

The background of the page is a photograph of Fountain City Hall, a large brick building with a classical portico supported by four columns. The words "FOUNTAIN CITY HALL" are inscribed on the pediment above the columns. In the foreground, a fountain with multiple jets of water is spraying upwards. The scene is set on a green lawn with a brick-paved area in the immediate foreground.

City of Fountain, Colorado Annual Comprehensive Financial Report Year ended December 31, 2024

Vision Statement:

“An All-America city with a strong sense of community, where you know you are home.”



City of Fountain, Colorado

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Introductory Section



TRANSMITTAL LETTER

September 8, 2025

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Fountain:

The Annual Comprehensive Financial Report (ACFR) of the City of Fountain, Colorado, for the fiscal year ended December 31, 2024, is hereby transmitted. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that are established for this purpose. Because the cost of internal controls should not outweigh the benefits, the City's internal controls have been designed to provide reasonable assurance that the financial statements will be free from material misstatements.

The City is required by Colorado law to have an annual audit conducted in accordance with generally accepted auditing standards by an independent certified public accountant licensed to practice in Colorado. The city must then submit the audit report to the Office of the State Auditor.

The City's financial statements have been audited by Haynie & Company, a licensed certified public accounting firm. The goal of the independent audit is to provide reasonable assurance that the City's financial statements for the fiscal year ended December 31, 2024, are free from material misstatements. The independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2024, are presented fairly and in conformity with Generally Accepted Accounting Principles. The independent auditors' report is presented on the first page of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

City Profile

The City of Fountain, Colorado, incorporated in 1903, is located on Colorado's Rocky Mountain Front Range, 10 miles south of Colorado Springs. The City occupies 22.08 square miles and serves a population of approximately 30,000.

The City is, by Charter, a Home Rule City with a Council-Manager form of government. Policy-making and legislative authority are vested in the City Council consisting of the mayor and six other members who are elected by and answer to the citizens of Fountain. A City Manager is appointed by the City Council to run the day-to-day operations of the City.

The City of Fountain provides a full range of services including police, fire, and emergency medical services, street and drainage maintenance, economic development, water and electric utilities, bus transit, parks & recreation, and general administrative services. The Fountain Urban Renewal Authority is a separate legal entity but is reported in the City's financial statement as a component unit.

Local Economy

The largest employer in the Fountain area is Fort Carson with more than 35,000 military, civilian employees and contractors. Residential housing developers have planned for large developments in and around Fountain and the City is working hard to provide the infrastructure required to keep up with the housing demand. In addition, the City continues to grow its business commercial base with a diversification among prime employer industries other than schools and government:

- Manufacturing
- Transportation & Logistics
- Retail
- Restaurants
- Professional Services
- Motorsports

For the first six months of 2025, year over year sales tax revenue is lower than the same period for 2024, however, it is still in line with 2025 budget estimates. Property tax and impact fee revenues are above 2025 budgeted projections to date.

Strategic Planning

2024 represented the 3rd year of the City's three-year strategic planning cycle. The City's Strategic Plan, through City Council-adopted strategic priorities and associated objectives, represents the Council's direction to staff and is a key guide for allocating financial resources through the City's biennial budget. The City Council's strategic priorities for the 2022-2024 Strategic Plan are as follows:

Strategic Priority: Set conditions and facilitate responsible development and carefully managed city growth, focused on efforts that maintain or improve existing city-wide infrastructure and services, while building reasonable capacity to meet future community needs.

Strategic Priority: Develop, coordinate, and implement initiatives and programs, in collaboration with the community, that diversify city financial resources and invest in the Enduring Interests of the City Vision Statement.

Strategic Priority: Ensure highly professional, responsive and community focused public safety resources, that provide reliable access to public safety services throughout the City's jurisdiction.

Strategic Priority: Improve the quality and availability of parks and recreation opportunities, including athletics, outdoor recreation areas, youth programs and community gathering places.

These priorities are represented through an additional thirty objectives that are specific, measurable, achievable, relevant, and time-bound, which are included in the budget. While the City prepares biennial budgets, those budgets are adopted as an annual operating budget of revenues and expenditures for the following year in accordance with State Statute and the City Charter. Included as a part of the City's budget process, the City prepares a five-year summary financial plan for the major funds. The plan encompasses both revenue projections and operating and capital expenditures.

Additionally, as 2024 was the final year of the 2022-2024 Strategic window, the City Council planned for the 2025-2027 update. That plan was adopted at the end of 2024 unanimously and will begin implementation in 2025.

Major Initiatives

Numerous Strategic Objectives continued to progress throughout 2024, including:

- Completion of a 3/6/9 study, projecting future growth of the community and the service impacts that growth will have on the City organization.
- Ongoing efforts to continue stabilization of the Water Fund to include completion and implementation of the City's first cost allocation study in over 15 years.
- Ongoing construction of a 30" water transmission line under I-25. This work parallels the ongoing engineering work association with the storage and treatment facility.

- Completion of the continuous green T intersection at Carson and Hwy85, facilitating access to the Southmoor drive neighborhoods. This was a CDOT funded and constructed project that grew out of the City's strategic plan.
- Completion of the City Parks shop facility adjacent to the Lorraine School.
- Expansion of the Intergovernmental Support Agreement (IGSA) program with Fort Carson, adding a general construction IGSA to provide construction contracting services on post.
- Completion of the Adams Open Space Trail bridge.

Awards and Acknowledgements

The GFOA awarded the Certificate of Achievement for Excellence in Financial Reporting (ACFR) to the City of Fountain for the fiscal year ended December 31, 2023. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

We wish to specifically acknowledge our auditors, Hinkle & Company, PC, for the assistance and guidance they provided in the preparation of the ACFR and for the professional manner in which they conducted the audit. We would additionally like to acknowledge and thank our entire Finance team and specifically, Megan Rungie, John Scavone and Jennifer Stevenson, who worked diligently to ensure that we could pull together all the necessary information for a quality audit.

We would also like to recognize the Mayor and City Council for their support and continued desire to ensure the highest standards of professionalism in the management of the City's financial affairs.

Respectfully submitted,



Scott Trainor
City Manager



Shawna Dail
Finance Director

City Council



Sharon Thompson, Mayor
Term Expires: 11/2025



Gordon Rick, Council Member
Ward: #1
Term Expires: 11/2025



Tamara Estes, Council Member
Ward: #2
Term Expires: 11/2027



Marcia Gieck, Council Member
Ward: #3
Term Expires: 11/2025



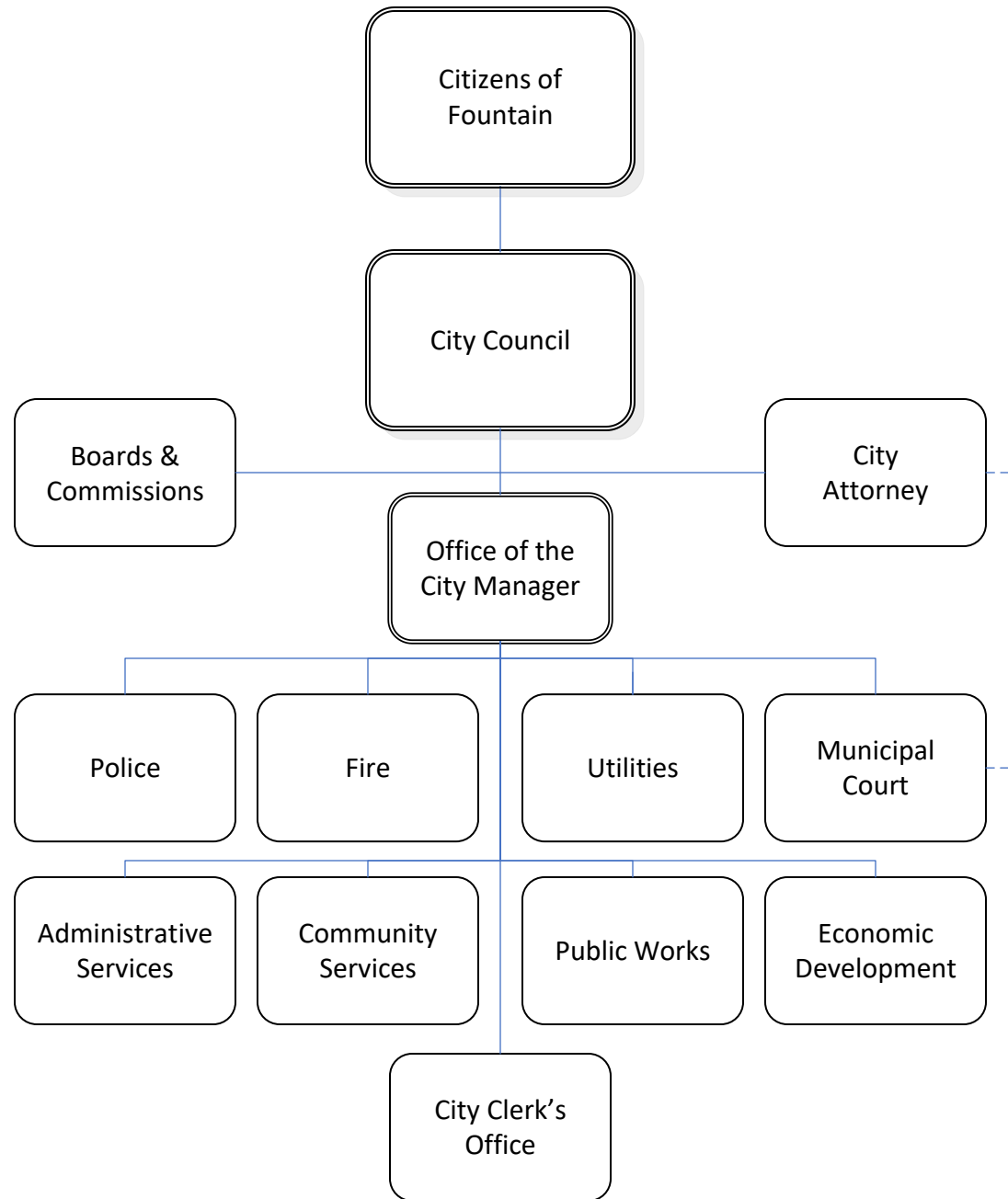
Frederick Hinton, Council Member
Ward: At-Large
Term Expires: 11/2025



Jennifer Herzberg, Council Member
Ward: At-Large
Term Expires: 11/2027



Detra Duncan, Council Member
Ward: At-Large
Term Expires: 11/2027





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Fountain
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

Financial Section



**HINKLE &
COMPANY**
Strategic ^{PC}
Business Advisors

Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Fountain, Colorado
Fountain, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fountain, Colorado (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, 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.

We did not audit the financial statements of the Fountain Urban Renewal Authority, which represents entirety of the discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Fountain Urban Renewal Authority is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. 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 City, 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.

Office Locations:

Colorado Springs, CO
Denver, CO
Frisco, CO
Tulsa, OK

Denver Office:

750 W. Hampden Avenue,
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, 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 City'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 City's ability to continue as a going concern for a reasonable period of time.

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



Required Supplementary Information

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

Other Information

Management is responsible for the other information included in the Supplementary Information and the local highway finance report, as listed in the table of contents. The other information comprises the Supplementary Information and the local highway finance report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Hick & Company, PC

Englewood, Colorado
September 8, 2025



City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024

This discussion and analysis of the City of Fountain's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2024. Please read it in conjunction with the City's financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Financial Highlights

- The assets and deferred outflows of the City of Fountain exceeded its liabilities and deferred inflows at the close of 2024 by \$228 million (net position). Of this amount, \$46.4 million (unrestricted net position) may be used to pay the City's obligations to citizens and creditors.
- At December 31, 2024, the City of Fountain's governmental funds reported a combined fund balance for restricted and unrestricted of \$31.2 million, an increase of approximately \$3.6 million in comparison with the prior year. This increase was primarily due to the increased sales and use tax revenues and intergovernmental revenues. Approximately \$17 million of the unrestricted fund balance is available for spending at the government's discretion.
- The unrestricted fund balance for the General Fund was \$17 million, or 46.9% of the total General Fund expenditures including capital, compared to \$15 million or 49.3% for fiscal year 2023. An additional \$1,345,000 of fund balance in the General Fund is restricted by the State of Colorado for emergencies in 2024.
- Sales Tax, the City's largest source of General Fund revenue, was \$18.6 million for 2024 as compared to \$17.6 million for the prior year, an increase of 6.1%.
- Property tax in the General Fund was \$5.3 million for 2024, however during 2024, the City did a one-year temporary property tax reduction of 1.239 mills to help combat rising property valuations and provide immediate relief of approximately \$415,000 to taxpayers and citizens.
 - The 2023 voter approved 6.1 mill levy increase that is restricted for certain Public Safety expenditures brought in approximately \$2.15 million of tax revenue during 2024.
- Deferred outflows for the City of Fountain decreased by \$1.5 million and deferred inflows increased by \$323 thousand over 2023, primarily due to changes in pension and OPEB valuations and an increase in property taxes.
- During 2024, the City entered into a new lease financing agreement to purchase new public safety emergency response vehicles with a 5-year term, an interest rate of 5.94%, and annual payment of \$183,500. After payments on debt, long term liabilities for both governmental and business-type activities, including OPEB decreased by \$2.9 million during 2024.

Using this Annual Report

This discussion and analysis is intended to serve as an introduction to the City of Fountain's basic financial statements. The City of Fountain's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Fountain's finances, in a manner similar to a private-sector business.

The **statement of net position** presents information on all of the City of Fountain's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Fountain is improving or deteriorating.

The **statement of activities** presents information showing how the City of Fountain's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Fountain 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 City of Fountain include General Government, Public Safety, Public Works, Health and Welfare, Culture and Recreation and Interest Expense. The Business-type Activities of the City of Fountain include Water, Electric, Ambulance, and Drainage. Also included in the government-wide financial statements is the Fountain Urban Renewal Authority (FURA). FURA is legally separate from the City, however the members of the governing board are appointed by the City Council. FURA is categorized as a discretely presented component unit rather than a part of the primary government. FURA's financial information is, therefore, presented in a separate column in the government-wide financial statements.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Fountain, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

Governmental funds - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental funds include the general fund and eight special revenue funds. The funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view of cash, the governmental fund operations, and the basic services it provides.

City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Proprietary funds - The *enterprise fund* type of proprietary funds is used to report the same functions presented as business-type activities in the government-wide financial statements, but provide more detail and additional information, such as cash flow. Fountain's proprietary funds include the water and electric utilities, the ambulance and drainage funds and the insurance fund, which is an internal service fund. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The volunteer fire pension is Fountain's only fiduciary fund. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12-42 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This supplementary information can be found on pages 43-71 of this report. The City of Fountain's progress in funding its obligation to provide pension benefits to volunteer fire fighters is located on page 43 of this report. The Schedule of Funding Progress Postemployment Benefit Plan is located on page 45. The Budgetary Comparison Schedule for the General Fund and other required supplementary information can be found on pages 49-52.

Supplementary information, including the combining statements, referred to earlier in connection with non-major Governmental Funds and Enterprise Funds, are presented immediately following the required supplementary information on pensions and the General Fund. Combining and individual fund statements and schedules can be found on pages 53-71.

City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024

Financial Analysis of the City as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Fountain, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$228 million at the close of 2024, an increase of \$13.9 million from the end of 2023.

Statement of Net Position (in thousands)

	Governmental		Business-type		Total	
	Activities		Activities			
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 45,028	\$ 44,806	\$ 33,866	\$ 25,517	\$ 78,894	\$ 70,323
Capital assets	71,309	71,510	157,872	157,221	229,181	228,731
Total assets	116,337	116,316	191,738	182,738	308,075	299,054
Deferred outflows of resources	3,550	5,059	753	810	4,303	5,869
Long-term liabilities outstanding	5,906	6,189	56,254	58,888	62,160	65,077
Other liabilities	7,508	11,359	7,898	7,876	15,406	19,235
Total liabilities	13,414	17,548	64,152	66,764	77,566	84,312
Deferred inflows of resources	6,786	6,463	-	-	6,786	6,463
Net position:						
Net investment in capital assets	66,690	66,931	104,919	102,002	171,609	168,933
Restricted	9,970	8,765	-	-	9,970	8,765
Unrestricted	23,027	21,667	23,420	14,783	46,447	36,450
Total net position	\$ 99,687	\$ 97,363	\$ 128,339	\$ 116,785	\$ 228,026	\$ 214,148

The largest portion of the City of Fountain's net position (75.3%) is reflected in the net investment in capital assets (e.g., land, buildings, infrastructure, vehicles, equipment, etc.), less any related debt still outstanding (current and long-term), that was used to acquire those assets, excluding unspent bond and lease financing proceeds. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024

A small portion of the City of Fountain's net position (4.4%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position (\$46.4 million) may be used to meet the City's ongoing obligations to citizens and creditors.

Changes in Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for services	\$ 4,299	\$ 4,797	\$ 44,159	\$ 43,595	\$ 48,458	\$ 48,392
Operating grants and contributions	8,482	1,855	1,161	1,759	9,643	3,614
Capital grants and Contributions	-	-	319	1,020	319	1,020
General Revenues:						
Property taxes	5,761	4,887	-	-	5,761	4,887
Sales and use taxes	23,368	21,973	-	-	23,368	21,973
Spec. Own. taxes	517	525	-	-	517	525
Franchise taxes	448	1,974	-	-	448	1,974
Other revenues	1,544	553	2,481	2,109	4,025	2,662
Investment earnings	1,569	1,165	822	515	2,391	1,680
Total revenues	45,988	37,729	48,942	48,998	94,930	86,727
Program Expenses:						
General government	14,659	14,501	-	-	14,659	14,501
Public Safety	18,101	15,492	-	-	18,101	15,492
Public Works	3,629	3,382	-	-	3,629	3,382
Health and welfare	769	613	-	-	769	613
Culture and recreation	1,545	1,323	-	-	1,545	1,323
Interest expense	465	521	-	-	465	521
Water utility	-	-	11,414	11,573	11,414	11,573
Electric utility	-	-	28,407	29,606	28,407	29,606
Ambulance	-	-	2,064	1,921	2,064	1,921
Total expenses	39,168	35,832	41,885	43,100	81,053	78,932
Excess/(Deficiency) Before transfers	6,820	1,897	7,057	5,898	13,877	7,795
Transfers In (Out)	(4,496)	(199)	4,496	199	-	-
Increase/(Decrease) in net position	2,324	1,698	11,553	6,097	13,877	7,795
Net position, beginning	97,363	95,665	116,785	110,688	214,148	206,353
Net position, ending	\$ 99,687	\$ 97,363	\$ 128,338	\$ 116,785	\$ 228,025	\$ 214,148

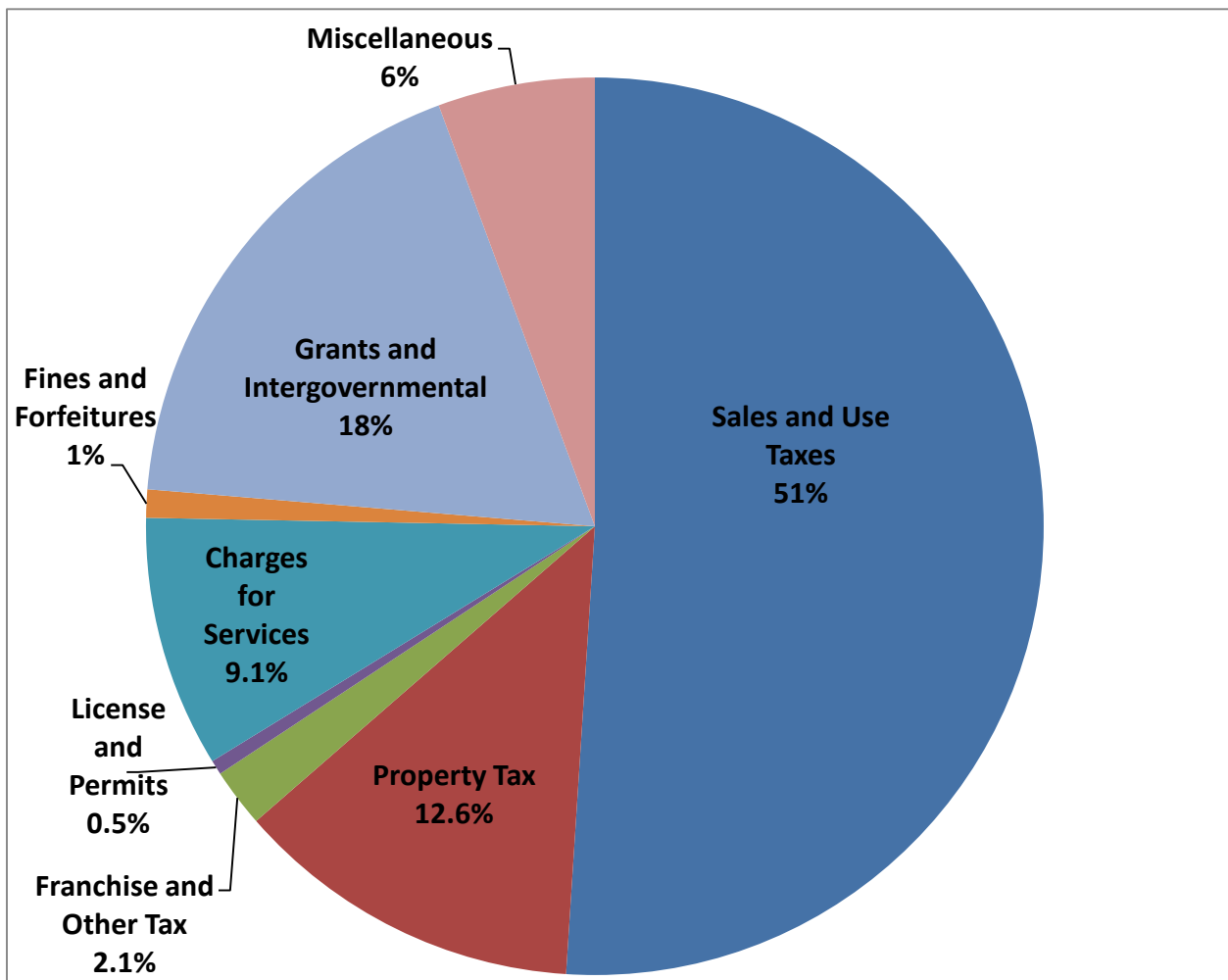
The major changes to the City's Governmental Activities and Business-type funds are described in the next two sections.

City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024

Governmental Activities

Governmental activities net position for 2024 increased by \$2,323,884. This is primarily attributed to several additional Federal and State grants (including two FEMA grants for previous storm damage) as well as the increase in Intergovernmental Revenues from the City's Intergovernmental Service Agreements (IGSA) program with Fort Carson and property tax revenues from the 2023 public safety mill levy passed by voters in the November 2022 election.

The following pie chart illustrates the Governmental Activities revenues.



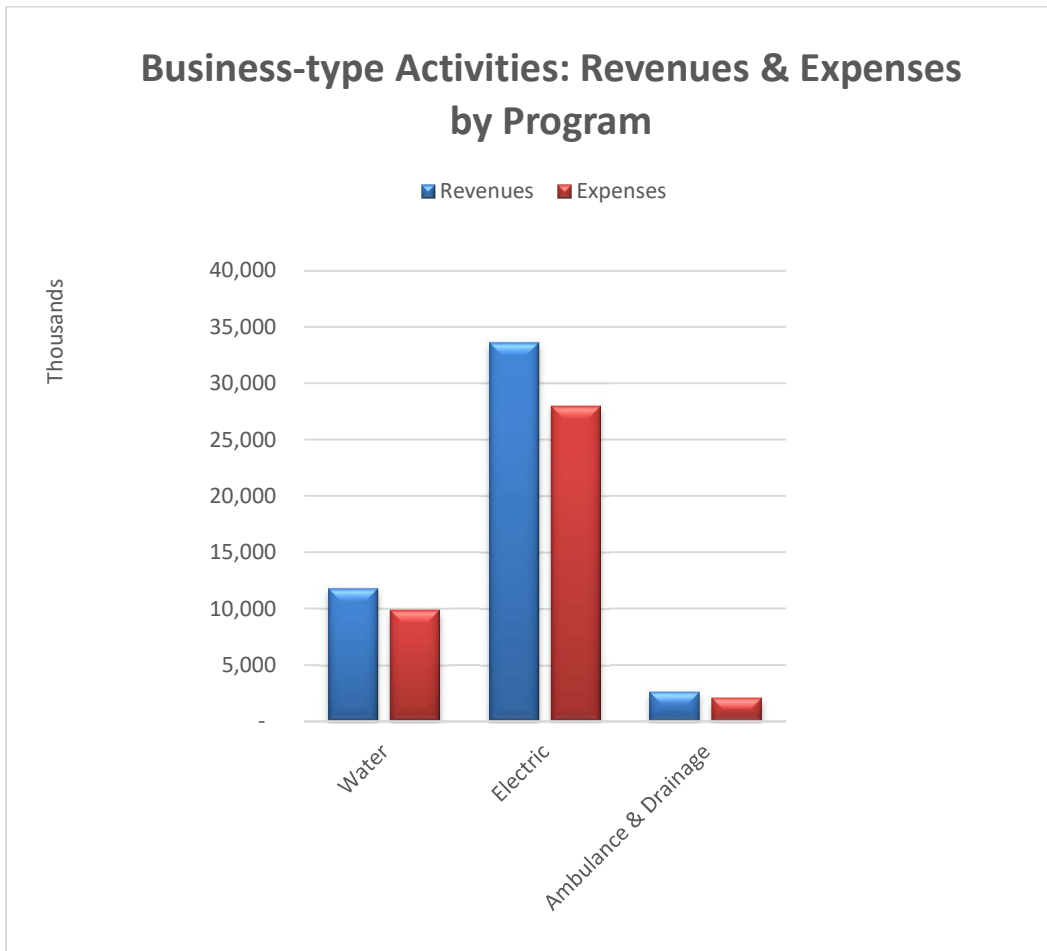
- Revenue from general fund sales tax was \$18.6 million in 2024, a \$1.0 million or 6% increase over 2023 due to the continued increases in online sales and continued growth in the South Academy Highlands development.
- The City received \$2.15 million in property tax revenue from the new public safety mill levy in 2024.

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- The IGSA revenue increased 141% in 2024 over 2023 and is expected to increase another 200% in 2025 as the program continues steadily rapid growth.
- The City received \$7.1 million in federal and other state and local grants in 2024 to complete repairs to various bridges, creeks, trail systems, and parks from prior year FEMA declared storm disasters as well as new roads and other infrastructure.

Business-type Activities

The City of Fountain 2024 business-type activities net position increased by \$11,553,535. The following chart illustrates the business-type activities program revenues and expenses.



- Combined 2024 revenue of \$48 million was in line with 2023 total revenue with only a slight increase of approximately \$501 thousand.
 - Water charges for services, including system development fees, of \$10.95 million decreased for the second year in a row by approximately \$1.02 million from 2023, primarily due to a decrease in water usage and slower development.

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- Electric charges for services, including system development fees of \$31.4 million increased slightly by approximately \$640 thousand over 2023, primarily due to increased electric rates and higher usage.
 - Ambulance grants decreased to \$427 thousand in 2024 from \$944 thousand in 2023 due to a large Medicaid overpayment in prior years, however, charges for service increased by \$247 thousand to \$2.1 million in 2024 from \$1.9 million in 2023 due to higher collection rates through improved billing practices.
 - Drainage revenues decreased by \$18 thousand due to slower residential construction in the drainage area for the second year in a row with \$6 thousand in development fees in 2024 compared to \$24 thousand in development fees in 2023.
 - Investment revenue for all business-type activities increased for the second year by \$307 thousand over 2023 due to higher market interest rates.
- Overall, program operating expenses including interest expense decreased by \$1.2 million to \$41.9 million in 2024 over 2023.
 - Water Fund decreased by approximately \$121 thousand, primarily due to a decrease in operations and maintenance expenses due to fewer emergency system repairs and more efficient customer accounts operations.
 - Electric Fund decreased by approximately \$1.2 million, primarily due to a decrease in operations and maintenance expenses and more efficient customer accounts operations.
 - Ambulance Fund increased by approximately \$144 thousand, primarily due to increased personnel salary and benefit costs and an increase in depreciation expense for new capital assets.

Fiduciary Activities

The City of Fountain maintains a fiduciary fund to account for money designated to pay benefits under the City's Volunteer Fire Pension Plan.

Financial Analysis of the City's Funds

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

City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the City's financing requirements.

The City's General Fund reported a 2024 ending fund balance of \$22.5 million, an increase of \$2.7 million in comparison with the previous year. The increase was primarily due to a \$6.7 million increase in revenues and \$820 thousand increase in lease financing proceeds, partially offset by a \$5.0 million increase in expenditures. The increase in revenues is due to increased property taxes from the new public safety mill levy effective in 2023, additional Federal and State grants, new Intergovernmental Service Agreement revenue and higher than average investment income. Unassigned fund balance, which is available for spending at the City's discretion, totaled \$17 million or 75.6% of the total general fund balance. The remainder of the fund balance is restricted for emergencies (\$1,345,000), committed to park improvements and school zone improvements, (\$1,407,022 combined), and assigned to public safety capital improvements (\$2,724,103).

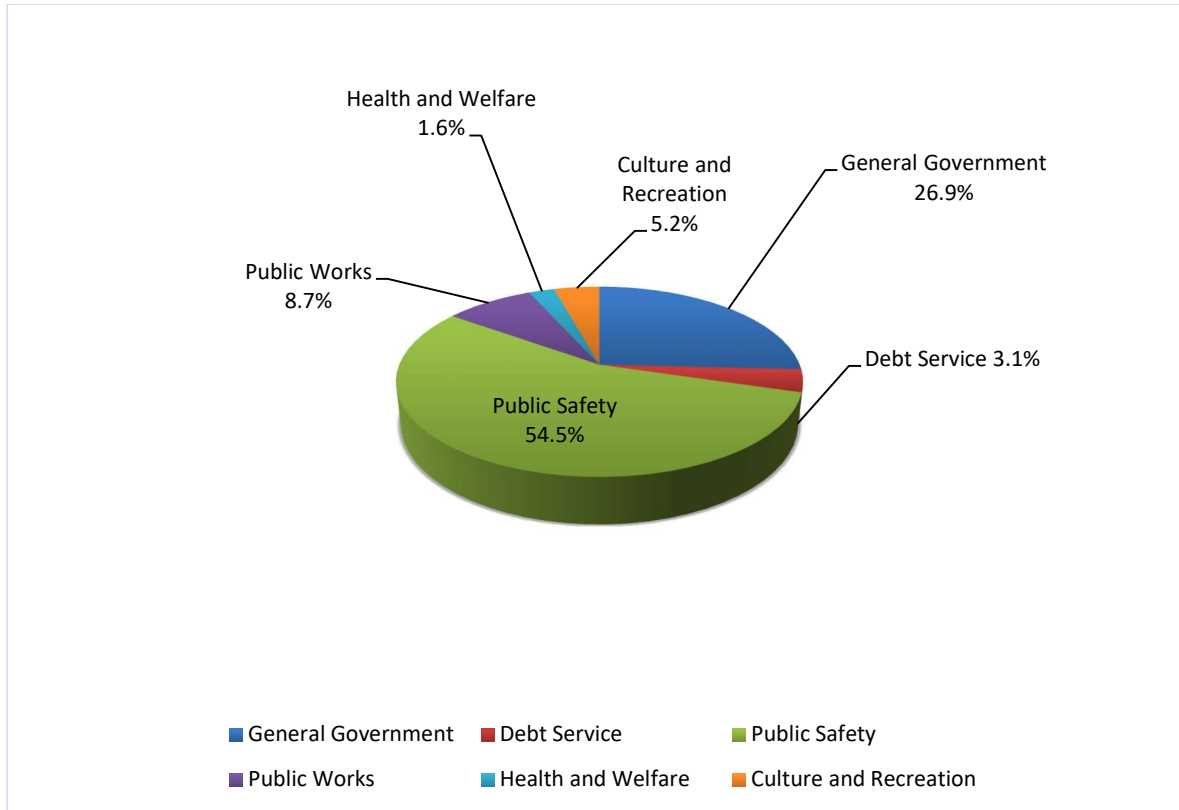
Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statement, but in more detail. Unrestricted net position of the water and electric utilities, the two largest proprietary funds, were (\$1.3) million and \$20.0 million, respectively for 2024.

General Fund Budgetary Highlights

The General Fund accounts for all the general government services provided by the City of Fountain including; City Council, Municipal Court, Economic Development, Election, Administration, Public Safety, Planning & Engineering, Parks & Recreation, and Information Technology. The following pie chart illustrates the General Fund expenditures by type.

City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024



Line-item budget transfers are allowed within a fund with the approval of the City Manager. Increases in the expenditure budget for any fund must be approved by the City Council. The 2024 General Fund original budgeted expenditures (including transfers out) were \$35.1 million. Budget amendments presented to, and approved by, the City Council for 2024, totaled approximately \$8.8 million. The final budget was \$43.9 million in 2024.

Variances from the final budget to actual expenditures worth noting include the following:

- General government variance was \$1.9 million under budget primarily due to information technology maintenance service agreement savings and capital expenditures that were either postponed or cut through efficiencies as well as lower than anticipated sales tax sharing incentives in economic development. Additionally, there were significant long term staffing shortages within the planning department.
- Public Safety variance was \$763 thousand under budget due to personnel vacancies and salary savings and delays in capital vehicle purchases due to long lead times on ordering emergency response vehicles.
- Overall capital outlay expenses were \$4.3 million under budget due to construction delays in multiple engineering and streets projects and improvements.
- The total positive budget variance in expenditures in the General Fund, including transfers out, approximated \$1.8 million.
- Positive variances in general fund revenues totaled \$3.3 million, primarily due to the increase in sales tax, intergovernmental revenues and investment income.

City of Fountain, Colorado
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Capital Assets and Debt Administration

Capital Assets

The City of Fountain's investment in capital assets for its governmental and business-type activities, not including pension assets or debt, as of December 31, 2024, totaled \$229.2 million (net of accumulated depreciation). This investment in capital assets includes land and easements, water and storage rights, buildings and improvements, infrastructure, machinery and equipment, computers and software, and vehicles. The City's investment in capital assets had a net increase by \$450 thousand during 2024 across all funds; governmental activities decreased by \$200 thousand while business-type activities increased by \$650 thousand.

Major capital events for 2024 included the following items:

- The General Fund spent \$189,217 on computer equipment including new mobile data terminal laptops (MDTs) for police and fire emergency response vehicles and an updated in-station alerting system for the fire department. The General Fund also spent \$749,504 on new police, fire, and streets vehicles and related equipment as well as \$143,106 on a paver/hopper machine for streets, portable ventilators and training props for fire, and a Brushcat for parks. Additionally, \$646,765 was spent on buildings and infrastructure upgrades including a new parks office building and replacement concrete for the apparatus bay at Fire Station #2.
- The Water Fund expended \$924,946 on various infrastructure improvements and continued changeouts of water meters as part of a multi-year replacement program. An additional \$4.5 million was expended out of the Water Fund for a new southwest interconnect infrastructure project funded by ARPA as a multi-year project that will be completed by December 2025.
- The Electric Fund spent \$3.6 million over a two-year period on a new solar array that is partially funded by a DOLA grant and was put into operation at the beginning of 2024. Additionally, the Electric Fund spent \$63,146 combined on audio visual improvements to meeting rooms, a new technology server room cooling system, and radios.
- The Ambulance Fund spent \$573,397 on a new ambulance and related equipment.
- The Transportation Sales Tax fund spent \$100,157 on improvements to the City bus shelters.
- The Conservation Trust fund spent \$144,932 on motor repairs and upgrades to the Aga Park Splash Pad and new excavator equipment for all City owned parks.

Note 4 on pages 21-22 of the financial statements provides a detailed summary of the City's capital assets.

Long-Term Debt

The City of Fountain's total long-term debt decreased by \$2.4 million from 2023 to approximately \$65.6 million as of December 31, 2024.

City of Fountain, Colorado
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The City's long-term debt related to governmental activities increased during 2024 by a net of approximately \$202 thousand. Compensated absences increased by \$162,008 and lease financing agreements increased by \$40,300.

The City's long-term debt related to business-type activities decreased by approximately \$2.5 million during 2024. Lease financing agreements and compensated absences had net decrease of \$124,150 and all other business-type activities bond-related debt decreased by approximately \$2.4 million.

Note 5 on pages 22-28 of the financial statements provide a detailed summary of the City's long-term debt.

Economic Factors and Next Year's Budget and Rates

Financial indicators:

- The unemployment rate for the Colorado Springs area as of December 2024, was 4.6% and is estimated to remain fairly flat as of July 2025. This is slightly higher than the national rate of 4.1% according to the Bureau of Labor Statistics. Employment grew by 147,000 in June 2025 for all non-farming employment categories and the national unemployment rate has only fluctuated approximately 0.2% since May 2024.
- The average home price increased in El Paso County during 2024, up to \$549,346 from an average price of \$431,000 in 2023. According to the El Paso County Assessor's Office, the average home price for June 2025 was \$560,396. Properties in El Paso County are reassessed every two years.
- Sales tax revenue continued to increase in 2024 due to the South Academy Highlands Sam's and Walmart developments and the associated shopping centers and hotel as well as continued growth from online retailers.
- Sales taxes are forecast to level out in 2025 with minimal growth into 2026 due to uncertainty around new federal fiscal policies and economic conditions, however, the City had a large retail store open in July 2025 that will also bring in multiple additional smaller retailers in the surrounding shopping center between the 3rd and 4th quarters of 2025.
- New construction in Fountain in 2024 included 75 new housing starts, and 6 new commercial buildings, which together constitute a 63% increase over last year and include the completion of a large, multi-family development. The City of Fountain is anticipating continued, steady growth over the next 10 years. A large commercial retail development including a national grocery chain and smaller supporting franchise businesses is set to open beginning July 2025.

City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024

- The City Council passed a temporary 1-year reduction on property taxes for 2024 to help alleviate significant increases on assessed property valuations, which brings the City mill levy down from 10.239 mills to 9.00 mills. Original valuations from the County Assessor's Office estimated a 19.8% increase in valuations from 2023 to 2024. This temporary reduction was not renewed into 2025 and did not apply to the Public Safety mill levy.
- The Intergovernmental Services Agreement (IGSA) program that began in 2020 is a partnership between the City and the neighboring Fort Carson Army Installation for service contracts such as Animal Control and Pest Control Services on base but managed by City Staff. In 2024, revenue from the IGSA program increased more than 140% from \$404,634 in 2023 to \$976,238 in 2024. This program is expected to continue steadily rapid growth of approximately 200% or more in 2025 and into 2026 with additional and expanded service programs.
- The City expects to see a reduction in federal grant awards beginning in 2026 due to new federal program cuts, however, the full impact of those reductions cannot currently be determined as they are still under debate and varying implementation stages at the federal level.
- In February 2025, City Council approved a water rate increase of 9% for each year 2025 and 2026 beginning on March 1st and January 1st respectively. There are no electric rate increases planned for 2025; however, there is an electric rate study tentatively planned for 2026 to review rates for future years.

All the above indicators were considered in preparing and adopting the City of Fountain 2025 budget. Budgeted line items were kept mostly flat from 2024 expenditures with the exceptions of Public Safety expenditures out of the Public Safety mill levy revenue (including the hiring of 12 new public safety staff), capital investment projects, and a 3% merit increase in pay for deserving staff. In the General Fund, the exceptions included grant match funds and investments in capital items for information technology, fire personnel and equipment, police personnel and equipment, street projects and various recreational facilities. In the Water and Electric Funds, large expenditures are planned for final completion of on-going water infrastructure projects and a new electric substation required to match the anticipated growth in the City due to the strong economic factors impacting the region.

City of Fountain, Colorado
Management's Discussion & Analysis
December 31, 2024

Requests for Information

This financial report is designed to provide a general overview of the City of Fountain's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or additional financial information should be addressed to the Finance Director:

City of Fountain
116 South Main Street
Fountain, CO 80817
719-393-4924

Basic Financial Statements

City of Fountain, Colorado
Statement of Net Position
December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Urban Renewal Authority
Assets				
Cash and Investments	\$ 18,631,805	\$ 6,285,231	\$ 24,917,036	\$ 704,297
Committed Cash and Investments	-	9,626,158	9,626,158	-
Restricted Cash and Investments	16,425,458	4,627,209	21,052,667	8,047,619
Accounts Receivable	4,005,251	7,432,281	11,437,532	7,995
Grants Receivable	408,677	-	408,677	-
Taxes Receivable	5,976,469	-	5,976,469	1,179,149
Inventories	-	4,905,796	4,905,796	-
Prepaid Expenses	-	-	-	3,946
Internal Balances	(989,477)	989,477	-	-
Net Pension Liability	570,154	-	570,154	-
Capital Assets, Not Being Depreciated	7,276,075	40,099,368	47,375,443	228,465
Capital Assets, Net of Accumulated Depreciation	<u>64,033,141</u>	<u>117,772,186</u>	<u>181,805,327</u>	<u>2,873,545</u>
Total Assets	<u>116,337,553</u>	<u>191,737,706</u>	<u>308,075,259</u>	<u>13,045,016</u>
Deferred Outflows of Resources				
Loss on Debt Refunding, Net of Accumulated Amortization	-	753,339	753,339	-
Pension Related Outflows of Resources	3,025,956	-	3,025,956	-
OPEB Related Outflows of Resources	523,596	-	523,596	-
Bond Discount	-	-	-	-
Total Deferred Outflows of Resources	<u>3,549,552</u>	<u>753,339</u>	<u>4,302,891</u>	<u>-</u>
Liabilities				
Accounts Payable	988,995	2,922,995	3,911,990	88,798
Accrued Liabilities	785,680	356,873	1,142,553	-
Deposits	3,713,615	1,088,014	4,801,629	815
Accrued Interest Payable	44,204	434,190	478,394	960,581
Insurance Claims Payable	264,233	-	264,233	-
Unearned Revenue	-	77,885	77,885	-
Noncurrent Liabilities				
Due Within One Year	1,711,074	3,018,371	4,729,445	875,000
Due in More Than One Year	4,652,958	56,254,079	60,907,037	44,937,314
Net OPEB Liability	<u>1,253,553</u>	<u>-</u>	<u>1,253,553</u>	<u>-</u>
Total Liabilities	<u>13,414,312</u>	<u>64,152,407</u>	<u>77,566,719</u>	<u>46,862,508</u>
Deferred Inflows of Resources				
Property Taxes	5,976,469	-	5,976,469	513,219
Pensions, Net of Accumulated Amortization	141,689	-	141,689	-
OPEB, Net of Accumulated Amortization	<u>667,878</u>	<u>-</u>	<u>667,878</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>6,786,036</u>	<u>-</u>	<u>6,786,036</u>	<u>513,219</u>
Net Position				
Net Investment in Capital Assets	66,690,204	104,918,746	171,608,950	1,961,738
Restricted for:				
Parks	615,750	-	615,750	-
District Repairs and Maintenance	2,311,982	-	2,311,982	-
Transportation	3,875,874	-	3,875,874	-
Street Repairs and Maintenance	852,269	-	852,269	-
Street Improvements	968,903	-	968,903	-
Debt Service	-	-	-	639,163
Capital Projects	-	-	-	158,338
Emergencies	1,345,000	-	1,345,000	-
Unrestricted	<u>23,026,775</u>	<u>23,419,892</u>	<u>46,446,667</u>	<u>(37,089,950)</u>
Total Net Position	<u>\$ 99,686,757</u>	<u>\$ 128,338,638</u>	<u>\$ 228,025,395</u>	<u>\$ (34,330,711)</u>

See Notes to the Financial Statements.

City of Fountain, Colorado
Statement of Activities
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit Urban Renewal Authority
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
<i>Governmental Activities</i>								
General Government	\$ 14,658,644	\$ 1,891,014	\$ -	\$ -	\$ (12,767,630)	\$ -	\$ (12,767,630)	\$ -
Public Safety	18,100,613	1,691,418	-	-	(16,409,195)	-	(16,409,195)	-
Public Works	3,628,726	630,905	8,131,300	-	5,133,479	-	5,133,479	-
Health and Welfare	769,089	9,442	38,565	-	(721,082)	-	(721,082)	-
Culture and Recreation	1,545,166	76,440	311,695	-	(1,157,031)	-	(1,157,031)	-
Interest Expense	465,068	-	-	-	(465,068)	-	(465,068)	-
Total Governmental Activities	<u>39,167,306</u>	<u>4,299,219</u>	<u>8,481,560</u>	<u>-</u>	<u>(26,386,527)</u>	<u>-</u>	<u>(26,386,527)</u>	<u>-</u>
<i>Business-Type Activities</i>								
Water	11,413,342	10,723,223	667,303	227,323	-	204,507	204,507	-
Electric	28,406,851	31,303,844	67,500	91,934	-	3,056,427	3,056,427	-
Ambulance	2,064,189	2,125,525	426,590	-	-	487,926	487,926	-
Drainage	511	6,413	-	-	-	5,902	5,902	-
Total Business-Type Activities	<u>41,884,893</u>	<u>44,159,005</u>	<u>1,161,393</u>	<u>319,257</u>	<u>-</u>	<u>3,754,762</u>	<u>3,754,762</u>	<u>-</u>
Total Primary Government	<u>\$ 81,052,199</u>	<u>\$ 48,458,224</u>	<u>\$ 9,642,953</u>	<u>\$ 319,257</u>	<u>(26,386,527)</u>	<u>3,754,762</u>	<u>(22,631,765)</u>	<u>-</u>
Component Unit								
Urban Renewal Authority	<u>\$ 3,275,787</u>	<u>\$ -</u>	<u>\$ 21,048</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,254,739)</u>
General Revenues								
Property Taxes					5,760,842	-	5,760,842	442,290
Sales and Use Taxes					23,367,755	-	23,367,755	-
Specific Ownership Taxes					516,739	-	516,739	-
Franchise Taxes					447,614	-	447,614	-
Intergovernmental Revenues not Restricted to Specific Programs					-	-	-	3,702,566
Investment Income					1,569,430	822,288	2,391,718	412,047
Miscellaneous					1,543,545	2,480,972	4,024,517	100
Transfers					<u>(4,495,514)</u>	<u>4,495,514</u>	<u>-</u>	<u>-</u>
Total General Revenues and Transfers					<u>28,710,411</u>	<u>7,798,774</u>	<u>36,509,185</u>	<u>4,557,003</u>
Change in Net Position					<u>2,323,884</u>	<u>11,553,536</u>	<u>13,877,420</u>	<u>1,302,264</u>
Net Position, Beginning of Year					<u>97,362,873</u>	<u>116,785,102</u>	<u>214,147,975</u>	<u>(35,632,975)</u>
Net Position, End of Year					<u>\$ 99,686,757</u>	<u>\$ 128,338,638</u>	<u>\$ 228,025,395</u>	<u>\$ (34,330,711)</u>

City of Fountain, Colorado
 Balance Sheet
 Governmental Funds
 December 31, 2024

	General	Nonmajor Governmental Funds	Total
Assets			
Cash and Investments	\$ 15,378,223	\$ 8,245,319	\$ 23,623,542
Restricted Cash and Investments	8,473,032	131,789	8,604,821
Accounts Receivable	3,956,723	417,455	4,374,178
Taxes Receivable	5,580,930	395,539	5,976,469
Total Assets	\$ 33,388,908	\$ 9,190,102	\$ 42,579,010
Liabilities			
Accounts Payable	\$ 879,237	\$ 93,138	\$ 972,375
Accrued Liabilities	715,245	19,612	734,857
Deposits	3,713,615	-	3,713,615
Total Liabilities	5,308,097	112,750	5,420,847
Deferred Inflows of Resources			
Property Taxes	5,580,930	395,539	5,976,469
Fund Balances			
Restricted for:			
Parks	-	615,750	615,750
District Repairs and Maintenance	-	2,311,982	2,311,982
Transportation	-	3,875,874	3,875,874
Street Repairs and Maintenance	-	852,269	852,269
Street Improvements	-	968,903	968,903
Emergencies	1,345,000	-	1,345,000
Committed to:			
Park Improvements	1,227,985	-	1,227,985
School Zone	179,037	-	179,037
Volunteer Fire Activities	-	57,035	57,035
Assigned to Public Safety Capital Improvements	2,724,103	-	2,724,103
Unrestricted, Unassigned	17,023,756	-	17,023,756
Total Fund Balances	22,499,881	8,681,813	31,181,694
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 33,388,908	\$ 9,190,102	\$ 42,579,010

City of Fountain, Colorado
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position
 For the Year Ended December 31, 2024

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

Total Fund Balances of Governmental Funds	\$ 31,181,694
<p>Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.</p>	
Capital Assets, Not Being Depreciated	7,276,075
Capital Assets, Being Depreciated	159,301,653
Accumulated Depreciation	(95,268,512)
	<u>71,309,216</u>
<p>Net pension assets and liabilities and the related deferred inflows and outflows are not current financial resources and, therefore, are not reported in governmental funds:</p>	
Net Pension Asset	570,154
Pension Related Deferred Outflows of Resources	3,025,956
Pension Related Deferred Inflows of Resources	(141,689)
Net OPEB Liability	(1,253,553)
OPEB Related Deferred Outflows of Resources	523,596
OPEB Related Deferred Inflows of Resources	(667,878)
	<u>2,056,586</u>
<p>Long-term liabilities are not due and payable in the current year and, therefore, are not reported in governmental funds.</p>	
Lease Financing Agreements	(4,619,012)
Accrued Compensated Absences	(1,745,020)
Accrued Interest Payable	(44,204)
	<u>(6,408,236)</u>
<p>An internal service fund is used by management to charge the costs of health insurance to individual funds. A portion of the assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.</p>	
	<u>1,547,497</u>
Total Net Position of Governmental Activities	<u>\$ 99,686,757</u>

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

	General	Nonmajor Governmental Funds	Total
Revenues			
Taxes	\$ 27,134,316	\$ 2,958,634	\$ 30,092,950
Licenses and Permits	241,208	-	241,208
Charges for Services	4,131,370	19,532	4,150,902
Fines and Forfeitures	464,155	-	464,155
Intergovernmental	8,168,555	313,005	8,481,560
Investment Income	1,176,160	277,492	1,453,652
Miscellaneous	1,131,085	5,252	1,136,337
	42,446,849	3,573,915	46,020,764
Expenditures			
Current			
General Government	8,159,116	959,821	9,118,937
Public Safety	17,504,399	-	17,504,399
Public Works	2,652,551	976,175	3,628,726
Health and Welfare	769,089	-	769,089
Culture and Recreation	1,354,536	190,630	1,545,166
Capital Outlay	4,621,164	320,606	4,941,770
Debt Service			
Principal	1,036,409	6,277	1,042,686
Interest	183,030	-	183,030
	36,280,294	2,453,509	38,733,803
Excess Revenues Over (Under) Expenditures	6,166,555	1,120,406	7,286,961
Other Financing Sources (Uses)			
Lease Financing Proceeds	820,000	-	820,000
Transfers In	1,622,873	-	1,622,873
Transfers Out	(5,873,873)	(244,514)	(6,118,387)
	(3,431,000)	(244,514)	(3,675,514)
Net Change in Fund Balances	2,735,555	875,892	3,611,447
Fund Balances, Beginning of Year	19,764,326	7,805,921	27,570,247
Fund Balances, End of Year	\$ 22,499,881	\$ 8,681,813	\$ 31,181,694

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

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

Net Change in Fund Balances of Governmental Funds	\$ 3,611,447
<p>Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.</p>	
Depreciation Expense	(5,549,793)
Capital Outlays	5,348,978
	<u>(200,815)</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes changes in the following:</p>	
Change in Net Pension Asset	770,126
Change in Deferred Outflows Related to Pensions	(1,431,415)
Change in Deferred Inflows Related to Pensions	113,527
Change in Net OPEB Liability	51,085
Change in Deferred Outflows Related to OPEB	(77,542)
Change in Deferred Inflows Related to OPEB	(21,995)
	<u>(596,214)</u>
<p>Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.</p>	
Proceeds from Lease Financing Agreements	(820,000)
Principal Payments on Leases	779,700
Change in Accrued Compensated Absences	(162,008)
Change in Accrued Interest Payable	(19,052)
	<u>(221,360)</u>
<p>An internal service fund is used by management to charge the costs of health insurance to individual funds. A portion of the net income of the internal service fund is included in governmental activities in the statement of activities.</p>	
	<u>(269,174)</u>
Change in Net Position of Governmental Activities	\$ <u><u>2,323,884</u></u>

City of Fountain, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-Type Activities				Governmental Activities
	Water	Electric	Nonmajor Funds	Total	Internal Service Fund
Assets					
<i>Current Assets</i>					
Cash and Investments	\$ -	\$ 4,061,942	\$ 2,223,289	\$ 6,285,231	\$ 2,828,900
Committed Cash and Investments	1,883,184	7,742,974	-	9,626,158	-
Restricted Cash and Investments	3,353,099	1,274,110	-	4,627,209	-
Accounts Receivable	1,698,771	3,972,354	1,761,156	7,432,281	39,750
Inventories	120,169	4,785,627	-	4,905,796	-
Interfund Receivables	(3,447,070)	3,447,070	-	-	-
Total Current Assets	3,608,153	25,284,077	3,984,445	32,876,675	2,868,650
<i>Noncurrent Assets</i>					
Capital Assets, <i>Not Being Depreciated</i>	39,350,424	748,944	-	40,099,368	-
Capital Assets, <i>Net of Accumulated Depreciation</i>	70,437,218	46,573,834	761,134	117,772,186	-
Total Noncurrent Assets	109,787,642	47,322,778	761,134	157,871,554	-
Total Assets	113,395,795	72,606,855	4,745,579	190,748,229	2,868,650
Deferred Outflows of Resources					
Loss on Debt Refunding, <i>Net of Accumulated Amortization</i>	753,339	-	-	753,339	-
Liabilities					
<i>Current Liabilities</i>					
Accounts Payable	744,874	2,133,605	44,516	2,922,995	16,620
Accrued Liabilities	98,775	189,588	68,510	356,873	50,823
Customer Deposits	137,140	950,874	-	1,088,014	-
Accrued Interest Payable	364,489	69,701	-	434,190	-
Unearned Revenue	-	77,885	-	77,885	-
Current Portion of Long-Term Debt					
Insurance Claims Payable	-	-	-	-	264,233
Compensated Absences Payable	168,332	288,116	99,716	556,164	-
Leases Payable	-	127,207	-	127,207	-
Bonds and Loans Payable	1,936,000	399,000	-	2,335,000	-
Total Current Liabilities	3,449,610	4,235,976	212,742	7,898,328	331,676
<i>Long-Term Liabilities</i>					
Compensated Absences Payable	88,641	294,093	196	382,930	-
Leases Payable	-	2,456,172	-	2,456,172	-
Bonds and Loans Payable	42,934,223	10,480,754	-	53,414,977	-
Total Long-Term Liabilities	43,022,864	13,231,019	196	56,254,079	-
Total Liabilities	46,472,474	17,466,995	212,938	64,152,407	331,676
Net Position					
Net Investment in Capital Assets	69,023,857	35,133,755	761,134	104,918,746	-
Unrestricted	(1,347,197)	20,006,105	3,771,507	22,430,415	2,536,974
Total Net Position	\$ 67,676,660	\$ 55,139,860	\$ 4,532,641	127,349,161	\$ 2,536,974

Amounts reported for Business-type Activities in the Statement of Net Position are different:

An internal service fund is used by management to charge the cost of health insurance to individual
A portion of the assets and liabilities of the internal service fund is included in the business-type activities in
the statement of net position.

989,477
\$ 128,338,638

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

	Business-Type Activities				Governmental Activities
	Water	Electric	Nonmajor Funds	Total	Internal Service Fund
Operating Revenues					
Charges for Services	\$ 10,723,223	\$ 31,303,844	\$ 2,131,938	\$ 44,159,005	\$ 4,554,658
Grant Revenue	667,303	67,500	426,590	1,161,393	-
Miscellaneous	397,822	2,236,782	18,462	2,653,066	-
Total Operating Revenues	11,788,348	33,608,126	2,576,990	47,973,464	4,554,658
Operating Expenses					
Source of Supply	2,638,501	17,690,133	-	20,328,634	-
Operations and Maintenance	2,177,778	4,983,992	1,947,466	9,109,236	-
Customer Accounts and Collection	523,407	1,199,861	-	1,723,268	-
Administration and General	1,566,073	1,845,012	-	3,411,085	184,973
Insurance Premiums	-	-	-	-	1,193,361
Insurance Claims	-	-	-	-	3,733,370
Depreciation	2,973,958	2,273,890	117,234	5,365,082	-
Total Operating Expenses	9,879,717	27,992,888	2,064,700	39,937,305	5,111,704
Operating Income (Loss)	1,908,631	5,615,238	512,290	8,036,159	(557,046)
Nonoperating Revenues (Expenses)					
Gain on Disposal of Assets	46,885	-	-	46,885	-
Investment Income	91,070	648,731	82,487	822,288	115,778
Interest Expense	(1,580,510)	(413,963)	-	(1,994,473)	-
Total Nonoperating Revenues (Expenses)	(1,442,555)	234,768	82,487	(1,125,300)	115,778
Net Income (Loss) Before Transfer and Capital Contributions	466,076	5,850,006	594,777	6,910,859	(441,268)
Transfers In	5,108,020	540,004	360,026	6,008,050	-
Transfers Out	(551,388)	(870,689)	(90,459)	(1,512,536)	-
System Development Fees	227,323	91,934	-	319,257	-
Change in Net Position	5,250,031	5,611,255	864,344	11,725,630	(441,268)
Net Position, Beginning of Year	62,426,629	49,528,605	3,668,297	115,623,531	2,978,242
Net Position, End of Year	\$ 67,676,660	\$ 55,139,860	\$ 4,532,641	\$ 127,349,161	\$ 2,536,974

Amounts Reported for Business-Type Activities in the Statement of Activities are Different Because:

Change in Net Position of Enterprise Funds	\$ 11,725,630
An internal service fund is used by management to charge the costs of health insurance to individual funds. A portion of the net income of the internal service fund is included in business-type activities in the statement of activities.	<u>(172,095)</u>
Change in Net Position of Business-Type Activities	<u>\$ 11,553,535</u>

City of Fountain, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-Type Activities				Governmental Activities
	Water	Electric	Nonmajor Funds	Total	Internal Service Fund
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 11,075,907	\$ 33,650,223	\$ 1,412,031	\$ 46,138,161	\$ 4,546,966
Cash Payment from Other	667,303	67,500	426,590	1,161,393	-
Cash Payments to Employees	5,246	49,794	27,554	82,594	-
Cash Payments to Suppliers	<u>(6,185,848)</u>	<u>(27,012,242)</u>	<u>(1,912,502)</u>	<u>(35,110,592)</u>	<u>(5,037,305)</u>
Net Cash Provided (Used) by Operating Activities	<u>5,562,608</u>	<u>6,755,275</u>	<u>(46,327)</u>	<u>12,271,556</u>	<u>(490,339)</u>
Cash Flows from Nonoperating Capital Financing Activities					
Payments from Other Funds	(911,951)	(330,685)	269,567	(973,069)	-
Payments to Other Funds	<u>4,556,632</u>	<u>911,951</u>	<u>-</u>	<u>5,468,583</u>	<u>-</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>3,644,681</u>	<u>581,266</u>	<u>269,567</u>	<u>4,495,514</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities					
Acquisition and Construction of Capital Assets	(5,269,487)	(506,566)	(239,537)	(6,015,590)	-
System Development Fees Received	227,323	91,934	-	319,257	-
Debt Principal Payments	(1,914,667)	(540,164)	-	(2,454,831)	-
Debt Interest and Fiscal Charges Paid	<u>(1,671,059)</u>	<u>(481,983)</u>	<u>-</u>	<u>(2,153,042)</u>	<u>-</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(8,627,890)</u>	<u>(1,436,779)</u>	<u>(239,537)</u>	<u>(10,304,206)</u>	<u>-</u>
Cash Flow from Investing Activities					
Proceeds from Sale of Capital Assets	46,885	-	-	46,885	-
Interest Received	<u>91,070</u>	<u>648,731</u>	<u>82,487</u>	<u>822,288</u>	<u>115,778</u>
Net Cash Provided (Used) by Investing Activities	<u>137,955</u>	<u>648,731</u>	<u>82,487</u>	<u>869,173</u>	<u>115,778</u>
Net Change in Cash and Cash Equivalents	717,354	6,548,493	66,190	7,332,037	(374,561)
Cash and Cash Equivalents, Beginning of Year	<u>4,518,929</u>	<u>6,530,533</u>	<u>2,157,099</u>	<u>13,206,561</u>	<u>3,203,461</u>
Cash and Cash Equivalents, End of Year	<u>\$ 5,236,283</u>	<u>\$ 13,079,026</u>	<u>\$ 2,223,289</u>	<u>\$ 20,538,598</u>	<u>\$ 2,828,900</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	\$ 1,908,631	\$ 5,615,238	\$ 512,290	\$ 8,036,159	\$ (557,046)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Depreciation	2,973,958	2,273,890	117,234	5,365,082	-
Changes in Assets and Liabilities					
Accounts Receivable	(28,988)	(9,789)	(738,369)	(777,146)	(7,692)
Inventories	(5,251)	(406,333)	-	(411,584)	-
Accounts Payable	725,162	(886,911)	34,964	(126,785)	15,840
Accrued Liabilities	818	1,022	5,073	6,913	8,826
Unearned Revenue	-	66,783	-	66,783	-
Customer Deposits	(16,150)	52,603	-	36,453	-
Insurance Claims Payable	-	-	-	-	49,733
Compensated Absences Payable	<u>4,428</u>	<u>48,772</u>	<u>22,481</u>	<u>75,681</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,562,608</u>	<u>\$ 6,755,275</u>	<u>\$ (46,327)</u>	<u>\$ 12,271,556</u>	<u>\$ (490,339)</u>

See Notes to the Financial Statements.

City of Fountain, Colorado
Statement of Fiduciary Net Position
Pension Trust Fund
December 31, 2024

	Total
Assets	
Cash	\$ 16,652
Investments	
Local Government Investment Pools	463,468
Money Market Funds	259,095
Total Assets	\$ 739,215
Net Position	
Restricted for Pension Benefits	\$ 739,215

City of Fountain, Colorado
Statement of Changes in Net Position
Pension Trust Fund
For the Year Ended December 31, 2024

	Total
Additions	
Investment Income	\$ 35,195
Total Additions	35,195
Deductions	
Administration	6,000
Benefit Payments	5,250
Total Deductions	11,250
Change in Net Position	23,945
Net Position, Beginning of Year	715,270
Net Position, End of Year	\$ 739,215

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies

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

Reporting Entity

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

The *Heritage Maintenance District* was established to maintain landscaping, fencing, drainage facilities, and other improvements within its boundaries. The *General Improvement District No. 1* was created to provide for the construction of a fire station, and after funding the fire station, for capital improvements including life safety improvements, park and recreational improvements, regional street improvements, and regional civic and cultural improvements. The *General Improvement District No. 2* was created to provide an alternate method of funding the construction, re-construction, and maintenance of certain public improvements within its boundaries. The City Council serves as the governing board for these districts and City management has operational responsibility for the districts. Therefore, their financial activity is blended into the City's financial statements. Separate financial statements are not issued.

The *Fountain Urban Renewal Authority* (the Authority) was created to redevelop or rehabilitate certain blighted areas within the City. The Authority has a separate governing board with members appointed by the City Council. Although the Authority is legally separate from the City, the Authority's primary revenue source, tax increment financing, can only be established by the City. The Authority is discretely presented in the City's financial statements. Separate financial statements for the Authority are available at City Hall, 116 South Main Street, Fountain, Colorado 80817.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The *primary government* is reported separately from the legally separate *component unit* for which the City is financially accountable.

City of Fountain, Colorado

Notes to Financial Statements

December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements

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

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current year. Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

City of Fountain, Colorado

Notes to Financial Statements

December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(Continued)

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

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

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for in another fund.

The City also reports the following major enterprise funds:

Water Utility - This fund accounts for all activities necessary for the provision of water services to the City residents.

Electric Utility - This fund accounts for all activities necessary to provide electric power to the City residents.

Additionally, the City reports the following fund types:

Internal Service Fund - The Insurance Fund accounts for the activities related to employee health benefits, which are partially self-insured by the City.

Pension Trust Fund - The Pension Trust Fund is used to account for assets held by the City in a trustee capacity for the City's volunteer firefighters pension plan.

Assets, Liabilities and Net Position/Fund Balances

Cash Equivalents - Cash equivalents include investments with original maturities of three months or less. Investments in pooled cash are considered cash equivalents.

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

Inventories - Inventories of the proprietary funds are valued using the average cost method and are reported as expenses when consumed. Materials and supplies purchased by the governmental funds are charged to operations when purchased.

Prepaid Expenses - Payments to vendors for services that will benefit subsequent years are reported as prepaid expenses.

City of Fountain, Colorado

Notes to Financial Statements

December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

Interfund Receivables and Payables - During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified in the fund financial statements as *interfund receivables* and *interfund payables* when they are short-term in nature. Noncurrent portions of interfund receivables and payables are reported as *advances from other funds* and *advances to other funds*. Any residual balances outstanding between governmental and business-type activities are reported in the government-wide financial statements as *internal balances*.

Capital Assets - Capital assets, which include land, buildings, equipment, and all infrastructure assets owned by the City, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset lives are not capitalized.

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

Buildings and Improvements	10 - 40 years
Infrastructure	25 - 40 years
Computers and Software	3 - 7 years
Machinery and Equipment	5 - 10 years
Vehicles	5 - 7 years

Unearned Revenues - Unearned revenues in the Electric Fund represent donations from customers that may be used to assist other customers with their utility bills.

Deferred Inflows of Resources - Deferred inflows of resources include property taxes earned but levied for a subsequent year.

Compensated Absences - Employees of the City are allowed to accumulate unused vacation and sick time. Upon termination of employment from the City, a regular or sworn fire employee will be compensated for all accrued vacation time up to 400 or 510 hours, respectively, at their current pay rate, and for unused sick time, depending on years of service, up to 720 hours at a percentage of their current rate of pay. Regular or regular sworn fire employees hired after March 1, 2006, will be paid for all accrued vacation time up to 320 or 390 hours, respectively, and for unused sick time, depending on years of service, up to 360 hours at a percentage of their current rate of pay.

City of Fountain, Colorado

Notes to Financial Statements

December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

These compensated absences are expensed when earned in the proprietary funds and when paid in the governmental funds. A long-term liability has been reported in the government-wide financial statements for the accrued compensated absences.

Postemployment Benefits - An employee with at least 20 years of service with the City, and who has reached at least 55 years of age at retirement, is eligible to receive health and life insurance coverage after retirement. This benefit expires when the retiree reaches the age of 65, thereby making the maximum eligibility period 10 years. A long-term liability is reported in the government-wide financial statements as the postemployment benefits are earned.

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

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Pensions - The City participates in the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan. The plans are administered by the Fire & Police Pension Association of Colorado (FPPA). In addition, the City maintains a single-employer defined benefit pension plan for volunteer firefighters.

The net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to and deductions from each plan's fiduciary net position have been determined using the accrual basis of accounting, the same basis of accounting used by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Employee contributions are recognized in the year the contributions are due.

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. As reported in the governmental fund financial statements, the City Council establishes a fund balance commitment through passage of an ordinance and is authorized to informally assign amounts to a specific purpose.

The City Council has established the ideal target reserves at 40% of the current operating budget of the General Fund. The reserves should not be allowed to fall below 20% of the current operating budget, including the emergency reserve required by the TABOR Amendment (See Note 11).

City of Fountain, Colorado

Notes to Financial Statements

December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

The City has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the City uses restricted fund balances first, followed by committed, assigned, and unassigned balances.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1 and are levied the following December for collection in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the City on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, receivables and corresponding deferred inflows of resources are reported at year end.

Subsequent Events

The City has evaluated subsequent events through September 8, 2025, the date the financial statements were available to be issued.

Note 2: Cash and Investments

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

Petty Cash	\$ 3,498
Deposits	47,512,631
Investments	<u>8,079,732</u>
Total	<u>\$ 55,595,861</u>

Cash and investments are reported in the financial statements as follows:

Cash and Investments	\$ 30,226,548
Committed Cash and Investments	4,316,646
Restricted Cash and Investments	<u>21,052,667</u>
Total	<u>\$ 55,595,861</u>

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 2: Cash and Investments (Continued)

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2024, the City had bank deposits of \$10,836,671 collateralized with securities held by the financial institutions' agents but not in the City's name.

Investments

The City is required to comply with State statutes which specify investments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk. The City's investment policy does not further limit these investment choices.

- Obligations of the United States and certain U.S. Agency securities
- General obligation and revenue bonds of U.S. local government entities
- Certain corporate or bank securities
- Commercial paper
- Local government investment pools
- Repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts (GICs)

At December 31, 2024, the City had the following investments:

Investment Type	S&P Rating	Investment Maturities in Years		
		Less Than 1	1 to 5 Years	Total
Local Government Investment Pools	AAA-m	\$ 259,320	\$ -	\$ 259,320
Money Market Funds	Not Rated	824,258	-	824,258
U.S. Agency Securities	AA+	2,270,203	-	2,270,203
Corporate Securities	A+	1,602,015	-	1,602,015
Corporate Securities	AA+	3,123,936	-	3,123,936
Total		<u>\$ 8,079,732</u>	<u>\$ -</u>	<u>\$ 8,079,732</u>

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 2: Cash and Investments (Continued)

Investments (Continued)

Fair Value Measurements - The City reports its investments using the fair value measurements established by generally accepted accounting principles. As such, a fair value hierarchy categorizes the inputs used to measure the fair value of the investments into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs. The U.S. Agency, municipal, and corporate securities were measured utilizing quoted prices in active markets for similar investments (Level 2 inputs). The local government investment pools and money market funds were reported at the net asset value per share.

Interest Rate Risk - State statutes limit investments to an original maturity of five years from the date of purchase, unless the governing board authorizes the investment for a period in excess of five years. Corporate securities must mature within three years.

Credit Risk - State statutes limit investments in municipal securities to those with at least two credit ratings at or above A or its equivalent by nationally recognized statistical rating organizations (NRSROs). Corporate securities must have at least two credit ratings from any of the NRSROs at or above AA- or its equivalent. State statutes also limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more NRSROs.

Concentration of Credit Risk - State statutes do not limit the amount the City may invest in a single issuer of U.S. Agency or municipal securities. Corporate securities are limited to fifty percent of the total investment portfolio and five percent for a single issuer. At December 31, 2024, the City's investments in the Federal Home Loan Bank, Bank of Nova Scotia, and Walmart Corporation represented 19%, 10%, and 13%, respectively, of the City's total investments.

Custodial Credit Risk - At December 31, 2024, the City's investments in U.S. Agency, municipal, and corporate securities, and certain money market funds were held by the counterparty (broker), but not in the City's name.

Local Government Investment Pools - At December 31, 2024, the City had \$5,901 and \$36,422,044 invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Fund Trust (CSAFE), respectively. The Trusts are investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Trusts. The Trusts operate in conformity with the Securities and Exchange Commission's Rule 2a-7, with each share valued at \$1. Both Trusts are rated AAAM by Standard and Poor's. Investments of the Trusts are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 2: Cash and Investments (Continued)

Committed Cash and Investments

Beginning January 1, 2006, the City committed to use system development fees and water acquisition fees received by the Water Fund exclusively for growth-related capital improvements and purchases of water rights. In addition, system development fees collected by the Electric Fund are committed for the construction of a new substation. The remaining cash and investments at December 31, 2024, of \$9,626,158 were reported as committed cash and investments in the Electric Fund.

Restricted Cash and Investments

Loan proceeds of \$217,500 are restricted in the Water Fund for debt reserves.

Note 3: Interfund Balances and Transactions

Interfund Balances

At December 31, 2024, the Electric Fund had temporarily subsidized the negative cash balance of the Water Fund in the amount of \$3,447,070.

Interfund Transfers

Interfund transfers during the year ended December 31, 2024, consisted of the following:

Transfers In	Transfers Out	Amount
Water Enterprise Fund	General Fund	\$ 4,973,843
General Fund	Electric Enterprise Fund	870,689
General Fund	Water Enterprise Fund	551,388
Electric Enterprise Fund	General Fund	540,004
Ambulance Enterprise Fund	General Fund	360,026
Water Enterprise Fund	General Improvement District Fund	134,177
General Fund	Public Transportation Fund	110,337
General Fund	Ambulance Enterprise Fund	90,459
Total		\$ 7,630,923

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 4: Capital Assets

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

	Balance 12/31/23	Additions	Transfers	Deletions	Balance 12/31/24
Governmental Activities					
<i>Capital Assets, not being depreciated</i>					
Land and Easements	\$ 1,874,166	\$ 753,038	\$ -	\$ -	\$ 2,627,204
Constructions in Progress	2,563,710	2,712,416	(627,255)	-	4,648,871
Total Capital Assets, not being depreciated	4,437,876	3,465,454	(627,255)	-	7,276,075
<i>Capital Assets, being depreciated</i>					
Buildings and Improvements	20,497,019	747,411	496,414	(94,400)	21,646,444
Infrastructure	119,256,807	-	-	-	119,256,807
Computers and Software	2,012,937	189,217	-	(217,598)	1,984,556
Machinery and Equipment	5,171,309	197,392	-	(221,608)	5,147,093
Vehicles	10,742,241	749,504	130,841	(355,834)	11,266,752
Total Capital Assets, being depreciated	157,680,313	1,883,524	627,255	(889,440)	159,301,652
<i>Less Accumulated Depreciation</i>					
Buildings and Improvements	(7,562,562)	(957,147)	-	94,400	(8,425,309)
Infrastructure	(71,677,786)	(2,974,647)	-	-	(74,652,433)
Computers and Software	(1,511,579)	(269,454)	-	217,598	(1,563,435)
Machinery and Equipment	(3,545,991)	(478,928)	-	221,608	(3,803,311)
Vehicles	(6,310,240)	(869,617)	-	355,834	(6,824,023)
Total Accumulated Depreciation	(90,608,158)	(5,549,793)	-	889,440	(95,268,511)
Capital Assets, being depreciated, Net	67,072,155	(3,666,269)	627,255	-	64,033,141
Governmental Activities Capital Assets, Net	\$ 71,510,031	\$ (200,815)	\$ -	\$ -	\$ 71,309,216
Business-Type Activities					
<i>Capital Assets, not being depreciated</i>					
Land and Easements	\$ 7,248,378	\$ -	\$ 67,259	\$ -	\$ 7,315,637
Water and Storage Rights	26,615,193	-	-	-	26,615,193
Constructions in Progress	5,431,913	4,982,426	(4,238,556)	(7,245)	6,168,538
Total Capital Assets, not being depreciated	39,295,484	4,982,426	(4,171,297)	(7,245)	40,099,368
<i>Capital Assets, being depreciated</i>					
Buildings and Improvements	23,472,873	-	-	(2,817,914)	20,654,959
Infrastructure	139,857,789	757,721	3,817,442	(416,298)	144,016,654
Computers and Software	3,809,005	-	19,995	(560,542)	3,268,458
Machinery and Equipment	3,296,145	43,151	-	(439,981)	2,899,315
Vehicles	3,161,022	239,537	333,860	(342,050)	3,392,369
Total Capital Assets, being depreciated	173,596,834	1,040,409	4,171,297	(4,576,785)	174,231,755

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 4: Capital Assets (Continued)

	Balance 12/31/23	Additions	Transfers	Deletions	Balance 12/31/24
Business-Type Activities (Continued)					
Less Accumulated Depreciation					
Buildings and Improvements	(5,904,306)	(917,652)	-	2,817,914	(4,004,044)
Infrastructure	(41,093,875)	(3,710,106)	-	416,298	(44,387,683)
Computers and Software	(2,768,906)	(210,169)	-	439,981	(2,539,094)
Machinery and Equipment	(3,271,591)	(328,236)	-	560,542	(3,039,285)
Vehicles	(2,632,594)	(198,919)	-	342,050	(2,489,463)
Total Accumulated Depreciation	<u>(55,671,272)</u>	<u>(5,365,082)</u>	<u>-</u>	<u>4,576,785</u>	<u>(56,459,569)</u>
Capital Assets, <i>being depreciated</i> , Net	<u>117,925,562</u>	<u>(4,324,673)</u>	<u>4,171,297</u>	<u>-</u>	<u>117,772,186</u>
Business-Type Activities Capital Assets, Net	<u>\$ 157,221,046</u>	<u>\$ 657,753</u>	<u>\$ -</u>	<u>\$ (7,245)</u>	<u>\$ 157,871,554</u>

Depreciation expense was charged to programs of the City as follows:

Governmental Activities		
General Government		\$ 284,650
Public Safety		1,205,715
Public Works		3,773,008
Health and Welfare		4,496
Culture and Recreation		281,924
Total		<u>\$ 5,549,793</u>

Note 5: Long-Term Debt

Governmental Activities

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

	Balance 12/31/23	Additions	Reductions	Balance 12/31/24	Due Within One Year
Lease Financing Agreements	\$ 4,578,712	\$ 820,000	\$ (779,700)	\$ 4,619,012	\$ 757,169
Compensated Absences	1,583,012	1,207,691	(1,045,683)	1,745,020	953,905
Total	<u>\$ 6,161,724</u>	<u>\$ 2,027,691</u>	<u>\$ (1,825,383)</u>	<u>\$ 6,364,032</u>	<u>\$ 1,711,074</u>

During 2012, the City entered into a lease purchase agreement for \$3,000,000 to build a new fire station and remodel the police building. During 2013, an additional \$218,000 was borrowed under the agreement to complete the projects. Interest payments are due semi-annually on March 1 and September 1, with interest accruing at 3.95% per annum. Principal payments are due annually on September 1, through September 2032. At December 31, 2024, capital assets of \$3,289,284 less accumulated depreciation of \$1,475,762 are reported under this lease.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 5: Long-Term Debt (Continued)

Governmental Activities (Continued)

During 2017, the City entered into a lease agreement for \$104,300 to purchase a police vehicle. Monthly payments of \$995 are due under the lease agreement beginning in January, 2018, through December, 2027. Interest accrues on the outstanding balance at 2.74% per annum. At December 31, 2024, capital assets of \$84,537 less accumulated depreciation of \$84,537 are reported under this lease.

During 2017, the City entered into a lease agreement for \$809,770 to purchase vehicles. Monthly payments of \$14,218 are due under the lease agreement through August, 2027. Interest accrues on the outstanding balance at 2.07% per annum. At December 31, 2024, capital assets of \$797,880 less accumulated depreciation of \$797,880 are reported under this lease.

During 2017, the City entered into a lease agreement for \$482,518 to purchase a fire vehicle. Monthly payments of \$4,552 are due under the lease agreement through August, 2027. Interest accrues on the outstanding balance at 2.52% per annum. At December 31, 2024, capital assets of \$482,518 less accumulated depreciation of \$235,898 are reported under this lease.

During 2017, the City used lease financing proceeds in the amount of \$1,000,000 and other City resources to finance improvements to the Lorraine Center. Principal is due annually beginning in September, 2017, through 2032. Interest accrues on the outstanding balance at 3.15% per annum and is payable semi-annually in March and September. At December 31, 2024, capital assets of \$1,000,000 less accumulated depreciation of \$332,848 are reported under this lease.

During 2017, the City entered into a lease agreement for \$1,004,165 to improve the City buildings' energy performance. Principal and interest are due quarterly beginning in March, 2018, through December, 2032. Interest accrues on the outstanding balance at 2.72% per annum. At December 31, 2024, capital assets of \$458,587 less accumulated depreciation of \$458,587 are reported under this lease.

During 2020, the City entered into a lease agreement for \$174,143 to purchase information technology equipment. Principal and interest are due annually beginning in May 2021, through September 2024. Interest accrues on the outstanding balance at 4.35% per annum. At December 31, 2024, capital assets in the amount of \$174,143 less of accumulated depreciation of \$174,143 are reported under this lease.

During 2021, the City entered into a lease agreement for \$131,789 to purchase a bus. Principal and interest are due annually beginning in June 2021, through June 2025. Interest accrues on the outstanding balance at 1.21% per annum. At December 31, 2024, capital assets in the amount of \$131,789 less accumulated depreciation of \$57,807 are reported under this lease.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 5: Long-Term Debt (Continued)

Governmental Activities (Continued)

During 2021, the City entered into a lease agreement for \$349,509 to purchase trucks. Principal and interest are due annually beginning in November 2021, through November 2026. Interest accrues on the outstanding balance at 2.90% per annum. At December 31, 2024, capital assets in the amount of \$349,509 less of accumulated depreciation of \$149,790 are reported under this lease.

During 2023, the City entered into a lease agreement for \$1,386,000 to purchase trucks. Principal and interest are due semiannually beginning in August 2023, through February 2033. Interest accrues on the outstanding balance at 4.06% per annum. At December 31, 2024, capital assets in the amount of \$492,056 less of accumulated depreciation of \$135,270 are reported under this lease.

During 2024, the City entered into a lease agreement for \$820,000 to purchase vehicles. Principal and interest are due annually beginning in June 2024, through June 2038. Interest accrues on the outstanding balance at 5.95% per annum. At December 31, 2024, capital assets in the amount of \$629,325 less of accumulated depreciation of \$0 are reported under this lease.

The following is a schedule of the future minimum lease payments required under the governmental activities lease obligations.

Year Ended December 31,	
2025	\$ 900,313
2026	1,012,328
2027	808,702
2028	716,030
2029	484,093
2030 - 2033	<u>1,405,550</u>
Total Minimum Lease Payments	5,327,016
Less: Interest Portion	<u>(708,004)</u>
Present Value of Future Minimum Lease Payments	<u>\$ 4,619,012</u>

The liabilities for compensated absences, postemployment benefits, and early retirement are expected to be liquidated primarily with General Fund revenues.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 5: Long-Term Debt (Continued)

Business-Type Activities

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

	Balance 12/31/23	Additions	Reductions	Balance 12/31/24	Due Within One Year
2014 CWRPDA Loan	\$ 13,115,000	\$ -	\$ (560,000)	\$ 12,555,000	\$ 585,000
Premium	924,651	-	(44,206)	880,445	-
2015 Water Revenue Bonds	3,245,000	-	(105,000)	3,140,000	105,000
Premium	43,775	-	(1,990)	41,785	-
2016 Water Revenue Bonds	5,180,000	-	(265,000)	4,915,000	275,000
Premium	611,518	-	(41,694)	569,824	-
2019 Water Revenue Bonds	17,180,000	-	(630,000)	16,550,000	665,000
Premium	1,692,090	-	(109,167)	1,582,923	-
2020 Revenue Refunding Bonds	7,355,000	-	(340,000)	7,015,000	345,000
2021 Revenue Refunding Bonds	8,855,000	-	(355,000)	8,500,000	360,000
Lease Financing Agreements	2,783,210	-	(199,831)	2,583,379	127,207
Compensated Absences	863,413	845,361	(769,680)	939,094	556,164
Total	\$ 61,848,657	\$ 845,361	\$ (3,421,568)	\$ 59,272,450	\$ 3,018,371

During 2014, the City entered into a loan agreement for \$16,900,000 with the CWRPDA. Loan proceeds were used for construction of the Southern Delivery System (See Note 11), purchase of water rights, replacement of old water mains, installation of a supervisory control and data acquisition system (SCADA), and to refund a portion of the 2005 CWRPDA loan. Interest payments are due semi-annually on March 1 and September 1. Principal payments are due annually on September 1, through 2044. Interest accrues at rates ranging from 2% to 5% per annum.

The 2014 CWRPDA loan has two covenants the City is required to meet. One is a Debt Service Ratio requirement of 1.10. The City is generating more than 2 times the minimum coverage ratio. The other covenant is an Operations and Maintenance Reserve requirement equal to 25% of the annual expenditures. The City is currently meeting that requirement,

During 2015, the City issued \$3,965,000 Water Revenue Bonds, Series 2015. Bond proceeds were used for construction of the Southern Delivery System (See Note 11). Interest payments are due semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2045. Interest accrues at rates ranging from 3% to 3.625% per annum.

During 2016, the City issued \$7,150,000 Water Revenue Refunding Bonds, Series 2016. Bond proceeds were used to repay the balance of the 2009 CWRPDA Loan, originally issued for future water storage sites, and the acquisition of a customer service building. Interest accrues on the bonds at rates ranging from 2% to 4% per annum. Interest payments are due semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2038.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 5: Long-Term Debt (Continued)

Business-Type Activities (Continued)

During 2019, the City issued \$19,000,000 Electric, Water and Wastewater Utility Revenue Bonds, Series 2019. Bond proceeds were used to fund various capital projects. Interest accrues on the bonds at rates ranging from 3% to 5% per annum. Interest payments are due semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2039.

In October 2020, the City entered into a refunding transaction whereby the series 2020 revenue refunding bonds were issued to refund the 2011 CWRPDA Loan. The series 2020 bonds were issued in the amount of \$8,340,000. The net proceeds of \$8,168,306 (after payment of \$171,694 in underwriting fees and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt payments on the 2011 CWRPDA loan callable in 2021. The total amount deposited with the escrow agent included the \$7,795,000 loan balance and deferred amounts on refunding. As a result of the transaction, the 2011 CWRPDA loan is considered to be defeased in-substance and the liability for those bonds has been removed from the proprietary fund statement of net position.

The City completed the advanced refunding in 2020 to reduce its total debt service payments over the next 21 years by \$1,640,637 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$1,297,977.

In November 2021, the City entered into a refunding transaction whereby the series 2021 revenue refunding bonds were issued to refund the 2013 CWRPDA loan. The series 2021 bonds were issued in the amount of \$9,545,000. The net proceeds of \$10,039,292 (including a cash contribution from the City of \$682,548 and payment of \$188,257 in underwriting fees and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt payments on the 2013 DWEPDA loan callable in 2022. The total amount deposited with the escrow agent included the \$9,640,000 loan balance and deferred amounts on refunding. As a result of this transaction, the 2011 CWRPDA loan is considered to be defeased in-substance and the liability for those bonds has been removed from the proprietary fund statement of net position.

The City completed the advance refunding in 2021 to reduce its total debt service payments over the next 22 years by \$1,930,919 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$1,495,113.

The Water Fund loans and bonds are payable solely from revenues of the City's utility system, which includes the Water and Electric Funds, after deduction of operating and maintenance costs, provided that revenues are limited to 50% of tap fee revenues. An Operations and Maintenance Reserve requirement equal to three months of operation and maintenance. The City's utility reserves are currently above the 25% requirement. A Debt Service Coverage Ratio Requirement of 1.10. The City is generating more than 2 times the minimum coverage ratio. During the year ended December 31, 2024, net revenues of \$12,771,717 were available to pay annual debt service of approximately \$4,607,873.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 5: Long-Term Debt (Continued)

Business-Type Activities (Continued)

Future debt service requirements for the outstanding bonds and loans at December 31, 2024, were as follows.

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,335,000	\$ 1,953,695	\$ 4,288,695
2026	2,405,000	1,875,469	4,280,469
2027	2,495,000	1,789,827	4,284,827
2028	2,580,000	1,698,968	4,278,968
2029	2,675,000	1,603,601	4,278,601
2030 - 2034	15,000,000	6,725,388	21,725,388
2035 - 2039	18,005,000	3,403,918	21,408,918
2040 - 2044	6,975,000	809,458	7,784,458
2045	<u>205,000</u>	<u>7,431</u>	<u>212,431</u>
Present Value of Future Minimum Lease Payments	<u>\$ 52,675,000</u>	<u>\$ 19,867,755</u>	<u>\$ 72,542,755</u>

During 2020, the City entered into a lease agreement for \$348,286 to purchase information technology equipment. Principal and interest are due annually beginning in September 2020, through September 2024. Interest accrues on the outstanding balance at 4.35% per annum. At December 31, 2024, capital assets in the amount of \$348,286 less of accumulate depreciation of \$348,285 are reported under this lease.

During 2021, the City entered into a lease agreement for \$2,859,047 to improve the City's energy performance. Principal and interest are due annually beginning in November 2022, through November 2041. Interest accrues on the outstanding balance at 2.165% per annum. There were no capital assets recorded as of December 31, 2024 related to this lease agreement. Restricted cash in the amount of \$31,530 held in Escrow is recorded as restricted cash in the Electric Fund.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 5: Long-Term Debt (Continued)

Business-Type Activities (Continued)

Following is a schedule of the future minimum lease payments required under the business-type activities lease obligations, including the equipment leases to be paid partially by the governmental activities.

Year Ended December 31,	
2025	\$ 182,452
2026	182,452
2027	182,452
2028	182,452
2029	182,452
2030 - 2034	912,260
2035 - 2039	912,260
2040 - 2041	364,902
Total Minimum Lease Payments	3,101,682
Less: Interest Portion	(518,303)
	\$ 2,583,379
Present Value of Future Minimum Lease Payments	\$ 2,583,379

Note 6: Joint Venture

The City is a participant in the Fountain Valley Authority which was formed to construct and operate a water treatment plant. Participants in the Authority are the Cities of Fountain and Colorado Springs, Security Water District, Stratmoor Hills Water District and Widefield Water and Sanitation District. The City is represented on the Authority's Board of Directors by one member. The Board of Directors has the responsibility for all operations of the Authority.

The City's share of available capacity for the year ended December 31, 2024, was 2,000 acre feet of project water, representing an ownership percentage of participation of 9.95%.

The City's share of the Authority is not included in the financial statements since the Authority is a component unit of the City of Colorado Springs. Financial information about the Fountain Valley Authority can be obtained in a separate report available at City Hall.

Note 7: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and health and dental claims of its employees. The City accounts for and finances its risk activities in the General Fund and the Insurance Internal Service Fund.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 7: Risk Management (Continued)

Public Entity Risk Pool

For property, liability and workers compensation risks of loss, the City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and the Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

Insurance Fund

Effective October 1, 2009, the City established a partially self-insured program for employee health, dental and short-term disability benefits. Transactions of the self-insurance program are reported in the Insurance Fund, an internal service fund. The City has purchased excess insurance policies to cover individual claims in excess of \$75,000, and aggregate annual claims in excess of approximately \$3,388,169, depending on enrollment counts. Premiums are paid by the General, Water, Electric, and Ambulance Funds.

Claims liabilities, including estimated incurred but not reported claims (IBNR), are reported in the government-wide financial statements and the internal service fund if information available prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Other than current amounts, the City believes the estimated claims liability is not fully measurable, and the City could incur additional costs related to IBNR claims.

Changes in claims payable were as follows:

	2024	2023
Claims Payable, <i>Beginning of Year</i>	\$ 214,500	\$ 266,714
Claims and Changes in Provisions	3,733,370	3,159,586
Claims Payments	<u>(3,683,637)</u>	<u>(3,211,800)</u>
Claims Payable, <i>End of Year</i>	<u>\$ 264,233</u>	<u>\$ 214,500</u>

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 8: Defined Benefit Retirement Plans

Volunteer Firefighters' Pension Plan

General Information

Plan Description - The City has established the Volunteer Firefighters' Pension Plan, a single-employer defined benefit pension plan for volunteer firefighters as authorized by State of Colorado statutes. The plan is administered by a Board of Trustees composed of City Council members and firefighters. The Board of Trustees also establishes and is allowed to amend contribution and benefit requirements. The plan does not publish a separate stand-alone report but is reported in the financial statements as a Pension Trust Fund.

Plan Membership - At December 31, 2024, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	3
Inactive plan members entitled to but not yet receiving benefits	14
Active plan members	0
 Total	 17

Benefits Provided - Any firefighter who has both attained the age of fifty and completed twenty years of active service shall be eligible for a monthly pension benefit of \$200. A firefighter who is disabled in the line of duty and whose disability is of such character and magnitude as to deprive the firefighter of earning capacity and extends beyond one year shall be compensated in an amount determined by the Board of Trustees, currently \$200 each month. Monthly survivor benefits are \$200 unless the firefighter was disabled, in which case the survivor benefit is \$100 each month.

Contributions - As established by state statutes, the plan may receive contributions from the City in an amount not to exceed one-half mill of property tax revenue. The State of Colorado contributes 90% of the City's contribution. Plan members are not required to contribute to the plan. The contributions are not actuarially determined. The actuarial valuation as of January 1, 2024, indicated that the current level of contributions is adequate to support on an actuarially sound basis the prospective benefits of the present plan. No contributions were made to the plan during the year ended December 31, 2024.

Investments

Investment Policy - The Board of Trustees has the authority to establish an investment policy for the plan but has not done so. City management currently makes all investment decisions.

Rate of Return - For the year ended December 31, 2024, the annual money-weighted rate of return on plan investments, net of investment expense, was 5.03%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 8: Defined Benefit Retirement Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

Net Pension Asset

At December 31, 2024, the City reported a net pension asset of \$570,154. The net pension asset was measured at December 31, 2024, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2024.

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of January 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement.

Interest Rate - 2.9% per annum, compounded annually, net of operating expenses.
Mortality - Pub-2010 mortality table for general employees, projected with generational mortality improvement using Scale MP-2021. Separate annuitant and non-annuitant rate tables were used.

The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return and by adding expected inflation.

Discount Rate - The discount rate used to measure the total pension liability was 2.9%. The projection of cash flows used to determine the discount rate assumed that contributions will continue to follow the current funding policy. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments of 5.03% was applied to all periods of projected benefit payments to determine the total pension liability.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 8: Defined Benefit Retirement Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

Net Pension Asset (Continued)

For the year ended December 31, 2024, changes in the net pension asset of the City were as follows.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2023	\$ 208,893	\$ 714,947	\$ (506,054)
Changes for the Year:			
Interest	5,967	-	5,967
Differences Between Expected and Actual Experience	(39,547)	-	(39,547)
Net Investment Income	-	35,945	(35,945)
Benefit Payments	(5,800)	(5,800)	-
Administrative Expenses	-	(5,425)	5,425
Balances at December 31, 2024	<u>\$ 169,513</u>	<u>\$ 739,667</u>	<u>\$ (570,154)</u>

Sensitivity of the Net Pension Asset to Changes in the Discount Rate - The following table presents the net pension asset of the City at December 31, 2024, calculated using the discount rate of 2.9%, as well as what the City's net pension asset would be if it were calculated using a discount rate that is one percentage point lower (1.9%) or one percentage point higher (3.9%) than the current rate, as follows:

	1% Decrease (1.90%)	Current Discount Rate (2.90%)	1% Increase (3.90%)
City's Net Pension Liability (Asset)	<u>\$ (537,201)</u>	<u>\$ (570,154)</u>	<u>\$ (595,373)</u>

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

For the year ended December 31, 2024, the City recognized pension benefit of \$40,085. The differences in projected and actual earnings on investments, differences between expected and actual experience, and the effect of changes in assumptions were recorded in pension benefit. Because the differences were not significant, they will not be recognized as pension benefit over multiple years.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 8: Defined Benefit Retirement Plans (Continued)

Police and Firefighters' Pension Plan (Continued)

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

Plan Description - The City contributes to the Statewide Retirement Plan (the SRP Plan), a cost-sharing multiple-employer defined benefit pension plan. The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that includes information on the plans. That report may be obtained at www.fppaco.org.

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

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

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

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023.

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

Upon termination, a member may elect to have their member contributions, along with 5 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 8: Defined Benefit Retirement Plans (Continued)

Police and Firefighters' Pension Plan (Continued)

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

Contributions - The City and eligible employees are required to contribute to the SRP Plan at rates established by State statutes. Employer contribution rates can only be amended by the State Legislature. Employee contribution rates can be amended by the State Legislature or by election of the membership. The City and eligible employees contributed 10% and 12% of base salary, respectively, for the year ended December 31, 2024.

SRP Plan members elected to increase the employee contribution rate by 0.5% annually through 2022, to a total of 12% of base salary. Employer contributions increase 0.5% annually beginning in 2021 through 2030 for a total of 13% of base salary. The City's contributions to the SRP Plan for the year ended December 31, 2024, were \$786,064 equal to the required contributions.

At December 31, 2024, the City reported a net pension liability of \$0 representing its proportionate share of the net pension liability of the SRP Plan. The net pension liability was measured at December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. The City's proportion of the net pension liability was based on a projection of the City's contributions to the plans for the calendar year ended December 31, 2023, relative to the projected contributions of all participating employers.

At December 31, 2023, the City's proportion of the SRP Plan was 0.84222312%, which was an increase of 0.04679893% from its proportion measured at December 31, 2022.

For the year ended December 31, 2024, the City recognized pension expense for the SRP Plan of \$675,738. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Statewide Retirement Plan		
Differences between expected and actual experience	\$ 1,212,327	\$ (63,305)
Net difference between projected and actual earnings on plan investments	947,848	-
Changes of assumptions and other inputs	715,504	-
Changes of proportion	74,881	(332,566)
Contributions subsequent to the measurement date	982,216	-
Total	\$ 3,932,776	\$ (395,871)

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 8: Defined Benefit Retirement Plans (Continued)

Police and Firefighters' Pension Plan (Continued)

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

City contributions to the SRP Plan subsequent to the measurement date of \$982,216 will be recognized as an increase or decrease to the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows.

<u>Year Ended December 31,</u>	
2025	\$ 809,524
2026	1,207,671
2027	100,392
2028	180,070
2029	127,783
Thereafter	<u>129,249</u>
Total	<u>\$ 2,554,689</u>

Actuarial Assumptions - The actuarial valuations as of January 1, 2024, determined the total pension liability using the following actuarial assumptions and other inputs.

Investment rate of return, compounded annually, net of plan investment expenses, including inflation	7.0%
Inflation	2.5%
Projected salary increases	4.25% - 11.25%
Cost of living adjustments (COLA)	0.0%

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

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

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 8: Defined Benefit Retirement Plans (Continued)

Police and Firefighters' Pension Plan (Continued)

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

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

The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5%).

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2024, are summarized in the following table:

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

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 8: Defined Benefit Retirement Plans (Continued)

Police and Firefighters' Pension Plan (Continued)

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

Discount Rate - The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Asset (Liability) to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as the City's proportionate share of the net pension liability if it were calculated using a discount that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate, as follows:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the SRP Net Pension Liability (Asset)	\$ 4,722,675	\$ -	\$ -

Pension Plan Fiduciary Net Position - Detailed information about the plans' fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

The aggregate amount of pension expense for the SRP Plan and the Volunteer Plan is a net pension expense of \$635,653.

Note 9: Retirement Commitments

Police and Firefighter Money Purchase Pension Plan

The City contributes to a single-employer defined contribution money purchase pension plan on behalf of police officers and paid firefighters that did not elect to participate in the FPPA Plans. The City is required to contribute 9.5% of each participating employee's compensation, and each employee must contribute a matching amount. The Plan provisions and contribution requirements are established and may be amended by the City Council. Employees are eligible to participate in the Plan as of the first day of work as an employee, and become fully vested after five years of service.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 9: Retirement Commitments (Continued)

Police and Firefighter Money Purchase Pension Plan (Continued)

For the year ended December 31, 2024, the City contributed \$9,042 to the Plan, equal to the required contributions. All of the Plan investments at December 31, 2024, are managed by Empower Retirement Company, an outside administrator.

General Employee Money Purchase Pension Plan

The City contributes to a single-employer defined contribution money purchase pension plan on behalf of non-police and firefighter employees. The City is required to contribute 4.5% of each participating employee's compensation, and each employee must contribute a matching amount. The Plan provisions and contribution requirements are established and may be amended by the City Council. Employees are eligible to participate in the Plan after six months of employment. Participants become fully vested after five years of service.

For the year ended December 31, 2024, the City contributed \$482,581 to the Plan, equal to the required contributions. All of the Plan investments at December 31, 2024, are managed by the Colorado Retirement Association (CRA), an outside administrator.

Note 10: Postemployment Benefits other than Pensions

Plan Description - The City has established a single-employer defined benefit postemployment healthcare plan. Employees with at least 20 years of service with the City, and who have reached at least 55 years of age, are eligible to receive health insurance benefits after retirement. These benefits expire when the retiree reaches the age of 65. The authority to establish and amend benefit provisions rests with the City Council. The City does not issue a stand-alone financial report for the plan.

Funding Policy - The contribution requirements of plan members and the City are established and may be amended by the City Council. The required contribution is based on projected pay-as-you-go financing requirements. The City pays the entire monthly insurance premium. Plan members are not required to contribute to the plan. For the year ended December 31, 2024, the City paid premiums for retirees totaling \$60,656.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2024, the City reported an OPEB liability of \$1,253,553. The total OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of January 1, 2023. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2024.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 10: Postemployment Benefits other than Pensions (Continued)

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

For the year ended December 31, 2024, changes in the total OPEB liability of the City were as follows.

	Net OPEB Liability
Balance at December 31, 2023	\$ 1,304,638
Changes for the year:	
Service Cost	78,076
Interest	53,787
Differences Between Expected and Actual Experience	(75,542)
Changes of Assumptions	(30,576)
Benefit Payments	(76,830)
Balance at December 31, 2024	\$ 1,253,553

For the year ended December 31, 2024, the City recognized OPEB expense of \$125,282 at December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 523,596	\$ (667,878)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>			
2025	\$	(6,581)	
2026		(6,581)	
2027		(6,581)	
2028		(4,655)	
2029		(5,636)	
Thereafter		(114,248)	
Total	\$	(144,282)	

City of Fountain, Colorado

Notes to Financial Statements

December 31, 2024

Note 10: Postemployment Benefits other than Pensions (Continued)

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

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan as understood by the City and plan members, and are based on the types of benefits provided at the time of each valuation and the historical pattern of sharing of the benefit costs between the City and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Significant methods and assumptions included the following:

Actuarial Valuation Date - January 1, 2023

Actuarial Cost Method - Entry Age Normal

Salary Increases - 5.00%

Investment Rate of Return - N/A

Healthcare Cost Trend Rates - 7.98% in 2024 decreasing to 4.50% in 2036+

Sensitivity of the City's proportionate Share of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the total OPEB liability using the current health care cost trend rates applicable to the benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
City's OPEB Liability	\$ <u>1,095,952</u>	\$ <u>1,253,553</u>	\$ <u>1,443,790</u>

Discount rate - The discount rate used to measure the total OPEB liability was 4.28 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above.

Benefit payments and contributions were assumed to be made on a pay-as-you-go basis, and thus there are no assets accumulated in a GASB-complaint trust.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 10: Postemployment Benefits other than Pensions (Continued)

Sensitivity of the City's proportionate Share of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates (Continued)

The following presents the proportionate share of the total OPEB liability calculated using the discount rate of 4.28 percent, as well as what the proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.28 percent) or one percentage point higher (5.28 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's OPEB Liability	<u>\$ 1,359,390</u>	<u>\$ 1,253,553</u>	<u>\$ 1,155,746</u>

Note 11: Commitments and Contingencies

TABOR Amendment

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

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2024, the emergency reserve was reported as restricted fund balance in the General Fund, in the amount of \$1,345,000.

Claims and Judgements

The City participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government.

Southern Delivery System

The City, along with the City of Colorado Springs, Security Water and Sanitation District, and Pueblo West Metropolitan District, are partners in the Southern Delivery System project. This project will convey raw water from Pueblo Reservoir through a 66" diameter, 53-mile pipeline to Upper Williams Creek Reservoir and Universal Water Treatment Plant located east of Colorado Springs. The City's participation in the conveyance capacity is 2,500 acre-feet per year and 5.625 million gallons per day (mgd) in the water treatment plant. The project was online in 2016, and all construction was completed in early 2020.

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2024

Note 11: Commitments and Contingencies (Continued)

Southern Delivery System (Continued)

Under the terms of the project agreement, the City's participation is reported in the financial statements as an undivided interest, whereby the City reports its assets, liabilities, revenues, and expenses associated with the joint project. At December 31, 2024, the City reported capital assets, net of depreciation, of \$42,646,352 for this project.

Litigation

The City is involved in various pending or threatened litigation. The outcome of this litigation cannot be determined at this time.

Concentration of Risk

A substantial amount of the City's sales tax revenues is received from four taxpayers. A reduction in this revenue, if it were to occur, may have a significant effect on the City's programs and activities.

Economic Development Tax Incentive Agreements

The City has approved several agreements to rebate certain property, sales and use taxes generated by new businesses. During the year ended December 31, 2024, the City paid \$2,438,690 under these agreements.

Required Supplementary Information

City of Fountain, Colorado
Schedule of Changes in Net Pension Liability and Related Ratios and Investment Returns
Volunteer Firefighters' Pension Plan
December 31, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Pension Liability					
Service Cost	\$ -	\$ 9,031	\$ 8,601	\$ 4,604	\$ 5,446
Interest	5,967	5,323	5,158	6,357	6,197
Differences Between Expected and Actual Experience	-	-	(3,452)	-	(2,433)
Changes of Assumptions	(39,547)	(26,214)	36	71,658	(572)
Benefit Payments	<u>(5,800)</u>	<u>(3,600)</u>	<u>(3,600)</u>	<u>(3,600)</u>	<u>(5,000)</u>
Net Change in Total Pension Liability	(39,380)	(15,460)	6,743	79,019	3,638
Total Pension Liability, Beginning of Year	<u>208,893</u>	<u>224,353</u>	<u>217,610</u>	<u>138,591</u>	<u>134,953</u>
Total Pension Liability, End of Year	<u>\$ 169,513</u>	<u>\$ 208,893</u>	<u>\$ 224,353</u>	<u>\$ 217,610</u>	<u>\$ 138,591</u>
Plan Fiduciary Net Position					
Net Investment Income	\$ 35,945	\$ 33,592	\$ 9,651	\$ 454	\$ 3,940
Benefit Payments	(5,800)	(3,600)	(3,600)	(3,600)	(5,000)
Administrative Expenses	<u>(5,425)</u>	<u>(16,425)</u>	<u>(15,675)</u>	<u>(175)</u>	<u>(175)</u>
Net Change in Plan Fiduciary Net Position	24,720	13,567	(9,624)	(3,321)	(1,235)
Plan Fiduciary Net Position, Beginning of Year	<u>714,947</u>	<u>701,380</u>	<u>711,004</u>	<u>714,325</u>	<u>715,560</u>
Plan Fiduciary Net Position, End of Year	<u>\$ 739,667</u>	<u>\$ 714,947</u>	<u>\$ 701,380</u>	<u>\$ 711,004</u>	<u>\$ 714,325</u>
City's Net Pension Liability, End of Year	<u>\$ 570,154</u>	<u>\$ 506,054</u>	<u>\$ 477,027</u>	<u>\$ 493,394</u>	<u>\$ 575,734</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	436%	342%	313%	327%	515%
Investment Returns					
Annual Money-Weighted Rate of Return, Net of Investment Expense	5.03%	4.86%	1.36%	0.06%	0.55%

This schedule is presented to show information for 10 years.

(Continued)

City of Fountain, Colorado
Schedule of Changes in Net Pension Liability and Related Ratios and Investment Returns
Volunteer Firefighters' Pension Plan
December 31, 2024
(Continued)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability					
Service Cost	\$ 5,313	\$ 6,090	\$ 13,751	\$ -	\$ -
Interest	5,640	5,546	11,460	14,655	14,188
Differences Between Expected and Actual Experience	-	-	(144,009)	-	-
Changes of Assumptions	6,118	(3,954)	-	(94,965)	-
Benefit Payments	<u>(4,600)</u>	<u>(5,100)</u>	<u>(4,800)</u>	<u>(4,000)</u>	<u>(3,600)</u>
Net Change in Total Pension Liability	12,471	2,582	(123,598)	(84,310)	10,588
Total Pension Liability, Beginning of Year	<u>122,482</u>	<u>119,900</u>	<u>243,498</u>	<u>327,808</u>	<u>317,220</u>
Total Pension Liability, End of Year	<u>\$ 134,953</u>	<u>\$ 122,482</u>	<u>\$ 119,900</u>	<u>\$ 243,498</u>	<u>\$ 327,808</u>
Plan Fiduciary Net Position					
Net Investment Income	\$ 11,155	\$ 9,962	\$ 4,948	\$ 3,029	\$ 2,732
Benefit Payments	(4,600)	(5,100)	(4,800)	(4,000)	(3,600)
Administrative Expenses	<u>-</u>	<u>(3,693)</u>	<u>(3,270)</u>	<u>(2,850)</u>	<u>(10,539)</u>
Net Change in Plan Fiduciary Net Position	6,555	1,169	(3,122)	(3,821)	(11,407)
Plan Fiduciary Net Position, Beginning of Year	<u>709,005</u>	<u>707,836</u>	<u>710,958</u>	<u>714,779</u>	<u>726,186</u>
Plan Fiduciary Net Position, End of Year	<u>\$ 715,560</u>	<u>\$ 709,005</u>	<u>\$ 707,836</u>	<u>\$ 710,958</u>	<u>\$ 714,779</u>
City's Net Pension Asset, End of Year	<u>\$ 580,607</u>	<u>\$ 586,523</u>	<u>\$ 587,936</u>	<u>\$ 467,460</u>	<u>\$ 386,971</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	530%	579%	590%	292%	218%
Investment Returns					
Annual Money-Weighted Rate of Return, Net of Investment Expense	1.60%	0.70%	0.70%	0.43%	0.38%

This schedule is presented to show information for 10 years.

City of Fountain, Colorado
Schedule of Changes in Total OPEB Liability and Related Ratios and Investment Returns
Retiree Health Insurance Plan
December 31, 2024

	2024	2023	2022
Total OPEB Liability			
Service Cost	\$ 78,076	\$ 96,549	\$ 125,701
Interest	53,787	66,499	37,773
Differences Between Expected and Actual Experience	(75,542)	259,164	-
Changes of Assumptions	(30,576)	(521,475)	(165,914)
Benefit Payments	(76,830)	(84,004)	(124,775)
Net Change in Total OPEB Liability	(51,085)	(183,267)	(127,215)
Total OPEB Liability, Beginning of Year	1,304,638	1,487,905	1,615,120
Total OPEB Liability, End of Year	\$ 1,253,553	\$ 1,304,638	\$ 1,487,905

Note: There are no assets accumulated in a GASB-compliant trust to pay related benefits for the OPEB plan.

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

(Continued)

City of Fountain, Colorado
Schedule of Changes in Total OPEB Liability and Related Ratios and Investment Returns
Retiree Health Insurance Plan
December 31, 2024
(Continued)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 91,486	\$ 75,208	\$ 68,407	\$ 69,786
Interest	24,159	37,847	40,958	36,179
Differences Between Expected and Actual Experience	443,794	-	-	-
Changes of Assumptions	(44,298)	71,241	19,974	(25,189)
Benefit Payments	<u>(120,009)</u>	<u>(99,321)</u>	<u>(101,348)</u>	<u>(96,984)</u>
Net Change in Total OPEB Liability	395,132	84,975	27,991	(16,208)
Total OPEB Liability, Beginning of Year	<u>1,219,988</u>	<u>1,135,013</u>	<u>1,107,022</u>	<u>1,123,230</u>
Total OPEB Liability, End of Year	<u>\$ 1,615,120</u>	<u>\$ 1,219,988</u>	<u>\$ 1,135,013</u>	<u>\$ 1,107,022</u>

Note: There are no assets accumulated in a GASB-compliant trust to pay related benefits for the OPEB plan.

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

City of Fountain, Colorado
Schedule of Proportionate Share of the Net Pension (Asset) Liability and Contributions
Fire and Police Pension Association of Colorado Statewide Retirement Plan
December 31, 2024

	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Proportionate Share of the Net Pension Asset (Liability)					
City's Proportion of the Net Pension Liability (Asset)	0.84222312%	0.79542418%	0.74617440%	0.74970075%	0.72470184%
City's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ 706,026	\$ (4,043,771)	\$ (1,627,603)	\$ (456,549)
City's Covered Payroll	\$ 8,482,089	\$ 7,101,018	\$ 5,941,268	\$ 5,408,779	\$ 5,264,431
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	0.0%	9.9%	-68.1%	-30.1%	-8.7%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.0%	97.6%	116.2%	106.7%	101.9%
	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>
City Contributions					
Statutorily Required Contribution	\$ 982,216	\$ 807,316	\$ 683,773	\$ 552,062	\$ 481,733
Contributions in Relation to the Statutorily Required Contribution	<u>(982,216)</u>	<u>(807,316)</u>	<u>(683,773)</u>	<u>(552,062)</u>	<u>(481,733)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 9,783,500	\$ 8,482,089	\$ 7,101,018	\$ 5,941,268	\$ 5,408,779
Contributions as a Percentage of Covered Payroll	10.04%	9.52%	9.63%	9.29%	8.91%

This schedule is presented to show information for 10 years.

(Continued)

City of Fountain, Colorado
Schedule of Proportionate Share of the Net Pension (Asset) Liability and Contributions
Fire and Police Pension Association of Colorado Statewide Retirement Plan
December 31, 2024
(Continued)

	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>
Proportionate Share of the Net Pension Asset (Liability)					
City's Proportion of the Net Pension Liability (Asset)	0.82451333%	0.30674205%	0.28760751%	0.28396312%	0.31188443%
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,042,411	\$ (441,297)	\$ (96,829)	\$ 5,006	\$ 351,985
City's Covered Payroll	\$ 4,909,389	\$ 1,638,955	\$ 1,331,905	\$ 1,224,894	\$ 1,227,432
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	21.2%	-26.9%	-7.3%	0.4%	28.7%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.2%	106.3%	98.0%	100.1%	107.0%
	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>
City Contributions					
Statutorily Required Contribution	\$ 475,954	\$ 441,845	\$ 143,538	\$ 117,754	\$ 110,127
Contributions in Relation to the Statutorily Required Contribution	<u>(475,954)</u>	<u>(441,845)</u>	<u>(143,538)</u>	<u>(117,754)</u>	<u>(110,127)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,264,431	\$ 4,909,389	\$ 1,638,955	\$ 1,331,905	\$ 1,224,894
Contributions as a Percentage of Covered Payroll	9.04%	9.00%	8.76%	8.84%	8.99%

This schedule is presented to show information for 10 years.

City of Fountain, Colorado
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property Taxes	\$ 5,060,000	\$ 5,060,000	\$ 5,320,877	\$ 260,877
Sales Taxes	17,850,000	17,850,000	18,630,988	780,988
Use Taxes	1,900,000	1,900,000	2,252,636	352,636
Specific Ownership Taxes	310,000	310,000	482,201	172,201
Franchise Taxes	1,805,500	1,805,500	447,614	(1,357,886)
Total Taxes	<u>26,925,500</u>	<u>26,925,500</u>	<u>27,134,316</u>	<u>208,816</u>
Licenses and Permits				
Business Licenses	69,000	69,000	115,472	46,472
Telecommunications	55,000	55,000	83,633	28,633
Liquor Licenses	9,000	9,000	7,217	(1,783)
Street and Curb Permits	45,100	45,100	34,886	(10,214)
Total Licenses and Permits	<u>178,100</u>	<u>178,100</u>	<u>241,208</u>	<u>63,108</u>
Charges for Services				
Developer Fees	195,350	1,173,125	1,132,405	(40,720)
Impact Fees	28,800	28,800	596,011	567,211
Park Fees	60,000	60,000	76,440	16,440
School District Juvenile Program	1,005,384	1,005,384	1,209,636	204,252
Off Duty Police Program	82,567	82,567	79,781	(2,786)
Cemetery	11,000	11,000	9,450	(1,550)
Miscellaneous	1,433,238	1,433,238	1,027,647	(405,591)
Total Charges for Services	<u>2,816,339</u>	<u>3,794,114</u>	<u>4,131,370</u>	<u>337,256</u>
Fines and Forfeitures	<u>495,300</u>	<u>495,300</u>	<u>464,155</u>	<u>(31,145)</u>
Intergovernmental				
Highway Users Tax	815,561	815,561	916,445	100,884
Road and Bridge Fund	31,750	31,750	29,822	(1,928)
Motor Vehicle Registration	87,000	87,000	78,826	(8,174)
Cigarette Taxes	40,000	40,000	38,565	(1,435)
State and Local Grants	288,500	3,748,613	2,309,079	(1,439,534)
Federal Grants	6,500	1,662,615	4,795,818	3,133,203
Total Intergovernmental	<u>1,269,311</u>	<u>6,385,539</u>	<u>8,168,555</u>	<u>1,783,016</u>
Investment Income	<u>475,000</u>	<u>475,000</u>	<u>1,176,160</u>	<u>701,160</u>
Miscellaneous				
Rents	4,000	4,000	2,600	(1,400)
Other	356,299	840,293	1,128,485	288,192
Total Miscellaneous	<u>360,299</u>	<u>844,293</u>	<u>1,131,085</u>	<u>286,792</u>
Total Revenues	<u>\$ 32,519,849</u>	<u>\$ 39,097,846</u>	<u>\$ 42,446,849</u>	<u>\$ 3,349,003</u>

(Continued)

City of Fountain, Colorado
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2024
(Continued)

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures				
General Government				
Legislative	\$ 80,030	\$ 80,030	\$ 49,749	\$ 30,281
Judicial	241,180	254,680	254,289	391
Economic Development	3,458,649	3,458,649	2,532,770	925,879
Information Technology	2,235,959	2,285,959	1,863,598	422,361
Planning and Engineering	1,253,485	1,253,485	922,109	331,376
Administration	2,653,283	2,730,770	2,536,601	194,169
Total General Government	<u>9,922,586</u>	<u>10,063,573</u>	<u>8,159,116</u>	<u>1,904,457</u>
Public Safety				
Police	11,591,069	11,776,181	11,091,363	684,818
Communications	17,350	17,350	10,648	6,702
Fire	5,594,525	5,650,477	5,697,500	(47,023)
Fleet	815,865	823,665	704,888	118,777
Total Public Safety	<u>18,018,809</u>	<u>18,267,673</u>	<u>17,504,399</u>	<u>763,274</u>
Public Works				
Highway and Streets	2,113,015	2,196,269	1,991,924	204,345
Facilities Maintenance	636,385	788,440	660,627	127,813
Total Public Works	<u>2,749,400</u>	<u>2,984,709</u>	<u>2,652,551</u>	<u>332,158</u>
Health and Welfare				
Code Enforcement	635,787	694,979	732,122	(37,143)
Cemetery	34,750	34,750	36,967	(2,217)
Total Health and Welfare	<u>670,537</u>	<u>729,729</u>	<u>769,089</u>	<u>(39,360)</u>
Culture and Recreation				
Parks	910,166	972,790	971,542	1,248
Community Building	487,655	487,655	382,994	104,661
Total Culture and Recreation	<u>1,397,821</u>	<u>1,460,445</u>	<u>1,354,536</u>	<u>105,909</u>
Capital Outlay	1,326,536	8,897,145	4,621,164	4,275,981
Debt Service	1,049,815	1,233,295	1,219,439	13,856
Total Expenditures	<u>35,135,504</u>	<u>43,636,569</u>	<u>36,280,294</u>	<u>7,356,275</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,615,655)</u>	<u>(4,538,723)</u>	<u>6,166,555</u>	<u>10,705,278</u>
Other Financing Sources (Uses)				
Lease Financing Proceeds	192,271	1,012,271	820,000	(192,271)
Transfers In	1,593,605	1,593,605	1,622,873	29,268
Transfers Out	-	(300,000)	(5,873,873)	(5,573,873)
Total Other Financing Sources (Uses)	<u>1,785,876</u>	<u>2,305,876</u>	<u>(3,431,000)</u>	<u>(5,736,876)</u>
Net Change in Fund Balance	<u>(829,779)</u>	<u>(2,232,847)</u>	<u>2,735,555</u>	<u>4,968,402</u>
Fund Balance, Beginning of Year	<u>9,267,624</u>	<u>9,267,624</u>	<u>19,764,326</u>	<u>10,496,702</u>
Fund Balance, End of Year	<u>\$ 8,437,845</u>	<u>\$ 7,034,777</u>	<u>\$ 22,499,881</u>	<u>\$ 15,465,104</u>

City of Fountain, Colorado
Notes to Required Supplementary Information
December 31, 2024

Note 1: Volunteer Firefighters' Pension Plan

Contributions

The City made no contributions to the Volunteer Firefighters' Pension Plan during the year ended December 31, 2024. In addition, the plan members consist only of volunteer firefighters and no employee payroll information is applicable.

Actuarial Assumptions

Significant actuarial methods and assumptions used to determine the contribution rates for the Volunteer Firefighters' Pension Plan are as follows:

Valuation Date	January 1, 2024
Actuarial Cost Method	Entry age
Amortization Method	Level amount, open
Remaining Amortization Period	30 years
Asset Valuation Method	Fair value
Interest Rate	2.9% per annum, compounded annually, net of operating expenses
Inflation Rate	2.5% per annum
Retirement Age	Age 50 and 20 years of service
Mortality	Projected 15 years from the valuation date

Note 2: Stewardship, Compliance and Accountability

Budgetary Accounting

The City follows these procedures to establish the budgetary information reflected in the financial statements:

- In September, management submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally adopted through passage of an ordinance.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council. State statutes stipulate that expenditures may not exceed budgeted appropriations at the fund level.

City of Fountain, Colorado
Notes to Required Supplementary Information
December 31, 2024

Note 2: Stewardship, Compliance and Accountability (Continued)

Budgetary Accounting (Continued)

- Budgets are legally adopted for all funds of the City. Fiduciary fund budgets have not been presented in the financial statements. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary funds are presented on a non-GAAP budgetary basis. Debt principal is recognized as an expenditure for budgetary purposes. Capital outlay is budgeted as an expenditure, and depreciation and amortization are not budgeted.

- All appropriations lapse at year end.

Supplementary Information

City of Fountain, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	Conservation Trust	Heritage Maintenance District	General Improvement Districts	Volunteer Fire
Assets				
Cash and Investments	\$ 666,563	\$ 599,311	\$ 1,708,007	\$ 57,035
Restricted Cash and Investments	-	-	-	-
Accounts Receivable	373	1,218	3,446	-
Taxes Receivable	-	64,987	330,552	-
Total Assets	\$ 666,936	\$ 665,516	\$ 2,042,005	\$ 57,035
Liabilities				
Accounts Payable	\$ 51,186	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Total Liabilities	51,186	-	-	-
Deferred Inflows of Resources				
Property Taxes	-	64,987	330,552	-
Fund Balances				
Restricted for:				
Parks	615,750	-	-	-
District Repairs and Maintenance	-	600,529	1,711,453	-
Transportation	-	-	-	-
Street Repairs and Maintenance	-	-	-	-
Street Improvements	-	-	-	-
Committed to Volunteer Fire Activities	-	-	-	57,035
Total Fund Balances	615,750	600,529	1,711,453	57,035
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 666,936	\$ 665,516	\$ 2,042,005	\$ 57,035

(Continued)

City of Fountain, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024
(Continued)

	Public Transportation	Street Resurfacing	Street Improvement	Total
Assets				
Cash and Investments	\$ 3,518,699	\$ 699,488	\$ 996,216	\$ 8,245,319
Restricted Cash and Investments	131,789	-	-	131,789
Accounts Receivable	258,219	153,609	590	417,455
Taxes Receivable	-	-	-	395,539
	<u>3,908,707</u>	<u>853,097</u>	<u>996,806</u>	<u>9,190,102</u>
Total Assets	\$ 3,908,707	\$ 853,097	\$ 996,806	\$ 9,190,102
Liabilities				
Accounts Payable	\$ 13,221	\$ 828	\$ 27,903	\$ 93,138
Accrued Liabilities	19,612	-	-	19,612
	<u>32,833</u>	<u>828</u>	<u>27,903</u>	<u>112,750</u>
Total Liabilities	32,833	828	27,903	112,750
Deferred Inflows of Resources				
Property Taxes	-	-	-	395,539
	<u>-</u>	<u>-</u>	<u>-</u>	<u>395,539</u>
Fund Balances				
Restricted for:				
Parks	-	-	-	615,750
District Repairs and Maintenance	-	-	-	2,311,982
Transportation	3,875,874	-	-	3,875,874
Street Repairs and Maintenance	-	852,269	-	852,269
Street Improvements	-	-	968,903	968,903
Committed to Volunteer Fire Activities	-	-	-	57,035
	<u>3,875,874</u>	<u>852,269</u>	<u>968,903</u>	<u>8,681,813</u>
Total Fund Balances	3,875,874	852,269	968,903	8,681,813
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 3,908,707	\$ 853,097	\$ 996,806	\$ 9,190,102
	<u>\$ 3,908,707</u>	<u>\$ 853,097</u>	<u>\$ 996,806</u>	<u>\$ 9,190,102</u>

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

	Conservation Trust	Heritage Maintenance District	General Improvement Districts	Volunteer Fire
Revenues				
Taxes	\$ -	\$ 122,988	\$ 351,515	\$ -
Charges for Services	-	-	-	-
Intergovernmental	311,695	-	-	-
Investment Income	14,428	22,005	57,596	-
Miscellaneous	-	-	75	716
	326,123	144,993	409,186	716
Total Revenues				
Expenditures				
Current				
General Government	-	-	-	-
Public Works	-	214,114	-	-
Culture and Recreation	190,630	-	-	-
Capital Outlay	144,932	-	-	-
Debt Service				
Principal	-	-	-	-
	335,562	214,114	-	-
Total Expenditures				
Excess Revenues Over (Under) Expenditures	(9,439)	(69,121)	409,186	716
Other Financing Sources (Uses)				
Transfers Out	-	-	(134,177)	-
	-	-	(134,177)	-
Net Change in Fund Balances	(9,439)	(69,121)	275,009	716
Fund Balances, Beginning of Year	625,189	669,650	1,436,444	56,319
Fund Balances, End of Year	\$ 615,750	\$ 600,529	\$ 1,711,453	\$ 57,035

(Continued)

City of Fountain, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024
(Continued)

	Public Transportation	Street Resurfacing	Street Improvement	Total
Revenues				
Taxes	\$ 1,552,582	\$ 931,549	\$ -	\$ 2,958,634
Charges for Services	19,532	-	-	19,532
Intergovernmental	1,310	-	-	313,005
Investment Income	121,292	26,134	36,037	277,492
Miscellaneous	4,461	-	-	5,252
Total Revenues	<u>1,699,177</u>	<u>957,683</u>	<u>36,037</u>	<u>3,573,915</u>
Expenditures				
Current				
General Government	959,821	-	-	959,821
Public Works	-	762,061	-	976,175
Culture and Recreation	-	-	-	190,630
Capital Outlay	100,157	-	75,517	320,606
Debt Service				
Principal	6,277	-	-	6,277
Total Expenditures	<u>1,066,255</u>	<u>762,061</u>	<u>75,517</u>	<u>2,453,509</u>
Excess Revenues Over (Under) Expenditures	632,922	195,622	(39,480)	1,120,406
Other Financing Sources (Uses)				
Transfers Out	(110,337)	-	-	(244,514)
Net Change in Fund Balances	522,585	195,622	(39,480)	875,892
Fund Balances, Beginning of Year	<u>3,353,289</u>	<u>656,647</u>	<u>1,008,383</u>	<u>7,805,921</u>
Fund Balances, End of Year	<u>\$ 3,875,874</u>	<u>\$ 852,269</u>	<u>\$ 968,903</u>	<u>\$ 8,681,813</u>

City of Fountain, Colorado
 Budgetary Comparison Schedule
 Conservation Trust Fund
 For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Lottery Proceeds	\$ 310,000	\$ 310,000	\$ 311,695	\$ 1,695
Investment Income	3,150	3,150	14,428	11,278
Total Revenues	313,150	313,150	326,123	12,973
Expenditures				
Culture and Recreation	143,800	143,800	190,630	(46,830)
Capital Outlay	205,000	253,950	144,932	109,018
Total Expenditures	348,800	397,750	335,562	62,188
Net Change in Fund Balance	(35,650)	(84,600)	(9,439)	75,161
Fund Balance, Beginning of Year	643,343	643,343	625,189	(18,154)
Fund Balance, End of Year	\$ 607,693	\$ 558,743	\$ 615,750	\$ 57,007

City of Fountain, Colorado
 Budgetary Comparison Schedule
 Heritage Maintenance District Fund
 For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property Taxes	\$ 106,000	\$ 106,000	\$ 118,612	\$ 12,612
Specific Ownership Taxes	10,000	10,000	4,376	(5,624)
Investment Income	20,000	20,000	22,005	2,005
Total Revenues	136,000	136,000	144,993	8,993
Expenditures				
Public Works	69,000	69,000	214,114	(145,114)
Capital Outlay	200,000	400,000	-	400,000
Total Expenditures	269,000	469,000	214,114	254,886
Net Change in Fund Balance	(133,000)	(333,000)	(69,121)	263,879
Fund Balance, Beginning of Year	652,517	652,517	669,650	17,133
Fund Balance, End of Year	\$ 519,517	\$ 319,517	\$ 600,529	\$ 281,012

City of Fountain, Colorado
 Budgetary Comparison Schedule
 General Improvement Districts Fund
 For the Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Property Taxes	\$ 332,000	\$ 321,353	\$ (10,647)
Specific Ownership Taxes	22,000	30,162	8,162
Investment Income	40,000	57,596	17,596
Miscellaneous	-	75	75
Total Revenues	394,000	409,186	15,186
Excess Revenues Over (Under) Expenditures	394,000	409,186	15,186
Other Financing Sources (Uses)			
Transfers Out	-	(134,177)	(134,177)
Net Change in Fund Balance	394,000	275,009	(118,991)
Fund Balance, Beginning of Year	1,773,137	1,436,444	(336,693)
Fund Balance, End of Year	\$ 2,167,137	\$ 1,711,453	\$ (455,684)

City of Fountain, Colorado
 Budgetary Comparison Schedule
 Volunteer Fire Fund
 For the Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Investment Income	\$ 1,500	\$ -	\$ (1,500)
Miscellaneous	-	716	716
Total Revenues	1,500	716	(784)
Net Change in Fund Balance	1,500	716	(784)
Fund Balance, Beginning of Year	56,319	56,319	-
Fund Balance, End of Year	\$ 57,819	\$ 57,035	\$ (784)

City of Fountain, Colorado
Budgetary Comparison Schedule
Public Transportation Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues				
Sales Taxes	\$ 1,400,000	\$ 1,400,000	\$ 1,552,582	\$ 152,582
Charges for Services	-	-	19,532	19,532
Intergovernmental	-	-	1,310	1,310
Investment Income	50,000	50,000	121,292	71,292
Miscellaneous	-	3,608	4,461	853
	<u>1,450,000</u>	<u>1,453,608</u>	<u>1,699,177</u>	<u>245,569</u>
Total Revenues				
Expenditures				
Current				
General Government	1,452,058	1,455,666	959,821	495,845
Capital Outlay	160,000	160,000	100,157	59,843
Debt Service				
Principal	-	-	6,277	(6,277)
	<u>1,612,058</u>	<u>1,615,666</u>	<u>1,066,255</u>	<u>549,411</u>
Total Expenditures				
Excess Revenues Over (Under) Expenditures	(162,058)	(162,058)	632,922	794,980
Other Financing Sources (Uses)				
Transfers Out	(110,340)	(110,340)	(110,337)	3
	<u>(110,340)</u>	<u>(110,340)</u>	<u>(110,337)</u>	<u>3</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balance	(272,398)	(272,398)	522,585	794,983
Fund Balance, Beginning of Year	2,456,851	2,456,851	3,353,289	896,438
Fund Balance, Ending of Year	<u>\$ 2,184,453</u>	<u>\$ 2,184,453</u>	<u>\$ 3,875,874</u>	<u>\$ 1,691,421</u>

City of Fountain, Colorado
 Budgetary Comparison Schedule
 Street Resurfacing Fund
 For the Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Sales Taxes	\$ 830,000	\$ 931,549	\$ 101,549
Investment Income	5,000	26,134	21,134
Total Revenues	835,000	957,683	122,683
Expenditures			
Public Works	763,000	762,061	939
Net Change in Fund Balance	72,000	195,622	123,622
Fund Balance, Beginning of Year	114,949	656,647	541,698
Fund Balance, End of Year	\$ 186,949	\$ 852,269	\$ 665,320

City of Fountain, Colorado
 Budgetary Comparison Schedule
 Street Improvement Fund
 For the Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Investment Income	\$ 15,000	\$ 36,037	\$ 21,037
Total Revenues	15,000	36,037	21,037
Expenditures			
Capital Outlay	-	75,517	(75,517)
Total Expenditures	-	75,517	(75,517)
Net Change in Fund Balance	15,000	(39,480)	(54,480)
Fund Balance, Beginning of Year	19,963	1,008,383	988,420
Fund Balance, End of Year	\$ 34,963	\$ 968,903	\$ 933,940

City of Fountain, Colorado
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2024

	Ambulance	Drainage	Total
Assets			
<i>Current Assets</i>			
Cash and Investments	\$ 16,511	\$ 2,206,778	\$ 2,223,289
Accounts Receivable	1,759,862	1,294	1,761,156
Total Current Assets	1,776,373	2,208,072	3,984,445
<i>Noncurrent Assets</i>			
Capital Assets, Net of Accumulated Depreciation	761,134	-	761,134
Total Assets	2,537,507	2,208,072	4,745,579
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	44,516	-	44,516
Accrued Liabilities	68,510	-	68,510
Current Portion of Long-Term Debt			
Compensated Absences Payable	99,716	-	99,716
Total Current Liabilities	212,742	-	212,742
<i>Long-Term Liabilities</i>			
Compensated Absences Payable	196	-	196
Total Long-Term Liabilities	196	-	196
Total Liabilities	212,938	-	212,938
Net Position			
Net Investment in Capital Assets	761,134	-	761,134
Unrestricted	1,563,435	2,208,072	3,771,507
Total Net Position	\$ 2,324,569	\$ 2,208,072	\$ 4,532,641

City of Fountain, Colorado
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2024

	Ambulance	Drainage	Total
Operating Revenues			
Charges for Services	\$ 2,125,525	\$ 6,413	\$ 2,131,938
Grant Revenue	426,590	-	426,590
Miscellaneous	18,462	-	18,462
Total Operating Revenues	2,570,577	6,413	2,576,990
Operating Expenses			
Public Safety	6,457	-	6,457
Operations and Maintenance	1,940,498	511	1,941,009
Depreciation	117,234	-	117,234
Total Operating Expenses	2,064,189	511	2,064,700
Operating Income (Loss)	506,388	5,902	512,290
Nonoperating Revenues (Expense)			
Investment Income	5,802	76,685	82,487
Total Nonoperating Revenues (Expenses)	5,802	76,685	82,487
Net Income (Loss) Before Transfers	512,190	82,587	594,777
Transfers In	360,026	-	360,026
Transfers Out	(90,459)	-	(90,459)
Change in Net Position	781,757	82,587	864,344
Net Position, Beginning of Year	1,542,812	2,125,485	3,668,297
Net Position, End of Year	\$ 2,324,569	\$ 2,208,072	\$ 4,532,641

City of Fountain, Colorado
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2024

	Ambulance	Drainage	Total
Cash Flows From Operating Activities			
Cash Received from Customers	\$ 1,406,358	\$ 5,673	\$ 1,412,031
Cash Received from Others	426,590	-	426,590
Cash Payments to Employees	27,554	-	27,554
Cash Payments to Suppliers	(1,911,991)	(511)	(1,912,502)
Net Cash Provided (Used) by Operating Activities	(51,489)	5,162	(46,327)
Cash Flows From Noncapital Financing Activities			
Payments from Other Funds	269,567	-	269,567
Cash Flows From Capital And Related Financing Activities			
Acquisition and Construction of Capital Assets	(239,537)	-	(239,537)
Net Cash Provided (Used) by Capital and Related Financing Activities	(239,537)	-	(239,537)
Cash Flows From Investing Activities			
Interest Received	5,802	76,685	82,487
Net Change In Cash And Cash Equivalents	(15,657)	81,847	66,190
Cash and Cash Equivalents, <i>Beginning of Year</i>	32,168	2,124,931	2,157,099
Cash and Cash Equivalents, <i>End of Year</i>	\$ 16,511	\$ 2,206,778	\$ 2,223,289
Reconciliation of Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities			
Operating Income (Loss)	\$ 506,388	\$ 5,902	\$ 512,290
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation	117,234	-	117,234
Changes in Assets and Liabilities			
Accounts Receivable	(737,629)	(740)	(738,369)
Accounts Payable	34,964	-	34,964
Accrued Liabilities	5,073	-	5,073
Compensated Absences Payable	22,481	-	22,481
Net Cash Provided (Used) by Operating Activities	\$ (51,489)	\$ 5,162	\$ (46,327)

City of Fountain, Colorado
Budgetary Comparison Schedule
Water Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 10,896,415	\$ 10,896,415	\$ 10,723,223	\$ (173,192)
Miscellaneous	51,700	96,265	444,707	348,442
Investment Income	33,500	33,500	91,070	57,570
System Development Fees	215,882	215,882	227,323	11,441
Grants	1,000,000	8,926,908	667,303	(8,259,605)
Transfers In	-	-	5,108,020	5,108,020
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	12,197,497	20,168,970	17,261,646	(2,907,324)
Expenditures				
Source of Supply	2,951,800	3,081,800	2,638,501	443,299
Operations and Maintenance	2,792,558	2,811,823	2,177,778	634,045
Customer Accounts and Collection	566,085	604,585	523,407	81,178
Administration and General	1,827,230	1,814,030	1,566,073	247,957
Capital Outlay	1,409,741	9,635,408	5,269,487	4,365,921
Debt Principal	66,000	66,000	1,914,667	(1,848,667)
Interest Expense	1,599,876	1,599,876	1,580,510	19,366
Transfers Out	542,145	542,145	551,388	(9,243)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	11,755,435	20,155,667	16,221,811	3,933,856
Change in Net Position, Budgetary Basis	<u>\$ 442,062</u>	<u>\$ 13,303</u>	1,039,835	<u>\$ 1,026,532</u>
Adjustments to GAAP Basis				
Capital Outlay			5,269,487	
Depreciation Expense			(2,973,958)	
Debt Principal			1,914,667	
			<hr/>	
Change in Net Position, GAAP Basis			<u>\$ 5,250,031</u>	

City of Fountain, Colorado
Budgetary Comparison Schedule
Electric Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 28,417,392	\$ 28,417,392	\$ 30,163,655	\$ 1,746,263
Miscellaneous	2,737,704	2,823,506	3,370,829	547,323
Investment Income	50,000	50,000	648,731	598,731
System Development Fees	15,000	15,000	91,934	76,934
New Service Installation	100,000	100,000	6,142	(93,858)
Grants	-	-	67,500	67,500
Transfers In	-	-	540,004	540,004
	<u>31,320,096</u>	<u>31,405,898</u>	<u>34,888,795</u>	<u>3,482,897</u>
Expenditures				
Source of Supply	18,500,000	18,500,000	17,690,133	809,867
Operations and Maintenance	6,202,530	6,227,040	4,983,992	1,243,048
Customer Accounts and Collection	1,339,260	1,361,735	1,199,861	161,874
Administration and General	3,122,677	3,173,977	1,845,012	1,328,965
Capital Outlay	1,242,407	1,661,136	506,566	1,154,570
Debt Principal	162,226	162,226	540,164	(377,938)
Interest Expense	490,650	490,650	413,963	76,687
Transfers Out	850,660	850,660	870,689	(20,029)
	<u>31,910,410</u>	<u>32,427,424</u>	<u>28,050,380</u>	<u>4,377,044</u>
Change in Net Position, Budgetary Basis	<u>\$ (590,314)</u>	<u>\$ (1,021,526)</u>	<u>6,838,415</u>	<u>\$ 7,859,941</u>
Adjustments to GAAP Basis				
Capital Outlay			506,566	
Depreciation Expense			(2,273,890)	
Debt Principal			540,164	
Change in Net Position, GAAP Basis			<u>\$ 5,611,255</u>	

City of Fountain, Colorado
Budgetary Comparison Schedule
Ambulance Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 1,200,000	\$ 1,200,000	\$ 2,125,525	\$ 925,525
Lease Financing Proceeds	201,500	201,500	18,462	(183,038)
Investment Income	2,500	2,500	5,802	3,302
Grant Revenue and Insurance Proceeds	950,000	950,000	426,590	(523,410)
Transfers In	-	300,000	360,026	60,026
	<u>2,354,000</u>	<u>2,654,000</u>	<u>2,936,405</u>	<u>282,405</u>
Expenditures				
Operations and Maintenance	2,352,945	2,352,945	1,946,955	405,990
Capital Outlay	196,000	262,140	239,537	22,603
Debt Principal	80,000	80,000	-	80,000
Transfers Out	90,460	90,460	90,459	1
	<u>2,719,405</u>	<u>2,785,545</u>	<u>2,276,951</u>	<u>508,594</u>
Change in Net Position, Budgetary Basis	<u>\$ (365,405)</u>	<u>\$ (131,545)</u>	659,454	<u>\$ 790,999</u>
Adjustments to GAAP Basis				
Capital Outlay			239,537	
Depreciation Expense			(117,234)	
Change in Net Position, GAAP Basis			<u>\$ 781,757</u>	

City of Fountain, Colorado
 Budgetary Comparison Schedule
 Drainage Fund
 For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 27,450	\$ 27,450	\$ 6,413	\$ (21,037)
Investment Income	23,840	23,840	76,685	52,845
Grants	-	1,315,000	-	(1,315,000)
Total Revenues	51,290	1,366,290	83,098	(1,283,192)
Expenditures				
Operations and Maintenance	200,000	1,890,000	511	1,889,489
Total Expenditures	200,000	1,890,000	511	1,889,489
Change in Net Position, Budgetary Basis	\$ (148,710)	\$ (523,710)	82,587	\$ 606,297
Adjustments to GAAP Basis				
None			-	
Change in Net Position, GAAP Basis			\$ 82,587	

City of Fountain, Colorado
 Budgetary Comparison Schedule
 Insurance Fund
 For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues				
Charges for Services	\$ 4,381,000	\$ 4,381,000	\$ 4,554,658	\$ 173,658
Investment Income	40,000	40,000	115,778	75,778
Total Revenues	<u>4,421,000</u>	<u>4,421,000</u>	<u>4,670,436</u>	<u>249,436</u>
Expenditures				
Administration and General	249,300	294,300	184,973	109,327
Insurance Premiums	1,260,000	1,260,000	1,193,361	66,639
Insurance Claims	3,778,000	3,778,000	3,733,370	44,630
Total Expenditures	<u>5,287,300</u>	<u>5,332,300</u>	<u>5,111,704</u>	<u>220,596</u>
Change in Net Position, Budgetary Basis	(866,300)	(911,300)	(441,268)	470,032
Net Position, Beginning of Year	<u>2,547,521</u>	<u>2,547,521</u>	<u>2,978,242</u>	<u>430,721</u>
Net Position, End of Year	<u>\$ 1,681,221</u>	<u>\$ 1,636,221</u>	<u>\$ 2,536,974</u>	<u>\$ 900,753</u>

Statistical Section

CITY OF FOUNTAIN, COLORADO

STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	73-77
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources.	78-86
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	87-89
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	90-91
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	92-93

CITY OF FOUNTAIN, COLORADO

TABLE 1

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)**

(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
				(restated)		(restated)				
Governmental Activities										
Net Investment in Capital Assets	\$ 71,587,864	\$ 69,520,813	\$ 67,964,354	\$ 69,746,246	\$ 68,476,764	\$ 70,174,636	\$ 69,262,457	\$ 70,677,055	\$ 66,931,319	\$ 66,690,204
Restricted for Parks	230,569	304,912	254,830	294,537	437,786	398,392	551,599	636,293	625,189	615,750
Restricted for District Repairs and Maintenance	438,171	525,899	691,029	922,414	1,176,145	1,460,973	1,698,705	2,091,654	2,106,094	2,311,982
Restricted for Transportation	717,664	912,062	1,095,465	1,297,901	1,576,647	2,111,178	2,648,434	3,208,528	3,353,289	3,875,874
Restricted for Street Repairs and Maintenance	78,649	203,892	248,154	180,746	111,586	326,138	521,767	499,082	656,647	852,269
Restricted for Street Improvements	3,507,196	4,127,544	4,853,221	1,440,123	1,236,771	1,146,550	1,092,828	1,010,683	1,008,383	968,903
Restricted for Emergencies	553,000	624,000	764,000	717,000	675,461	738,210	979,978	939,664	1,015,000	1,345,000
Unrestricted	5,745,378	4,666,972	5,194,378	8,778,702	11,360,175	11,798,280	14,131,380	12,080,642	21,666,952	23,026,775
Total governmental activities net position	82,858,491	80,886,094	81,065,431	83,377,669	85,051,335	88,154,357	90,887,148	91,143,601	97,362,873	99,686,757
Business-type activities										
Net Investment in Capital Assets	76,235,438	82,159,345	84,882,092	89,901,060	77,345,853	95,897,690	102,444,934	102,365,315	102,002,448	104,918,746
Restricted for Debt Service	794,400	217,500	217,500	217,500	-	-	-	-	-	-
Restricted for Capital Projects	-	-	-	-	8,357,595	-	6,949,574	-	-	-
Unrestricted	13,047,583	10,329,549	11,245,862	9,075,989	14,971,120	6,345,147	(1,919,635)	8,323,064	14,782,654	23,419,892
Total business-type activities net position	90,077,421	92,706,394	96,345,454	99,194,549	100,674,568	102,242,837	107,474,873	110,688,379	116,785,102	128,338,638
Primary government										
Net Investment in Capital Assets	147,823,302	151,680,158	152,846,446	159,647,306	145,822,617	166,072,326	171,707,391	184,386,281	168,933,767	171,608,950
Restricted for Parks	230,569	304,912	254,830	294,537	437,786	398,392	551,599	636,293	625,189	615,750
Restricted for District Repairs and Maintenance	438,171	525,899	691,029	922,414	1,176,145	1,460,973	1,698,705	2,091,654	2,106,094	2,311,982
Restricted for Transportation	717,664	912,062	1,095,465	1,297,901	1,576,647	2,111,178	2,648,434	3,208,528	3,353,289	3,875,874
Restricted for Street Repairs and Maintenance	78,649	203,892	248,154	180,746	111,586	326,138	521,767	499,082	656,647	852,269
Restricted for Street Improvements	3,507,196	4,127,544	4,853,221	1,440,123	1,236,771	1,146,550	1,092,828	1,010,683	1,008,383	968,903
Restricted for Debt Service	794,400	217,500	217,500	217,500	-	-	-	-	-	-
Restricted for Capital Projects	-	-	-	-	8,357,595	-	6,949,574	3,177,813	-	-
Restricted for Emergencies	553,000	624,000	764,000	717,000	675,461	738,210	979,978	939,664	1,015,000	1,345,000
Unrestricted	18,792,961	14,996,521	16,440,240	17,854,591	26,331,295	27,850,663	12,211,745	10,402,780	36,449,606	46,446,667
Total primary government net position	\$ 172,935,912	\$ 173,592,488	\$ 177,410,885	\$ 182,572,118	\$ 185,725,903	\$ 200,104,430	\$ 198,362,021	\$ 206,352,778	\$ 214,147,975	\$ 228,025,395

Source: City of Fountain, Colorado, audited financial statements, 2015-2024

Note: The City of Fountain, Colorado adopted GASB Statement 68 for the year ended December 31, 2015.

The City of Fountain, Colorado adopted GASB Statement 75 for the year ended December 31, 2018. Amounts for 2017 have not been restated.

CITY OF FOUNTAIN, COLORADO

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (Unaudited)

TABLE 2

(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
				(restated)		(restated)				
Expenses										
Governmental Activities										
General Government	\$ 2,130,308	\$ 4,044,229	\$ 4,693,192	\$ 8,695,463	\$ 5,761,656	\$ 6,560,887	\$ 8,191,331	\$ 12,933,974	\$ 14,500,747	\$ 14,658,644
Public Safety	9,028,509	10,270,018	11,537,346	10,994,529	11,423,879	12,447,436	13,690,036	11,381,665	15,491,860	18,100,613
Public Works	4,590,601	5,529,468	3,476,418	4,001,851	4,572,294	5,225,921	6,377,712	2,861,983	3,381,575	3,628,726
Health and Welfare	282,840	339,505	382,291	398,085	398,325	491,878	470,014	439,971	612,645	769,089
Culture and Recreation	1,143,271	1,114,420	1,272,541	1,070,721	1,324,469	1,254,244	1,247,497	1,228,952	1,323,175	1,545,166
Interest Expense	130,542	136,878	129,487	270,449	126,337	160,772	168,287	359,572	520,757	465,068
Total Governmental Activities Expenses	17,306,071	21,434,518	21,491,275	25,431,098	23,606,960	26,141,138	30,144,877	29,206,117	35,830,759	39,167,306
Business-type Activities										
Water Utility	7,556,775	7,828,769	8,070,689	8,935,851	9,334,892	10,860,952	11,914,833	11,739,482	11,572,797	11,413,342
Electric Utility	22,372,569	21,780,237	22,447,508	24,952,506	26,604,937	27,461,957	27,720,042	29,171,524	29,606,466	28,406,851
Ambulance	845,194	962,046	1,117,680	1,225,967	1,279,842	1,321,738	1,265,157	1,655,142	1,920,398	2,064,189
Drainage	678,202	34,783	810	-	-	-	-	-	-	511
Total Business-type Activities Expenses	31,452,740	30,605,835	31,636,687	35,114,324	37,219,671	39,644,647	40,900,032	42,566,148	43,099,661	41,884,893
Total Primary Government Expenses	\$ 48,758,811	\$ 52,040,353	\$ 53,127,962	\$ 60,545,422	\$ 60,826,631	\$ 65,785,785	\$ 71,044,909	\$ 71,772,265	\$ 78,930,420	\$ 81,052,199
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 272,233	\$ 250,000	\$ 213,334	\$ 311,399	\$ 179,718	\$ 284,467	\$ 399,684	\$ 657,951	\$ 1,078,971	\$ 1,891,014
Public Safety	487,191	682,158	676,895	965,888	1,020,470	1,109,012	1,251,890	1,354,262	1,418,347	1,691,418
Public Works	127,292	74,205	155,208	85,428	22,945	66,826	41,703	382,039	1,621,317	630,905
Health and Welfare	21,773	12,000	6,965	12,676	9,320	16,100	11,000	9,466	9,318	9,442
Culture and Recreation	168,346	109,090	83,464	45,225	76,634	169,197	43,754	48,176	668,714	76,440
Operating Grants and Contributions	1,472,444	1,375,632	1,291,305	1,407,023	1,529,176	3,407,082	1,959,272	2,641,519	1,854,844	8,481,560
Capital Grants and Contributions	2,318,192	-	-	-	-	-	1,896,239	-	-	-
Total Governmental Activities Program Revenues	4,867,471	2,503,085	2,427,171	2,827,639	2,838,263	5,052,684	5,603,542	5,093,413	6,651,511	12,780,779
Business-type Activities										
Charges for Services:										
Water Utility	8,641,160	8,538,462	8,427,151	9,555,175	9,630,665	10,752,779	12,299,627	11,955,039	10,954,932	10,723,223
Electric Utility	23,673,596	22,148,619	22,951,368	24,910,405	24,355,307	25,011,877	27,039,503	28,241,363	32,689,862	31,303,844
Ambulance	725,652	675,385	875,963	846,008	755,039	1,002,155	1,417,305	896,787	1,861,033	2,125,525
Drainage	93,739	16,822	22,352	154,637	149,685	39,289	12,305	544,285	24,313	6,413
Capital & Operating Grants and Contributions	1,887,206	1,429,735	2,637,238	1,925,612	1,192,615	1,207,406	3,069,116	1,964,876	2,779,309	1,480,650
Total Business-type Activities Program Revenues	35,021,353	32,809,023	34,914,072	37,391,837	36,083,311	38,013,506	43,837,856	43,602,350	48,309,449	45,639,655
Total Primary Government Revenues	\$ 39,888,824	\$ 35,312,108	\$ 37,341,243	\$ 40,219,476	\$ 38,921,574	\$ 43,066,190	\$ 49,441,398	\$ 48,695,763	\$ 54,960,960	\$ 58,420,434
Net (Expense)/Revenue										
Governmental Activities	\$ (12,438,600)	\$ (18,931,433)	\$ (19,064,104)	\$ (22,603,459)	\$ (20,768,697)	\$ (21,088,454)	\$ (21,088,454)	\$ (24,112,704)	\$ (29,179,248)	\$ (26,386,527)
Business-type Activities	3,568,613	2,203,188	3,277,385	2,277,513	(1,136,360)	(1,631,141)	2,937,824	1,036,202	5,209,788	3,754,762
Total Primary Government Net Revenue (Expense)	\$ (8,869,987)	\$ (16,728,245)	\$ (15,786,719)	\$ (20,325,946)	\$ (21,905,057)	\$ (22,719,595)	\$ (18,150,630)	\$ (23,076,502)	\$ (23,969,460)	\$ (22,631,765)

Source: City of Fountain, Colorado, audited financial statements, 2015-2024

Note: The City of Fountain, Colorado adopted GASB Statement 68 for the year ended December 31, 2015.

The City of Fountain, Colorado adopted GASB Statement 75 for the year ended December 31, 2018. Amounts for 2017 have not been restated.

TABLE 2
(continued)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
				(restated)		(restated)				
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	\$ 1,816,545	\$ 2,031,189	\$ 2,152,814	\$ 2,304,048	\$ 2,316,627	\$ 2,695,802	\$ 2,629,066	\$ 3,225,061	\$ 4,886,728	\$ 5,760,842
Sales and Use Taxes	10,542,516	12,686,263	14,686,272	17,314,141	16,940,313	18,512,330	20,630,184	21,594,956	21,973,314	23,367,755
Specific Ownership Taxes	210,581	241,426	298,083	297,889	295,021	296,766	322,839	339,592	524,977	516,739
Franchise Taxes	1,996,793	1,932,297	1,975,688	2,095,707	2,134,383	2,165,326	2,344,669	2,404,373	1,973,803	447,614
Investment Income	44,801	33,620	77,724	141,379	254,083	85,184	7,203	200,498	1,165,122	1,569,430
Intergovernmental revenues	200,000	-	-	-	-	-	-	-	-	-
Other Revenues	137,918	331,378	288,308	2,590,872	922,533	968,485	657,737	595,610	552,582	1,543,545
Transfers	(154,987)	(297,137)	(235,448)	(416,275)	(420,597)	(532,417)	682,428	529,865	(198,804)	(4,495,514)
Total Governmental Activities	14,794,167	16,959,036	19,243,441	24,327,761	22,442,363	24,191,476	27,274,126	28,889,955	30,877,722	28,710,411
Other Revenues	-	-	-	-	1,809,584	2,466,751	2,972,011	2,623,050	173,289	2,480,972
Investment Earnings	175,202	128,648	126,227	155,207	386,298	200,242	4,629	84,119	514,842	822,288
Transfers	154,987	297,137	235,448	416,275	420,597	532,417	(682,428)	(529,865)	198,804	4,495,514
Total Business-type Activities	330,189	425,785	361,675	571,482	2,616,479	3,199,410	2,294,212	2,177,304	886,935	7,798,774
Total Primary Government	\$ 15,124,356	\$ 17,384,821	\$ 19,605,116	\$ 24,899,243	\$ 25,058,842	\$ 27,390,886	\$ 29,568,338	\$ 31,067,259	\$ 31,764,657	\$ 36,509,185
Change in Net Position										
Government Activities	\$ 2,355,567	\$ (1,972,397)	\$ 179,337	\$ 1,724,302	\$ 1,673,666	\$ 3,103,022	\$ 6,185,672	\$ 4,777,251	\$ 1,698,474	\$ 2,323,884
Business-type Activities	3,898,802	2,628,973	3,639,060	3,021,995	1,480,119	1,568,269	5,232,036	3,213,506	6,096,723	11,553,536
Total Primary Government	\$ 6,254,369	\$ 656,576	\$ 3,818,397	\$ 4,746,297	\$ 3,153,785	\$ 4,671,291	\$ 11,417,708	\$ 7,990,757	\$ 7,795,197	\$ 13,877,420

Source: City of Fountain, Colorado, audited financial statements, 2015-2024

Note: The City of Fountain, Colorado adopted GASB Statement 68 for the year ended December 31, 2015.

The City of Fountain, Colorado adopted GASB Statement 75 for the year ended December 31, 2018. Amounts for 2017 have not been restated.

CITY OF FOUNTAIN, COLORADO

FUND BALANCES-GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (Unaudited)

TABLE 3

(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted for Emergencies	\$ 553,000	\$ 624,000	\$ 764,000	\$ 717,000	\$ 675,461	\$ 738,210	\$ 979,978	\$ 939,664	\$ 1,015,000	\$ 1,345,000
Committed to Park Improvements	662,405	742,637	848,069	925,294	966,532	1,102,533	450,607	490,807	1,151,544	1,227,985
Committed to School Zone	88,804	65,516	74,896	79,053	89,544	105,549	129,573	155,482	164,745	179,037
Committed to Traffic Signal	208,000	208,000	208,000	208,000	208,000	-	-	-	-	-
Assigned to Public Safety Capital Improvements	382,505	621,558	1,001,762	1,384,980	1,859,654	1,224,114	1,123,641	1,296,034	1,997,503	2,724,103
Unrestricted, Unassigned	4,671,273	2,969,618	4,146,335	5,343,256	5,149,521	7,392,527	9,279,726	10,972,990	15,435,534	17,023,756
Total general fund	\$ 6,565,987	\$ 5,231,329	\$ 7,043,062	\$ 8,657,584	\$ 8,948,712	\$ 10,562,933	\$ 11,963,525	\$ 13,854,977	\$ 19,764,326	\$ 22,499,881
All Other Governmental Funds										
Restricted for Parks	\$ 230,569	\$ 304,912	\$ 254,830	\$ 294,537	\$ 437,786	\$ 398,392	\$ 551,599	\$ 636,293	\$ 625,189	\$ 615,750
Restricted for District Repairs & Maintenance	438,171	525,899	691,029	922,414	1,176,145	1,460,973	1,698,705	2,091,654	2,106,094	2,311,982
Restricted for Transportation	717,664	912,062	1,095,465	1,297,901	1,576,647	2,111,178	2,648,434	3,208,528	3,353,289	3,875,874
Restricted for Street Repairs & Maintenance	78,649	203,892	248,154	180,746	111,586	326,138	521,767	499,082	656,647	852,269
Restricted for Street Improvements	3,507,196	4,127,544	4,853,221	1,440,123	1,236,771	1,146,550	1,092,828	1,010,683	1,008,383	968,903
Committed to Volunteer Fire Activities	155,036	142,081	153,684	155,602	113,126	107,035	71,377	56,319	56,319	57,035
Assigned to Volunteer Fire Activities	-	-	-	-	-	-	-	-	-	-
Unrestricted, Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 5,127,285	\$ 6,216,390	\$ 7,296,383	\$ 4,291,323	\$ 4,652,061	\$ 5,550,266	\$ 6,584,710	\$ 7,502,559	\$ 7,805,921	\$ 8,681,813
Total all governmental funds	\$ 11,693,272	\$ 11,447,719	\$ 14,339,445	\$ 12,948,907	\$ 13,600,773	\$ 16,113,199	\$ 18,548,235	\$ 21,357,536	\$ 27,570,247	\$ 31,181,694

Source: City of Fountain Colorado, audited financial statements, 2015-2024

CITY OF FOUNTAIN, COLORADO

CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (Unaudited)

TABLE 4

(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes	\$ 14,566,435	\$ 16,891,175	\$ 19,119,576	\$ 22,011,785	\$ 21,686,344	\$ 23,670,224	\$ 25,926,758	\$ 27,563,982	\$ 29,358,822	\$ 30,092,950
Licenses and Permits	110,887	106,779	94,105	164,955	136,114	146,457	168,978	162,013	161,724	241,208
Intergovernmental	1,672,444	1,375,632	1,284,586	1,407,023	1,529,176	3,407,082	1,135,466	1,791,118	4,449,662	8,481,560
Charges for Services	621,266	613,660	739,670	860,555	686,886	1,206,930	443,587	498,763	301,693	4,150,902
Fines and Forfeitures	344,682	407,014	302,091	395,106	441,367	292,220	1,959,272	2,641,519	1,854,844	464,155
Investment Income	39,835	29,412	65,843	141,379	254,083	85,184	7,203	200,498	1,072,989	1,453,652
Other Revenues	137,918	331,378	288,308	2,590,872	1,474,894	1,091,824	167,621	463,815	1,664,788	1,136,337
Total Revenues	17,493,467	19,755,050	21,894,179	27,571,675	26,208,864	29,899,921	29,808,885	33,321,708	38,864,522	46,020,764
Expenditures:										
General Government	2,485,007	4,447,557	4,880,968	4,915,105	5,580,304	6,591,610	7,634,979	7,777,896	8,649,040	9,118,937
Public Safety	8,650,779	10,084,025	11,431,458	12,023,231	11,275,406	11,952,809	12,726,284	13,058,617	14,963,333	17,504,399
Public Works	2,110,811	3,396,987	3,494,141	8,853,992	1,395,910	1,920,343	2,869,391	2,861,983	3,381,575	3,628,726
Health and Welfare	282,512	339,177	381,963	398,085	419,435	485,555	500,072	439,971	612,645	769,089
Culture and Recreation	1,167,182	1,187,270	1,525,382	1,160,204	1,180,020	1,092,444	1,071,583	1,228,952	1,323,175	1,545,166
Debt Service										
Principal	423,454	422,737	571,267	1,061,060	724,861	843,111	886,386	543,482	999,668	1,042,686
Interest	130,542	136,878	129,487	99,815	310,081	152,496	152,496	352,872	-	183,030
Capital Outlay	-	-	-	-	4,250,384	3,990,853	3,103,904	4,910,294	3,889,571	4,941,770
Total Expenditures	15,250,287	20,014,631	22,414,666	28,511,492	25,136,401	27,029,221	28,945,095	31,174,067	33,819,007	38,733,803
Excess of Revenues over (under) Expenditures	2,243,180	(259,581)	(520,487)	(939,817)	1,072,463	2,870,700	863,790	2,147,641	5,045,515	7,286,961
Other Financing Sources (Uses)										
Lease Financing Proceeds	-	311,165	3,647,661	-	-	174,143	481,298	131,795	1,366,000	820,000
Sale of Capital Assets	-	-	-	-	-	-	142,190	-	-	-
Insurance Proceeds	-	-	-	-	-	-	265,330	-	-	-
Transfers In	200,000	-	-	-	-	-	1,221,418	1,101,533	1,739,342	1,622,873
Transfers Out	(154,987)	(297,137)	(235,448)	(450,721)	(420,597)	(532,417)	(538,990)	(571,668)	(1,938,146)	(6,118,387)
Total Other Financing Sources (Uses)	45,013	14,028	3,412,213	(450,721)	(420,597)	(358,274)	1,571,246	661,660	1,167,196	(3,675,514)
Net Change in Fund Balances	\$ 2,288,193	\$ (245,553)	\$ 2,891,726	\$ (1,390,538)	\$ 651,866	\$ 2,512,426	\$ 2,435,036	\$ 2,809,301	\$ 6,212,711	\$ 3,611,447
Debt Service as a percentage of noncapital Expenditures	3.6%	2.8%	3.1%	4.1%	5.0%	4.3%	4.0%	3.4%	3.3%	3.6%

Source: City of Fountain, Colorado, audited financial statements, 2015-2024

CITY OF FOUNTAIN, COLORADO

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS (Unaudited)

TABLE 5

Year	Vacant Land	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Natural Resources	Exempt	State Assessed	Total Assessed Value	Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2015	8,086,610	115,369,090	52,517,480	6,953,150	240,700	617,700	19,456,510	9,647,830	212,889,070	10.239	1,795,063,326	11.86%
2016	8,020,780	117,748,510	56,831,240	6,772,650	235,230	596,610	19,454,530	4,560,710	214,220,260	10.239	1,821,386,400	11.76%
2017	8,109,610	121,463,590	64,122,210	7,841,530	235,250	475,200	20,013,310	4,501,710	226,762,410	10.239	1,923,033,314	11.79%
2018	7,555,730	125,051,630	65,041,150	7,796,200	234,590	359,390	20,439,420	4,737,690	231,215,800	10.239	1,972,699,676	11.72%
2019	9,422,850	153,363,100	64,975,720	8,261,870	216,370	131,810	21,543,660	4,633,470	262,548,850	10.239	2,534,632,807	10.36%
2020	8,675,550	156,611,190	63,757,090	6,592,970	226,700	5,680	21,811,430	5,132,700	262,813,310	10.239	2,569,923,717	10.23%
2021	10,411,740	187,482,070	74,537,390	6,940,430	276,690	560	25,838,290	5,104,350	310,591,520	10.239	3,061,158,274	10.15%
2022	10,824,190	182,496,710	78,677,210	7,068,240	261,480	440	26,603,720	5,452,130	311,384,120	16.339	3,095,430,331	10.06%
2023	12,987,630	224,002,850	89,439,690	8,191,010	248,640	40	31,590,770	5,272,940	340,142,800	16.339	3,759,623,241	9.05%
2024	12,796,380	225,533,530	89,731,240	8,042,220	267,610	40	31,405,430	5,317,400	373,093,850	15.100	3,925,990,754	9.50%

Source - State of Colorado Annual Report and El Paso County Assessor

Note: Property in El Paso County is revalued every odd numbered year. The assessment rate is 29 percent of actual value for all properties except residential and producing natural resource properties.

The residential assessment rate is established by the State legislature every odd-numbered year in order to maintain the tax burden balance between residential properties and other properties.

The residential assessment rate is 7.96 percent for the 2012-2017 assessment years and 7.15% for the assessment years beginning in 2018 through 2021 and for 2022 is 6.95%. Tax rates are per \$1,000 of assessed value.

The General Fund mill levy was increased by 6.1 mills by voter approval, for 2022 property taxes to be collected in 2023.

The General Fund mill levy was temporarily reduced for one year by 1.239 mills by city council approval, for 2023 property taxes to be collected in 2024.

CITY OF FOUNTAIN, COLORADO

DIRECT AND OVERLAPPING PROPERTY TAX RATES - LAST TEN YEARS

(rate per \$1,000 of assessed value)

(Unaudited)

TABLE 6

Taxing Authority	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Direct										
City of Fountain (a)	10.239	10.239	10.239	10.239	10.239	10.239	10.239	10.239	16.339	15.100
Total Direct Rate	10.239	10.239	10.239	10.239	10.239	10.239	10.239	10.239	16.339	15.100
Overlapping Governments										
El Paso County	7.869	7.919	7.965	8.068	7.222	7.692	7.200	7.450	8.062	6.862
School Districts										
Widefield #3	47.527	45.657	61.320	60.294	56.396	56.164	49.384	49.384	47.615	47.097
Fountain/Fort Carson #8	25.195	24.748	24.731	24.776	24.845	24.741	25.704	25.704	26.704	27.731
Sanitation Districts										
Water Districts										
S.E. Water Conservancy	0.941	0.940	0.939	0.944	0.902	0.942	0.839	0.839	0.887	0.888
Special Districts										
Fountain GID #1	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000
Fountain GID #2	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
Heritage Improv. Maint.	4.940	4.940	4.940	4.940	4.940	4.940	4.940	4.940	4.940	4.940
Metropolitan Districts										
Countryside South	30.000	30.000	33.166	33.166	33.477	33.555	33.555	33.555	33.555	33.555
Crescent Canyon	35.000	35.000	35.197	35.052	35.011	35.011	38.964	38.964	40.086	36.635
Cross Creek	10.727	10.727	11.859	11.859	11.898	11.898	11.898	11.898	11.898	11.898
Cumberland Green	50.000	50.000	50.000	50.000	47.000	47.000	47.000	47.000	47.000	47.000
Mesa Ridge #2	50.000	50.000	55.278	55.167	65.441	65.513	65.513	65.513	67.417	67.905
Remuda Ridge	-	-	50.000	50.000	10.000	10.000	55.664	55.664	50.000	59.403
Ventana	40.000	40.000	51.332	51.332	51.691	51.691	51.691	51.691	50.559	50.559
Miscellaneous Districts										
Pikes Peak Library	3.857	3.857	3.812	4.000	3.731	3.855	3.490	3.490	3.512	3.061

Source - El Paso County Assessor's Office, Abstract of Assessment 2015-2024

Notes: (a) Overlapping rates are those of county governments and various types of districts that apply to property owners in the City of Fountain

CITY OF FOUNTAIN, COLORADO

PRINCIPAL PROPERTY TAXPAYERS Current year and 2015 (Unaudited)

Table 7

Taxpayer	2024			2015		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
WalMart Real Estate	\$ 7,470,780	1	2.00%	\$ 3,644,110	3	1.71%
Dillon Real Estate Co Inc	\$ 6,845,770	2	1.83%	\$ 4,844,130	1	2.28%
Lowes HIW, Inc	\$ 2,745,690	3	0.74%	\$ 2,159,820	4	1.01%
CSH Property One LLC	\$ 2,617,790	4	0.70%			
Mesa Ridge No 1 LLP	\$ 2,614,140	5	0.70%	\$ 1,905,360	6	0.90%
Sam's Real Est Business Trust	\$ 2,180,080	6	0.58%			
Pavestone, LLC	\$ 2,066,400	7	0.55%	\$ 1,654,310	7	0.78%
Raceway 200 LLC	\$ 2,050,770	8	0.55%	\$ 4,048,480	2	1.90%
Peytons G H C	\$ 1,868,300	9	0.50%	\$ 1,149,380	10	0.54%
Adesa Colorado Inc	\$ 1,852,830	10	0.50%			
Total Assessed Valuation City of Fountain			\$ 373,093,850			\$ 212,889,070

Source: El Paso County Assessor's Office

CITY OF FOUNTAIN, COLORADO

GENERAL FUND REVENUES - TAXES BY CATEGORY LAST TEN FISCAL YEARS

TABLE 8

(Unaudited)

(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Sales Tax	\$ 7,152,889	\$ 8,937,330	\$ 10,341,676	\$ 10,822,136	\$ 11,976,431	\$ 14,954,300	\$ 16,522,145	\$ 17,192,499	\$ 17,553,096	\$ 18,630,988
General Property Tax	1,733,965	1,915,374	1,956,656	2,066,694	2,083,613	2,415,776	2,377,149	2,839,218	4,519,516	5,320,877
Use Tax	1,601,405	1,514,601	1,759,190	3,786,475	1,969,828	1,564,124	1,905,112	2,110,124	2,079,805	2,252,636
Specific Ownership Tax	201,176	227,899	270,180	267,478	262,321	268,222	289,784	303,155	487,211	482,201
Franchise Taxes:										
Cablevision/ Telephone	275,348	318,949	318,177	304,307	272,476	263,276	259,121	178,712	146,709	185,199
Electricity (1)	1,165,277	1,064,519	1,093,440	1,173,240	1,236,747	1,267,148	1,374,152	1,428,586	1,172,758	16,292
Gas	183,666	150,570	152,373	163,345	162,423	113,241	174,831	265,782	218,186	242,623
Water (2)	372,503	398,259	411,698	454,815	462,737	521,661	536,565	531,293	436,150	3,500
Total	\$ 12,686,228	\$ 14,527,501	\$ 16,303,390	\$ 19,038,489	\$ 18,426,576	\$ 21,367,748	\$ 23,438,859	\$ 24,849,369	\$ 26,613,431	\$ 27,134,316

Source: City of Fountain, Colorado, audited financial statements, 2015-2024

(2) The franchise fee for the City owned water utility is 5% of gross revenues.

CITY OF FOUNTAIN, COLORADO

SALES TAX BY CATEGORY
LAST TEN FISCAL YEARS
(Unaudited)
 (modified accrual basis of accounting)

TABLE 9

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Auto Repair and Parts Supply	\$ 457,840	\$ 562,237	\$ 514,709	\$ 585,363	\$ 611,649	\$ 644,165	\$ 719,428	\$ 782,424	\$ 692,720	\$ 859,430
Auto Sales	164,354	190,353	297,330	328,020	302,120	185,082	228,799	355,465	19,086	243,977
Communications/Utilities	675,480	642,511	776,721	769,871	996,712	611,075	484,473	464,197	495,190	385,353
Convenience Stores	207,209	252,111	240,119	253,806	295,324	330,855	332,533	138,280	301,874	249,416
Entertainment	49,025	50,127	47,042	27,207	25,684	12,903	19,873	15,336	28,796	23,493
Hotel/Motel/RV Parks	58,493	65,368	69,033	76,343	92,584	141,472	263,429	272,970	252,149	246,188
Liquor Stores	284,607	309,087	309,841	319,827	343,827	395,112	405,685	408,103	430,478	357,993
Restaurants	1,878,716	2,116,482	2,344,155	2,695,191	2,814,861	2,847,312	2,974,341	2,961,391	3,120,255	3,238,667
Retail	4,831,279	6,566,477	7,799,112	7,691,028	8,493,117	10,388,048	11,170,980	11,599,288	12,963,968	13,757,418
Services - Misc	333,213	415,101	527,897	780,994	994,387	1,392,182	2,124,509	2,483,043	1,588,993	1,753,184
Total	\$ 8,940,216	\$ 11,169,854	\$ 12,925,958	\$ 13,527,648	\$ 14,970,265	\$ 16,948,206	\$ 18,724,050	\$ 19,480,497	\$ 19,893,509	\$ 21,115,119
City Direct Sales Tax Rate	3.75%	3.75%	3.75%	3.75%	3.75%	3.40%	3.40%	3.40%	3.40%	3.40%

Colorado audited financial
Subsidiary Records, 2015-2024

CITY OF FOUNTAIN, COLORADO

DIRECT AND OVERLAPPING SALES TAX RATES DECEMBER 31, 2024 (Unaudited)

TABLE 10

<u>Fiscal Year</u>		<u>City of Fountain</u>	<u>El Paso County</u>	<u>State of Colorado</u>	<u>PPRTA</u>
2015		3.75%	1.23%	2.9%	
	All but South				
2016	Academy Highlands	3.75%	1.23%	2.9%	
	South Academy				
2016	Highlands	3.75%	1.23%	2.9%	1.0%
	All but South				
2017	Academy Highlands	3.75%	1.23%	2.9%	
	South Academy				
2017	Highlands	3.75%	1.23%	2.9%	1.0%
	All but South				
2018	Academy Highlands	3.75%	1.23%	2.9%	
	South Academy				
2018	Highlands	3.75%	1.23%	2.9%	1.0%
	All but South				
2019	Academy Highlands	3.75%	1.23%	2.9%	
	South Academy				
2019	Highlands	3.75%	1.23%	2.9%	1.0%
	All but South				
2020	Academy Highlands	3.40%	1.23%	2.9%	
	South Academy				
2020	Highlands	3.40%	1.23%	2.9%	1.0%
	All but South				
2021	Academy Highlands	3.40%	1.23%	2.9%	
	South Academy				
2021	Highlands	3.40%	1.23%	2.9%	1.0%
	All but South				
2022	Academy Highlands	3.40%	1.23%	2.9%	
	South Academy				
2022	Highlands	3.40%	1.23%	2.9%	1.0%
	All but South				
2023	Academy Highlands	3.40%	1.23%	2.9%	
	South Academy				
2023	Highlands	3.40%	1.23%	2.9%	1.0%
	All but South				
2024	Academy Highlands	3.40%	1.23%	2.9%	
	South Academy				
2024	Highlands	3.40%	1.23%	2.9%	1.0%

PPRTA-Pikes Peak Rural Transportation Authority can only charge a 1% tax to the South Academy Highland commercial establishments

Source: State of Colorado Department of Revenue

CITY OF FOUNTAIN, COLORADO

GENERAL FUND PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN YEARS (Unaudited)

TABLE 11

Year Assessed	Gross Tax Levy (2)	Current Collections		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Total Net Taxes Collected	Total Tax Percentage of Levy
2015	1,961,172	1,869,797	95.34%	45,577	1,915,374	97.66%
2016	1,976,808	1,936,603	97.97%	20,053	1,956,656	98.98%
2017	2,095,580	2,088,384	99.66%	3,539	2,091,923	99.83%
2018	2,136,860	2,130,415	99.70%	2,872	2,133,287	99.83%
2019	2,443,474	2,439,188	99.82%	2,528	2,441,716	99.93%
2020	2,445,359	2,442,949	99.90%	655	2,443,604	99.93%
2021	2,873,409	2,867,352	99.79%	570	2,867,922	99.81%
2022	4,568,463	4,508,242	98.68%	2,632	4,510,874	98.74%
2023	5,281,642	5,270,550	99.79%	(3,071)	5,267,479	99.73%
2024	5,447,921	5,285,738	97.02%		N/A	

Source: El Paso County Treasurer's Office and the City of Fountain, Colorado audited financial statements, 2015-2024

Note: (1) Property taxes are collected in the calendar year following the year levied.

(2) Gross tax levy for 2022 includes a voter approved mill levy that is collected in 2023

CITY OF FOUNTAIN, COLORADO

WATER REVENUES LAST TEN FISCAL YEARS (Unaudited) (accrual basis of accounting)

TABLE 12

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Water Revenues:										
Charges for Services:										
Metered Water Sales by Type of Customer:										
Residential	\$ 5,370,315	\$ 5,869,792	\$ 5,966,982	\$ 6,975,508	\$ 7,288,222	\$ 8,387,168	\$ 9,438,741	\$ 8,921,553	\$ 7,799,912	\$ 7,484,810
Commercial	1,894,487	2,002,129	2,206,966	2,325,169	2,342,443	2,365,611	2,860,886	3,033,486	3,155,020	3,238,413
Total Charges for Services	<u>7,264,802</u>	<u>7,871,921</u>	<u>8,173,948</u>	<u>9,300,677</u>	<u>9,630,665</u>	<u>10,752,779</u>	<u>12,299,627</u>	<u>11,955,039</u>	<u>10,954,932</u>	<u>10,723,223</u>
Miscellaneous	1,376,358	666,541	253,203	254,498	443,472	1,311,079	869,813	90,197	482,231	1,065,125
Total Operating Revenues	<u>8,641,160</u>	<u>8,538,462</u>	<u>8,427,151</u>	<u>9,555,175</u>	<u>10,074,137</u>	<u>12,063,858</u>	<u>13,169,440</u>	<u>12,045,236</u>	<u>11,437,163</u>	<u>11,788,348</u>
Investment Income	14,204	24,380	4,862	4,320	77,790	72,780	9,598	26,662	84,330	91,070
Total Water Revenues	<u>\$ 8,655,364</u>	<u>\$ 8,562,842</u>	<u>\$ 8,432,013</u>	<u>\$ 9,559,495</u>	<u>\$ 10,151,927</u>	<u>\$ 12,136,638</u>	<u>\$ 13,179,038</u>	<u>\$ 12,071,898</u>	<u>\$ 11,521,493</u>	<u>\$ 11,879,418</u>
Water Gallons Sold by Type of Customer										
Residential	542,361,514	579,887,854	555,059,383	575,508,997	552,120,210	636,913,840	593,779,300	572,889,470	515,437,400	533,935,970
Commercial	186,637,670	178,402,965	178,760,968	189,259,178	190,517,730	177,743,200	211,856,180	226,876,410	208,573,968	230,948,404
Total Water Gallons Sold by Type of Customer	<u>728,999,184</u>	<u>758,290,819</u>	<u>733,820,351</u>	<u>764,768,175</u>	<u>742,637,940</u>	<u>814,657,040</u>	<u>805,635,480</u>	<u>799,765,880</u>	<u>724,011,368</u>	<u>764,884,374</u>

Source: City of Fountain, Colorado, audited financial statements, 2015-2024 and Utility Billing Records, 2015-2024

CITY OF FOUNTAIN, COLORADO

ELECTRIC REVENUES LAST TEN FISCAL YEARS (Unaudited) (accrual basis of accounting)

TABLE 13

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Electric Revenues:										
Charges for Services:										
Metered Electric Sales by Type of Customer:										
Residential-inside city limits	\$ 9,124,562	\$ 8,785,711	\$ 8,592,953	\$ 9,107,204	\$ 10,430,671	\$ 10,254,870	\$ 11,190,436	\$ 11,973,126	\$ 11,901,824	\$ 12,145,891
Residential-outside city limits	6,475,483	6,102,628	5,728,635	6,304,987	6,542,323	6,753,207	7,813,159	7,692,196	7,811,533	7,919,873
Commercial-inside city limits	6,196,410	5,426,906	6,609,964	6,772,023	6,179,811	6,753,207	6,606,157	7,194,545	9,287,728	9,422,457
Commercial-outside city limits	1,272,037	1,073,402	1,101,661	1,167,590	1,202,502	1,250,594	1,429,751	1,381,496	1,752,982	1,815,623
Total Charges for Services	23,068,492	21,388,647	22,033,212	23,351,805	24,355,307	25,011,877	27,039,503	28,241,363	30,754,066	31,303,844
Miscellaneous	958,176	759,972	918,156	1,558,600	1,436,693	1,222,407	2,043,308	3,217,718	2,451,843	2,304,282
Total Operating Revenues	24,026,668	22,148,619	22,951,368	24,910,405	25,792,000	26,234,284	29,082,811	31,459,081	33,205,909	33,608,126
Investment Income	154,942	101,576	115,371	138,569	281,980	129,765	263	48,931	366,063	648,731
Total Electric Revenues	\$ 24,181,610	\$ 22,250,195	\$ 23,066,739	\$ 25,048,974	\$ 26,073,980	\$ 26,364,049	\$ 29,083,074	\$ 31,508,012	\$ 33,571,972	\$ 34,256,857
Electric kWh Sold by Type of Customer										
Residential-inside city limits	80,256,002	84,490,361	84,357,290	90,106,520	88,768,099	95,585,364	96,428,293	94,555,248	87,335,874	90,620,194
Residential-outside city limits	57,063,034	57,998,087	57,132,259	60,797,181	59,276,942	61,851,222	61,804,611	60,525,704	57,367,225	59,143,115
Commercial-inside city limits	63,289,307	63,723,036	64,932,845	66,671,035	64,086,355	62,420,690	65,556,271	66,227,895	68,268,401	70,186,799
Commercial-outside city limits	12,641,542	12,123,616	11,693,218	11,760,264	12,417,088	11,999,395	12,415,240	12,223,758	12,641,993	13,469,942
Total Electric kWh Sold by Type of Customer	213,249,885	218,335,100	218,115,612	229,335,000	224,548,484	231,856,671	236,204,415	233,532,605	225,613,493	233,420,050

Source: City of Fountain, Colorado, audited financial statements, 2015-2024 and Utility Billing Records, 2015-2024

CITY OF FOUNTAIN, COLORADO

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS (Unaudited)

TABLE 14

Fiscal Year	Governmental Activities		Business-Type Activities													Total Primary Government	Per Capita (a)	Percentage of Personal Income (b)
	Lease Financing Agreements	Lease Financing Agreements	2005 Loan Payable CWRPDA	2003 Water Rights Loan	2007 Water Rights Loan	2008 Water Rights Loan	2009 Loan Payable CWRPDA	2011 Loan Payable CWRPDA	2013 Loan Payable CWRPDA	2014 Loan Payable CWRPDA	2015 Bond Payable Fountain	2016 Bond Payable Fountain	2019 Bond Payable Fountain	2020 Revenue Refunding Bond	2021 Revenue Refunding Bond			
2015	3,523,086	77,595	-	72,700	39,050	-	7,650,000	8,810,000	11,669,827	18,113,302	4,024,695					53,980,255	1,884	4.47%
2016	3,411,514	105,268	-	-	-	-	-	8,620,000	11,416,061	17,659,096	3,942,705	7,773,376				52,928,020	1,802	4.15%
2017	6,487,908	1,056,272	-	-	-	-	-	8,425,000	11,157,295	17,189,889	3,855,715	7,501,683				55,673,762	1,868	4.21%
2018	5,738,316	843,534	-	-	-	-	-	8,225,000	10,888,529	16,705,682	3,768,725	7,224,989				53,394,775	1,795	3.86%
2019	4,829,711	593,157	-	-	-	-	-	8,015,000	10,614,763	16,211,475	3,676,735	6,948,295	21,128,758			72,017,894	2,343	7.24%
2020	4,376,934	649,235	-	-	-	-	-	-	-	15,697,269	3,584,745	6,666,601	20,719,591	8,340,000		60,034,375	1,936	5.74%
2021	4,253,557	3,240,729	-	-	-	-	-	-	-	15,163,065	3,487,755	6,379,906	20,210,424	9,545,000		70,305,436	2,359	6.71%
2022	3,716,775	2,971,719	-	-	-	-	-	-	-	14,613,859	3,390,765	6,088,212	19,601,257	7,690,000	9,205,000	67,277,587	2,327	6.19%
2023	4,578,712	2,783,210	-	-	-	-	-	-	-	14,039,653	3,288,775	5,791,518	18,872,090	7,355,000	8,855,000	65,563,958	2,276	4.91%
2024	4,619,012	2,583,379	-	-	-	-	-	-	-	13,435,445	3,181,785	5,484,824	18,132,923	7,015,000	8,500,000	62,952,368	2,137	4.83%

Note: Details regarding the City's outstanding debt including premium by issue can be found in Note 5 to the financial statements.

(a) Population data is from Table 18

(b) Personal income data is from Table 18

CITY OF FOUNTAIN, COLORADO

RATIOS OF WATER FUND DEBT OUTSTANDING LAST TEN FISCAL YEARS (Unaudited)

TABLE 15

WATER FUND

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Water Fund Debt Outstanding										
2003 Water Rights Loan	\$ 72,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2005 Loan Payable CWRPDA	-	-	-	-	-	-	-	-	-	-
2007 Water Rights Loan	39,050	-	-	-	-	-	-	-	-	-
2008 Water Rights Loan	-	-	-	-	-	-	-	-	-	-
2009 Loan Payable CWRPDA	7,650,000	-	-	-	-	-	-	-	-	-
2011 Loan Payable CWRPDA	8,990,000	8,620,000	8,425,000	8,225,000	8,015,000	-	-	-	-	-
2013 Loan Payable CWRPDA	11,669,827	11,416,061	11,157,295	10,888,529	10,614,763	10,330,998	-	-	-	-
2014 Loan Payable CWRPDA	18,113,302	17,659,096	17,189,889	16,705,682	16,211,475	15,697,269	15,163,065	14,613,859	14,039,653	13,435,445
2015 City of Fountain Revenue Bond	4,024,695	3,942,705	3,855,715	3,768,725	3,676,735	3,584,745	3,487,755	3,390,765	3,288,775	3,181,785
2016 City of Fountain Revenue Bond		7,773,376	7,501,683	7,224,989	6,948,295	6,666,601	6,379,906	6,088,212	5,791,518	5,484,824
2016 Lease Financing Agreement		11,958	9,473	8,681	5,211	2,951	-	-	-	-
2017 Lease Financing Agreement			127,085	99,788	72,542	45,297	18,052	-	-	-
2019 City of Fountain Revenue Bond					8,451,503	8,287,836	8,084,170	7,840,503	7,548,836	7,253,169
2020 City of Fountain Revenue Refunding Bond						8,340,000	8,025,000	7,690,000	7,355,000	7,015,000
2021 City of Fountain Revenue Refunding Bond							9,545,000	9,205,000	8,855,000	8,500,000
Total Water Fund Debt Outstanding	\$ 50,559,574	\$ 49,423,196	\$ 48,266,140	\$ 46,921,394	\$ 53,995,525	\$ 52,955,697	\$ 50,702,948	\$ 48,828,339	\$ 46,878,782	\$ 44,870,223
Number of Active Water Service Connections	7,988	8,050	8,200	8,344	8,458	8,599	8,620	8,663	8,734	8,789
Water Fund Debt per Active Water Service Connection	\$ 6,329	\$ 6,140	\$ 5,886	\$ 5,623	\$ 6,384	\$ 6,158	\$ 5,882	\$ 5,636	\$ 5,367	\$ 5,105

Note: Details regarding the City's outstanding debt including premium by issue can be found in Note 5 to the financial statements.

Source: City of Fountain, Colorado, audited financial statements, 2015-2024 and Utility Billing Records, 2015-2024

CITY OF FOUNTAIN, COLORADO

DIRECT AND OVERLAPPING DEBT DECEMBER 31, 2024 (Unaudited)

TABLE 16

Government Entity	Debt Outstanding (d)	Estimated Percentage Applicable (b)	Estimated Share of Overlapping (a) Debt
Fountain/Fort Carson School District #8	\$ 36,204,491	100.00%	\$ 36,204,491
El Paso County	67,895,000	2.72%	\$ 1,846,744
Widefield School District #3	66,942,518	40.40%	\$ 27,044,777
Cumberland Green Metro District (c)	5,470,000	100.00%	\$ 5,470,000
Total Overlapping Debt	176,512,009		70,566,012
City of Fountain Direct Debt	4,619,012	100.0%	4,619,012
Total Direct and Overlapping Debt	\$ 181,131,021		\$ 75,185,024

Notes:

(a) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Fountain. This process recognizes that, when considering the City of Fountain's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(b) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries by dividing the City's assessed value by each unit's total taxable assessed value.

(c) Debt for Cumberland Green Metro District is general obligation debt.

(d) Source: Individual entity year-end financial statements and footnotes to those statements.

CITY OF FOUNTAIN, COLORADO

LARGEST EMPLOYERS LAST YEAR (Unaudited)

TABLE 17

Employer	2024	
	Employees	Percentage of Total County Employment (a)
Fort Carson	32,410	10.43%
Widefield School District #3	1,275	0.41%
Fountain/Fort Carson School District #8	1,118	0.36%
Walmart	627	0.20%
Dillon/GHC	535	0.17%
City of Fountain (b)	270	0.09%
Total	36,235	11.66%

Source: Fort Carson and school district websites, Wal-Mart, & Dillon. Total El Paso County employment

Note: Largest employers from nine years ago are not available.

(a) 2024 El Paso County employment was 310,715 according to BLS.gov for December 2024

(b) Includes part time staff

CITY OF FOUNTAIN, COLORADO

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN YEARS (Unaudited)

TABLE 18

Year	Fountain Population (a)	Personal Income El Paso County (thousands of dollars) (b)	Personal Income Fountain (thousands of dollars) (c)	Per Capita Personal Income (b)	Unemployment Rate (d)
2015	28,650	27,210,283	1,207,733	42,155	4.6
2016	29,375	29,262,206	1,274,434	43,385	3.5
2017	29,804	30,565,961	1,323,566	44,409	3.4
2018	29,747	32,522,267	1,383,563	46,511	3.9
2019	30,735	47,066,809	994,216	32,348	3.3
2020	31,017	49,548,598	1,046,141	33,728	7.3
2021	29,802	41,315,534	1,048,345	35,177	6.8
2022	28,907	56,215,700	1,087,452	37,619	3.3
2023	28,802	45,230,988	1,336,125	46,390	3.9
2024	29,457	65,844,967	1,303,472	44,250	4.3

Source: Department of Local Affairs-Demography Section, U.S. Department of Labor-Bureau of Labor Statistics and Bureau of Economic Analysis-an agency of the U.S. Department of Commerce.

- (a) 2015-2016 and 2022-2024 population estimate is from US Census Bureau. 2017-2021 per City Planning Department.
- (b) The data reported for Personal Income and Per Capita Personal Income is for El Paso County and has been updated per State of Colorado Labor and Employment Data Section.
- (c) Personal Income for Fountain is calculated by multiplying Fountain population by Per Capita Personal Income.
- (d) Unemployment rate is for Colorado Springs Metro Area not seasonally adjusted per the Bureau of Labor Statistics and State of Colorado, Division of Employment and Training for 2015-2017. For 2018-2024, unemployment rate is for El Paso County.

CITY OF FOUNTAIN, COLORADO

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

TABLE 19

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
City Clerk	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.75	3.50	3.50
Municipal Court	1.00	1.75	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
City Administration	5.00	6.00	7.00	6.50	6.50	6.50	6.50	8.50	8.50	9.50
Finance	4.00	4.45	4.45	4.45	4.50	4.50	4.50	5.00	5.00	6.00
Human Resource	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Facilities	2.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Planning & Zoning	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.50	4.50
Engineering	2.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Economic Development	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Information Technology	5.00	5.75	5.75	8.75	8.75	9.00	9.00	9.00	9.00	9.00
Public Safety										
Police										
Patrol	33.25	32.00	37.00	37.00	38.00	39.00	42.00	42.00	45.00	45.00
K-9 Patrol	2.00	2.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Administration	5.00	6.75	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00
Support Services	16.00	5.00	5.75	5.75	5.75	5.75	5.75	5.75	5.75	6.25
Investigations	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00
School Resource/DARE Program	3.65	7.05	7.75	9.00	9.00	9.50	9.50	11.00	12.00	12.00
Drug Task Force	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire										
Administration	2.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	3.00	3.00
Emergency Services	21.35	25.65	29.75	31.65	36.00	35.50	32.50	25.00	32.00	32.00
Prevention Services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Ambulance										
Emergency Medical Services	8.00	8.00	8.00	8.00	8.00	8.00	11.00	14.00	14.00	15.00
Public Works										
Street & Drainage Maintenance	7.35	8.30	9.00	9.00	9.00	9.00	9.00	9.50	9.50	10.50
Bus Transportation										
Bus Drivers	4.50	4.75	5.00	5.00	5.00	5.00	5.00	8.00	8.05	7.75
Dispatchers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	3.00	3.05
Health and Welfare										
Code Enforcement	2.00	3.50	3.50	3.50	3.75	4.50	4.50	4.00	4.50	4.50
Cultural & Recreation										
Parks Maintenance	6.20	7.75	7.50	7.00	7.25	7.00	7.00	7.00	7.25	7.25
Recreation Programs	1.85	3.00	3.55	4.25	4.70	4.70	4.70	5.95	5.95	3.00
Water Utility										
Administration	1.50	1.50	1.50	1.50	1.50	1.50	1.50	2.00	2.00	2.00
Water Resource	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	1.00
Water Conservation	0.50	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Water Operations	11.00	11.00	13.00	10.00	12.00	11.00	11.00	10.30	10.30	10.30
Electric Utility										
Administration	4.20	4.25	4.25	4.25	5.25	5.25	5.25	4.00	5.00	4.00
Engineering/Planning	3.45	4.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
Electric Distribution	19.90	19.90	19.50	20.50	20.50	20.50	20.50	20.70	19.70	19.70
Electric Conservation	0.50	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory Control	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service - Utilities										
Administration	3.00	3.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Conservation Program	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00
Customer Service	8.00	6.00	6.00	6.00	6.00	6.00	6.00	5.00	5.00	5.00
Customer Billing	4.00	6.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Field Service	3.00	2.00	4.00	5.00	5.00	5.00	5.00	5.00	4.00	4.00
Fleet Services										
Fleet Maintenance	5.00	7.00	7.00	7.00	7.50	7.50	7.50	7.20	7.20	7.20
Total	216.20	226.35	241.25	246.10	255.95	256.70	260.20	268.65	278.70	278.00

Source: City of Fountain Finance Department

CITY OF FOUNTAIN, COLORADO

CAPITAL AND OPERATING INDICATORS BY FUNCTION/PR LAST TEN FISCAL YEARS (Unaudited)

TABLE 20

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Fire Department										
Fire career staff	39	47	55	55	50	57	60	46	49	52
Volunteers	40	26	26	20	20	15	5	0	0	0
Fire Insurance Rating	3	3	3	3	3	3	3	3	2	2
Fire emergency responses	4,314	4,406	5,007	5,186	4,820	4,180	4,844	5,294	5,950	6,021
Fire hydrants	1,210	1,210	1,210	1,215	1,300	1,300	1,300	1,300	1,196	1,359
Number of fire stations	3	3	3	3	3	3	3	3	3	3
Number of fire trucks/implements	12	12	12	12	12	12	11	12	12	12
Police Department										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Sworn officers	46	50	55	58	58	58	61	61	68	68
Reserve officers	3	3	2	1	1	0	0	0	0	0
Calls for service	40,672	46,529	42,110	39,856	47,305	38,638	47,086	46,387	27,254	29,611
Homicides	1	1	1	3	4	2	2	4	3	0
Sexual assaults	32	18	50	73	63	65	66	58	78	107
Robbery	9	20	9	14	18	14	16	23	19	22
Assault	158	100	126	30	70	56	69	52	190	183
Larceny-thefts	687	899	335	283	295	173	190	230	405	418
Traffic citations	3,265	3,894	2,945	3,866	4,802	2,724	4,530	4,445	2,971	4,978
Adult arrests	1,279	2,740	2,257	1,094	1,222	1,135	1,410	1,333	1,035	1,002
Juvenile arrests	249	406	377	221	156	88	79	102	167	166
Domestic violence cases	625	712	691	81	179	153	171	144	380	271
Military custodial arrests	441	274	23	0*	0*	0*	0*	0*	0*	0*
Public Works										
Miles of paved street	102.7	102.7	104.4	104.4	105.6	105.6	106.3	106.3	106.3	106.3
Miles of gravel road	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Traffic signals	2	2	3	4	5	6	7	7	7	7
Pedestrian cross walks	85	85	130	133	135	157	135	135	142	142
Cemetery										
City owned Cemeteries	1	1	1	1	1	1	1	1	1	1
Cultural & Recreation										
Developed parks	10	10	12	12	11	10	11	11	11	11
Open space acres	326.5	326.5	330	330	330	330	330	330	330	330
Miles of trails	10	10	10	10	10	10	10	10	10	10
Number of pavilions	6	6	13	13	13	14	13	13	13	13
Number of gazebos	2	2	2	2	2	2	2	2	2	2
Number of splash pads	1	1	1	1	1	1	1	1	1	1
Number of baseball/softball fields	5	5	5	5	5	5	5	5	5	5
Number of dog park areas	1	1	1	1	1	1	1	1	1	1
Number of concession stands	2	2	2	2	2	2	2	1	1	1
Water Utility										
Number of accounts	7,674	7,779	7,942	8,344	8,458	8,599	8,594	8,644	8,734	8,789
Average daily consumption (gallons)	1,997,258	2,070,185	1,086,355	2,098,586	1,990,803	2,262,934	2,207,220	2,191,139	1,983,593	2,089,848
Annual consumption (gallons)	728,999,184	755,617,619	735,663,943	765,984,075	726,643,140	814,659,620	805,635,480	799,765,880	724,011,368	764,884,374
Distribution system (miles) (a)	123	123	128	129	133	143	137	138	143	144
Number of wells	5	5	6	6	6	4	5	5	5	4
Potable Storage Tank Capacity (in gallons)	8,375,000	8,375,000	7,880,000	8,250,000	8,250,000	10,250,000	10,750,000	10,750,000	10,750,000	10,750,000
Electric Utility										
Number of accounts	17,028	17,144	17,364	17,370	18,814	17,868	18,098	18,054	17,893	19,522
Peak demand (megawatts)										
Summer-July	51	53	56	59	62	63	62	59	61	65
Winter-December	39	41	42	41	40	34	37	41	36	43
Average daily consumption (kwh)	584,246	598,184	597,577	619,031	602,206	635,294	651,793	632,566	618,120	637,760
Annual consumption	213,249,885	218,337,233	218,115,612	225,946,310	219,805,340	231,882,145	237,904,319	230,886,739	225,613,493	233,420,050
Distribution system (miles)	596	596	621	626	627	627	638	646	652	656
Number of substations	2	2	2	2	2	2	3	3	3	3
Miles of transmission lines	2	2	2	3	2	2	5	5	5	5
Number of street lights (b)	2,997	2,664	2,911	2,826	2,855	2,855	3,076	3,423	3,479	3,537

Source: City of Fountain Fire, Police, Public Works, Parks, Water and Electric departments.

*Military Custodial Arrests not tracked after 2017

Compliance Section



**HINKLE &
COMPANY**
Strategic PC
Business Advisors

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

Honorable Mayor and Members of the City Council
City of Fountain, Colorado
Fountain, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fountain, Colorado (the City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 8, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Office Locations:

Colorado Springs, CO
Denver, CO
Frisco, CO
Tulsa, OK

Denver Office:

750 W. Hampden Avenue,
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hick & Company, PC

Englewood, Colorado
September 8, 2025





**HINKLE &
COMPANY**
Strategic PC
Business Advisors

**Independent Auditor's Report on Compliance for Each
Major Federal Program, Internal Control over Compliance, and
the Schedule of Expenditures of Federal Awards
Required by the Uniform Guidance**

Honorable Mayor and Members of the City Council
City of Fountain, Colorado
Fountain, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Fountain, Colorado's (the City's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hick & Company, PC

Englewood, Colorado
September 8, 2025



City of Fountain, Colorado
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2024

Section I: Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP): Unmodified

Internal control over financial reporting:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes None Reported

Noncompliance material to the financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes None Reported

Type of Auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

Assistance Listing Number	Name of Federal Cluster/Program
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish Between Type A and Type B programs: \$750,000

Auditee qualified as a low risk auditee? Yes No

City of Fountain, Colorado
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024
(Continued)

Section II: Financial Statement Findings

No current year findings or questioned costs were reported.

Section III: Federal Awards Findings and Questioned Costs

No current year findings or questioned costs were reported.

City of Fountain, Colorado
Schedule of Prior Audit Findings
For the Year Ended December 31, 2024

Section I: Financial Statement Findings

None reported for the year ended December 31, 2023.

Section II: Federal Award Findings and Questioned Costs

None reported for the year ended December 31, 2023.

City of Fountain, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Number	Federal Expenditures
U.S. Department of Agriculture		
Emergency Watershed Protection Program	10.923	\$ <u>173,239</u>
Total U.S. Department of Agriculture		<u>173,239</u>
U.S. Department of Transportation		
Pass-through: Colorado Department of Transportation Fountain Creek Regional Trail	20.205	<u>384,694</u>
Total U.S. Department of Transportation		384,694
U.S. Department of Treasury		
Pass-through: Colorado Department of Local Affairs Coronavirus State and Local Fiscal Recovery Funds	21.027	<u>4,079,033</u>
Pass-through: El Paso County ARPA Water and Wastewater Infrastructure Projects Grant	21.027	<u>412,252</u>
Total U.S. Department of Treasury		<u>4,491,285</u>
U.S. Department of Homeland Security		
Disaster Assistance - Public Assistance (Presidentially Declared Disasters)	97.036	\$ <u>191,114</u>
Total U.S. Department of Homeland Security		<u>191,114</u>
Total Federal Financial Assistance		<u>\$ 5,240,332</u>

City of Fountain, Colorado
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Fountain, Colorado (the City) under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Administrative Requirements for Federal Awards (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the City.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are generally reported using the cash basis of accounting. Such expenditures are recognized following, as applicable, either the Cost Principles in Office of Management and Budget Circular A-87, Cost Principles for State, Local and Indian Tribal Governments or the cost principles contained in the Uniform Guidance. As such, certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

The City has elected not to use the 10 percent *de minimis* indirect cost rate allowed.

State Compliance

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

LOCAL HIGHWAY FINANCE REPORT	City or County:
	YEAR ENDING : December 2024
This Information From The Records Of (example - City of _ or County of) CITY OF FOUNTAIN	Prepared By: SHAWNA DAIL Phone:

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

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	548,531
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,154,870
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	20,501
2. General fund appropriations	3,288,527	b. Snow and ice removal	26,433
3. Other local imposts (from page 2)	512,023	c. Other	
4. Miscellaneous local receipts (from page 2)	361,326	d. Total (a. through c.)	46,934
5. Transfers from toll facilities		4. General administration & miscellaneous	739,832
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	2,666,982
a. Bonds - Original Issues		6. Total (1 through 5)	5,157,148
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	4,161,876	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	995,272	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	5,157,148	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	5,157,148

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		5,157,148	5,157,148		0

Notes and Comments:

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	326,432
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	512,023	g. Other Misc. Receipts	34,894
6. Total (1. through 5.)	512,023	h. Other	
c. Total (a. + b.)	512,023	i. Total (a. through h.)	361,326
	(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	916,445	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	78,827	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	78,827	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	995,272	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		0	0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		40,604	40,604
(3). System Preservation		507,927	507,927
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	548,531	548,531
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	548,531	548,531
			(Carry forward to page 1)

Notes and Comments: