373,491**	38,064
Change in available resources	(61,805)	(61,805)	**(663)**	61,142
Available Resources, January 1	321,696	321,696	**323,357**	1,661
Available Resources, December 31	$ 259,891	$ 259,891	**$ 322,694**	$ 62,803

Town of Parachute
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Garbage Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Charges for Services	$ 74,000	$ 74,000	**$ 74,686**	$ 686
Interest Income	-	-	**3,446**	3,446
Total revenues	74,000	74,000	**78,132**	4,132
Expenditures				
Contract Hauler	80,184	80,184	**68,472**	11,712
Total expenditures	80,184	80,184	**68,472**	11,712
Change in available resources	(6,184)	(6,184)	**9,660**	15,844
Available resources, January 1	74,029	74,029	**75,743**	1,714
Available resources, December 31	$ 67,845	$ 67,845	**$ 85,403**	$ 17,558

Town of Parachute
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Charges for Services	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures				
Personnel	-	-	-	-
Office	-	-	-	-
Operations Supplies	-	-	-	-
Repairs and Maintenance	-	-	-	-
Purchased Services	-	-	-	-
Utilities	-	-	-	-
Professional Services	-	-	-	-
Other Expenses	-	-	-	-
Total expenditures	-	-	-	-
Change in available resources	-	-	-	-
Available resources, January 1	5,101	5,101	**5,103**	2
Available resources, December 31	$ 5,101	$ 5,101	**$ 5,103**	$ 2

Town of Parachute
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Area Transit System Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable
Revenues	**Original**	**Final**	**Actual**	**(Unfavorable)**
Grants	$ 290,000	$ 290,000	**$ 290,000**	$ -
Charges for Services	17,200	17,200	**12,368**	(4,832)
Interest Income	-	-	**8,799**	8,799
Total revenues	307,200	307,200	**311,167**	3,967
Expenditures				
Personnel	258,105	258,105	**266,239**	(8,134)
Operations Supplies	1,750	1,750	**501**	1,249
Repairs and Maintenance	16,500	16,500	**9,091**	7,409
Purchased Services	3,000	3,000	**2,692**	308
Insurance	4,760	4,760	**4,760**	-
Utilities	1,350	1,350	**1,181**	169
Professional Services	750	750	**-**	750
Other Expenses	72,800	72,800	**28,430**	44,370
Total expenditures	359,015	359,015	**312,894**	46,121
Excess of Revenues over (under) Expenditures	(51,815)	(51,815)	**(1,727)**	50,088
Other Financing Sources (Uses)				
Transfers in	75,000	75,000	**75,000**	-
Change in available resources	23,185	23,185	**73,273**	50,088
Available resources, January 1	235,051	235,051	**242,365**	7,314
Available resources, December 31	$ 258,236	$ 258,236	**$ 315,638**	$ 57,402

Financial Planning 02/01

The public report burden for this information collection is estimated to average 380 hours annually. Form # 350-050-36

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Parachute
		YEAR ENDING : Dec-24
This Information From The Records Of:	Town of Parachute	Prepared By: Teresa Beecraft, Finance Director Phone: 970.285.7630

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	255,000
3. Other local imposts (from page 2)	14,211
4. Miscellaneous local receipts (from page 2)	13,533
5. Transfers from toll facilities	0
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	0
b. Bonds - Refunding Issues	0
c. Notes	0
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	282,744
B. Private Contributions	0
C. Receipts from State government (from page 2)	91,433
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	374,177

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	368,190
2. Maintenance:	4,305
3. Road and street services:	
a. Traffic control operations	46,058
b. Snow and ice removal	5,658
c. Other	23,612
d. Total (a. through c.)	75,328
4. General administration & miscellaneous	202,433
5. Highway law enforcement and safety	0
6. Total (1 through 5)	650,257
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	0
D. Payments to toll facilities	0
E. Total disbursements (A.6 + B.3 + C + D)	650,257

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)	0	0	0	0

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
70,487	365,721	312,435	123,774	123,774

Notes and Comments:

Less Dola Grant in Capital Fund	-	
Less Traffic revenues in General fund	8,455.80	230
Less repaving in capital fund		337,822.00

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

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): Dec-24

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments	0	a. Interest on investments	5,077
b. Other local imposts:		b. Traffic Fines & Penalities	8,456
1. Sales Taxes	12,122	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	2,089	g. Other Misc. Receipts	0
6. Total (1. through 5.)	14,211	h. Other	0
c. Total (a. + b.)	14,211	i. Total (a. through h.)	13,533
	(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	58,758	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	32,675	d. Federal Transit Admin	0
d. DOLA Grants	0	e. U.S. Corps of Engineers	0
e. Garfield FMLD Grants	0	f. Other Federal	0
f. Cdot	0		
g. Total (a. through f.)	32,675	g. Total (a. through g.)	0
4. Total (1. + 2. + 3.f)	91,433	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		2,079	2,079
b. Engineering Costs		7,489	7,489
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements		330,333	330,333
(3). System Preservation		28,289	28,289
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	358,622	358,622
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	368,190	368,190
			(Carry forward to page 1)

Notes and Comments:

Capital outlay was paid from Capital Fund instead of Street Fund	
Engineering costs, capacity improvements and system preservation	337,822
	0
Traffic fines were received in General fund	8,456