Annual Financial Report

# Town of Pierce

Pierce, Colorado

For the Year Ended December 31, 2024

Tim Chavies & Associates, Inc.
*Certified Public Accountants*
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**TOWN OF PIERCE, COLORADO**

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December 31, 2024

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# INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Town of Pierce
Pierce, 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 Pierce, State of Colorado, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund, and the aggregate remaining fund information of the Town of Pierce, State of 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 Pierce, State of 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Pierce, State of 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 Responsibility for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on 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 Pierce, State of Colorado's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Pierce, State of 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 on pages 4-8 and budgetary comparison information on pages 31-35 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 inquires, 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 Pierce, State of Colorado's basic financial statements. The budgetary comparisons on pages 36-41 and the local highway finance report on pages 42-43 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 budgetary comparisons on pages 36-41 and the local highway finance report on pages 42-43 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Tim Chavies & Associates, Inc

Greeley, Colorado
July 7, 2025

Tim Chavies & Associates, Inc.
Certified Public Accountants

**TOWN OF PIERCE**
**P.O. Box 57**
**Pierce, Colorado 80650**
**(970) 834-2851 Fax (970) 834-2755**


## MANAGEMENT'S DISCUSSION AND ANALYSIS
**December 31, 2024**

This section of Town of Pierce, State of Colorado's (Town) 2024 annual financial report presents management's discussion and analysis of the Town's financial performance for the year ended December 31, 2024. The Management Discussion and Analysis ("MD&A") should be read in conjunction with the Town's financial statements, including the notes to financial statements and supplemental information that immediately follow this section.

### ORGANIZATION AND PURPOSE
The Town was incorporated in 1918 as a political subdivision of the State of Colorado and operated under a Town Board form of government. The following services are provided by the Town: public safety, public works (streets, trash, communicable disease control, street lighting), parks and recreation, water and sewer service and general administration.

### FINANCIAL HIGHLIGHTS
- The net position of the Town increased by $649,635 during 2024, compared to $301,252 in 2023. The increase was due to property and sales tax increase, licenses and permits increase, grants and, contributions received.

- The Town capitalized $205,748 of capital assets, and recorded depreciation of $255,093 during 2024. In 2023 the Town capitalized $607,939 and recorded depreciation of $228,275.

- Total revenues for the governmental funds were $1,524,539 in 2024 compared to $1,274,715 in 2023, an increase of $249,824 or 19.60%. Total expenditures were $1,065,857 in 2024 compared to $1,274,715 in 2023, a decrease of $208,858 or 16.38%.

- Total operating revenues for the proprietary funds were $826,467 in 2024 compared to $721,051 in 2023, an increase of $105,416 or 14.62%. Total operating expenditures were $867,308 in 2024 compared to $881,069 in 2023, a decrease of $13,761 or 1.56%.

### OVERVIEW OF THE FINANCIAL STATEMENTS
The Town's financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the financial statements themselves.

**Government-Wide Financial Statements** are comprised of the Statement of Net Position and the Statement of Activities. These two statements are designed to provide readers with a broad overview of the Town's finances utilizing the full accrual method of accounting.

**The Statement of Net Position** presents information on all of the Town's assets, deferred outflows of resources and liabilities and deferred inflows of resources, including capital assets and long-term liabilities with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

**The Statement of Activities** presents information showing how the 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 the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include the General Fund and Conservation Trust Fund. The business-type activities of the Town include the Water Fund and Sewer Fund. The Town does not have any component units.

**Fund Financial Statements** focus on current available resources and are organized and operated on the basis of funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements utilize the modified accrual basis of accounting, which focuses on near-term inflow and outflow of spendable resources, as well as on balances on spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements. The Town maintains two governmental funds (General and Conservation Trust).

**Proprietary Funds** provide the same type of information as the government-wide financial statements, only in more detail. These funds are used to account for services in which the Town charges customers a fee. The Town maintains two proprietary funds (Water and Sewer).

The Town does not have any **Fiduciary Funds.**

**Notes to the Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide, business-type activities and fund financial statements.

**Other Information** includes certain required supplementary information containing budgetary comparison schedules of revenues, expenditures and changes in fund balances for all funds.

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**
Condensed financial information from the **Statement of Net Position** at December 31, 2024:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Current and other assets | $ 2,845,230 | $ 1,327,970 | $ 4,173,200 |
| Noncurrent assets | 2,189,955 | 6,601,499 | 8,791,454 |
| **Total Assets** | **5,035,185** | **7,929,469** | **12,964,654** |
| **Total Deferred Outflows** | **-** | **-** | **-** |
| Current liabilities | 36,281 | 48,084 | 84,365 |
| Noncurrent liabilities | 38,060 | - | 38,060 |
| **Total Liabilities** | **74,341** | **48,084** | **122,425** |
| Unearned revenues - property taxes | 351,075 | - | 351,075 |
| **Total Deferred Inflows** | **351,075** | **-** | **351,075** |
| Net investment in capital assets | 2,037,534 | 6,601,499 | 8,639,033 |
| Restricted | 318,953 | - | 318,953 |
| Unrestricted | 2,253,281 | 1,279,886 | 3,533,167 |
| **Total Net Position** | **$ 4,609,768** | **$ 7,881,385** | **$ 12,491,153** |

The restricted portion of net position ($318,953) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($3,533,167) may be used to meet the Town's obligations to citizens and creditors.

Condensed financial information from the **Statement of Activities** at December 31, 2024:

| **Revenues** | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Program Revenues: | | | |
| Charges for services | $ 156,119 | $ 795,087 | $ 951,206 |
| Capital contributions | - | 60,000 | 60,000 |
| General Revenues: | | | |
| Taxes | 1,071,101 | - | 1,071,101 |
| Licenses and permits | 52,650 | - | 52,650 |
| Intergovermental revenues | 124,717 | - | 124,717 |
| Fines and forfeitures | 24,155 | - | 24,155 |
| Earnings on investment | 51,978 | 38,893 | 90,871 |
| Other | 174,313 | 31,380 | 205,693 |
| **Total Revenues** | **1,655,033** | **925,360** | **2,580,393** |
| **Expenses:** | | | |
| General government | 302,559 | - | 302,559 |
| Public safety | 350,975 | - | 350,975 |
| Public works | 322,896 | - | 322,896 |
| Health and welfare | - | - | - |
| Culture - recreation | 85,973 | - | 85,973 |
| Other | 1,047 | - | 1,047 |
| Water | - | 432,394 | 432,394 |
| Sewer | - | 434,914 | 434,914 |
| **Total Expenses** | **1,063,450** | **867,308** | **1,930,758** |
| **Change in Net Position** | **591,583** | **58,052** | **649,635** |
| Net Position - beginning | 4,018,185 | 7,823,333 | 11,841,518 |
| **Net Position - ending** | **$ 4,609,768** | **$ 7,881,385** | **$ 12,491,153** |

Net position increased to $12,491,153, an increase of $649,635 from 2023. The increase due to property and sales tax increases, license and permit increases, and capital outlay of $205,748, less depreciation expense of $255,093.

## FINANCIAL ANALYSIS OF THE FUNDS

**Governmental funds:** The Town's functions are reported in the General Fund and Conservation Trust Fund. The focus of these funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the Town's net resources available for spending at the end of its fiscal year.

As of December 31, 2024, the Town's governmental funds reported combined ending fund balances of $2,606,874 an increase of $589,176 in comparison with 2023. Approximately 81.07% of this total amount ($2,113,384) constitutes *unassigned* fund balance, which is available for spending at the government's discretion. The reminder of the fund balance is *restricted* to indicate that it is not available for new spending because it has already been committed for encumbrances or Tabor.

**Proprietary funds:** The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

**Fiduciary funds:** As mentioned earlier, the Town does not have any of these types of funds.

### Budgetary Highlights

The budgets are prepared in accordance with accounting principles generally accepted in the United States of America. Budget and actual comparison schedules are provided in the other supplementary information section of this report. The budget and actual comparison schedules show the original adopted budget, the final revised budget, actual results, and variance between the final budget and actual results for all funds.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets (Net of Depreciation)

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Land | $ 221,878 | $ 26,220 | $ 248,098 |
| Water rights | - | 3,206,165 | 3,206,165 |
| Construction in progress | - | - | - |
| Utility systems | - | 5,561,966 | 5,561,966 |
| Buildings and improvements | 2,239,549 | - | 2,239,549 |
| Machinery and equipment | 371,790 | 204,699 | 576,489 |
| **Total Capital Assets** | **2,833,217** | **8,999,050** | **11,832,267** |
| Less: Accumulated depreciation | (778,913) | (2,397,551) | (3,176,464) |
| **Net Capital Assets** | **$ 2,054,304** | **$ 6,601,499** | **$ 8,655,803** |

Capital assets – net of depreciation decreased $66,992 during 2024 due to capital outlay (assets acquired) less depreciation. (See Note 7 for further discussion).

## DEBT ADMINISTRATION

The Town acquired debt in 2021 with the finance purchase of a Kubota tractor. During 2024, monthly payments were made on that debt. (See Note 9 for further discussion).

## ECONOMIC FACTORS

The hours with the Ault Police Department were increased, which resulted in a significant price increase. The Pierce Sr. Center received a grant for upgrades to be made on the building at 221 W. Main. The non-potable meter needed repair, and the cost was shared with the HOA.

**FINANCIAL CONTACT**

This financial report is designed to provide a general overview of the Town's finances for those who have an interest in the Town. If you have any questions about the report or need additional financial information, please contact Kristina Duran, Town Clerk at 144 Main Street, Pierce, Colorado 80650. Phone (970) 834-2851.

## *BASIC FINANCIAL STATEMENTS*

**TOWN OF PIERCE, COLORADO**

*Statement of Net Position*

***Government-Wide***

December 31, 2024

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets:** | | | |
| Cash and cash equivalents | $ 1,042,835 | $ 96,820 | **$ 1,139,655** |
| Cash on deposit - Weld County Treasurer | 6,554 | - | **6,554** |
| Local government investment pools | 1,253,228 | 1,119,772 | **2,373,000** |
| Accounts receivable | 190,401 | 103,604 | **294,005** |
| Accrued interest receivable | - | - | **-** |
| Property taxes receivable | 351,075 | - | **351,075** |
| Prepaid expenses | 1,137 | 7,774 | **8,911** |
| Internal balances | - | - | **-** |
| **Total Current Assets** | 2,845,230 | 1,327,970 | **4,173,200** |
| **Noncurrent Assets** | | | |
| **Restricted Assets:** | | | |
| Local government investment pools | 135,651 | - | **135,651** |
| **Capital Assets:** | | | |
| Land | 221,878 | 26,220 | **248,098** |
| Water rights | - | 3,206,165 | **3,206,165** |
| Construction in progress | - | - | **-** |
| Utility systems | - | 5,561,966 | **5,561,966** |
| Buildings and improvements | 2,239,549 | - | **2,239,549** |
| Machinery and equipment | 371,790 | 204,699 | **576,489** |
| **Total Capital Assets** | 2,833,217 | 8,999,050 | **11,832,267** |
| Less: accumulated depreciation | (778,913) | (2,397,551) | **(3,176,464)** |
| **Net Capital Assets** | 2,054,304 | 6,601,499 | **8,655,803** |
| **Total Noncurrents Assets** | 2,189,955 | 6,601,499 | **8,791,454** |
| **Total Assets** | 5,035,185 | 7,929,469 | **12,964,654** |
| **LIABILITIES** | | | |
| **Current Liabilities:** | | | |
| Accounts payable | 20,473 | 36,949 | **57,422** |
| Payroll taxes payable | 2,058 | 2,516 | **4,574** |
| Accrued interest payable | 32 | - | **32** |
| Deposits | 400 | 8,619 | **9,019** |
| Current portion of long-term obligations | 13,318 | - | **13,318** |
| **Total Current Liabilities** | 36,281 | 48,084 | **84,365** |
| **Noncurrent Liabilities:** | | | |
| Compensated absences | 34,640 | - | **34,640** |
| Note payable - NCL governmental capital | 16,738 | - | **16,738** |
| Lease payable | - | - | **-** |
| Less: portion due within one year | (13,318) | | **(13,318)** |
| **Total Noncurrent Liabilities** | 38,060 | - | **38,060** |
| **Total Liabilities** | 74,341 | 48,084 | **122,425** |
| **DEFERRED INFLOWS** | | | |
| Unearned revenue - property taxes | 351,075 | - | **351,075** |
| **NET POSITION** | | | |
| Net investment in capital assets | 2,037,534 | 6,601,499 | **8,639,033** |
| Restricted | 318,953 | - | **318,953** |
| Unrestricted | 2,253,281 | 1,279,886 | **3,533,167** |
| **Total Net Position** | $ 4,609,768 | $ 7,881,385 | **$ 12,491,153** |

See accompanying notes to the basic financial statements

# TOWN OF PIERCE, COLORADO

*Statement of Activities*

***Government-Wide***

December 31, 2024

| Functions / Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Capital Contributions | Net (Expense) Revenue and Changes in Net Position — Primary Government: Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|---|---|---|
| **Primary Government** | | | | | | |
| **Governmental Activities:** | | | | | | |
| General government | $ (302,559) | $ - | $ - | $ (302,559) | $ - | **$ (302,559)** |
| Public safety | (350,975) | - | - | (350,975) | - | **(350,975)** |
| Public works | (322,896) | 144,643 | - | (178,253) | - | **(178,253)** |
| Health and welfare | - | - | - | - | - | **-** |
| Culture - recreation | (85,973) | 11,476 | - | (74,497) | - | **(74,497)** |
| Interest on long-term debt | (1,047) | - | - | (1,047) | - | **(1,047)** |
| **Total Governmental Activities** | (1,063,450) | 156,119 | - | (907,331) | - | **(907,331)** |
| **Business-Type Activities:** | | | | | | |
| Water fund | (432,394) | 401,270 | 60,000 | - | 28,876 | **28,876** |
| Sewer fund | (434,914) | 393,817 | - | - | (41,097) | **(41,097)** |
| **Total Business-Type Activities** | (867,308) | 795,087 | 60,000 | - | (12,221) | **(12,221)** |
| **Total Primary Government** | $ (1,930,758) | $ 951,206 | $ 60,000 | (907,331) | (12,221) | **(919,552)** |
| **General Revenues:** | | | | | | |
| Taxes | | | | 1,071,101 | - | **1,071,101** |
| Licenses and permits | | | | 52,650 | - | **52,650** |
| Intergovernmental revenue | | | | 124,717 | - | **124,717** |
| Fines and forfeitures | | | | 24,155 | - | **24,155** |
| Miscellaneous income | | | | 43,819 | 31,380 | **75,199** |
| Sale of assets | | | | - | - | **-** |
| Grants | | | | 130,494 | - | **130,494** |
| Insurance proceeds | | | | - | - | **-** |
| Interest income | | | | 51,978 | 38,893 | **90,871** |
| Transfers | | | | - | - | **-** |
| Contributions | | | | - | - | **-** |
| **Total General Revenues** | | | | 1,498,914 | 70,273 | **1,569,187** |
| **Change in Net Position** | | | | 591,583 | 58,052 | **649,635** |
| **Net Position-beginning of year** | | | | 4,018,185 | 7,823,333 | **11,841,518** |
| **Net Position-end of year** | | | | $ 4,609,768 | $ 7,881,385 | **$ 12,491,153** |

See accompanying notes to the basic financial statements

**TOWN OF PIERCE, COLORADO**

*Balance Sheet*

***Governmental Funds***

December 31, 2024

| | General | Conservation Trust | Total |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets:** | | | |
| Cash and cash equivalents | $ 1,042,835 | $ - | **$ 1,042,835** |
| Cash on deposit - Weld County Treasurer | 6,554 | - | **6,554** |
| Local government investment pools | 1,103,476 | 149,752 | **1,253,228** |
| Accounts receivable | 190,401 | - | **190,401** |
| Accrued interest receivable | - | - | **-** |
| Property taxes receivable | 351,075 | - | **351,075** |
| Prepaid expenses | 1,137 | - | **1,137** |
| Due from other funds | 14,244 | - | **14,244** |
| **Total Current Assets** | 2,709,722 | 149,752 | **2,859,474** |
| **Noncurrent Assets** | | | |
| Restricted local government investment pools | 135,651 | - | **135,651** |
| **Total Noncurrent Assets** | 135,651 | - | **135,651** |
| **Total Assets** | $ 2,845,373 | $ 149,752 | **$ 2,995,125** |
| **LIABILITIES** | | | |
| **Current Liabilities:** | | | |
| Accounts payable | $ 20,473 | $ - | **$ 20,473** |
| Payroll taxes payable | 2,058 | - | **2,058** |
| Deposits | 400 | - | **400** |
| Due to other funds | - | 14,244 | **14,244** |
| **Total Current Liabilities** | 22,931 | 14,244 | **37,175** |
| **Total Liabilities** | 22,931 | 14,244 | **37,175** |
| **DEFERRED INFLOWS** | | | |
| Unearned revenue - property taxes | 351,075 | - | **351,075** |
| **Total Liabilities & Deferred Inflows** | 374,006 | 14,244 | **388,250** |
| **FUND BALANCE** | | | |
| Non-spendable - prepaids | 1,137 | - | **1,137** |
| Restricted: | | | |
| Tabor | 47,794 | - | **47,794** |
| Parks and recreation | - | 135,508 | **135,508** |
| SLRFR program | 135,651 | - | **135,651** |
| Committed - subsequent year's expenditures | 173,400 | - | **173,400** |
| Assigned | - | - | **-** |
| Unassigned | 2,113,384 | - | **2,113,384** |
| **Total Fund Balance** | 2,471,366 | 135,508 | **2,606,874** |
| **Total Liabilities, Deferred Inflows & Fund Balance** | $ 2,845,372 | $ 149,752 | **$ 2,995,124** |

***Reconciliation of the Balance Sheet to the Statement of Net Position***

| | |
|---|---|
| Total Governmental Fund Balance | **$ 2,606,874** |
| *Amounts reported for governmental activities in the statement of net position are different because:* | |
| Capital assets used in governmental activities are not financial resources and, therefore, not reported in the governmental fund financial statements: | |
| Capital assets | **2,833,217** |
| Less: accumulated depreciation | **(778,913)** |
| Long-term liabilities, including capital leases, are not due and payable in the current period, therefore, they are not reported in the governmental fund financial statements: | |
| Compensated absences | **(34,640)** |
| Note payable | **(16,738)** |
| Capital lease obligations | **-** |
| Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, an interest expenditure is reported when due: | |
| Accrued interest payable | **(32)** |
| **Net Position of Governmental Activities** | **$ 4,609,768** |

## TOWN OF PIERCE, COLORADO

*Statement of Revenues, Expenditures, and Changes in Fund Balances*

***Governmental Funds***

December 31, 2024

| | General | Conservation Trust | Total |
|---|---|---|---|
| **Revenues:** | | | |
| Taxes | $ 1,071,101 | $ - | **$ 1,071,101** |
| Licenses and permits | 52,650 | - | **52,650** |
| Intergovernmental revenue | 111,288 | 13,429 | **124,717** |
| Charges for services | 144,643 | 11,476 | **156,119** |
| Fines and forfeitures | 24,155 | - | **24,155** |
| Miscellaneous revenues | 88,775 | 7,022 | **95,797** |
| **Total Revenues** | 1,492,612 | 31,927 | **1,524,539** |
| **Expenditures:** | | | |
| General government | 420,469 | - | **420,469** |
| Public safety | 350,975 | - | **350,975** |
| Public works | 208,734 | - | **208,734** |
| Health and welfare | - | - | **-** |
| Culture - recreation | 71,904 | - | **71,904** |
| Debt service | 13,775 | - | **13,775** |
| **Total Expenditures** | 1,065,857 | - | **1,065,857** |
| **Excess (Deficiency) of Revenues over Expenditures** | 426,755 | 31,927 | **458,682** |
| **Other Financing Sources (Uses):** | | | |
| Sale of assets | - | - | **-** |
| Contributions | - | - | **-** |
| Insurance proceeds | - | - | **-** |
| Loan proceeds | - | - | **-** |
| Grants | 130,494 | - | **130,494** |
| Transfers in | - | - | **-** |
| Transfers out | - | - | **-** |
| **Total Other Financing Sources (Uses)** | 130,494 | - | **130,494** |
| **Net Change in Fund Balance** | 557,249 | 31,927 | **589,176** |
| Fund Balance - beginning of year (as restated) | 1,914,117 | 103,581 | **2,017,698** |
| **Fund Balance - End of Year** | $ 2,471,366 | $ 135,508 | **$ 2,606,874** |

***Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities:***

| | |
|---|---|
| **Net Change in Fund Balance - Total Governmental Funds** | **$ 589,176** |
| *Amounts reported for governmental activities in the statement of activities are different because:* | |
| Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate to those expenditures over the life of the assets: | |
| Capital assets sold | **-** |
| Capital asset purchases capitalized | **140,528** |
| Depreciation expense | **(136,060)** |
| Loan proceeds provide current financial resources to the governmental fund and repayment of debt principal is an expenditure in the governmental funds, but the proceeds increase and repayment reduces long-term liabilities in the statement of net position: | |
| Long-term debt proceeds | **-** |
| Long-term debt payments | **12,760** |
| Lease payable | **-** |
| Some expenses reported in statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds: | |
| Change in compensated absences | **(14,846)** |
| Accrued interest payable | **25** |
| **Change in Net Position of Governmental Activities** | **$ 591,583** |

## TOWN OF PIERCE, COLORADO

*Statement of Net Position*

***Proprietary Funds***

December 31, 2024

| | Business-Type Activities | | |
|---|---|---|---|
| | Water | Sewer | Total |
| **ASSETS** | | | |
| **Current Assets:** | | | |
| Cash and cash equivalents | $ 46,231 | $ 50,589 | **$ 96,820** |
| Local government investment pools | 420,550 | 699,222 | **1,119,772** |
| Accounts receivable | 40,859 | 62,745 | **103,604** |
| Accrued interest receivable | - | - | **-** |
| Prepaid expenses | 7,269 | 505 | **7,774** |
| Due from other funds | - | - | **-** |
| **Total Current Assets** | 514,909 | 813,061 | **1,327,970** |
| **Noncurrent Assets:** | | | |
| **Restricted Assets:** | | | |
| Local government investment pools | - | - | **-** |
| **Capital Assets:** | | | |
| Land | 2,273 | 23,947 | **26,220** |
| Water rights | 3,206,165 | - | **3,206,165** |
| Construction in progress | - | - | **-** |
| Utility systems | 2,649,929 | 2,912,037 | **5,561,966** |
| Machinery and equipment | 92,445 | 112,254 | **204,699** |
| **Total Capital Assets** | 5,950,812 | 3,048,238 | **8,999,050** |
| Less: Accumulated depreciation | (1,203,557) | (1,193,994) | **(2,397,551)** |
| **Net Capital Assets** | 4,747,255 | 1,854,244 | **6,601,499** |
| **Total Noncurrent Assets** | 4,747,255 | 1,854,244 | **6,601,499** |
| **Total Assets** | 5,262,164 | 2,667,305 | **7,929,469** |
| **LIABILITIES** | | | |
| **Current Liabilities:** | | | |
| Accounts payable | 7,643 | 29,306 | **36,949** |
| Payroll taxes payable | 1,601 | 915 | **2,516** |
| Accrued interest payable | - | - | **-** |
| Deposits | 8,619 | - | **8,619** |
| Due to other funds | - | - | **-** |
| **Total Current Liabilities** | 17,863 | 30,221 | **48,084** |
| **Total Liabilities** | 17,863 | 30,221 | **48,084** |
| **DEFERRED INFLOWS** | | | |
| **Unearned revenue** | - | - | **-** |
| **Total Liabilities & Deferred Inflows** | 17,863 | 30,221 | **48,084** |
| **NET POSITION** | | | |
| Net investment in capital assets | 4,747,255 | 1,854,244 | **6,601,499** |
| Restricted | - | - | **-** |
| Unrestricted: | | | |
| Designated for subsequent year's expenditures | 325,905 | 78,650 | **404,555** |
| Undesignated | 171,141 | 704,190 | **875,331** |
| **Total Net Position** | $ 5,244,301 | $ 2,637,084 | **$ 7,881,385** |

# TOWN OF PIERCE, COLORADO

*Statement of Revenues, Expenses, and Changes in Net Position*

***Proprietary Funds***

December 31, 2024

| | Business-Type Activities | | |
|---|---|---|---|
| | **Water** | **Sewer** | **Total** |
| **Operating Revenues:** | | | |
| Charges for services | $ 401,270 | $ 393,817 | **$ 795,087** |
| Other revenue | 13,089 | 18,291 | **31,380** |
| **Total Operating Revenues** | 414,359 | 412,108 | **826,467** |
| **Operating Expenses:** | | | |
| **System Operation and Maintenance:** | | | |
| Salaries | 45,000 | 45,000 | **90,000** |
| Payroll taxes | 3,667 | 3,667 | **7,334** |
| Retirement | 1,377 | 1,377 | **2,754** |
| Health insurance | 4,718 | 4,718 | **9,436** |
| Supplies | 9,048 | 3,764 | **12,812** |
| Insurance | - | - | **-** |
| Utilities | 6,817 | 28,521 | **35,338** |
| Miscellaneous | 529 | - | **529** |
| Engineering | - | - | **-** |
| Outside services | 18,949 | 5,173 | **24,122** |
| Fuel | 19 | 11 | **30** |
| Water purchased | 130,851 | - | **130,851** |
| Water assessments | 13,985 | - | **13,985** |
| Monitoring and testing | 1,248 | 42,743 | **43,991** |
| System maintenance | 3,094 | 146,731 | **149,825** |
| **Total System Operation and Maintenance** | 239,302 | 281,705 | **521,007** |
| **Administrative and General:** | | | |
| Salaries | 31,583 | 31,050 | **62,633** |
| Payroll taxes | 2,576 | 2,532 | **5,108** |
| Retirement | 943 | 926 | **1,869** |
| Health insurance | 20,087 | 9,077 | **29,164** |
| Audit and accounting | 10,063 | 5,794 | **15,857** |
| Supplies | 1,724 | 3,231 | **4,955** |
| Insurance | 16,714 | 9,596 | **26,310** |
| Legal | 3,086 | 1,260 | **4,346** |
| Advertising and legal notices | - | - | **-** |
| Telephone and postage | 5,328 | 2,982 | **8,310** |
| Utilities | 9,664 | 185 | **9,849** |
| Miscellaneous | 1,846 | 835 | **2,681** |
| Uniforms | 624 | 357 | **981** |
| Subscriptions and memberships | 300 | - | **300** |
| Hospitality | - | - | **-** |
| Training | - | 308 | **308** |
| Engineering | 1,867 | 1,112 | **2,979** |
| Outside services | 1,085 | 3,859 | **4,944** |
| Fuel | 2,958 | 1,690 | **4,648** |
| IT service | 19,829 | 11,328 | **31,157** |
| Software maintenance | 6,917 | 3,952 | **10,869** |
| Reserved | - | - | **-** |
| **Total Administrative and General** | 137,194 | 90,074 | **227,268** |
| Depreciation and Amortization | 55,898 | 63,135 | **119,033** |
| **Total Operating Expenses** | 432,394 | 434,914 | **867,308** |
| **Operating Income (Loss)** | (18,035) | (22,806) | **(40,841)** |
| **Non-Operating Revenues (Expenses)** | | | |
| Interest income | 7,627 | 31,266 | **38,893** |
| Sale of assets | - | - | **-** |
| Grant proceeds | - | - | **-** |
| Insurance proceeds | - | - | **-** |
| **Total Non-Operating Revenues (Expenses)** | 7,627 | 31,266 | **38,893** |
| **Income (Loss) before contributions and transfers** | (10,408) | 8,460 | **(1,948)** |
| **Contributions** | 60,000 | - | **60,000** |
| **Transfers In (Out)** | - | - | **-** |
| **Change in Net Position** | 49,592 | 8,460 | **58,052** |
| Net Position - beginning of year | 5,194,709 | 2,628,624 | **7,823,333** |
| **Net Position - End of Year** | $ 5,244,301 | $ 2,637,084 | **$ 7,881,385** |

See accompanying notes to the basic financial statements

**TOWN OF PIERCE, COLORADO**

*Statement of Cash Flows*

***Proprietary Funds***

December 31, 2024

| | Business-Type Activities | | |
|---|---|---|---|
| | Water | Sewer | Total |
| **Cash Flows From Operating Activities:** | | | |
| Cash received from customers | $ 383,268 | $ 362,050 | **$ 745,318** |
| Cash payments to employees | (76,583) | (76,050) | **(152,633)** |
| Cash payments to suppliers | (319,897) | (291,179) | **(611,076)** |
| Other non-operating revenues | 13,089 | 18,291 | **31,380** |
| Internal activity - payments to other funds | - | - | **-** |
| **Net Cash Flows From Operating Activities** | (123) | 13,112 | **12,989** |
| **Cash Flows From Non-Capital Financing Activities:** | | | |
| Operating transfers in | - | - | **-** |
| Operating transfers out | - | - | **-** |
| Grants | - | - | **-** |
| Insurance proceeds | - | - | **-** |
| **Net Cash Flows From Non-Capital Financing Activities** | - | - | **-** |
| **Cash Flows From Capital and Related Financing Activities:** | | | |
| Acquisition of capital assets | (63,322) | (1,898) | **(65,220)** |
| Proceeds from long-term debt | - | - | **-** |
| Capital contributions | 60,000 | - | **60,000** |
| Principal payments on long-term debt | - | - | **-** |
| Interest payments on long-term debt | - | - | **-** |
| **Net Cash Flows From Capital and Related Financing Activities** | (3,322) | (1,898) | **(5,220)** |
| **Cash Flows From Investing Activities:** | | | |
| Interest on investments | 7,627 | 31,266 | **38,893** |
| **Net Cash Flows From Investing Activities** | 7,627 | 31,266 | **38,893** |
| **Net Increase (Decrease) in Cash and Cash Equivalents** | 4,182 | 42,480 | **46,662** |
| Cash and Cash Equivalents - January 1 | 462,599 | 707,331 | **1,169,930** |
| **Cash and Cash Equivalents - December 31** | $ 466,781 | $ 749,811 | **$ 1,216,592** |
| **Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:** | | | |
| Operating income (loss) | $ (18,035) | $ (22,806) | **$ (40,841)** |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | |
| Depreciation and amortization | 55,898 | 63,135 | **119,033** |
| Changes in assets and liabilities: | | | |
| Receivables | (18,002) | (31,767) | **(49,769)** |
| Prepaid expenses | (117) | (18) | **(135)** |
| Due from other funds | - | - | **-** |
| Payables and other accrued expenses | (19,867) | 4,568 | **(15,299)** |
| Due to other funds | - | - | **-** |
| **Net Cash Flows From Operating Activities** | $ (123) | $ 13,112 | **$ 12,989** |

See accompanying notes to the basic financial statements

# *NOTES TO THE BASIC FINANCIAL STATEMENTS*

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Form of Organization

The Town of Pierce, Colorado (Town) was founded on August 30, 1918 as a statutory town. The statutes provide that the mayor is the chief administrative officer and that the Board of Trustees shall be the policy-making authority. The following services are currently offered by the Town: General government, public safety, public works (streets, trash, street lighting), parks and recreation, community development and water and sewer service.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting and reporting policies and practices are described below.

### Reporting Entity

The reporting entity consists of only the Town, a primary government that is a general-purpose local government. This primary government has a separately elected governing body and it is legally separate, as well as financially independent of other state and local governments. The primary government may appoint a simple majority of the organization's governing board or have the ability to impose its will on the organization. A component unit may be a financial benefit or burden to the primary government and is a legally separate organization of which the elected officials of the primary government are financially accountable. The Town does not have any component units.

### New Accounting Pronouncements

GASB Statement No 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. This statement establishes accounting and financial reporting requirements for accounting changes and error corrections in previously issued financial statements. Implementation had no impact to the Town's financial statements.

GASB Statement No 101, *Compensated Absences*. This statement establishes standards of accounting and financial reporting compensated absences and associated salary-related payments, including certain defined contributions pensions and defined contribution other post-employment benefits. Implementation was applied retroactively, but the adoption of this standard resulted in no change or restatement to the Town's Net Position for Governmental activities or Business-type activities.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Basic Financial Statements

**Government-Wide Financial Statements** consist of Statement of Net Position and Statement of Activities, these statements report information about the reporting entity as a whole. These statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, the assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period earned while expenses are recognized in the period the liability is incurred, regardless of the timing of the related cash flows.

**Governmental Fund Financial Statements** consist of Balance Sheet and Statement of Revenue, Expenditures and Changes in Fund Balance for all major governmental funds and non-major funds aggregated. These statements are presented on the "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are recognized when received in cash, except for revenues subject to accrual (generally 60 days after year-end) are recognized when due.

The Town reports the following major **Governmental Funds**:

- **General Fund** is the general operating fund of the Town and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

- The **Conservation Trust Fund** is a special revenue fund used to account for revenues derived primarily from intergovernmental revenues (Colorado Lottery) and earnings on investments. The use of these funds is legally restricted to the following activities: acquisition, development and maintenance of new conservation sites or for capital improvements or maintenance for recreation purposes on any public site (parks, trails, sports facilities, arenas or community centers).

The Town reports the following major **Proprietary Fund**:

- **Water Fund** is used to account for the water use fees and the expenses associated with providing water services to Town residents.

- **Sewer Fund** is used to account for the sewer use fees and the expenses associated with providing wastewater services to Town residents.

The Town does not have any **Fiduciary Funds**.

Required supplementary information includes Management's Discussion and Analysis which includes an analytical overview of the Town's financial activities. In addition, budgetary comparison schedules are presented for all funds that compare the adopted and modified budget with actual results.

### Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report a separate section for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements represent a consumption or acquisition of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until that time.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Deferred Outflows/Inflows of Resources (continued)

Lease-related amounts are recognized at the inception of the lease. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

### Leases

The Town recognizes and measures its leases in accordance with GASB Statement No 87, *Leases*. The Town was a lessee for office equipment subject to mutual covenants and conditions. The Town determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed.

The Town has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Town is reasonably certain to exercise. The Town recognize lease cost associated with short-term leases on a straight-line basis over the lease term.

Beginning January 1, 2022, lease receivable and related deferred revenue of lease receivable have been presented.

### Budgets and Budgetary Accounting

An annual budget and appropriation resolutions is adopted by the Town in accordance with the Colorado State Statutes. The budget for all funds is prepared on a basis consistent with generally accepted accounting principles (GAAP), except that bond and loan proceeds are treated as other financing sources and debt service principal payments and capital outlays are treated as expenditures.

Budgeted amounts are as originally adopted or as increased by supplemental appropriations. Budget appropriations lapse at year-end. Budgetary comparisons with actual revenues and expenditures are included as required supplemental information for the General and Conservation Trust funds and as other supplemental information for the Water and Sewer funds. The following is a summary of the original, total revisions and revised budgets for those funds with amended budgets in year 2024:

| | Original Budget | Total Revisions | Revised Budget |
|---|---|---|---|
| Governmental Funds | | | |
| General Fund | $ 1,561,750 | $ - | $ 1,561,750 |
| Conservation Trust Fund | 15,000 | - | 15,000 |
| Proprietary Funds | | | |
| Water Fund | 649,400 | - | 649,400 |
| Sewer Fund | 487,150 | - | 487,150 |
| Total Funds | $ 2,713,300 | $ - | $ 2,713,300 |

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Budgets and Budgetary Accounting (continued)

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

- On or before August 25, the County Assessor submits to the Town the new assessed valuation and other amounts needed to compute the statutory property tax revenue limit.
- On or before October 15, the Budget Committee submits to the Town Board of Trustees a proposed operating budget for the following fiscal year commencing January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- On or before December 15, the Town certifies the mill levy to the Board of County Commissioners.
- On or before December 22, the Board of County Commissioners certifies the levy against the assessed valuation on all taxable properties.
- Prior to December 31, the Town legally adopts the budget.

### Designated for Subsequent Year's Expenditures

Designated fund balance is the portion of the fund balance that is appropriated in the succeeding year's budget.

### Compensated Absences

The Town reports compensated absences in accordance with the provisions of GASB Statement No. 101, *Compensated Absences*. The Town allows employees to accumulate unused vacation, sick, and compensatory benefits up to certain maximum hours. A liability is accrued for compensated absences as the benefits are earned if the leave is more likely than not be used for time off or settled in cash. Accrued compensated absences are recognized as expenses when earned by the employees for the government-wide financial statements and the proprietary fund financial statements. Compensated absences are recognized as expenditures when paid in the governmental fund financial statements. Upon termination of employment from the Town, an employee will be compensated for all accrued vacation and compensatory time at their current rate of pay, there is no payment for sick leave upon termination.

Compensated absences liabilities are computed using the regular pay and termination pay rates, as applicable, in effect at year end plus an additional amount for salary-related payments such as Social Security and Medicare taxes and Retirement Plan contributions computed using rates in effect at that date. The Town has recorded a liability of $34,640 at December 31, 2024.

### Cash and Cash Equivalents

For purposes of the basic financial statements and the statement of cash flows, the Town considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

The Town pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Town's investments.

### Investments

Investments are carried at fair value plus accrued interest with net appreciation or depreciation on investments included in earnings on investments. See Note 3 for further discussion.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Restricted Cash and Investments**

The Town received funds from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program. This program is intended to provide support to State, territorial, local and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents and businesses. These funds may only be used in compliance with section 603(c.) of the Social Security Act, Treasury's regulations implementing that section, and guidance issued by the Treasury.

**Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**Capital Assets**

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the governmental-wide financial statements. The Town records its property and equipment at historical cost. Contributed capital assets are valued at their estimated fair value on the date donated. Maintenance and repairs are charged to current period operating expenses, whereas additions and improvements are capitalized. Upon retirement or other disposition of property and equipment, the costs and related accumulated depreciation are removed from the respective accounts and any gains or losses are included in operations. Interest costs relating to construction are capitalized. During year ended December 31, 2024, no interest was capitalized. The Town's capitalization level is $2,000 for capital assets.

Depreciation is computed using the straight-line method over the following estimated useful lives:

| | Years |
|---|---|
| Land and Water rights | NA |
| Buildings and improvements | 20 to 40 |
| Machinery and equipment | 5 to 10 |
| Infrastructure | 15 to 50 |
| Utility systems | 15 to 50 |

**Construction in Progress**

Construction in progress includes design and construction costs that accumulate until completion or installation of the respective project, at which time the total cost is transferred to depreciate capital assets.

**Use of Estimates**

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Receivables**

Receivables are considered fully collectible and therefore are reported at their gross value.

**Equity - Net Position**

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Equity - Fund Balance

In the governmental funds, fund balances should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, or unassigned. The following classifications describe the relative strength of spending constraints:

(1) ***Nonspendable Fund Balance*** – the portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

(2) ***Restricted Fund Balance*** – the portion of fund balance that is constrained to be used for a specific purpose by external parties (creditors, grantors, or contributors), enabling legislation or constitutional provisions.

(3) ***Committed Fund Balance*** – the portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making, the Town Board. The constraint may be removed or changed only through formal action of the Town's Board through approval of resolutions.

(4) ***Assigned Fund Balance*** – the portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Town Board to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

(5) ***Unassigned Fund Balance*** – the residual portion of fund balance that does not meet any of the criteria described above. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

If more than one classification of fund balances is available for use when an expenditure is incurred, it is the Town's practice to use the most restrictive classification first.

## NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Article X, Section 20, of the Colorado Constitution contains several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The Town believes that it is in compliance with the requirements of the amendment. However, the Town has made certain interpretations of the amendment's language in order to determine its compliance.

The amendment excludes from its provisions Enterprises. Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less that ten percent of their annual revenue in grants from all state and local governments combined, are excluded from the provisions of the Amendment.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue. At a special election on November 7, 1995, voters approved a ballot issue regarding the Town's retention of revenues collected in excess of the fiscal spending limits for 1994, also to be effective for all years thereafter.

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**
At an election held on April 5, 2016, voters approved a ballot issue for the Town to retain the current mill levy at a constant rate of 10.454 mills for a period of ten years (June 1, 2016 through May 31, 2025).

At an election held on April 4, 2024, voters approved a ballot issue for the Town to retain the current mill levy at a constant rate of 10.454 mills for a period of ten years (June 1, 2024 through May 31, 2033).

The Amendment requires that Emergency Reserves be established. The reserves must be at least three percent of the fiscal year spending (excluding bonded debt service). The Town is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, salary or benefit increases. The Town has restricted $47,794 for this purpose.

## NOTE 3 - CASH DEPOSITS AND INVESTMENTS
Cash deposits and investments are reported in the financial statements as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Cash and cash equivalents | $ 1,042,835 | $ 96,820 | $ 1,139,655 |
| Cash with county treasurer | 6,554 | - | 6,554 |
| Investments: Local govt investment pools | 1,253,228 | 1,119,772 | 2,373,000 |
| Restricted: Local govt investment pools | 135,651 | - | 135,651 |
| **Total** | **$ 2,438,268** | **$ 1,216,592** | **$ 3,654,860** |

Cash deposits and investments consist of the following:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Cash on hand and deposit | $ 6,554 | $ 200 | $ 6,754 |
| Bank accounts | 1,042,835 | 96,620 | 1,139,455 |
| Investments | 1,388,879 | 1,119,772 | 2,508,651 |
| **Total** | **$ 2,438,268** | **$ 1,216,592** | **$ 3,654,860** |

### Cash Deposits
As of December 31, 2024, the carrying amount of the Town's deposits was $1,139,455 and the corresponding bank balance was $1,164,427.

**Custodial Credit Risk** is the risk that, in the event of the failure of a bank failure, the government's deposits may not be returned to it. Town bank accounts at year-end were entirely covered by federal depository insurance or by eligible collateral maintained by another financial institution or held by the Town's custodial banks in its name under provisions of the Colorado Public Deposit Protection Act (CPDPA). The CPDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate uninsured deposits.

The State Regulatory Commissions for banks are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

## NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

### Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which a political subdivision may invest, which include:

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

As of December 31, 2024, the Town had the following investments:

| | S&P | Investment Maturities in Years | | | | |
|---|---|---|---|---|---|---|
| | Rating | Less than 1 | 1 to 5 | 6 to 10 | More than 10 | Total |
| Local govt investment pools | AAAm | $ 2,508,651 | $ - | $ - | $ - | $ 2,508,651 |
| **Total** | | **$ 2,508,651** | **$ -** | **$ -** | **$ -** | **$ 2,508,651** |

The Town's policy is to hold investments until maturity and to invest its funds in a manner which will provide for the highest investment return consistent with the preservation of principal and provision of the liquidity necessary for daily cash flow demands.

**Interest Rate Risk** is the risk that changes in interest rate will adversely affect the fair value of an investment. The Town investment portfolio does not contain investments that exceed the five-year limitation imposed by Colorado Statutes.

**Credit Risk** is the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligations to the Town. The Town's investment policy follows Colorado Revised Statues.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of a Town's investment in a single issuer. The Town has no such policy limiting how much can be with one financial institution.

**Custodial Credit Risk** is the risk that, in the event of the failure of the issuer or counterparty, the Town will not be able to recover the value of its investment or related collateral securities that are in the possession of an outside party. The Town had custodial credit risk for its investments at December 31, 2024.

**Foreign Currency Risk** is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value, as a result of changes in foreign currency exchange rates. The Town has no policy for foreign currency risk since all are in the form of certificates of deposit.

**NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)**
**Investments (continued)**
**Local Governmental Investment Pools,** the Town had investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST), a local government investment pool, comprised of two funds: COLOTRUST PRIME and COLOTRUST PLUS+. Prime invests only in U.S. Treasury and government agencies, while Plus invests in U.S. Treasury, government agencies and in the highest-rated commercial paper. Both investment pools are rated AAAm by S&P Global Ratings and operate similar to a money market fund with a share value equal to $1.00 and a maximum weighted average maturity of 60 days. As an investment pool, COLOTRUST operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. The Trust is exempt from registration with the Securities and Exchange Commission. For more information on COLOTRUST call (303) 864-7474 or go to www.colotrust.com.

**Fair Value of Investments**, the Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There are three levels of inputs that may be used to measure fair value, as follows:

> *Level 1*: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
>
> *Level 2*: Inputs other than quoted prices in Level 1 that are observable for the asset or liability either directly or indirectly.
>
> *Level 3*: Unobservable inputs that cannot be corroborated by observable market data.

The Town's investment in COLOTRUST PRIME and PLUS+ is measured at net asset value, equal to $1.00 per share. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. There is not an investment component to be valued under GASB Statement 72, *Fair Value Measurement and Application*. COLOTRUST EDGE does not seek to maintain a stable net asset value.

**Investment Income**
Investment income, is reported in the financial statements as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Interest income | $ 51,978 | $ 38,893 | $ 90,871 |
| Net increase (decrease) in the fair value of investments | - | - | - |
| **Total** | **$ 51,978** | **$ 38,893** | **$ 90,871** |

The net increase (decrease) in the fair value of investments represents the difference in fair value from one year to the next. This figure will vary year to year depending on the fair market value of the investments at year end and is not a budgetary item.

## NOTE 4 – FUND BALANCE

The specific purpose for each fund balance classification on the balance sheet is detailed below:

| **Fund Balances** | General Fund | Conservation Trust Fund | Total |
|---|---|---|---|
| Nonspendable: | | | |
| Prepaids | $ 1,137 | $ - | $ 1,137 |
| Restricted: | | | |
| Emergencies (TABOR Reserve) | 47,794 | - | 47,794 |
| Parks and recreation | - | 135,508 | 135,508 |
| SLRFR program | 135,651 | - | 135,651 |
| Total | 183,445 | 135,508 | 318,953 |
| Commited: | | | |
| Subsequent years expenditures | 173,400 | - | 173,400 |
| Unassigned: | | | |
| General Government | 2,113,384 | - | 2,113,384 |
| **Total Fund Balances** | **$ 2,471,366** | **$ 135,508** | **$ 2,606,874** |

The beginning fund balance in the General Fund was restated due to construction in progress billing not having to be paid due to end of contract.

| | Beg Balance | Additions | Deletions | As Restated |
|---|---|---|---|---|
| Error correction - General Fund 12/31/2023 | $ 1,896,470 | $ 17,647 | $ - | $ 1,914,117 |
| **Total** | $ 1,896,470 | $ 17,647 | $ - | $ 1,914,117 |

## NOTE 5 - PROPERTY TAXES RECEIVABLE

Under Colorado law, all property taxes become due and payable in the calendar year following that in which they are levied. Property taxes levied by the General Fund in the current year, 2024, to be collected in the subsequent year, 2025 are accrued as a receivable as of December 31, 2024 and offset by a deferred revenue account.

The Town's property tax calendar for 2024 is as follows:

| | |
|---|---|
| Lien Date | January 1, 2024 |
| Levy Date | November 1, 2024 |
| Tax bills mailed | January 1, 2025 |
| First installment due | February 28, 2054 |
| Second installment due | June 15, 2025 |
| If paid in full, due | April 30, 2025 |
| Tax sale – delinquent taxes | November 15, 2025 |

## NOTE 6 – SHORT-TERM DEBT

The Town had no short-term debt obligations and had no borrowing during the year ending December 31, 2024.

| | Beg Balance | Additions | Retirements | End Balance |
|---|---|---|---|---|
| Short-Term Debt | $ - | $ - | $ - | $ - |
| **Total** | $ - | $ - | $ - | $ - |

### Other Debt and Line of Credit

The Town has no other debt or unused lines of credit.

## NOTE 7 – CAPITAL ASSETS

The following is a summary of capital assets for the Governmental Activities as of December 31, 2024:

| Governmental Activities | Beg Balance | Additions | Retirements | End Balance |
|---|---|---|---|---|
| **Capital Assets, not being depreicated** | | | | |
| Land | $ 221,878 | $ - | $ - | $ 221,878 |
| Construction in progress | 559,788 | - | (559,788) | - |
| **Total Capital Assets, not being depreciated** | 781,666 | - | (559,788) | 221,878 |
| **Capital Assets, being depreciated** | | | | |
| Buildings and improvements | 1,577,010 | 662,539 | - | 2,239,549 |
| Machinery and equipment | 361,492 | 20,130 | (9,832) | 371,790 |
| **Total Capital Assets, being depreciated** | 1,938,502 | 682,669 | (9,832) | 2,611,339 |
| **Less: Accumulated Depreciation for:** | | | | |
| Buildings and improvements | (355,100) | (113,129) | - | (468,229) |
| Machinery and equipment | (297,585) | (22,931) | 9,832 | (310,684) |
| **Total Accumulated Depreciation** | (652,685) | (136,060) | 9,832 | (778,913) |
| **Total Capital Assets, being depreciated - Net** | 1,285,817 | 546,609 | - | 1,832,426 |
| **Capital Assets - Net** | $ 2,067,483 | $ 546,609 | $ (559,788) | $ 2,054,304 |

| **Depreciation expense was charged to Governmental Activities as follows:** | |
|---|---|
| General government | $ 7,829 |
| Public Safety | - |
| Culture and recreation | 14,069 |
| Highways and streets | 114,162 |
| **Total Depreciation Expense - Governmental Activities** | $ 136,060 |

## NOTE 7 – CAPITAL ASSETS (CONTINUED)

The following is a summary of capital assets for the Business-Type Activities as of December 31, 2024:

| <u>**Business-Type Activities:**</u> | Beg Balance | Additions | Retirements | End Balance |
|---|---|---|---|---|
| **Capital Assets, not being depreicated** | | | | |
| Land | $ 26,220 | $ - | $ - | $ 26,220 |
| Water rights | 3,146,165 | 60,000 | - | 3,206,165 |
| Construction in progress | 19,383 | - | (19,383) | - |
| **Total Capital Assets, not being depreciated** | 3,191,768 | 60,000 | (19,383) | 3,232,385 |
| **Capital Assets, being depreciated** | | | | |
| Utility systems | 5,561,966 | - | - | 5,561,966 |
| Machinery and equipment | 189,671 | 24,603 | (9,575) | 204,699 |
| **Total Capital Assets, being depreciated** | 5,751,637 | 24,603 | (9,575) | 5,766,665 |
| **Less: Accumulated Depreciation for:** | | | | |
| Utility systems | (2,135,941) | (112,227) | - | (2,248,168) |
| Machinery and equipment | (152,152) | (6,806) | 9,575 | (149,383) |
| **Total Accumulated Depreciation** | (2,288,093) | (119,033) | 9,575 | (2,397,551) |
| **Total Capital Assets, being depreciated - Net** | 3,463,544 | (94,430) | - | 3,369,114 |
| **Capital Assets - Net** | $ 6,655,312 | $ (34,430) | $ (19,383) | $ 6,601,499 |

| **Depreciation expense was charged to Business-Type Activities as follows:** | |
|---|---|
| Water fund | $ 55,898 |
| Sewer fund | 63,135 |
| **Total Depreciation Expense - Business-Type Activities** | $ 119,033 |

## NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS

A summary of interfund activities at December 31, 2024 is as follows:

| **Governmental Activities** | Interfund Receivable | Interfund Payable | Transfers In | Transfers Out |
|---|---|---|---|---|
| General Fund | $ 14,244 | $ - | $ - | $ - |
| Conservation Trust Fund | - | 14,244 | - | - |
| **Total Governmental Activities** | 14,244 | 14,244 | - | - |
| **Business-Type Activities** | | | | |
| Water Fund | - | - | - | - |
| Sewer Fund | - | - | - | - |
| **Total Business-Type Activities** | - | - | - | - |
| **Total** | $ 14,244 | $ 14,244 | $ - | $ - |

Internal balances are reflected on the government-wide financial statements as the net between funds, as of December 31, 2024 that balance was $14,244. Transfers from Conservation Trust to General Fund are accounted for in accordance with budgetary authorizations.

## NOTE 9 – LONG-TERM OBLIGATIONS

### Direct Borrowings – Note Payable – NCL Governmental Capital

On March 5, 2021, the Town entered into a finance purchase agreement with Lease Servicing Center, Inc. dba NCL Governmental Capital for a Kubota Model M5-111HDC-1 Tractor in the amount of $61,829. The terms of the agreement require monthly payments of $1,148, including interest at a 4.33% annual rate, with the first payment due on April 15, 2021 and final payment due March 15, 2026.

The Town irrevocably pledged and granted a lien upon the tractor for repayment of this agreement. The agreement may be prepaid in whole or in part without penalty upon prior written notice of not less than thirty (30) days. Prepayments shall be applied first to accrued interest and then to principal on the loan.

The Note shall be in default under this agreement upon certain events or conditions. Upon such default, the outstanding principal and interest, may at once, become due and payable and said collateral be sold in the same manner and with the same effect as if said indebtedness had matured.

The balance due on direct borrowings from Lease Servicing Center, Inc.as of December 31, 2024 is $16,738.

### Other Debt and Line of Credit

The Town has no other debt or unused lines of credit.

### Changes in Long-Term Obligations

| | Beg Balance | Additions | Reductions | End Balance | Due Within One Year |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| NCL governmental capital | $ 29,498 | $ - | $ (12,760) | $ 16,738 | $ 13,318 |
| Compensated absences | 19,794 | 14,846 * | - | 34,640 | - |
| **Total Governmental Activities** | 49,292 | 14,846 | (12,760) | 51,378 | 13,318 |
| **Business-Type Activities:** | | | | | |
| Water Fund | - | - | - | - | - |
| Sewer Fund | - | - | - | - | - |
| **Total Business-Type Activities** | - | - | - | - | - |
| **Total** | $ 49,292 | $ 14,846 | $ (12,760) | $ 51,378 | $ 13,318 |

*The change in the compensated absences is presented as a net change. The Town believes that the current portion of compensated absences is negligible and is therefore not reported.

## NOTE 10 – DEBT SERVICE REQUIREMENTS

Summary of debt service requirements with principal and interest to maturity:

| Yead Ending December 31 | Principal | Interest | Total |
|---|---|---|---|
| 2025 | $ 13,318 | $ 457 | $ 13,775 |
| 2026 | 3,420 | 25 | 3,445 |
| 2027 | - | - | - |
| 2028 | - | - | - |
| 2029 | - | - | - |
| **Total** | **$ 16,738** | **$ 482** | **$ 17,220** |

**NOTE 11 - RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and subcontractors; and natural disasters. The Town purchases commercial insurance for most risks of loss. As of December 31, 2024, the Town did not have any liabilities in excess of insurance limits. Claims have not exceeded insurance coverage in the prior three years.

**NOTE 12 – CONTINGENCIES**

In the opinion of the Town's management and counsel, there is no material pending or threatened litigation, claims, and assessments. Furthermore, the Town's management and counsel are unaware of any unasserted possible claims or assessments that are probable of assertion and must be disclosed as of December 31, 2024.

**NOTE 13 – VALIC RETIREMENT PLAN**

**Plan Description**

Town employees may voluntarily contribute to the Voluntary Investment Program (457 Plan), an Internal Revenue Code Section 457 defined contribution plan administered by the Variable Annuity Life Insurance Company (VALIC).

Investments are managed by the plan's administrator under several different investment options, or combinations thereof. The choice of the investment option(s) is made by the participants. The Town has no management control over the assets of the plan. Accordingly, the assets of the plan are not included in these financial statements.

**Funding Policy**

The 457 Plan is funded by voluntary member contributions up to a maximum limit set by the IRS ($23,000 for the calendar year 2024). Catch-up contributions up to $7,500 for the calendar year 2024 were allowed for participants who had attained age 50 before the close of the plan year, subject to the limitations of IRS Section 414(v). The Town contributes three (3%) of the employee's salary into this plan. For the year ended December 31, 2024, the Town contributed $11,289.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are the solely the property and rights of the participants. The Town has no liability for losses under the plan and authorizes the benefits terms and authority to amend those terms.

**NOTE 14 - POLICE DEPARTMENT CONTRACT**

The Town does not employ a full-time police officer. The Town has a contract with the Town of Ault for all law enforcement services (except for enforcement of dog, weed or zoning ordinances) at the rate of $296,955 for 2024. A part-time Town employee administers the ordinances not covered by the law enforcement contract.

On December 6, 2023, the Town extended the contract with the Town of Ault for all law enforcement services (except for enforcement of dog, weed or zoning ordinances) effective January 1, 2024 through December 31, 2027, contact to be reviewed yearly and adjusted as necessary. The contract rate for 2024 is $295,650 with 3.5 percent increase each year thereafter.

## NOTE 15 – SUBSEQUENT EVENTS

The Town has evaluated events and transactions occurring subsequent to the end of the fiscal year for potential recognition or disclosure through July 7, 2025, the date on which the financial statements were issued, and did identify events or transactions that would have a material impact on the financial statements.

*REQUIRED SUPPLEMENTAL INFORMATION*

**TOWN OF PIERCE, COLORADO**

*Schedule of Revenues*

*Budget to Actual - **General Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Taxes:** | | | | | |
| General property taxes | $ 357,146 | $ 357,146 | **$ 375,036** | $ 17,890 | $ 308,888 |
| Delinquent property taxes | - | - | **610** | 610 | 549 |
| Specific ownership taxes | 10,000 | 10,000 | **12,930** | 2,930 | 13,139 |
| General sales and use taxes | 350,000 | 350,000 | **635,941** | 285,941 | 524,921 |
| Franchise taxes | 40,000 | 40,000 | **46,303** | 6,303 | 51,809 |
| Penalties and interest on delinquent taxes | 100 | 100 | **281** | 181 | 337 |
| **Total Taxes** | 757,246 | 757,246 | **1,071,101** | 313,855 | 899,643 |
| **Licenses and Permits:** | | | | | |
| Business | 600 | 600 | **851** | 251 | 825 |
| Non-business | 22,000 | 22,000 | **51,799** | 29,799 | 30,876 |
| **Total Licenses and Permits** | 22,600 | 22,600 | **52,650** | 30,050 | 31,701 |
| **Intergovernmental Revenues:** | | | | | |
| State Grants: | | | | | |
| Cigarette tax | 700 | 700 | **1,249** | 549 | 1,503 |
| Highway users tax | 34,000 | 34,000 | **53,944** | 19,944 | 50,850 |
| State Shared Revenues: | | | | | |
| Additional motor vehicle registration fees | 4,000 | 4,000 | **6,279** | 2,279 | 6,317 |
| Severance tax | 60,000 | 60,000 | **39,157** | (20,843) | 64,207 |
| Other Governmental Units: | | | | | |
| Weld County road and bridge funds | 8,000 | 8,000 | **10,659** | 2,659 | 12,228 |
| **Total Intergovernmental Revenues** | 106,700 | 106,700 | **111,288** | 4,588 | 135,105 |
| **Charges for Services:** | | | | | |
| Sanitation: | | | | | |
| Refuse collection charges | 75,000 | 75,000 | **83,780** | 8,780 | 84,976 |
| Health: | | | | | |
| Animal control | - | - | **-** | - | - |
| Drainage fee | 15,000 | 15,000 | **5,505** | (9,495) | 5,947 |
| Road impact fee | - | - | **55,358** | 55,358 | - |
| **Total Charges for Services** | 90,000 | 90,000 | **144,643** | 54,643 | 90,923 |
| **Fines and Forfeitures - Court Fines** | 5,000 | 5,000 | **24,155** | 19,155 | 29,790 |
| **Miscellaneous Revenues:** | | | | | |
| Earnings on investments | 20,000 | 20,000 | **44,956** | 24,956 | 33,196 |
| Other income | 25,000 | 25,000 | **43,819** | 18,819 | 33,088 |
| Sale of assets | - | - | **-** | - | - |
| Insurance proceeds | - | - | **-** | - | - |
| Loan proceeds | - | - | **-** | - | - |
| Contributions | - | - | **-** | - | - |
| Grants | 120,000 | 120,000 | **130,494** | 10,494 | - |
| **Total Miscellaneous Revenues** | 165,000 | 165,000 | **219,269** | 54,269 | 66,284 |
| **Total Revenues** | $ 1,146,546 | $ 1,146,546 | **$ 1,623,106** | $ 476,560 | $ 1,253,446 |

## TOWN OF PIERCE, COLORADO

*Schedule of Expenditures*

*Budget to Actual -* ***General Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **General Government:** | | | | | |
| **Legislative:** | | | | | |
| Council fees | $ 10,000 | $ 10,000 | **$ 6,900** | $ 3,100 | $ 250 |
| Payroll taxes | 1,000 | 1,000 | **528** | 472 | 19 |
| **Total Legislative** | 11,000 | 11,000 | **7,428** | 3,572 | 269 |
| **Judicial:** | | | | | |
| Municipal judge | 3,000 | 3,000 | **3,135** | (135) | 2,720 |
| Outside services | 3,000 | 3,000 | **2,000** | 1,000 | 3,500 |
| **Total Judicial** | 6,000 | 6,000 | **5,135** | 865 | 6,220 |
| **Elections:** | | | | | |
| Supplies | 2,500 | 2,500 | **1,248** | 1,252 | 3,880 |
| Legal | 1,000 | 1,000 | **1,335** | (335) | 4,503 |
| Advertising and legal notices | 250 | 250 | **305** | (55) | - |
| Telephone and postage | 600 | 600 | **1,020** | (420) | 413 |
| Miscellaneous | 250 | 250 | **135** | 115 | 91 |
| Outside services | 800 | 800 | **960** | (160) | 1,440 |
| **Total Elections** | 5,400 | 5,400 | **5,003** | 397 | 10,327 |
| **Administration:** | | | | | |
| Salaries | 100,000 | 100,000 | **77,902** | 22,098 | 69,407 |
| Payroll taxes | 10,000 | 10,000 | **6,353** | 3,647 | 5,435 |
| Retirement | 3,000 | 3,000 | **2,327** | 673 | 1,878 |
| Employee's health insurance | 32,000 | 32,000 | **15,179** | 16,821 | 25,288 |
| Audit and accounting | 16,000 | 16,000 | **11,044** | 4,956 | 10,631 |
| Treasurer's fees | 5,000 | 5,000 | **3,759** | 1,241 | 3,091 |
| Supplies | 16,000 | 16,000 | **8,890** | 7,110 | 11,570 |
| Insurance | 30,000 | 30,000 | **21,526** | 8,474 | 20,161 |
| Legal | 15,000 | 15,000 | **25,573** | (10,573) | 12,650 |
| Advertising and legal notices | 6,000 | 6,000 | **6,731** | (731) | 4,873 |
| Codification ordinances | 2,500 | 2,500 | **1,805** | 695 | - |
| Telephone and postage | 7,500 | 7,500 | **6,913** | 587 | 6,431 |
| Utilities | 20,000 | 20,000 | **13,396** | 6,604 | 15,227 |
| Travel and transportation | 5,000 | 5,000 | **-** | 5,000 | - |
| Miscellaneous | 20,000 | 20,000 | **5,681** | 14,319 | 23,302 |
| Uniforms | 1,000 | 1,000 | **803** | 197 | 746 |
| Subscriptions and memberships | 2,500 | 2,500 | **1,425** | 1,075 | 2,445 |
| Hospitality | 2,500 | 2,500 | **500** | 2,000 | 750 |
| Training | 1,000 | 1,000 | **-** | 1,000 | - |
| Engineering | 15,000 | 15,000 | **5,194** | 9,806 | 11,962 |
| Outside services | 15,000 | 15,000 | **4,844** | 10,156 | 12,404 |
| Repairs | 15,000 | 15,000 | **5,791** | 9,209 | 9,463 |
| Fuel | 5,000 | 5,000 | **3,830** | 1,170 | 3,990 |
| IT service | 24,000 | 24,000 | **23,648** | 352 | 15,638 |
| Software maintenance | 12,000 | 12,000 | **9,261** | 2,739 | 7,350 |
| Lease obligation | - | - | **-** | - | - |
| Capital outlay | 120,000 | 120,000 | **140,528** | (20,528) | 3,713 |
| Reserve | 51,400 | 51,400 | **-** | 51,400 | - |
| **Total Administration** | 552,400 | 552,400 | **402,903** | 149,497 | 278,405 |
| **Planning and Zoning:** | | | | | |
| Legal | 1,000 | 1,000 | **-** | 1,000 | - |
| Engineering | 3,000 | 3,000 | **-** | 3,000 | - |
| **Total Planning and Zoning** | 4,000 | 4,000 | **-** | 4,000 | - |
| **Total General Government** | 578,800 | 578,800 | **420,469** | 158,331 | 295,221 |

**(continued on next page)**

**TOWN OF PIERCE, COLORADO**

*Schedule of Expenditures*

*Budget to Actual -* ***General Fund (continued)***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Public Safety: Police** | | | | | |
| Police department contract | $ 309,100 | $ 309,100 | **$ 296,955** | $ 12,145 | $ 133,415 |
| Salaries | 40,000 | 40,000 | **26,676** | 13,324 | 23,606 |
| Payroll taxes | 4,000 | 4,000 | **2,173** | 1,827 | 1,853 |
| Retirement | 2,000 | 2,000 | **823** | 1,177 | 719 |
| Health insurance | - | - | **2,508** | (2,508) | - |
| Supplies | 200 | 200 | **-** | 200 | 87 |
| Legal | - | - | **-** | - | 427 |
| Gas and oil | - | - | **-** | - | - |
| Capital outlay | - | - | **-** | - | - |
| **Total Police** | 355,300 | 355,300 | **329,135** | 26,165 | 160,107 |
| Building inspections | 18,000 | 18,000 | **21,840** | (3,840) | 13,031 |
| **Total Public Safety** | 373,300 | 373,300 | **350,975** | 22,325 | 173,138 |
| **Public Works: Highways and Streets** | | | | | |
| Salaries | 80,000 | 80,000 | **68,351** | 11,649 | 60,844 |
| Payroll taxes | 4,500 | 4,500 | **5,571** | (1,071) | 4,774 |
| Retirement | 3,000 | 3,000 | **2,074** | 926 | 1,785 |
| Health insurance | - | - | **7,077** | (7,077) | - |
| Supplies | 10,000 | 10,000 | **2,722** | 7,278 | 3,718 |
| Legal | 10,000 | 10,000 | **-** | 10,000 | 6,213 |
| Insurance | - | - | **-** | - | - |
| Miscellaneous | - | - | **-** | - | - |
| Engineering | 15,000 | 15,000 | **6,360** | 8,640 | 19,175 |
| Outside services | 8,000 | 8,000 | **15,400** | (7,400) | 631 |
| Repairs | 1,500 | 1,500 | **1,124** | 376 | 98 |
| Fuel | 500 | 500 | **-** | 500 | 8 |
| Street lighting | 20,000 | 20,000 | **21,282** | (1,282) | 16,259 |
| System maintenance | 30,000 | 30,000 | **614** | 29,386 | 8,154 |
| Capital outlay | - | 200,000 | **-** | 200,000 | 543,929 |
| **Total Highways and Streets** | 182,500 | 382,500 | **130,575** | 251,925 | 665,588 |
| **Sanitation: Waste Collection** | 85,000 | 85,000 | **78,159** | 6,841 | 78,945 |
| **Total Public Works** | 267,500 | 467,500 | **208,734** | 258,766 | 744,533 |
| **Health and Welfare - Animal Control** | 200 | 200 | **-** | 200 | - |
| **Culture - Recreation: Parks** | | | | | |
| Salaries | 55,000 | 55,000 | **47,727** | 7,273 | 41,233 |
| Payroll taxes | 6,000 | 6,000 | **3,891** | 2,109 | 3,236 |
| Retirement | 2,000 | 2,000 | **1,442** | 558 | 1,218 |
| Health insurance | - | - | **4,915** | (4,915) | - |
| Supplies | 4,000 | 4,000 | **1,477** | 2,523 | 2,691 |
| Telephone and postage | 1,200 | 1,200 | **1,039** | 161 | 901 |
| Utilities | 3,500 | 3,500 | **2,605** | 895 | 2,260 |
| Miscellaneous | 250 | 250 | **316** | (66) | 49 |
| Engineering | - | - | **-** | - | - |
| Outside services | 8,500 | 8,500 | **7,513** | 987 | 6,858 |
| Fuel | 500 | 500 | **-** | 500 | - |
| System maintenance | 1,000 | 1,000 | **979** | 21 | 125 |
| Capital outlay | - | - | **-** | - | 11,029 |
| **Total Culture - Recreation** | 81,950 | 81,950 | **71,904** | 10,046 | 69,600 |
| **Debt Service** | | | | | |
| Principal | - | - | **12,760** | (12,760) | 12,760 |
| Interest | - | - | **1,015** | (1,015) | 1,015 |
| **Total Debt Service** | - | - | **13,775** | (13,775) | 13,775 |
| **Total Expenditures** | $ 1,301,750 | $ 1,501,750 | **$ 1,065,857** | $ 435,893 | $ 1,296,267 |

## TOWN OF PIERCE, COLORADO

*Reconciliation of Budgetary Basis to GAAP Basis*

*Budget to Actual -* ***General Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Revenues:** | | | | | |
| Taxes | $ 757,246 | $ 757,246 | **$ 1,071,101** | $ 313,855 | $ 899,643 |
| Licenses and permits | 22,600 | 22,600 | **52,650** | 30,050 | 31,701 |
| Intergovernmental revenues | 106,700 | 106,700 | **111,288** | 4,588 | 135,105 |
| Charges for services | 90,000 | 90,000 | **144,643** | 54,643 | 90,923 |
| Fines and forfeitures | 5,000 | 5,000 | **24,155** | 19,155 | 29,790 |
| Miscellaneous revenues | 165,000 | 165,000 | **219,269** | 54,269 | 66,284 |
| **Total Revenues** | 1,146,546 | 1,146,546 | **1,623,106** | 476,560 | 1,253,446 |
| **Transfers In:** | | | | | |
| Conservation Trust Fund | 15,000 | 15,000 | - | (15,000) | - |
| **Total Transfers In** | 15,000 | 15,000 | - | (15,000) | - |
| **Total Revenues and Transfers In** | 1,161,546 | 1,161,546 | **1,623,106** | 461,560 | 1,253,446 |
| **Expenditures:** | | | | | |
| General government | 578,800 | 578,800 | **420,469** | 158,331 | 295,221 |
| Public safety | 373,300 | 373,300 | **350,975** | 22,325 | 173,138 |
| Public works | 267,500 | 467,500 | **208,734** | 258,766 | 744,533 |
| Health and welfare | 200 | 200 | - | 200 | - |
| Culture - recreation | 81,950 | 81,950 | **71,904** | 10,046 | 69,600 |
| Debt service | - | - | **13,775** | (13,775) | 13,775 |
| Capital reserve | 60,000 | 60,000 | - | 60,000 | - |
| **Total Expenditures** | 1,361,750 | 1,561,750 | **1,065,857** | 495,893 | 1,296,267 |
| **Transfers Out:** | | | | | |
| Water Fund | - | - | - | - | - |
| **Total Transfers Out** | - | - | - | - | - |
| **Total Expenditures and Transfers Out** | 1,361,750 | 1,561,750 | **1,065,857** | 495,893 | 1,296,267 |
| **Excess (Deficit) of Revenues and Transfers over Expenditures and Transfers** | $ (200,204) | $ (400,204) | **557,249** | $ 957,453 | $ (42,821) |
| **Reconciliation of Budgetary Basis to GAAP Basis:** | | | | | |
| Capital asset purchases capitalized | | | **140,528** | | |
| Depreciation expense | | | **(136,060)** | | |
| Sale of assets | | | - | | |
| Long-term debt proceeds | | | - | | |
| Long-term debt payments | | | **12,760** | | |
| Compensated absences | | | **(14,846)** | | |
| Lease obligation | | | - | | |
| Accrued interest payable | | | **25** | | |
| **Change in Net Position** | | | **$ 559,656** | | |

## TOWN OF PIERCE, COLORADO

*Budgetary Comparison Schedule*

*Budget to Actual -* ***Conservation Trust Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Revenues:** | | | | | |
| **Intergovernmental Revenue:** | | | | | |
| State Grants: | | | | | |
| Conservation Trust Fund Apportionment | $ 12,000 | $ 12,000 | **$ 13,429** | $ 1,429 | $ 15,537 |
| **Total Intergovernmental Revenue** | 12,000 | 12,000 | **13,429** | 1,429 | 15,537 |
| **Charges for Services:** | | | | | |
| Culture-Recreation: | | | | | |
| Park Fee | - | - | **11,476** | 11,476 | - |
| **Miscellaneous Revenues:** | | | | | |
| Earnings on investments | 3,500 | 3,500 | **7,022** | 3,522 | 5,732 |
| Other revenue | - | - | **-** | - | - |
| **Total Revenues** | 15,500 | 15,500 | **31,927** | 16,427 | 21,269 |
| **Expenditures:** | | | | | |
| General Government: | | | | | |
| Miscellaneous | - | - | **-** | - | - |
| **Total Expenditures** | - | - | **-** | - | - |
| **Transfers Out:** | | | | | |
| General Fund | 15,000 | 15,000 | **-** | 15,000 | - |
| **Total Transfers Out** | 15,000 | 15,000 | **-** | 15,000 | - |
| **Total Expenditures and Transfers Out** | 15,000 | 15,000 | - | 15,000 | - |
| **Excess (Deficit) of Revenues Over Expenditures and Transfers Out** | $ 500 | $ 500 | **31,927** | $ 31,427 | $ 21,269 |
| **Reconciliation of Budgetary Basis to GAAP Basis:** | | | | | |
| Capital asset purchases capitalized | | | **-** | | |
| Depreciation expense | | | **-** | | |
| **Change in Net Position** | | | **$ 31,927** | | |

## *SUPPLEMENTAL INFORMATION*

## TOWN OF PIERCE, COLORADO

*Schedule of Revenues*

*Budget to Actual - **Water Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Operating Revenues:** | | | | | |
| Charges for services | $ 375,000 | $ 375,000 | **$ 374,157** | $ (843) | $ 328,424 |
| Water surcharges | 5,000 | 5,000 | **1,713** | (3,287) | 1,633 |
| Sale of water | - | - | - | - | - |
| Drainage fees | - | - | - | - | - |
| Tap fees | - | - | **25,400** | 25,400 | - |
| **Total Operating Revenues** | 380,000 | 380,000 | **401,270** | 21,270 | 330,057 |
| **Non-Operating Revenues:** | | | | | |
| Interest on investments | 100 | 100 | **7,627** | 7,527 | 614 |
| Transfer from other funds | - | - | - | - | - |
| Other revenue | 12,000 | 12,000 | **13,089** | 1,089 | 15,005 |
| **Total Non-Operating Revenues** | 12,100 | 12,100 | **20,716** | 8,616 | 15,619 |
| **Miscellaneous Revenues:** | | | | | |
| Contributions | - | - | **60,000** | 60,000 | - |
| Sale of assets | - | - | - | - | - |
| Grant proceeds | - | - | - | - | - |
| Insurance proceeds | - | - | - | - | - |
| Transfers In (Out) | - | - | - | - | - |
| **Total Miscellaneous Revenues** | - | - | **60,000** | 60,000 | - |
| **Total Revenues** | $ 392,100 | $ 392,100 | **$ 481,986** | $ 89,886 | $ 345,676 |

**TOWN OF PIERCE, COLORADO**

*Schedule of Expenditures*

*Budget to Actual - **Water Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Operating Expenditures:** | | | | | |
| **System Operation & Maintenance:** | | | | | |
| Salaries | $ 60,000 | $ 60,000 | **$ 45,000** | $ 15,000 | $ 42,785 |
| Payroll taxes | 6,000 | 6,000 | **3,667** | 2,333 | 3,357 |
| Retirement | 3,000 | 3,000 | **1,377** | 1,623 | 1,237 |
| Health insurance | - | - | **4,718** | (4,718) | - |
| Supplies | 10,000 | 10,000 | **9,048** | 952 | 32,190 |
| Insurance | 12,000 | 12,000 | **-** | 12,000 | 8,247 |
| Utilities | 10,000 | 10,000 | **6,817** | 3,183 | - |
| Travel and transportation | 500 | 500 | **-** | 500 | - |
| Miscellaneous | 500 | 500 | **529** | (29) | - |
| Engineering | 1,500 | 1,500 | **-** | 1,500 | - |
| Outside services | 8,000 | 8,000 | **18,949** | (10,949) | 6,003 |
| Repairs | 1,000 | 1,000 | **-** | 1,000 | 38 |
| Fuel | 3,500 | 3,500 | **19** | 3,481 | 2,270 |
| Water purchased | 200,000 | 200,000 | **130,851** | 69,149 | 132,525 |
| Water augmentation | 3,000 | 3,000 | **-** | 3,000 | - |
| Water assessments | 25,000 | 25,000 | **13,985** | 11,015 | 10,084 |
| Monitoring and testing | 2,500 | 2,500 | **1,248** | 1,252 | 1,161 |
| System maintenance | 20,000 | 20,000 | **3,094** | 16,906 | 11,495 |
| **Total System Operation & Maintenance** | 366,500 | 366,500 | **239,302** | 127,198 | 251,392 |
| **Administrative & General:** | | | | | |
| Salaries | 40,000 | 40,000 | **31,583** | 8,417 | 24,590 |
| Payroll taxes | 4,000 | 4,000 | **2,576** | 1,424 | 1,930 |
| Retirement | 2,000 | 2,000 | **943** | 1,057 | 747 |
| Health insurance | 27,000 | 27,000 | **20,087** | 6,913 | 19,668 |
| Audit and accounting | 12,000 | 12,000 | **10,063** | 1,937 | 8,269 |
| Supplies | 3,500 | 3,500 | **1,724** | 1,776 | 989 |
| Insurance | 12,000 | 12,000 | **16,714** | (4,714) | 6,976 |
| Legal | 5,000 | 5,000 | **3,086** | 1,914 | 3,686 |
| Advertising and legal notices | 250 | 250 | **-** | 250 | - |
| Telephone and postage | 6,000 | 6,000 | **5,328** | 672 | 4,922 |
| Utilities | 10,000 | 10,000 | **9,664** | 336 | 7,622 |
| Miscellaneous | 500 | 500 | **1,846** | (1,346) | 323 |
| Uniforms | 800 | 800 | **624** | 176 | 647 |
| Subscriptions and memberships | 500 | 500 | **300** | 200 | 259 |
| Hospitality | - | - | **-** | - | - |
| Training | 500 | 500 | **-** | 500 | - |
| Engineering | 5,000 | 5,000 | **1,867** | 3,133 | 3,982 |
| Outside services | 3,000 | 3,000 | **1,085** | 1,915 | 3,606 |
| Fuel | 500 | 500 | **2,958** | (2,458) | 840 |
| IT service | 16,000 | 16,000 | **19,829** | (3,829) | 12,163 |
| Software maintenance | 8,000 | 8,000 | **6,917** | 1,083 | 15,960 |
| Reserved | 21,400 | 21,400 | **-** | 21,400 | - |
| **Total Administrative & General** | 177,950 | 177,950 | **137,194** | 40,756 | 117,179 |
| **Total Operating Expenditures** | 544,450 | 544,450 | **376,496** | 167,954 | 368,571 |
| **Non-Operating Expenditures:** | | | | | |
| Capital outlay | 104,950 | 104,950 | **63,322** | 41,628 | 49,268 |
| **Total Non-Operating Expenditures** | 104,950 | 104,950 | **63,322** | 41,628 | 49,268 |
| **Total Expenditures** | $ 649,400 | $ 649,400 | **$ 439,818** | $ 209,582 | $ 417,839 |

## TOWN OF PIERCE, COLORADO

*Reconciliation of Budgetary Basis to GAAP Basis*

*Budget to Actual -* ***Water Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Revenues:** | | | | | |
| Operating revenues | $ 380,000 | $ 380,000 | **$ 401,270** | $ 21,270 | $ 330,057 |
| Non-operating revenues | 12,100 | 12,100 | **20,716** | 8,616 | 15,619 |
| Miscellaneous revenues | - | - | **60,000** | 60,000 | - |
| **Total Revenues** | 392,100 | 392,100 | **481,986** | 89,886 | 345,676 |
| **Expenditures:** | | | | | |
| System operation & maintenance | 366,500 | 366,500 | **239,302** | 127,198 | 251,392 |
| Administrative & general | 177,950 | 177,950 | **137,194** | 40,756 | 117,179 |
| Capital outlay | 104,950 | 104,950 | **63,322** | 41,628 | 49,268 |
| **Total Expenditures** | 649,400 | 649,400 | **439,818** | 209,582 | 417,839 |
| **Excess (Deficiency) of Revenues over Expenditures** | $ (257,300) | $ (257,300) | **42,168** | $ 299,468 | $ (72,163) |
| **Reconciliation of Budgetary Basis to GAAP Basis:** | | | | | |
| Capital assets purchases capitalized | | | **63,322** | | |
| Depreciation expense | | | **(55,898)** | | |
| **Change in Net Position** | | | **$ 49,592** | | |

## TOWN OF PIERCE, COLORADO

*Schedule of Revenues*

*Budget to Actual - **Sewer Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Operating Revenues:** | | | | | |
| Charges for services | $ 300,000 | $ 300,000 | **$ 385,317** | $ 85,317 | $ 368,337 |
| Tap Fees | - | - | **8,500** | 8,500 | - |
| **Total Operating Revenues** | 300,000 | 300,000 | **393,817** | 93,817 | 368,337 |
| **Non-Operating Revenues:** | | | | | |
| Interest on investments | 15,000 | 15,000 | **31,266** | 16,266 | 26,983 |
| Other revenue | 5,000 | 5,000 | **18,291** | 13,291 | 7,652 |
| **Total Non-Operating Revenues** | 20,000 | 20,000 | **49,557** | 29,557 | 34,635 |
| **Miscellaneous Income:** | | | | | |
| Contributions | - | - | - | - | - |
| Sale of assets | - | - | - | - | - |
| Insurance proceeds | - | - | - | - | - |
| Transfers In (Out) | - | - | - | - | - |
| **Total Miscellaneous Revenues** | - | - | - | - | - |
| **Total Revenues** | $ 320,000 | $ 320,000 | **$ 443,374** | $ 123,374 | $ 402,972 |

**TOWN OF PIERCE, COLORADO**

*Schedule of Expenditures*

*Budget to Actual - **Sewer Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | 2023 |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Operating Expenditures:** | | | | | |
| **System Operation & Maintenance:** | | | | | |
| Salaries | $ 55,000 | $ 55,000 | **$ 45,000** | $ 10,000 | $ 42,785 |
| Payroll taxes | 5,500 | 5,500 | **3,667** | 1,833 | 3,357 |
| Retirement | 3,000 | 3,000 | **1,377** | 1,623 | 1,237 |
| Health insurance | - | - | **4,718** | (4,718) | - |
| Supplies | 18,000 | 18,000 | **3,764** | 14,236 | 13,553 |
| Insurance | 7,500 | 7,500 | **-** | 7,500 | 4,639 |
| Legal | 1,000 | 1,000 | **-** | 1,000 | - |
| Telephone and postage | - | - | **-** | - | - |
| Utilities | 32,000 | 32,000 | **28,521** | 3,479 | 26,553 |
| Travel and transportation | 500 | 500 | **-** | 500 | - |
| Miscellaneous | 500 | 500 | **-** | 500 | - |
| Engineering | 1,000 | 1,000 | **-** | 1,000 | 164 |
| Outside services | 22,000 | 22,000 | **5,173** | 16,827 | 7,181 |
| Repairs | 1,500 | 1,500 | **-** | 1,500 | 776 |
| Fuel | 2,500 | 2,500 | **11** | 2,489 | 1,522 |
| Monitoring and testing | 35,000 | 35,000 | **42,743** | (7,743) | 31,384 |
| System maintenance | 170,000 | 170,000 | **146,731** | 23,269 | 177,906 |
| **Total System Operation & Maintenance** | 355,000 | 355,000 | **281,705** | 73,295 | 311,057 |
| **Administrative & General:** | | | | | |
| Salaries | 40,000 | 40,000 | **31,050** | 8,950 | 24,092 |
| Payroll taxes | 4,000 | 4,000 | **2,532** | 1,468 | 1,891 |
| Retirement | 2,000 | 2,000 | **926** | 1,074 | 731 |
| Health insurance | 16,000 | 16,000 | **9,077** | 6,923 | 11,239 |
| Audit and accounting | 7,000 | 7,000 | **5,794** | 1,206 | 4,725 |
| Supplies | 3,000 | 3,000 | **3,231** | (231) | 4,117 |
| Insurance | 8,000 | 8,000 | **9,596** | (1,596) | 4,862 |
| Legal | 2,500 | 2,500 | **1,260** | 1,240 | 1,800 |
| Advertising and legal notices | 250 | 250 | **-** | 250 | - |
| Codification ordinances | - | - | **-** | - | - |
| Telephone and postage | 3,500 | 3,500 | **2,982** | 518 | 2,812 |
| Utilities | 15,000 | 15,000 | **185** | 14,815 | 9,133 |
| Travel and transportation | 500 | 500 | **-** | 500 | - |
| Miscellaneous | 1,500 | 1,500 | **835** | 665 | 57 |
| Uniforms | 1,000 | 1,000 | **357** | 643 | 398 |
| Subscriptions and memberships | 500 | 500 | **-** | 500 | 212 |
| Hospitality | - | - | **-** | - | - |
| Training | 500 | 500 | **308** | 192 | - |
| Engineering | 5,000 | 5,000 | **1,112** | 3,888 | 4,906 |
| Outside services | 6,000 | 6,000 | **3,859** | 2,141 | 4,394 |
| Fuel | 500 | 500 | **1,690** | (1,190) | 480 |
| IT service | 9,000 | 9,000 | **11,328** | (2,328) | 6,950 |
| Software maintenance | 5,000 | 5,000 | **3,952** | 1,048 | 2,896 |
| Reserved | 1,400 | 1,400 | **-** | 1,400 | - |
| **Total Administrative & General** | 132,150 | 132,150 | **90,074** | 42,076 | 85,695 |
| **Total Operating Expenditures** | 487,150 | 487,150 | **371,779** | 115,371 | 396,752 |
| **Non-Operating Expenditures:** | | | | | |
| **Capital outlay** | - | - | **1,898** | (1,898) | 8,950 |
| **Total Non-Operating Expenditures** | - | - | **1,898** | (1,898) | 8,950 |
| **Total Expenditures** | $ 487,150 | $ 487,150 | **$ 373,677** | $ 113,473 | $ 405,702 |

# TOWN OF PIERCE, COLORADO

*Reconciliation of Budgetary Basis to GAAP Basis*

*Budget to Actual -* ***Sewer Fund***

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Budget | | | Variance - Favorable | **2023** |
| ***Non-GAAP Budgetary Basis*** | Original | Final | **Actual** | (Unfavorable) | Actual |
| **Revenues:** | | | | | |
| Operating revenues | $ 300,000 | $ 300,000 | **$ 393,817** | $ 93,817 | $ 368,337 |
| Non-operating revenues | 20,000 | 20,000 | **49,557** | 29,557 | 34,635 |
| Miscellaneous revenues | - | - | **-** | - | - |
| **Total Revenues** | 320,000 | 320,000 | **443,374** | 123,374 | 402,972 |
| **Expenditures:** | | | | | |
| System operations & maintenance | 355,000 | 355,000 | **281,705** | 73,295 | 311,057 |
| Administrative & general | 132,150 | 132,150 | **90,074** | 42,076 | 85,695 |
| Non-operating | - | - | **1,898** | (1,898) | 8,950 |
| **Total Expenditures** | 487,150 | 487,150 | **373,677** | 113,473 | 405,702 |
| **Excess (Deficiency) of Revenues over Expenditures** | $ (167,150) | $ (167,150) | **69,697** | $ 236,847 | $ (2,730) |
| **Reconciliation of Budgetary Basis to GAAP Basis:** | | | | | |
| Capital assets purchases capitalized | | | **1,898** | | |
| Depreciation expense | | | **(63,135)** | | |
| **Change in Net Position** | | | **$ 8,460** | | |

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

Form Approved
OMB No. 2125-0032

| | |
|---|---|
| **LOCAL HIGHWAY FINANCE REPORT** | STATE:<br>COLORADO |
| | YEAR ENDING (mm/yy):<br>12/24 |
| This Information From The Records Of:<br>TOWN OF PIERCE, COLORADO | Prepared By:<br>KRISTINA DURAN, TOWN CLERK #970-834-2851 |

### 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 | $ (4,815.00) |
| 3. Other local imposts (from page 2) | $ 66,017.00 |
| 4. Miscellaneous local receipts (from page 2) | $ - |
| 5. Transfers from toll facilities | |
| 6. Proceeds of sale of bonds and notes: | |
| a. Bonds - Original Issues | |
| b. Bonds - Refunding Issues | |
| c. Notes | |
| d. Total (a. + b. + c.) | $ - |
| 7. Total (1 through 6) | $ 61,202.00 |
| **B. Private Contributions** | |
| **C. Receipts from State government** (from page 2) | $ 57,223.00 |
| **D. Receipts from Federal Government** (from page 2) | $ - |
| **E. Total receipts (A.7 + B + C + D)** | $ 118,425.00 |

### III. EXPENDITURES FOR ROAD AND STREET PURPOSES

| ITEM | AMOUNT |
|---|---|
| **A. Local highway expenditures:** | |
| 1. Capital outlay (from page 2) | $ - |
| 2. Maintenance: | $ 34,534.00 |
| 3. Road and street services: | |
| a. Traffic control operations | |
| b. Snow and ice removal | |
| c. Other **STREET LIGHTING** | $ 21,282.00 |
| d. Total (a. through c.) | $ 21,282.00 |
| 4. General administration & miscellaneous | |
| 5. Highway law enforcement and safety | $ 62,609.00 |
| 6. Total (1 through 5) | $ 118,425.00 |
| **B. Debt service on local obligations:** | |
| 1. Bonds: | |
| a. Interest | |
| b. Redemption | |
| c. Total (a. + b.) | $ - |
| 2. Notes: | |
| a. Interest | |
| b. Redemption | |
| c. Total (a. + b.) | $ - |
| 3. Total (1.c + 2.c) | $ - |
| **C. Payments to State for highways** | |
| **D. Payments to toll facilities** | |
| **E. Total expenditures (A.6 + B.3 + C + D)** | $ 118,425.00 |

### IV. LOCAL HIGHWAY DEBT STATUS

*(Show all entries at par)*

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

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

| | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|---|---|---|---|---|---|
| | $ - | $ 118,425.00 | $ 118,425.00 | | $ - |

**Notes and Comments:**

| LOCAL HIGHWAY FINANCE REPORT | STATE: COLORADO<br>YEAR ENDING (mm/yy): 12/24 |
|---|---|

## II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

| ITEM | AMOUNT | ITEM | AMOUNT |
|---|---|---|---|
| **A.3. Other local imposts:** | | **A.4. Miscellaneous local receipts:** | |
| a. Property Taxes and Assesments | | a. Interest on investments | |
| b. Other local imposts: | | b. Traffic Fines & Penalties | |
| 1. Sales Taxes | | c. Parking Garage Fees | |
| 2. Infrastructure & Impact Fees | $ 55,358.00 | d. Parking Meter Fees | |
| 3. Liens | | e. Sale of Surplus Property | |
| 4. Licenses | | f. Charges for Services | |
| 5. Specific Ownership &/or Other | $ 10,659.00 | g. Other Misc. Receipts | |
| 6. Total (1. through 5.) | $ 66,017.00 | h. Other | |
| c. Total (a. + b.) | $ 66,017.00 | i. Total (a. through h.) | $ - |
| *(Carry forward to page 1)* | | *(Carry forward to page 1)* | |

| ITEM | AMOUNT | ITEM | AMOUNT |
|---|---|---|---|
| **C. Receipts from State Government** | | **D. Receipts from Federal Government** | |
| 1. Highway-user taxes (from Item I.C.5.) | $ 53,944.00 | 1. FHWA (from Item I.D.5.) | |
| 2. State general funds | | 2. Other Federal agencies: | |
| 3. Other State funds: | | a. Forest Service | |
| a. State bond proceeds | | b. FEMA | |
| b. Project Match | | c. HUD | |
| c. Motor Vehicle Registrations | $ 3,279.00 | d. Federal Transit Administration | |
| d. DOLA Grant | | e. U.S. Corps of Engineers | |
| e. Other | | f. Other Federal | |
| f. Total (a. through e.) | $ 3,279.00 | g. Total (a. through f.) | $ - |
| 4. Total (1. + 2. + 3.f) | $ 57,223.00 | 3. Total (1. + 2.g) | $ - |
| *(Carry forward to page 1)* | | *(Carry forward to page 1)* | |

## III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

**Notes and Comments:**

**FORM FHWA-536**