



CITY OF LA JUNTA, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2024

CITY OF LA JUNTA, COLORADO

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of La Junta, Colorado

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of La Junta, Colorado, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, 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 of La Junta, Colorado and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of La Junta, Colorado's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

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

Required Supplementary Information

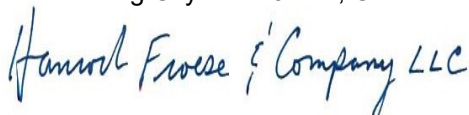
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other post-employment benefit schedules and the budgetary comparison information on pages 3-11 and 48-53 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of La Junta, Colorado's basic financial statements. The accompanying combining nonmajor fund and individual fund financial statements, budget schedules, local highway finance report, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the combining nonmajor fund and individual fund financial statements, budget schedules, local highway finance report, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2025, on our consideration of the City of La Junta, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of La Junta, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of La Junta, Colorado's internal control over financial reporting and compliance.



Hancock Froese & Company LLC

Rocky Ford, Colorado
April 29, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of The City of La Junta, Colorado (the "City") offers readers of the City's annual financial report this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. Readers are encouraged to consider the information presented here in conjunction with the financial statement information.

FINANCIAL HIGHLIGHTS

1. Assets of the City exceed its liabilities by \$65,216,100 in 2024 compared to \$62,258,063 in 2023. Of these amounts, the City's Business-type Activities were \$40,758,989 in 2024 compared to \$39,921,033 in 2023 and the City's Governmental Activities were \$24,457,111 in 2024 compared to \$22,337,030 in 2023. Unrestricted net position total was \$13,256,339 in 2024 compared to \$10,964,026 in 2023 and may be used to meet the City's on-going obligations.
2. By far, the largest portion of the City's net position is its net investment in capital assets. Net investment in capital assets was \$49,522,019 in 2024 compared to \$48,885,941 in 2023. The infrastructure consists of streets, bridges, and storm sewers. Estimated historical cost was used to initially value the infrastructure.
3. The City's debt for the enterprise funds is for the construction of a waste-water treatment facility, the construction of a reverse osmosis water treatment plant with associated raw water mains and water main across the Arkansas River, equipment to monitor the water and waste water systems, and the construction of new water tanks. The City has outstanding loans with Colorado Water Resource and Power Development Authority of \$13,322,362 and outstanding leases with Browns Hill Engineering & Controls, LLC of \$831,005 as of December 31, 2024. Also included in enterprise fund debt are post closure costs on landfill and compensated absences for a total liability balance reported of \$15,033,299 in 2024 compared to \$15,128,128 in 2023. Otero County Landfill Inc. (OCLI) required the City to fund post closure costs for the Sanitation Fund of \$363,100.
4. The Restricted Net Position includes 1) \$333,000 required by TABOR, the emergency contingency required by Article X, Section 20 of the Colorado Constitution, 2) \$425,956 restricted for endowments of the library and cemetery, 3) \$162,539 restricted for capital projects, 4) \$363,447 for conservation trust, and 5) \$1,152,800 of cash restricted for operations and maintenance.
5. The City's **governmental funds** reported a combined ending fund balance of \$6,962,246 in 2024 compared to \$5,180,773 in 2023 including the General Fund with \$4,460,250 in 2024 compared to \$2,721,094 in 2023 and other non-major Governmental Funds with \$2,501,996 in 2024 compared to \$2,459,679 in 2023.
6. The **governmental funds** reported total assigned and unassigned fund balances of \$5,675,866 in 2024 compared to \$3,952,089 in 2023. The combined assigned and unassigned fund balance is made up of \$3,964,711 in 2024 compared to \$2,244,136 in 2023 from the General Fund and \$1,711,155 in 2024 compared to \$1,707,953 in 2023 from other non-major funds.
7. The City's **proprietary funds** reported a combined Total Net Position of \$40,310,116 in 2024 compared to \$39,706,950 in 2023 of which \$6,996,693 in 2024 compared to \$7,169,163 in 2023 is unrestricted.
8. The City's **proprietary funds** reported combined cash or equivalents and of \$3,118,950 in 2024 compared to \$3,321,974 in 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management discussion and analysis (this section), the basic financial statements, required supplementary information, and a section that presents combining statements for nonmajor governmental funds, internal service funds and budget statements. This discussion and analysis serves as an introduction to La Junta's basic financial statements. The City's basic financial statements consist of three components:

1. City-wide financial statements that provide both short-term and long-term information about the City's overall financial status.
2. Fund financial statements that focus on individual parts of the City government, reporting in more detail than the City-wide statements.
3. Notes to the financial statements that explain some of the information in the financial statements and provide detailed data.

This report also contains required and other additional information in addition to the basic financial statements.

Government-wide Financial Statements:

The *Government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. These statements use the accrual basis of accounting with the measurement focus on that of economic resources. All assets, deferred outflows of resources, liabilities and deferred inflows of resources, both financial and capital, short-term and long-term, are included. All revenues and expenses during the year, regardless of when cash is received, are reported. The government-wide financial statements consist of two statements:

1. The **Statement of Net Position** presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, 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 is improving or deteriorating.
2. The **Statement of Activities** presents information reporting how the City'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 are reported in this statement for some items that will result in cash flows in future fiscal periods. Earned but unused paid time off and accrued interest expense are examples of these types of items.

Both government-wide financial statements distinguish functions of the City 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 include General Government, Public Safety, Public Works, Health and Welfare, Culture and Recreation, Economic Development, and Interest on Long Term Debt. The business-type activities of the City include Electric, Water, Sewer, Sanitation, and Property Management.

Fund Financial Statements:

A *Fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All City funds can be divided into three categories:

- Governmental funds
- Proprietary funds
- Internal service funds

Governmental funds: Governmental funds account for essentially the same functions reported as governmental activities in the Government-wide financial statements. Unlike the Government-wide financial statements, however, governmental fund financial statements focus on how money flows into and out of those funds and the balances at year-end that are available for spending. These 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. Such information provides a detailed *short-term* view of the City's general government operations and may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the City-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the City-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. To facilitate this comparison between governmental funds and governmental activities, reconciliations are provided for both the *governmental fund* Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance.

The City maintains 9 individual governmental funds. Information is presented separately in the *governmental fund* Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance for the Governmental Funds. Individual fund information is presented for the General, which is a major fund. Information for the remaining governmental funds are combined into a single “other governmental funds” column. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements presented in the Supplemental Information portion of the report. Data from other governmental funds are combined into a single aggregated presentation.

Proprietary funds: The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the Government-wide financial statements. These include activities that the City operates similar to a private business. Proprietary funds use the accrual basis of accounting and focus on the accumulation and use of economic resources. Proprietary fund financial statements include the Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. All assets and liabilities, both financial and capital, and short-term and long-term, are included with these statements. All revenues earned and expenses incurred during the year are also included regardless of when cash is received or paid. The City uses Enterprise Funds to account for the Electric, Water, Sewer, Sanitation, and Property Management activities.

Internal service funds: Internal service funds are used to accumulate and allocate costs internally among the City’s functions. The City uses an Internal Services Fund to account for the provision of equipment provided by the City for its various departments known as the City Service Fund. Departments utilize a rental charge reimbursement rate to provide the resources necessary to fund future acquisitions. In addition, an Employee Benefit Fund is utilized to provide health coverage for its employees. Because these two internal service funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the Government-wide financial statements.

All internal service funds are combined into a single aggregated column presentation. Individual fund data for the internal service funds is provided in the form of combining statements presented in the supplemental information portion of the report.

Notes to the Basic Financial Statements:

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the City-wide and fund financial statements.

Required Supplementary Information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City. The City adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for all major funds to demonstrate compliance with the budget requirement.

Other Information:

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Financial Analysis of the City as a Whole

Net Position

Net position may serve as a useful indicator of a government’s financial position. In the case of the City of La Junta, assets exceeded liabilities by \$65,216,100 in 2024 compared to \$62,258,063 in 2023. By far the largest portion of the City’s net position (79%) reflects the net investment in capital assets (e.g. land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Restricted net position is designed to reflect the net position that is subject to restrictions beyond the City’s control. Unrestricted net position may be used to meet the government’s ongoing obligations to the citizens and creditors. The City is able to report positive balances in all three categories of net positions, both for the government as a whole, as well as for its separate governmental and business-type activities.

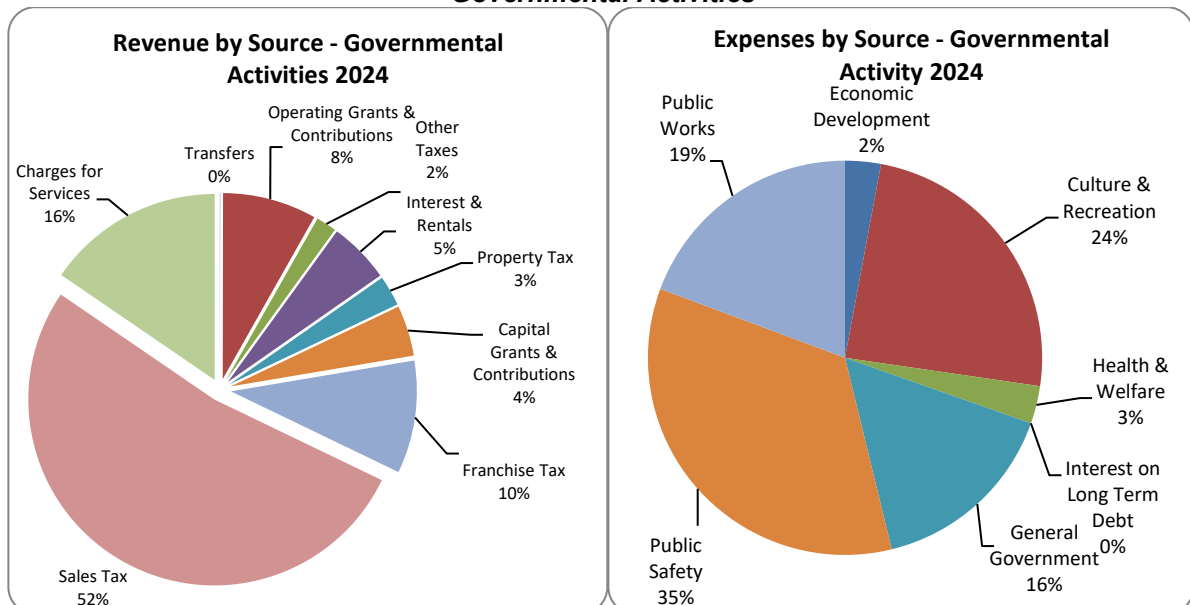
The City's combined net position was:

City of La Junta - Combined Net Position as of December 31,

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and other	\$ 9,386,107	\$ 8,161,153	\$15,735,496	\$14,212,194	\$25,121,603	\$22,373,347
Capital assets	<u>17,552,786</u>	<u>18,389,406</u>	<u>46,313,990</u>	<u>45,524,117</u>	<u>63,866,776</u>	<u>63,913,523</u>
Total Assets	26,938,893	26,550,559	62,049,486	59,736,311	88,988,379	86,286,870
Deferred Outflows	<u>300,866</u>	<u>352,470</u>	<u>-</u>	<u>-</u>	<u>300,866</u>	<u>352,470</u>
Total Assets and Deferred Outflow	<u>\$27,239,759</u>	<u>\$26,903,029</u>	<u>\$62,049,486</u>	<u>\$59,736,311</u>	<u>\$89,289,245</u>	<u>\$86,639,340</u>
Liabilities:						
Other Liabilities	\$ 5,957	\$ 985,553	\$ 2,596,964	\$ 2,492,310	\$ 2,602,921	\$ 3,477,863
Long-term debt-current	28,822	115,891	1,050,932	882,968	1,079,754	998,859
Long-term debt	<u>2,611,343</u>	<u>3,332,059</u>	<u>13,982,367</u>	<u>14,245,160</u>	<u>16,593,710</u>	<u>17,577,219</u>
Total Liabilities	<u>2,646,122</u>	<u>4,433,503</u>	<u>17,630,263</u>	<u>17,620,438</u>	<u>20,276,385</u>	<u>22,053,941</u>
Deferred Inflows	<u>136,526</u>	<u>132,496</u>	<u>3,660,234</u>	<u>2,194,840</u>	<u>3,796,760</u>	<u>2,327,336</u>
Net Position:						
Net investment in capital assets	17,361,396	17,529,754	32,160,623	31,356,187	49,522,019	48,885,941
Restricted	1,284,942	1,226,496	1,152,800	1,181,600	2,437,742	2,408,096
Unrestricted	<u>5,810,773</u>	<u>3,580,780</u>	<u>7,445,566</u>	<u>7,383,246</u>	<u>13,256,339</u>	<u>10,964,026</u>
Total Net Position	<u>24,457,111</u>	<u>22,337,030</u>	<u>40,758,989</u>	<u>39,921,033</u>	<u>65,216,100</u>	<u>62,258,063</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$27,239,759</u>	<u>\$26,903,029</u>	<u>\$62,049,486</u>	<u>\$59,736,311</u>	<u>\$89,289,245</u>	<u>\$86,639,340</u>

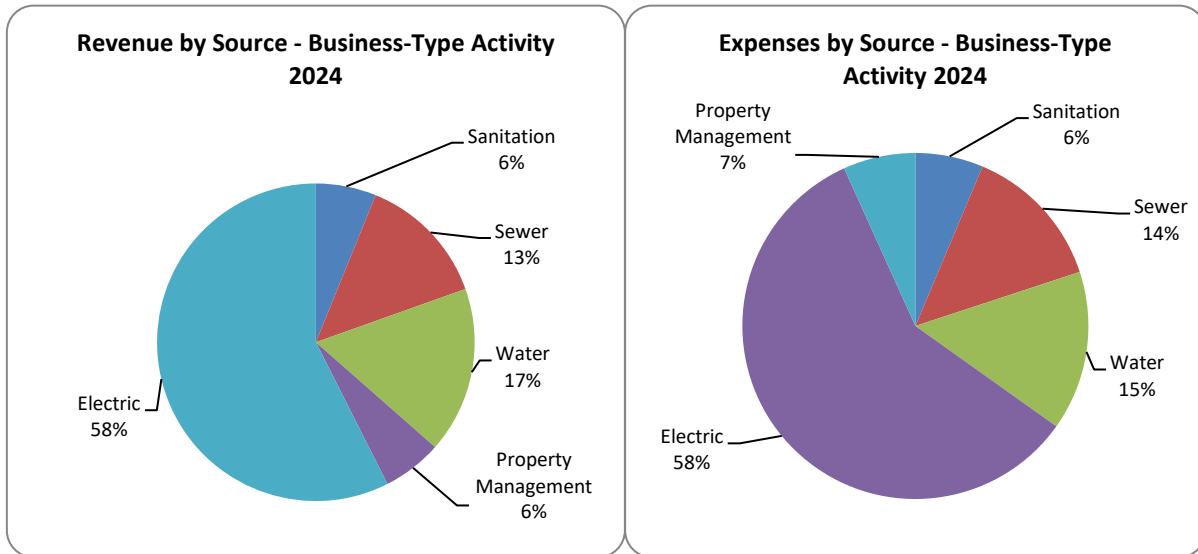
Restrictions in the governmental activities include \$333,000 for statutory reserves for emergencies by TABOR.

**Changes in Net Position
Governmental Activities**



- Governmental activities increased the City of La Junta’s net position by \$2,120,081 in 2024 compared to a decrease of \$407,590 in 2023. This was due to an increase in tax revenues .
- Tax revenues are comprised of property tax, sales and use tax, franchise tax, and other taxes. Sales tax totaled 79% of all taxes and 52% of all governmental activity revenue. The property tax rate is 3.104 mills. It has remained unchanged for over 35 years.

Business-type activities



- The business-type activities include the Electric, Water, Sewer, Sanitation, and Property Management Funds.
- In the business-type activities, the net position change after transfers and special items was 837,956 in 2024 compared to \$(83,746) in 2023.

Charges for services for the business-type activities for 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Electric	\$ 12,000,417	\$ 11,699,971
Water	3,535,966	2,974,885
Sewer	2,800,918	2,632,771
Sanitation	1,284,532	1,182,562
Property Management	<u>1,268,616</u>	<u>966,350</u>
Total Charges for Services	<u>\$ 20,890,449</u>	<u>\$ 19,456,539</u>

The following table reflects a condensed summary of activities and changes in net position:

City of La Junta - Changes in Net Position as of December 31,

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2024	2023	2024	2023	2024	2023
Program Revenues						
Charges for Services	\$ 2,107,200	\$ 2,024,172	\$20,890,449	\$19,456,539	\$22,997,649	\$21,480,711
Operating Grants & Contributions	1,113,493	922,058	-	-	1,113,493	922,058
Capital Grants & Contributions	600,504	795,375	42,689	16,967	643,193	812,342

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
General Revenues						
Property Tax	359,609	330,452	-	-	359,609	330,452
Sales Tax	7,145,505	5,213,590	-	-	7,145,505	5,213,590
Franchise Tax	1,336,814	1,324,011	-	-	1,336,814	1,324,011
Other Taxes	242,710	247,540	-	-	242,710	247,540
Interest	337,294	203,733	403,920	308,085	741,214	511,818
Other & Rentals	726,245	615,836	317,598	743,739	1,043,843	1,359,575
Total Revenues	\$13,969,374	\$11,676,767	\$21,654,656	\$20,525,330	\$35,624,030	\$32,202,097
Expenses						
General Government	\$ 1,860,023	\$ 1,986,935	\$ -	\$ -	\$ 1,860,023	\$ 1,986,935
Public Safety	4,061,188	4,391,987	-	-	4,061,188	4,391,987
Public Works	2,353,036	2,566,909	-	-	2,353,036	2,566,909
Health & Welfare	363,568	391,479	-	-	363,568	391,479
Culture & Recreation	2,870,087	2,582,371	-	-	2,870,087	2,582,371
Economic Development	344,754	170,679	-	-	344,754	170,679
Interest-Long Term Debt	437	1,597	-	-	437	1,597
Electric	-	-	12,139,048	11,625,315	12,139,048	11,625,315
Water	-	-	3,098,678	3,392,397	3,098,678	3,392,397
Sewer	-	-	2,824,840	2,866,583	2,824,840	2,866,583
Sanitation	-	-	1,320,316	1,268,890	1,320,316	1,268,890
Property Management	-	-	1,404,318	1,614,891	1,404,318	1,614,891
Total Expenses	11,853,093	\$12,091,957	20,787,200	20,768,076	32,640,293	32,860,033
Excess (Deficiency) Before Transfers and Special Items	2,116,281	\$ (415,190)	867,456	(242,746)	2,983,737	(657,936)
Transfers In (Out)	3,800	7,600	(3,800)	(7,600)	-	-
Special Items	-	-	(25,700)	166,600	(25,700)	166,600
Change in Net Position	2,120,081	(407,590)	837,956	(83,746)	2,958,037	(491,336)
Net Position - Beginning	22,337,030	22,744,620	39,921,033	40,004,779	62,258,063	62,749,399
Net Position Ending	<u>\$24,457,111</u>	<u>\$22,337,030</u>	<u>\$40,758,989</u>	<u>\$39,921,033</u>	<u>\$65,216,100</u>	<u>\$62,258,063</u>

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

GOVERNMENTAL FUNDS

The focus of the City of La Junta's governmental funds is to provide information on current year revenue, expenditures, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year. As of the end of the year, the City's governmental funds reported a combined fund balance of \$6,962,246 in 2024 compared to \$5,180,773 in 2023. This is an increase of \$1,781,473. Of that fund balance, \$3,964,711 in 2024 compared to \$2,244,136 in 2023 constitutes unassigned fund balance, which is available for spending at the government's discretion. This is an increase of \$1,720,575. Restricted and Nonspendable fund balances increased to \$1,286,380 in 2024 from \$1,228,684 in 2023.

A portion of the fund balance is restricted for permanent endowments in the amount of \$425,956, for a state constitution mandated emergency reserve-TABOR of \$333,000, conservation trust of \$363,447 and capital projects of \$162,539.

PROPRIETARY FUNDS

The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$3,964,711 in 2024 compared to \$2,244,136 in 2023, while the total fund balance was \$4,460,250 in 2024 compared to \$2,721,094 in 2023. The General Fund had revenues over expenditures and other financing uses in the amount of \$1,739,156 in 2024 compared to revenues under expenditures in 2023 in the amount of \$484,146.

Individual fund data for each of the **non-major** governmental funds is provided in the form of **combining statements** elsewhere in the report. The non-major governmental funds include the Special Revenue and Permanent Funds. The Special Revenue Funds are the Conservation Trust, Economic Development Fund, Urban Renewal Authority, La Junta Capital Inc., Moving Violation Surcharge, and Lodging Tax Tourism Fund. The Permanent Funds are the Library and Cemetery Endowments.

The City's proprietary funds provide the same type of information found in the government-wide financial statements. All of the City's proprietary funds are major funds. The funds include Electric, Water, Sewer, Sanitation, and Property Management.

The unrestricted net position balances and the change in net positions of the City's proprietary funds are reflected in the following table:

	<u>Change in Net Position – Proprietary Funds</u>			
	Unrestricted		Change in	
	Net Position		Net Position	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<u>Major Enterprise Funds</u>				
Electric	\$ 6,155,193	\$ 6,014,200	\$ (4,521)	\$ 320,338
Water	410,972	(631,441)	520,720	326,431
Sewer	(683,645)	(454,288)	(45,483)	(163,326)
Sanitation	945,106	1,242,147	41,325	179,031
Property Management	<u>169,067</u>	<u>998,545</u>	<u>91,125</u>	<u>(485,497)</u>
Total Enterprise Funds	<u>\$ 6,996,693</u>	<u>\$ 7,169,163</u>	<u>\$ 603,166</u>	<u>\$ 176,977</u>

INTERNAL SERVICES FUNDS

Internal services funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The City's internal service funds are used to account for a self-insured health benefit plan and a capital equipment acquisition program.

The **Employee Benefit Fund** is an internal service fund used to account for the City's health benefit program. Revenues to support the program originate from two primary sources:

1. Employee contributions toward the cost of the health benefit program premiums,
2. City contributions toward the cost of the health benefit program premiums.

Expenses include claims, stop-loss premiums and plan administration for a health benefit program for employees and their families.

Reserves, as they relate to the health benefit program, should be increased to provide financial stability for the self-funded risk program.

In 2024, operating revenues in the Employee Benefit Fund increased by \$506,226. Operating expenses for the Employee Benefit fund decreased \$287,991 due to the decrease in claims.

The **City Services Fund** is used as a resource base to purchase requested equipment (over \$5,000) for the various departments. Assets are purchased through the fund; amortized costs are then charged to each department as a "rental charge." When an item need replaced, adequate funds have been generated through the on-going rental fees to make a replacement purchase. Revenues totaled \$1,733,756 in 2024 compared to \$1,774,760 in 2023. Decreases are due to the adjustments in maintenance, fuel prices, and computer services that are paid by the city departments. The change in net position was \$505,531 in 2024 compared to \$43,156 in 2023.

BUDGETARY HIGHLIGHTS

The General Fund's final budget was \$10,217,500 in Revenues (not including transfers in). Compared to actual revenues of \$12,805,342, this was a positive variance of \$2,587,842 from the final budget.

The General Fund's final budget was \$10,227,500 in Expenditures. Compared to actual expenditures of \$11,076,186, this was a negative variance of \$848,686 from the final budget.

Other budgetary highlights for the City of La Junta include:

The year of 2024 was a wild ride for the City of La Junta. Rick Klein started the year as City Manager and decided to retire on February 29th. Rick gave many years of hard dedicated work to the community and battled some very rough budgeting times while here. But he kept the City going and never backed down.

Brad Davidson, the Fire Chief was named Interim City Manager on March 1, 2024. Brad told the City Council and the employees of the City the main focus was to keep the budget in check for the rest of the year and keep the ship floating in the right direction. We want to finish the year in the positive.

The trail project was coming to the end and then a very harsh rain storm hit just South of La Junta causing the Anderson Arroya to swell and the flood of water washed out the new walking bridge at the new Trail and caused a lot of damage. Working with Brock Hinkhouse and Martin Montoya, we came up with a plan to utilize the insurance money, and money from Parks and Recreation to rebuild the bridge and hopefully stabilize it better to help protect this from happening in the future.

When Budget season came around, Brad and the rest of the supervisors began to battle the road ahead of putting a smaller budget together but still producing a balanced budget to the City Council. After some tough decision and cuts by all department heads, a balanced budget was presented to the City Council for 2025.

The team work by all departments is how it came to show a balanced budget and to me that is the definition of teamwork.

Supplemental Budget Appropriations were made for the following funds:

- General Fund
- City Services Fund
- Property Management Fund
- Electric Utility Fund
- Water Utility Fund
- Waste Water Utility Fund
- Sanitation Utility Fund

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2024, the City had invested \$63,866,766 compared to \$63,913,523 in 2023, in a broad range of capital assets, including land, equipment, buildings, electric, water, and sewer lines. See Note-4 for additional information. The change is due asset disposals in the Electric Fund.

Long-term Debt

The City has long-term debt for the water lines and treatment facility as well as sewer lagoons and sewer facility. More detailed information is presented in Note 8.

ECONOMIC FACTORS
AFFECTING FUTURE FINANCIAL CONDITIONS

- Factors, which have the potential to significantly impact the City's 2025 budget, include a change in the economic conditions in both the local and state levels. Rising costs of health insurance, increasing fuel costs, subsequent reductions in funding, rising cost of purchasing electricity, wages increasing, and increasingly restrictive EPA regulations on water and wastewater. Also, the additional water loss from farms to the Front Range and the potential for drought conditions.
- Water conservation began in 2003 and shortage of water has been a factor. The City purchased 887.70 shares of Holbrook Canal. The City is currently working on converting these water rights for beneficial use.
- The Lamar Repowering project will have long term effect to our customers through the electric rates charged to ARPA member cities until 2042.
- The replacement of water mains that are nearing 100 years old in the edges of the Community and in key places that is affecting us.
- We continue to see growth with our industries and the housing market is booming as we see people from the Front Range relocating here.

REQUESTS FOR INFORMATION

This financial report is designed to provide the City's citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report and requests for additional financial information can be obtained by contacting the City Manager at P.O. Box 489, 601 Colorado Avenue, La Junta, CO 81050.

BASIC FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

STATEMENT OF NET POSITION

DECEMBER 31, 2024

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
CASH OR EQUIVALENTS	\$ 3,695,171	\$ 3,118,950	\$ 6,814,121
RESTRICTED CASH	162,539	-	162,539
CASH WITH TRUSTEE	566	-	566
INVESTMENTS	3,207,970	4,514,526	7,722,496
RECEIVABLES - NET			
ACCOUNTS	136,175	2,096,196	2,232,371
GRANTS	166,570	26,790	193,360
TAXES	1,326,306	-	1,326,306
NOTES	1,438	-	1,438
LEASES	-	3,740,278	3,740,278
OTHER	509,134	-	509,134
BORROWINGS FROM (TO) OTHER FUNDS	524,431	(524,431)	-
INTERNAL BALANCES	(448,873)	448,873	-
INVENTORIES	104,680	2,279,557	2,384,237
DEPOSITS	-	34,757	34,757
CAPITAL ASSETS			
LAND AND WATER RIGHTS	1,135,355	3,120,856	4,256,211
CONSTRUCTION IN PROGRESS	166,809	264,044	430,853
BUILDINGS	7,840,448	38,166,657	46,007,105
SYSTEMS	-	38,520,838	38,520,838
IMPROVEMENTS	9,834,618	-	9,834,618
EQUIPMENT	9,225,847	5,115,574	14,341,421
INFRASTRUCTURE	32,699,401	-	32,699,401
ACCUMULATED DEPRECIATION	(43,349,692)	(38,873,979)	(82,223,671)
TOTAL ASSETS	26,938,893	62,049,486	88,988,379
DEFERRED OUTFLOWS OF RESOURCES			
PENSION RELATED	300,866	-	300,866
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 27,239,759	\$ 62,049,486	\$ 89,289,245
LIABILITIES			
ACCOUNTS PAYABLE	\$ 282,623	\$ 872,172	\$ 1,154,795
ACCRUED EXPENSES	-	119,340	119,340
CUSTOMERS DEPOSITS	-	170,242	170,242
UNEARNED REVENUES	8,434	1,150,110	1,158,544
DUE TO (FROM) OTHER FUNDS	(285,100)	285,100	-
NON CURRENT LIABILITIES:			
DUE WITHIN ONE YEAR	28,822	1,050,932	1,079,754
DUE IN MORE THAN ONE YEAR	2,611,343	13,982,367	16,593,710
TOTAL LIABILITIES	2,646,122	17,630,263	20,276,385
DEFERRED INFLOWS OF RESOURCES			
DEFERRED REVENUES - PENSION RELATED	28,026	-	28,026
DEFERRED REVENUES - LEASES	-	3,660,234	3,660,234
DEFERRED REVENUES - PROPERTY TAXES	108,500	-	108,500
TOTAL DEFERRED INFLOW OF RESOURCES	136,526	3,660,234	3,796,760
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	17,361,396	32,160,623	49,522,019
RESTRICTED FOR:			
EMERGENCIES - TABOR	333,000	-	333,000
CAPITAL PROJECTS	162,539	-	162,539
ENDOWMENTS - NONEXPENDABLE	425,956	-	425,956
CONSERVATION TRUST	363,447	-	363,447
OPERATIONS & MAINTENANCE	-	1,152,800	1,152,800
UNRESTRICTED	5,810,773	7,445,566	13,256,339
TOTAL NET POSITION	24,457,111	40,758,989	65,216,100
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 27,239,759	\$ 62,049,486	\$ 89,289,245

CITY OF LA JUNTA, COLORADO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING	CAPITAL	PRIMARY GOVERNMENT		TOTAL
			GRANTS AND CONTRIBUTIONS	GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
GOVERNMENTAL ACTIVITIES:							
GENERAL GOVERNMENT	\$ 1,860,023	\$ 708,400	\$ 34,861	\$ -	\$ (1,116,762)	\$ -	\$ (1,116,762)
PUBLIC SAFETY	4,061,188	634,540	151,432	-	(3,275,216)	-	(3,275,216)
PUBLIC WORKS	2,353,036	355,348	529,631	55,777	(1,412,280)	-	(1,412,280)
HEALTH AND WELFARE	363,568	63,393	-	-	(300,175)	-	(300,175)
CULTURE AND RECREATION	2,870,087	345,519	397,569	544,727	(1,582,272)	-	(1,582,272)
ECONOMIC DEVELOPMENT	344,754	-	-	-	(344,754)	-	(344,754)
INTEREST ON LONG TERM DEBT	437	-	-	-	(437)	-	(437)
TOTAL GOVERNMENTAL ACTIVITIES	11,853,093	2,107,200	1,113,493	600,504	(8,031,896)	-	(8,031,896)
BUSINESS-TYPE ACTIVITIES:							
ELECTRIC	12,139,048	12,000,417	-	-	-	(138,631)	(138,631)
WATER	3,098,678	3,535,966	-	37,190	-	474,478	474,478
SEWER	2,824,840	2,800,918	-	5,499	-	(18,423)	(18,423)
SANITATION	1,320,316	1,284,532	-	-	-	(35,784)	(35,784)
PROPERTY MANAGEMENT	1,404,318	1,268,616	-	-	-	(135,702)	(135,702)
TOTAL BUSINESS-TYPE ACTIVITIES	20,787,200	20,890,449	-	42,689	-	145,938	145,938
TOTAL PRIMARY GOVERNMENT	\$ 32,640,293	\$ 22,997,649	\$ 1,113,493	\$ 643,193	(8,031,896)	145,938	(7,885,958)
GENERAL REVENUES:							
PROPERTY TAXES					359,609	-	359,609
SALES TAXES					7,145,505	-	7,145,505
FRANCHISE TAXES					1,336,814	-	1,336,814
OTHER TAXES					242,710	-	242,710
INTEREST					337,294	403,920	741,214
MISCELLANEOUS					726,245	317,598	1,043,843
TOTAL GENERAL REVENUES					10,148,177	721,518	10,869,695
TRANSFERS					3,800	(3,800)	-
SPECIAL ITEM					-	(25,700)	(25,700)
TOTAL GENERAL REVENUES, TRANSFERS, AND SPECIAL ITEM					10,151,977	692,018	10,843,995
CHANGE IN NET POSITION					2,120,081	837,956	2,958,037
NET POSITION JANUARY 1					22,337,030	39,921,033	62,258,063
NET POSITION DECEMBER 31					\$ 24,457,111	\$ 40,758,989	\$ 65,216,100

CITY OF LA JUNTA, COLORADO

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2024

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
CASH OR EQUIVALENTS	\$ 1,674,207	\$ 214,810	\$ 1,889,017
CASH WITH TRUSTEE	566	-	566
RESTRICTED CASH	162,539	-	162,539
INVESTMENTS	1,166,134	2,041,836	3,207,970
RECEIVABLES:			
ACCOUNTS RECEIVABLE	72,361	-	72,361
GRANTS RECEIVABLE	7,621	158,949	166,570
TAXES RECEIVABLE	1,314,736	11,570	1,326,306
NOTES RECEIVABLE	-	1,438	1,438
OTHER RECEIVABLE	425,123	84,011	509,134
TOTAL ASSETS	\$ 4,823,287	\$ 2,512,614	\$ 7,335,901
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 246,103	\$ 10,618	\$ 256,721
UNEARNED REVENUE	8,434	-	8,434
TOTAL LIABILITIES	254,537	10,618	265,155
DEFERRED INFLOWS OF RESOURCES			
DEFERRED REVENUES - PROPERTY TAXES	108,500	-	108,500
FUND BALANCE			
NONSPENDABLE FOR NOTES	-	1,438	1,438
RESTRICTED FOR			
EMERGENCIES - TABOR	333,000	-	333,000
CAPITAL PROJECTS	162,539	-	162,539
CONSERVATION TRUST	-	363,447	363,447
ENDOWMENTS - NONEXPENDABLE	-	425,956	425,956
ASSIGNED			
COMMUNITY AND ECONOMIC DEVELOPMENT SURCHARGE	-	1,709,586	1,709,586
SURCHARGE	-	1,569	1,569
UNASSIGNED	3,964,711	-	3,964,711
TOTAL FUND BALANCES	4,460,250	2,501,996	6,962,246
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 4,823,287	\$ 2,512,614	\$ 7,335,901

CITY OF LA JUNTA, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2024

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION
ARE DIFFERENT BECAUSE:

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		\$ 6,962,246
ASSETS NOT AVAILABLE FOR CURRENT PERIOD EXPENDITURES AND THEREFORE ARE NOT REPORTED IN FUNDS		
LONG TERM RECEIVABLES	\$ 56,678	
DEFERRED OUTFLOWS - PENSION RELATED AMOUNTS	<u>300,866</u>	
		357,544
CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES AND THEREFORE ARE NOT REPORTED IN FUNDS.		
THE COST OF CAPITAL ASSETS IS	54,609,810	
ACCUMULATED DEPRECIATION IS	<u>(38,704,079)</u>	
		15,905,731
INVENTORIES ARE EXPENSED IN THE GOVERNMENTAL FUNDS UPON ACQUISITION BUT RECOGNIZED AS AN ASSET IN THE GOVERNMENT WIDE FINANCIAL STATEMENTS		26,776
INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF CERTAIN INFORMATION SYSTEMS, OTHER EQUIPMENT AND MEDICAL BENEFIT COSTS TO INDIVIDUAL FUNDS. THE ASSETS AND LIABILITIES OF THE INTERNAL SERVICES FUNDS ARE INCLUDED IN GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION.		3,665,929
LONG-TERM LIABILITIES ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED IN THE FUNDS.		
COMPENSATED ABSENCES	(539,637)	
NET PENSION LIABILITIES	(1,893,452)	
DEFERRED INFLOWS - PENSION RELATED AMOUNTS	<u>(28,026)</u>	
		<u>(2,461,115)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ 24,457,111</u>

CITY OF LA JUNTA, COLORADO

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2024

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
TAXES	\$ 8,666,179	\$ 423,665	\$ 9,089,844
LICENSES AND PERMITS	61,072	-	61,072
INTERGOVERNMENTAL	1,542,510	171,487	1,713,997
CHARGES FOR SERVICES	2,107,200	-	2,107,200
FINES	80,384	-	80,384
INTEREST	182,678	99,957	282,635
MISCELLANEOUS AND RENTALS	165,319	419,470	584,789
TOTAL REVENUES	<u>12,805,342</u>	<u>1,114,579</u>	<u>13,919,921</u>
EXPENDITURES			
GENERAL GOVERNMENT	1,654,138	223,500	1,877,638
PUBLIC SAFETY	4,233,629	-	4,233,629
PUBLIC WORKS	1,892,800	-	1,892,800
HEALTH AND WELFARE	374,259	-	374,259
CULTURE AND RECREATION	2,921,360	463,078	3,384,438
ECONOMIC DEVELOPMENT	-	344,754	344,754
DEBT SERVICE	-	34,730	34,730
TOTAL EXPENDITURES	<u>11,076,186</u>	<u>1,066,062</u>	<u>12,142,248</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,729,156</u>	<u>48,517</u>	<u>1,777,673</u>
OTHER FINANCING SOURCES (USES)			
TRANSFERS IN	10,000	-	10,000
TRANSFERS OUT	-	(6,200)	(6,200)
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,000</u>	<u>(6,200)</u>	<u>3,800</u>
NET CHANGE IN FUND BALANCE	1,739,156	42,317	1,781,473
FUND BALANCE JANUARY 1	<u>2,721,094</u>	<u>2,459,679</u>	<u>5,180,773</u>
FUND BALANCE DECEMBER 31	<u>\$ 4,460,250</u>	<u>\$ 2,501,996</u>	<u>\$ 6,962,246</u>

CITY OF LA JUNTA, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2024

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES
ARE DIFFERENT BECAUSE:

NET CHANGE IN FUND BALANCE		\$ 1,781,473
REVENUES IN THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES THAT DO NOT PROVIDE CURRENT FINANCIAL RESOURCES ARE NOT REPORTED AS REVENUES IN THE FUNDS		
CHANGE IN RECEIVABLE FOR FRANCHISE TAX - NOT CURRENT		(5,203)
GOVERNMENTAL FUNDS REPORT CAPITAL OUTLAYS AS EXPENDITURES. HOWEVER, IN THE STATEMENT OF ACTIVITIES THE COST OF THOSE ASSETS IS ALLOCATED OVER THEIR ESTIMATED USEFUL LIVES AND REPORTED AS DEPRECIATION EXPENSE. THIS IS THE AMOUNT BY WHICH CAPITAL OUTLAYS DIFFER FROM DEPRECIATION IN THE CURRENT PERIOD.		
CAPITAL OUTLAY	981,382	
DEPRECIATION EXPENSE AND LOSS ON DISPOSITION	<u>(1,140,598)</u>	(159,216)
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 THE GOVERNMENTAL FUNDS		
COMPENSATED ABSENCES	19,471	
PAYMENTS ON NOTE TO DEVELOPER FOR ELIGIBLE REIMBURSEMENT COSTS	33,555	
ACCRUED INTEREST EXPENSE ON LOAN	737	
PENSION RELATED AMOUNTS	<u>75,166</u>	128,929
INVENTORIES ARE EXPENSED AT ACQUISITION IN THE GOVERNMENTAL FUNDS AND REPORTED AS EXPENSES WHEN USED IN THE GOVERNMENT WIDE STATEMENTS		(22,510)
INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF CERTAIN INFORMATION SYSTEMS, OTHER EQUIPMENT AND MEDICAL BENEFIT COSTS TO INDIVIDUAL FUNDS.		
THE NET REVENUE OF CERTAIN ACTIVITIES OF THE INTERNAL SERVICE FUNDS IS REPORTED WITH THE GOVERNMENTAL ACTIVITIES.		<u>396,608</u>
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 2,120,081</u></u>

CITY OF LA JUNTA, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 DECEMBER 31, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUNDS
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT	TOTAL	
CURRENT ASSETS							
CASH OR EQUIVALENTS	\$ 2,118,421	\$ 325,453	\$ 30	\$ 183,130	\$ 491,916	\$ 3,118,950	\$ 1,806,154
INVESTMENTS	2,163,340	411,240	-	1,035,856	904,090	4,514,526	-
ACCOUNTS RECEIVABLE	1,299,139	324,378	326,406	146,273	-	2,096,196	7,136
LEASE RECEIVABLES	-	-	-	-	466,323	466,323	-
GRANT RECEIVABLES	-	26,790	-	-	-	26,790	-
INVENTORIES	1,618,866	632,010	23,216	5,465	-	2,279,557	77,904
PREPAIDS AND ACCRUALS	7,067	27,690	-	-	-	34,757	-
TOTAL CURRENT ASSETS	7,206,833	1,747,561	349,652	1,370,724	1,862,329	12,537,099	1,891,194
NONCURRENT ASSETS							
LEASE RECEIVABLES	-	-	-	-	3,273,955	3,273,955	-
PROPERTY AND EQUIPMENT							
LAND, SYSTEMS, AND EQUIPMENT	12,546,624	24,020,428	27,976,680	1,173,611	19,470,626	85,187,969	6,292,668
ACCUMULATED DEPRECIATION	(8,350,914)	(11,644,661)	(7,340,098)	(621,820)	(10,916,486)	(38,873,979)	(4,645,614)
NET PROPERTY AND EQUIPMENT	4,195,710	12,375,767	20,636,582	551,791	8,554,140	46,313,990	1,647,054
TOTAL ASSETS	\$ 11,402,543	\$ 14,123,328	\$ 20,986,234	\$ 1,922,515	\$ 13,690,424	\$ 62,125,044	\$ 3,538,248
CURRENT LIABILITIES							
ACCOUNTS PAYABLE	\$ 683,669	\$ 82,756	\$ 54,041	\$ 18,536	\$ 33,170	\$ 872,172	\$ 25,902
ACCRUED EXPENSES	-	-	79,482	-	39,858	119,340	-
CUSTOMERS DEPOSITS	170,242	-	-	-	-	170,242	-
UNEARNED REVENUE	-	-	-	-	184,624	184,624	-
DUE TO (FROM) OTHER FUNDS	-	-	285,100	-	-	285,100	(285,100)
BORROWINGS TO (FROM) OTHER FUNDS	-	78,600	-	-	-	78,600	(78,600)
LANDFILL COSTS	-	-	-	36,310	-	36,310	-
LOANS/LEASE PAYABLES	-	169,640	844,982	-	-	1,014,622	28,822
TOTAL CURRENT LIABILITIES	853,911	330,996	1,263,605	54,846	257,652	2,761,010	(308,976)
NONCURRENT LIABILITIES							
ACCRUED PAID TIME OFF	197,729	93,002	98,274	43,982	83,845	516,832	15,686
UNEARNED REVENUE	-	-	-	-	965,486	965,486	-
BORROWINGS TO (FROM) OTHER FUNDS	-	445,831	-	-	-	445,831	(445,831)
LANDFILL COSTS	-	-	-	326,790	-	326,790	-
LOANS/LEASE PAYABLES	-	746,016	12,392,729	-	-	13,138,745	162,568
TOTAL NONCURRENT LIABILITIES	197,729	1,284,849	12,491,003	370,772	1,049,331	15,393,684	(267,577)
TOTAL LIABILITIES	1,051,640	1,615,845	13,754,608	425,618	1,306,983	18,154,694	(576,553)
DEFERRED INFLOW OF RESOURCES							
LEASES	-	-	-	-	3,660,234	3,660,234	-
NET POSITION							
NET INVESTMENT IN CAPITAL ASSETS	4,195,710	11,460,111	7,398,871	551,791	8,554,140	32,160,623	1,455,664
RESTRICTED FOR:							
OPERATIONS & MAINTENANCE	-	636,400	516,400	-	-	1,152,800	-
UNRESTRICTED	6,155,193	410,972	(683,645)	945,106	169,067	6,996,693	2,659,137
TOTAL NET POSITION	10,350,903	12,507,483	7,231,626	1,496,897	8,723,207	40,310,116	4,114,801
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	\$ 11,402,543	\$ 14,123,328	\$ 20,986,234	\$ 1,922,515	\$ 13,690,424	\$ 62,125,044	\$ 3,538,248

CITY OF LA JUNTA, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUNDS
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT	TOTAL	
OPERATING REVENUES							
CHARGES FOR SERVICES	\$ 12,000,417	\$ 3,352,621	\$ 2,800,918	\$ 1,167,370	\$ 1,268,616	\$ 20,589,942	\$ 4,176,438
OTHER BILLINGS	-	183,345	-	117,162	-	300,507	-
TOTAL OPERATING REVENUES	<u>12,000,417</u>	<u>3,535,966</u>	<u>2,800,918</u>	<u>1,284,532</u>	<u>1,268,616</u>	<u>20,890,449</u>	<u>4,176,438</u>
OPERATING EXPENSES							
PERSONAL SERVICES, MATERIALS AND SUPPLIES	11,777,232	2,545,375	2,065,227	1,293,115	898,698	18,579,647	3,309,576
DEPRECIATION	465,629	581,973	601,388	60,998	508,561	2,218,549	479,426
TOTAL OPERATING EXPENSES	<u>12,242,861</u>	<u>3,127,348</u>	<u>2,666,615</u>	<u>1,354,113</u>	<u>1,407,259</u>	<u>20,798,196</u>	<u>3,789,002</u>
OPERATING INCOME (LOSS)	<u>(242,444)</u>	<u>408,618</u>	<u>134,303</u>	<u>(69,581)</u>	<u>(138,643)</u>	<u>92,253</u>	<u>387,436</u>
NONOPERATING REVENUES (EXPENSES)							
INTEREST INCOME	113,158	23,682	5,410	62,842	198,828	403,920	54,659
GAIN (LOSS) ON SALE OF ASSETS	53,000	16,599	-	73,764	4,859	148,222	189,303
GRANTS AND OTHER	71,765	54,292	13,438	-	29,881	169,376	-
INTEREST EXPENSE	-	(19,661)	(204,133)	-	-	(223,794)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>237,923</u>	<u>74,912</u>	<u>(185,285)</u>	<u>136,606</u>	<u>233,568</u>	<u>497,724</u>	<u>243,962</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS, TRANSFERS AND SPECIAL ITEM	<u>(4,521)</u>	<u>483,530</u>	<u>(50,982)</u>	<u>67,025</u>	<u>94,925</u>	<u>589,977</u>	<u>631,398</u>
CAPITAL CONTRIBUTIONS	-	37,190	5,499	-	-	42,689	-
TRANSFERS IN (OUT)	-	-	-	-	(3,800)	(3,800)	-
SPECIAL ITEM	-	-	-	(25,700)	-	(25,700)	-
CHANGE IN NET POSITION	<u>(4,521)</u>	<u>520,720</u>	<u>(45,483)</u>	<u>41,325</u>	<u>91,125</u>	<u>603,166</u>	<u>631,398</u>
NET POSITION JANUARY 1	<u>10,355,424</u>	<u>11,986,763</u>	<u>7,277,109</u>	<u>1,455,572</u>	<u>8,632,082</u>	<u>39,706,950</u>	<u>3,483,403</u>
NET POSITION DECEMBER 31	<u>\$ 10,350,903</u>	<u>\$ 12,507,483</u>	<u>\$ 7,231,626</u>	<u>\$ 1,496,897</u>	<u>\$ 8,723,207</u>	<u>\$ 40,310,116</u>	<u>\$ 4,114,801</u>

CITY OF LA JUNTA, COLORADO

RECONCILIATION OF THE PROPRIETARY FUNDS NET POSITION
TO THE GOVERNMENT WIDE STATEMENT OF NET POSITION

DECEMBER 31, 2024

AMOUNTS REPORTED FOR BUSINESS-TYPE ACTIVITIES IN THE STATEMENT OF NET POSITION
ARE DIFFERENT BECAUSE:

TOTAL NET POSITION - PROPRIETARY FUNDS	\$ 40,310,116
ADJUSTMENT TO REFLECT CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUNDS	<u>448,873</u>
NET POSITION OF BUSINESS-TYPE ACTIVITIES	<u>\$ 40,758,989</u>

RECONCILIATION OF THE STATEMENT OF REVENUES , EXPENSES AND CHANGE
IN NET POSITION OF PROPRIETARY FUNDS TO THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2024

AMOUNTS REPORTED FOR BUSINESS-TYPE ACTIVITIES IN THE STATEMENT OF ACTIVITIES
ARE DIFFERENT BECAUSE:

CHANGE IN NET POSITION	\$ 603,166
ADJUSTMENT TO REFLECT CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUNDS	<u>234,790</u>
CHANGES IN NET POSITION OF BUSINESS-TYPE ACTIVITIES	<u>\$ 837,956</u>

CITY OF LA JUNTA, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					TOTAL	GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUND
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT		
CASH FLOWS FROM OPERATING ACTIVITIES							
CASH RECEIVED FROM CUSTOMERS	\$ 12,054,148	\$ 3,311,885	\$ 2,808,105	\$ 1,156,690	\$ 1,035,453	\$ 20,366,281	\$ 4,175,566
CASH PAYMENTS TO SUPPLIERS FOR GOODS & SERVICES	(10,410,268)	(1,670,689)	(1,314,784)	(645,299)	(549,502)	(14,590,542)	(3,464,569)
CASH PAYMENTS TO EMPLOYEES SERVICES	(1,223,214)	(1,069,037)	(742,564)	(653,283)	(333,985)	(4,022,083)	(252,732)
OTHER OPERATING REVENUES	-	183,345	-	117,162	-	300,507	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>420,666</u>	<u>755,504</u>	<u>750,757</u>	<u>(24,730)</u>	<u>151,966</u>	<u>2,054,163</u>	<u>458,265</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
RENTS RECEIVED AND OTHER	71,765	18,486	13,438	-	29,881	133,570	-
DUE TO (FROM) OTHER FUNDS	100,000	-	185,100	-	-	285,100	(285,100)
BORROWINGS FROM (TO) OTHER FUNDS	-	(96,691)	-	-	-	(96,691)	78,600
TRANSFERS IN (OUT)	-	-	-	-	(3,800)	(3,800)	-
GRANT PROCEEDS	-	11,245	-	-	-	11,245	-
CUSTOMER DEPOSITS	(16,379)	-	-	-	-	(16,379)	-
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>155,386</u>	<u>(66,960)</u>	<u>198,538</u>	<u>-</u>	<u>26,081</u>	<u>313,045</u>	<u>(206,500)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
ACQUISITION OF CAPITAL ASSETS	(320,115)	(426,686)	(433,093)	(497,761)	(1,431,564)	(3,109,219)	(310,849)
CASH PROCEEDS FROM INSURANCE , SALE OF ASSETS AND OTHER	53,000	16,599	-	170,000	7,259	246,858	42,438
CAPITAL CONTRIBUTED	-	37,190	5,499	-	-	42,689	-
PRINCIPAL PAID ON LOANS PAYABLE	-	(105,780)	(768,562)	-	-	(874,342)	-
INTEREST PAID ON LOANS PAYABLE AND OTHER	-	(1,570)	(209,182)	-	-	(210,752)	-
LEASE PROCEEDS	-	426,686	433,093	-	-	859,779	-
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(267,115)</u>	<u>(53,561)</u>	<u>(972,245)</u>	<u>(327,761)</u>	<u>(1,424,305)</u>	<u>(3,044,987)</u>	<u>(268,411)</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
INTEREST ON INVESTMENTS AND LOANS	29,800	7,423	3,772	56,209	172,559	269,763	53,787
PURCHASE OF INVESTMENTS	(1,580,331)	(378,879)	(150,279)	(1,744,199)	(927,483)	(4,781,171)	-
CASH PROCEEDS FROM SALE OF INVESTMENTS	880,332	-	169,487	1,882,177	2,054,167	4,986,163	101,707
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(670,199)</u>	<u>(371,456)</u>	<u>22,980</u>	<u>194,187</u>	<u>1,299,243</u>	<u>474,755</u>	<u>155,494</u>
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(361,262)	263,527	30	(158,304)	52,985	(203,024)	138,848
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	2,479,683	61,926	-	341,434	438,931	3,321,974	1,667,306
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 2,118,421</u>	<u>\$ 325,453</u>	<u>\$ 30</u>	<u>\$ 183,130</u>	<u>\$ 491,916</u>	<u>\$ 3,118,950</u>	<u>\$ 1,806,154</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
OPERATING INCOME (LOSS)	\$ (242,444)	\$ 408,618	\$ 134,303	\$ (69,581)	\$ (138,643)	\$ 92,253	\$ 387,436
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
DEPRECIATION AND OTHER	465,629	581,973	601,388	60,998	508,561	2,218,549	479,426
CHANGE IN ASSETS AND LIABILITIES							
(INCREASE) DECREASE IN ASSET ACCOUNTS	214,189	(168,910)	6,428	(13,944)	(1,468,698)	(1,430,935)	(51,848)
INCREASE (DECREASE) IN LIABILITY ACCOUNTS	(16,708)	(66,177)	8,638	(2,203)	(214,648)	(291,098)	(356,749)
INCREASE (DECREASE) IN DEFERRED INFLOW OF RESOURCES	-	-	-	-	1,465,394	1,465,394	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 420,666</u>	<u>\$ 755,504</u>	<u>\$ 750,757</u>	<u>\$ (24,730)</u>	<u>\$ 151,966</u>	<u>\$ 2,054,163</u>	<u>\$ 458,265</u>
SUPPLEMENTAL SCHEDULE OF NONCASH ACTIVITIES							
EQUIPMENT ACQUISITION COSTS IN ACCOUNTS PAYABLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of La Junta (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental entities.

THE FINANCIAL REPORTING ENTITY

The City of La Junta is a Home Rule City governed by an elected seven-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of La Junta (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

Blended component units included within the reporting entity:

La Junta Urban Renewal Authority ("URA")

The La Junta Urban Renewal Authority Board is appointed by Council. Although it is legally separate from the City, the URA is reported as if it were part of the primary government because its main purpose is to apply for and administer State and Federal grants, which are in the name of the City. Separately issued financial statements may be obtained from the Finance Director at the City of La Junta.

La Junta Capital Inc.

La Junta Capital, Inc. is a nonprofit organization with a Council appointed board created to provide loan funds for businesses in exchange for a commitment to hire low- and moderate-income employees and for the creation of new primary jobs. It is reported as if it were part of the primary government because its main purpose is for the benefit of the City and all assets revert back to the City upon termination of the agreement between the City and La Junta Capital, Inc. Separately issued financial statements may be obtained from the Finance Director at the City of La Junta.

Joint Venture:

Otero County Landfill Inc. ("OCLI")

The City of La Junta is a participant along with six other entities within the County in a joint venture known as the Otero County Landfill Inc. As a participant, the City is responsible for a portion of closure and post closure costs of the landfill. As of December 31, 2024, the City's share of the cost is estimated at \$363,100 or approximately 19% of the total. A complete financial report may be obtained from the administrative offices of Otero County.

Related organizations:

La Junta Housing Authority

The La Junta Housing Authority is governed by a five-member board appointed by the La Junta City Council. The Authority provides housing to certain qualified residents and is principally funded through Federal grants and rental charges. Because these appointments are administrative in nature and control over the organization is at the Federal Government level, the Authority is treated as a related organization of the City rather than a component unit.

Jointly Governed Organizations:

Arkansas River Power Authority ("ARPA")

ARPA was created by an intergovernmental agreement between the cities of La Junta, Lamar, Las Animas, Trinidad, Springfield and Holly to supply their wholesale electric power and energy requirements. Each of the participating municipalities has a residual interest in ARPA's assets upon dissolution that is proportional to total revenue received from each since ARPA was organized.

Based on electric revenues billed from inception to December 31, 2024, the City of La Junta has a residual equity interest in ARPA of approximately 30%. The governing Board of ARPA consists of two members from each municipality. Because it is felt that the City cannot significantly influence the operations of ARPA it is considered a jointly governed organization and not part of the City's reporting entity.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part the effect of interfund activity has been removed from these statements. *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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to 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 and proprietary funds. Major individual governmental 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 financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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 funds 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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant awards are recorded as revenue when earned. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. 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 and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, interest revenues, and charges for services are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grant and entitlement awards are recorded as revenue when earned. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund - The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those which are required to be accounted for in another fund. Major revenue sources include sales taxes, property taxes, franchise and other taxes, charges for services, and intergovernmental revenue. Primary expenditures include general government, public safety (fire and police), public works, health and welfare, and culture and recreation.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major proprietary funds:

Electric Utility Fund - Accounts for the operations of the City's electric utility. Activities of the fund include administration, operation and maintenance, and distribution of the electric utility system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Water Utility Fund - Accounts for the operations of the City's water utility. Activities of the fund include administration, operation and maintenance, treatment, and distribution of the water system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Sewer Utility Fund - Accounts for the operations of the City's sewer utility. Activities of the fund include administration, operation and maintenance, treatment, and collection of the sewer system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Sanitation Utility Fund - Accounts for the operations of the City's sanitation utility. Activities of the fund include administration, operation and maintenance, and collection of trash related to the sanitation system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Property Management Fund - Accounts for rental activities related to City property, most of which is located within the Industrial Park. Activities of the fund include administration and the operation and maintenance of commercial rental units.

Additionally, the government reports the following fund types:

Internal Service Funds - Accounts for the financing of goods or services provided by one department or agency of the City to other departments or agencies of the City, generally on a cost reimbursement basis. The internal service funds of the City provide data processing and fleet management services as well as medical benefits to the other City departments and agencies.

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

ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

Cash, Cash Equivalents and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments held in banks.

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories, eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City may invest in, bonds or other interest-bearing obligations issued by or unconditionally guaranteed by the United States, bonds that are the direct obligation of the State of Colorado, or any county, city or school district in the State. The City may also invest in repurchase agreements of any marketable security otherwise authorized by law, where the market value of such security is at all times at least equal to the moneys involved and there is assignment of such security pursuant to current depository regulations.

In accordance with generally accepted accounting principles, the City, as well as its component units, record investments at fair value with any unrealized gain or loss recognized in interest revenue.

For purposes of the statement of cash flows, the City considers cash, cash equivalents, and cash with trustee to be cash on hand, demand deposits and, if any held, all highly liquid investments with original maturities of three months or less when acquired.

Restricted Cash

Governmental Funds – Restricted cash represents unspent revenues that were received from the State of Colorado and other entities for specific functions and projects that do not fall under normal operations.

Receivables/Payables

Outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles if required.

The City recognizes as receivable amounts due from utility customers as of year-end but not billed due to cycle billings. Recognition is based upon a direct ratio of days in the current period to the total days in each individual billing cycle.

Property Tax Receivable

Property taxes are not due and payable until after the assessment year has ended, and are not included in the budgets or statements of revenues, expenditures and fund balance of the assessment year. Property taxes levied are recorded in the governmental funds as taxes receivable and deferred revenues as of December 31, 2024 since the amounts are measurable but not available until 2025. Property tax abatements are recorded as an offset to property tax revenues when they are paid. An allowance for uncollectible property taxes is not provided as the uncollectible amounts were determined to be negligible based on an analysis of historical trends. Property taxes are levied before December 22nd each year and attach as an enforceable lien on the property as of January 1 of the following year. Taxes are payable in full on April 30th or in two installments due on February 28th and June 15th.

Inventories

Inventories are valued at average cost. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

Water Inventory

The water inventory is carried at the lower of cost or market, with cost determined using the expenses involved in acquiring water held in storage.

Capital Assets

Capital assets, which include property, plant, equipment, and current infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets have been capitalized on a prospective basis, from 2003. The City defines capital assets as assets with an estimated useful life in excess of two years and an initial, individual cost of more than \$5,000. Such assets are recorded at estimated historical cost or historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The City has included its infrastructure in capital assets.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Building, improvements, utility systems, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	
Building and improvements	10-40
Utility systems	20-50
Public domain infrastructure	40-50
Equipment	3-10

Leased Assets – Lease Receivables

Leased assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

All leases were administered and compiled by the City Clerk. Leases entered into by the City had an agreement that conveyed the right to use the asset, whether it be a building, land, vehicle, or equipment. The lease agreements were analyzed to determine the recognition of GASB statement No. 87 “Leases”. Leases that met the guidelines of the lease standard were at least over a 12-month period and were over the City’s defined threshold of \$5,000. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables.

The lease receivables balance was \$3,740,278 for the year ended December 31, 2024. See Note 3 – Lease Receivables for further details. The deferred inflow of resources balance as of December 31, 2024 was \$3,660,234. See Note 4 – Property Taxes Receivable and Deferred Revenues / Unearned Revenues for further details.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category which is for pension related amounts.

Pension Related - Amounts reported as deferred outflows of resources include the following:

	Old Hire Fire	Old Hire Police	Total
Difference Between Expected and Actual Experience	\$ -	\$ -	\$ -
Changes of Assumptions or Other Inputs	-	-	-
Net Difference Between Projected and Actual Investment			
Earnings on Pension Plan Investments	84,747	59,442	144,189
Contributions Made Subsequent to the Measurement Date	81,083	75,594	156,677
Total Pension Related Deferred Outflows	\$ 165,830	\$ 135,036	\$ 300,866

More information on pension related items is included in Note 10.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items that qualify for reporting in this category.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources (Continued)

Deferred Revenue - Property Taxes - The item, property taxes levied for subsequent years, arises only under a modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable, and are recognized as an inflow of resources in the period they are collected.

Pension Related - Amounts reported as deferred inflows of resources include the following:

	<u>Old Hire Fire</u>	<u>Old Hire Police</u>	<u>Total</u>
Difference Between Expected and Actual Experience	\$ -	\$ -	\$ -
Changes of Assumptions or Other Inputs	-	-	-
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	<u>16,382</u>	<u>11,644</u>	<u>28,026</u>
Total Pension Related Deferred Outflows	<u>\$ 16,382</u>	<u>\$ 11,644</u>	<u>\$ 28,026</u>

More information on pension related items is included in Note 10.

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

Unearned Revenues

In proprietary funds, unearned revenues represent lease payments received, but not yet earned as the related services have not yet been provided.

Compensated Absences

It is the City's policy to permit full-time employees to accumulate earned but unused paid time off benefits. Paid time off leave shall be allowed to accrue to a ceiling not to exceed 1,200 hours. All paid time off pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

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

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

Net pension liabilities, associated with the Old Hire Fire and Old Hire Police Pension Funds administered by FPPA, represent the City's total pension liabilities less the fiduciary net position. Amounts have been determined using the economic resources measurement focus and the accrual basis of accounting.

Fund Balance/Net Position

In the government-wide and proprietary financial statements, net position is classified in the following categories:

Net investment in capital assets – This amount consists of capital assets, net of accumulated depreciation, reduced by outstanding debt, if applicable, attributed to the acquisition, construction, or improvement of those assets.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position (Continued)

Restricted net position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted net position – This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted net position”

The City implemented GASB Statement No. 54 “*Fund Balance Reporting and Governmental Fund Type Definitions*”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used:

Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or required to be maintained intact;

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. Assigned fund balance is established through the adoption or amendment of the budget as intended for specific purposes.

When both restricted and unrestricted resources are available in governmental funds, the City applies expenditures against restricted fund balance first, followed by committed fund balance, assigned fund balance and unassigned fund balance.

Interfund Transactions

Interfund transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

Prior to September 12, the City Manager 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 November 1, the budget is legally enacted through passage of an ordinance.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revisions that alter the total expenditures of any fund generally must be approved by City Council. Budgeted amounts in the accompanying financial statements include revisions to the original appropriation ordinance.

Appropriations lapse at year end and any open purchase items must be reappropriated in the following year.

Expenditures may not legally exceed appropriations at the fund level. For the year ended December 31, 2024, the General Fund, Conservation Trust Fund, La Junta Urban Renewal Authority, Moving Violation Surcharge Fund, Lodging Tax Tourism Fund, Electric Utility Fund, Sewer Utility Fund, Sanitation Utility Fund, and Property Management Fund were in violation.

NOTE -2 DEPOSITS AND INVESTMENTS

DEPOSITS:

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of December 31, 2024, \$7,992,634 of the City's bank balance of \$8,729,953 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

INVESTMENTS:

In accordance with generally accepted accounting principles, the City records certain investments at fair value with any unrealized gain or loss being included as part of investment earnings. As of December 31, 2024, the City held the following investments:

U.S. Treasuries	\$ 2,642,972
ColoTrust	<u>5,079,524</u>
Total Investments	<u>\$ 7,722,496</u>

Investments - U.S. Treasuries - The City categorizes its fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

Investment Type	Level 1	Level 2	Level 3	Total	<u>Investment Maturities (in years)</u>	
					Less Than One Year	1-5 Years
U.S. Treasuries	\$ -	\$ 2,642,972	\$ -	\$ 2,642,972	\$ 2,642,972	\$ -

ColoTrust - During the year, the City invested in ColoTrust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The state Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as the safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. As of December 31, 2024, the City had invested \$5,079,524 in COLOTRUST PRIME, an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -2 DEPOSITS AND INVESTMENTS (Continued)

At year-end, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>		
		<u>Less than 1</u>	<u>1 - 5</u>	<u>6-10</u>
State investment pool	<u>\$ 5,079,524</u>	<u>\$5,079,524</u>	<u>\$ -</u>	<u>\$ -</u>

The City's investments in ColoTrust and money market funds are measured at net asset value. These investments are not subject to the fair value hierarchy. ColoTrust issues a publicly available annual financial report that includes the assets of the City of La Junta. That report may be obtained at the ColoTrust website www.colotrust.com.

Interest Rate Risk - The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates. The Colorado revised statute 24-75-601 limits investment maturities to five years or less without governing board approval. This law, among other things, outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government and agency securities, certain bonds of political subdivisions, bankers' acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, guaranteed insurance contracts and U.S. dollar-denominated corporate or bank debt.

Credit Risk - State law limits investments for local governments to U.S. treasury issues, other federally backed notes and credits, and other agency offerings (not based on derivatives) without limitation. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds that are organized according to the Federal Investment Company Act of 1940, as specified in rule 2a-7, as amended, as long as such rule does not increase remaining maturities beyond a maximum of three years. Investments in these funds require that the institution have assets in excess of \$1 billion or the highest credit rating from one or more of a nationally recognized rating agency.

NOTE -3 LEASE RECEIVABLES

The City, as a lessor, has entered into long-term lease agreements for retail space, facilities, rental homes and cell sites, which expire at various dates through 2039. During the year ended December 31, 2024, the City recognized \$802,850 and \$133,913 in lease revenue and interest revenue, respectively, pursuant to these contracts. The future minimum lease receipts to be received from the aforementioned leases is as follows:

<u>YEAR ENDING</u>	<u>PRINCIPAL / RECEIVABLE</u>	<u>INTEREST</u>
2025	\$ 466,321	\$ 123,170
2026	310,204	110,706
2027	260,241	91,408
2028	261,928	82,345
2029	251,517	82,345
2030 - 2034	1,043,650	295,701
2035 - 2039	<u>1,146,417</u>	<u>106,135</u>
TOTAL	<u>\$ 3,740,278</u>	<u>\$ 910,186</u>

NOTE -4 PROPERTY TAXES RECEIVABLE AND DEFERRED REVENUES / UNEARNED REVENUES

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -4 PROPERTY TAXES RECEIVABLE AND DEFERRED REVENUES / UNEARNED REVENUES (Continued)

Proprietary funds report unearned revenue in connection with payments received, but not yet earned as the related service has not yet been provided.

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the funds were as follows:

	<u>DEFERRED</u>	<u>UNEARNED</u>
<u>Governmental Funds:</u>		
General Fund	\$ 108,500	\$ 8,434
<u>Proprietary Funds:</u>		
Property Management Fund	\$ 3,660,234	\$ 1,150,110

NOTE -5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024 was as follows:

	<u>BEGINNING BALANCE</u>	<u>TRANSFERS/ INCREASES</u>	<u>TRANSFERS/ DECREASES</u>	<u>ENDING BALANCE</u>
<u>Governmental Activities:</u>				
Capital assets, not being depreciated				
Land	\$ 1,135,355	\$ -	\$ -	\$ 1,135,355
Construction in progress	<u>2,065,274</u>	<u>-</u>	<u>(1,898,465)</u>	<u>166,809</u>
	<u>3,200,629</u>	<u>-</u>	<u>(1,898,465)</u>	<u>1,302,164</u>
Capital assets being depreciated				
Buildings	7,949,780	-	(109,332)	7,840,448
Improvements	8,555,573	1,279,045	-	9,834,618
Infrastructure	32,699,401	-	-	32,699,401
Equipment	<u>8,207,686</u>	<u>2,113,088</u>	<u>(1,094,927)</u>	<u>9,225,847</u>
	<u>57,412,440</u>	<u>3,392,133</u>	<u>(1,204,259)</u>	<u>59,600,314</u>
Less accumulated depreciation for				
Buildings	(5,658,886)	(194,000)	7,972	(5,844,914)
Improvements	(4,577,294)	(352,760)	37,048	(4,893,006)
Infrastructure	(26,283,715)	(415,585)	-	(26,699,300)
Equipment	<u>(5,703,768)</u>	<u>(583,620)</u>	<u>374,916</u>	<u>(5,912,472)</u>
	<u>(42,223,663)</u>	<u>(1,545,965)</u>	<u>419,936</u>	<u>(43,349,692)</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS - NET	<u>\$ 18,389,406</u>	<u>\$ 1,846,168</u>	<u>\$ (2,682,788)</u>	<u>\$ 17,552,786</u>
<u>Business-Type Activities:</u>				
Capital assets, not being depreciated				
Land	\$ 1,008,222	\$ -	\$ -	\$ 1,008,222
Water rights	2,112,634	-	-	2,112,634
Construction in progress	<u>189,412</u>	<u>74,632</u>	<u>-</u>	<u>264,044</u>
	<u>3,310,268</u>	<u>74,632</u>	<u>-</u>	<u>3,384,900</u>
Capital assets being depreciated				
Buildings	35,926,526	2,240,131	-	38,166,657
Systems	38,486,798	34,040	-	38,520,838
Equipment	<u>4,859,570</u>	<u>758,255</u>	<u>(502,251)</u>	<u>5,115,574</u>
	<u>79,272,894</u>	<u>3,032,426</u>	<u>(502,251)</u>	<u>81,803,069</u>

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -5 CAPITAL ASSETS (Continued)

	<u>BEGINNING BALANCE</u>	<u>TRANSFERS/ INCREASES</u>	<u>TRANSFERS/ DECREASES</u>	<u>ENDING BALANCE</u>
<u>Business-Type Activities (Continued):</u>				
Less accumulated depreciation for				
Buildings	(18,395,407)	(1,022,307)	-	(19,417,714)
Systems	(14,530,199)	(917,849)	-	(15,448,048)
Equipment	<u>(4,133,439)</u>	<u>(278,393)</u>	403,615	<u>(4,008,217)</u>
	<u>(37,059,045)</u>	<u>(2,218,549)</u>	403,615	<u>(38,873,979)</u>
 BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS - NET	<u>\$ 45,524,117</u>	<u>\$ 888,509</u>	<u>\$ (98,636)</u>	<u>\$ 46,313,990</u>

Depreciation expense was charged to functions as follows:

Governmental Activities:

General government	\$ 72,751
Public safety	72,131
Public works	587,659
Public health and welfare	3,446
Culture and recreation	330,553
Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets	<u>479,425</u>
Total depreciation expense – governmental activities	<u>\$ 1,545,965</u>

Business-Type Activities:

Electric	\$ 465,629
Water	581,973
Sewer	601,388
Sanitation	60,998
Property Management	<u>508,561</u>
Total depreciation expense – business-type activities	<u>\$ 2,218,549</u>

NOTE -6 NOTES AND LOANS RECEIVABLE

Governmental Activities

As part of a grant, La Junta Urban Renewal has taken non-interest bearing, unsecured note receivables from downtown businesses, for store front improvements, due in monthly installments over 36 months.

NOTES/LOAN
RECEIVABLE

\$ 1,438

NOTE -7 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS

Interfund Receivables and Payables:

During the course of operations, numerous transactions occur between the City's funds for the reimbursement of expenditures. Related interfund receivables and payables are classified as "due from other funds" and "due to other funds" on the balance sheet and statement of net position and will be settled within one year. The composition of due to / from other funds as of December 31, 2024 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
City Services Fund	Sewer Utility Fund	<u>\$ 285,100</u>

Interfund Transfers:

Transfers are for the use of unrestricted revenues collected in the property management fund to finance various programs accounted for in other funds in accordance with council authorizations.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -7 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS (Continued)

The composition of interfund transfers as of December 31, 2024 is as follows:

<u>Transfer To</u>	<u>Transfer From</u>	<u>Amount Transferred</u>
Property Management	Urban Renewal Authority	\$ 6,200
General Fund	Property Management	\$ 10,000

Interfund Borrowings:

Related borrowings are classified as “borrowings to other funds” and “borrowings from other funds” on the balance sheet and statement of net position. Principal and accrued interest shall be payable due upon written demand. All payments are first applied to accrued interest and then to the retirement of principal. Interest on the outstanding principal balance is at 3.00% per annum beginning November 29, 2023 until paid in full. The composition of borrowings to / from other funds as of December 31, 2024 is as follows:

<u>Borrowings to</u>	<u>Borrowings from</u>	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Water Utility Fund	City Services Fund	<u>\$ 78,600</u>	<u>\$ 445,831</u>	<u>\$ 524,431</u>

NOTE -8 LONG –TERM DEBT

GOVERNMENTAL ACTIVITIES

The City issued a redevelopment and reimbursement agreement to a developer for building a hotel within the City. The agreement states that the City will reimburse the developer for eligible costs incurred by the developer in the amount of \$400,000. The loan is payable in yearly installments of \$34,730, including interest at 3.5% per annum, maturing May 16, 2024. As of December 31, 2024, the full balance was paid in full. For the year ended December 31, 2024, interest incurred and expensed was \$437.

The Internal Services Fund entered into a Master Equipment Lease Purchase Agreement with Community First National Bank in the amount of \$893,897 with a variable interest rate. The lease proceeds were used to finance the purchase of a 70’ Sutphen Platform Truck. The lease is payable in annual installments of \$104,590 that includes principal and interest beginning February 1, 2023 and maturing February 1, 2032. The lease is collateralized by equipment. As of December 31, 2024, the asset and the lease were transferred to La Junta Rural Fire Protection District.

The Internal Services Fund entered into three Motor Vehicle Lease Agreements with Holman Fleet Leasing, LLC in a total amount of \$191,390 with variable interest rates. The lease proceeds were used to finance the purchases of a 2024 GMC Sierra and two 2024 Ford Explorers. The leases are payable in monthly installments of \$1,166, \$1,528, and \$1,461, respectively, that includes principal and interest beginning January 1, 2025 and maturing March 1, 2030. The leases are collateralized by the vehicles. As of December 31, 2024, \$191,390 is outstanding and \$28,822 is due within one year.

BUSINESS-TYPE ACTIVITIES

The Water Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$1,830,000, with a 0% interest rate. The loan proceeds were used to finance construction of water tanks. The loan is payable in semi-annual installments of \$47,500, beginning November 1, 2010 and maturing May 1, 2030. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Water Utility Fund revenues. As of December 31, 2024, \$503,250 is outstanding and \$91,500 is due within one year.

The Water Utility Fund entered into SCADA Services Lease Agreement for equipment with Browns Hill Engineering & Controls, LLC in a total amount of \$426,686 with an incremental borrowing rate of 4.50%. The lease proceeds were used to finance the purchase of equipment used for monitoring the water system. The lease is payable in monthly installments of \$7,925 that includes principal and interest beginning November 1, 2024 and maturing October 1, 2029. The lease is collateralized by the equipment. As of December 31, 2024, \$412,406 is outstanding and \$78,140 is due within one year.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -8 LONG –TERM DEBT (Continued)

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$13,348,899. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in varying semi-annual installments including interest at 2.17% per annum beginning August 1, 2015 and maturing August 1, 2037. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2024, \$8,482,606 is outstanding and \$592,761 is due within one year.

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$3,000,000, with a 0% interest rate. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in semi-annual installments of \$50,000, beginning May 1, 2019 and maturing November 1, 2048. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2024, \$2,400,000 is outstanding and \$100,000 is due within one year.

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$3,000,000. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in semi-annual installments of \$54,612, including interest at 4.5% per annum beginning May 1, 2020 and maturing November 1, 2049. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2024, \$1,936,506 is outstanding and \$72,907 is due within one year.

The Sewer Utility Fund entered into SCADA Services Lease Agreement for equipment with Browns Hill Engineering & Controls, LLC in a total amount of \$433,093 with an incremental borrowing rate of 4.50%. The lease proceeds were used to finance the purchase of equipment used for monitoring the waste water system. The lease is payable in monthly installments of \$8,044 that includes principal and interest beginning November 1, 2024 and maturing October 1, 2029. The lease is collateralized by the equipment. As of December 31, 2024, \$418,599 is outstanding and \$79,314 is due within one year.

In connection with the above loan payables, the City is subject to various covenants with the Colorado Water Resources and Power Development Authority. The City is also required to maintain an operating and maintenance reserve fund in an amount equal to three months of operation and maintenance expenses, excluding depreciation. Said reserve may be in the form of unobligated fund balances or other unobligated cash or securities. As of December 31, 2024, the City reported a restricted fund balance for operations and maintenance of \$636,400 and \$516,400 in the Water Utility Fund and Sewer Utility Fund, respectively. As of December 31, 2024, the City was in compliance with all loan covenants except the rate covenant in the Sewer Utility Fund.

Annual debt service requirements to maturity are as follows:

<u>YEAR</u> <u>ENDING</u>	<u>BUSINESS-TYPE ACTIVITIES</u>		<u>GOVERNMENTAL ACTIVITIES</u>	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 1,014,622	\$ 230,649	\$ 28,822	\$ 16,457
2026	1,027,861	212,551	33,096	16,767
2027	1,046,672	196,818	37,052	12,811
2028	1,060,279	182,836	41,482	8,381
2029	1,040,373	168,699	46,441	3,422
2030 - 2034	4,177,221	674,385	4,497	87
2035 - 2039	3,082,613	162,979	-	-
2040 - 2044	896,846	15,649	-	-
2045 - 2049	806,880	5,616	-	-
TOTAL	\$ 14,153,367	\$ 1,850,182	\$ 191,390	\$ 57,925

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -8 LONG –TERM DEBT (Continued)

The following is a summary of activity for long-term liabilities for the year ended December 31, 2024:

	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>	<u>DUE WITHIN ONE YEAR</u>
<u>Governmental activities:</u>					
Reimbursement amt	\$ 33,555	\$ -	\$ (33,555)	\$ -	\$ -
Lease purchase	826,098	-	(826,098)	-	-
Vehicle leases	-	191,390	-	191,390	28,822
Compensated absences	570,846	-	(15,523)	555,323	-
Net pension liabilities	<u>2,017,451</u>	<u>-</u>	<u>(123,999)</u>	<u>1,893,452</u>	<u>-</u>
Governmental activity Long-term liabilities	<u>\$ 3,447,950</u>	<u>\$ 191,390</u>	<u>\$ (999,175)</u>	<u>\$ 2,640,165</u>	<u>\$ 28,822</u>
<u>Business-type activities:</u>					
Loan payables	\$14,167,930	\$ -	\$ (845,568)	\$13,322,362	\$ 857,168
Lease payables	-	859,779	(28,774)	831,005	157,454
Estimated closure and post-closure costs	337,400	25,700	-	363,100	36,310
Compensated absences	<u>622,798</u>	<u>4,862</u>	<u>(110,828)</u>	<u>516,832</u>	<u>-</u>
Business-type activities Long-term liabilities	<u>\$15,128,128</u>	<u>\$ 890,341</u>	<u>\$ (985,170)</u>	<u>\$15,033,299</u>	<u>\$ 1,050,932</u>

For the governmental activities, compensated absences are liquidated by the General Fund.

ESTIMATED CLOSURE AND POSTCLOSURE CARE COSTS

In 1995 the City entered into an intergovernmental agreement with Otero County and other municipalities within the County to form the Otero County Landfill, Inc. (“OCLI”) to operate the landfill within the County. The agreement transfers the liability for closure and postclosure costs to the new organization. The City and all participating entities are responsible for a portion of the costs based on an average of the population and assessed valuation of each entity to the total of all entities.

Based on the current allocation the City’s share is approximately 19% of the estimated \$1,881,000 in closure and postclosure costs amounting to \$363,100. These amounts are based on estimates of what it would cost to perform all closure and post closure care in 2024. Actual costs may be higher due to inflation or deflation, changes in technology, or changes in applicable laws or regulations.

The estimated closure and post closure costs increased from 2023 to 2024, therefore, increasing the City’s allocation by \$25,700 from the prior year which is reported as a special item on the statement of activities and statement of revenues, expenses and changes in net position in the Sanitation Utility Fund.

The City is required by state and federal laws and regulations to provide assurance that it can meet the cost of closure and postclosure care. The City has provided assurance by meeting the test requirements of the Colorado Department of Public Health and Environment. The City expects that future inflation costs may need to be covered by charges to future landfill users or other future revenues.

	<u>MANZANOLA</u>	<u>OTERO #1</u>	<u>OTERO #2</u>		
			<u>MODULE #1</u>	<u>MODULE #2</u>	<u>MODULE #3</u>
Percent of capacity	100%	100%	77%	75%	41%
Estimated closure date	2025	Closed	2027	2027	2034
Estimated final monitoring date	-	2049	-	-	-

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -9 CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE -10 PENSION PLANS

City employees may be covered under one or two of five different pension plans, depending on department and date of hire. The different plans are the Old Hire Fire Defined Benefit Plan, Old Hire Police Defined Benefit Plan, Fire Defined Contribution Plan, Police Defined Contribution Plan and the City Retirement Defined Contribution Plan. A description of each plan and selected financial information follows:

OLD HIRE FIRE PENSION FUND – DEFINED BENEFIT PLAN

Summary of Significant Accounting Policies

Pensions – The City of La Junta participates in the Old Hire Fire Pension Fund, an agent multiple-employer defined benefit pension fund administered by the Colorado Fire and Police Pension Association (“FPPA”).

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / deductions from the fiduciary net position of the Old Hire Fire Pension Fund has been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Investments - Investments are reported at fair value.

Plan Information

Plan Description - The City, on behalf of certain full-time paid Firefighters, contributes to the Old Hire Fire Pension Fund. FPPA administers the agent multiple-employer Public Employee Retirement System (“PERS”). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. The plan provides retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the City Council of the City of La Junta.

Plan Membership (Eligibility) – Plan membership consists of active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the City’s current plan.

The following is a summary of the participants:

	<u>Old Hire Fire</u>
Retirees and Beneficiaries	3
Inactive, Nonretired Members	0
Active Members	<u>0</u>
Total	<u><u>3</u></u>

Benefits Provided - The plan provides retirement benefits for members and beneficiaries according to the plan provisions and is as follows:

The Old Hire Fire Pension Fund provides retirement benefits to Firefighters who have attained both 50 years of age and completed 20 years of service. Any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to one-half of his monthly salary received at his retirement date, plus an additional 4% of his monthly salary for each complete year served past the age of 50 to age 55 for a maximum monthly pension of 70% of the Firefighter’s monthly salary at retirement. As of January 1, 2000, any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension increased by an additional 10% of his monthly salary.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Upon death, the surviving spouse receive, until death or remarriage, a monthly pension equal to one-half of the monthly pension the Firefighter was entitled to receive prior to death. In addition, the plan calls for a 3% cost of living adjustment effective each January 1.

Title 31, Article 30 of the Colorado Revised Statutes (“CRS”), as amended, establishes basic benefit provisions under the plan. FPPA issues a publicly available annual financial report that includes the assets of the City of La Junta Old Hire Fire Pension Fund. That report may be obtained by writing to: FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Plan members and the City of La Junta are required to contribute at a rate set by state statute. Employer contribution rates can only be amended by state statute.

Member contribution rates can be amended by state statute or by election of the membership. The contributions are based on an actuarially determined amount recommended by an independent actuary.

The contribution rate for members and the City for the Old Hire Fire Pension Fund is 0% of covered salaries. Contribution was determined as part of the January 1, 2022 actuarial valuation. Total contribution for the year ended December 31, 2024 was \$81,083. The contribution of the City of La Junta Fire Department was equal to the required contribution for the year.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status - Given the plan’s contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 4.50% on the actuarial value of assets), then the funded status of the plan is expected to approach 100% over time.

This funding policy results in the expectation that the plan’s assets will be able to fully pay for promised benefits through at least 2123. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Actuarial Assumptions – Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022, determines the contribution amounts for 2023 and 2024.

Methods and Assumptions Used to Determine Contribution Rates for the Fiscal Year Ending December 31, 2023:

- Actuarial Cost Method – Entry Age Normal
- Amortization Method – N/A
- Remaining Amortization Period – N/A
- Asset Valuation Method – 5-Year smoothed fair value
- Inflation – 2.50%
- Salary Increases – N/A
- Investment Rate of Return – 4.50%
- Retirement Age – Any remaining actives are assumed to retire immediately
- Mortality Rates – Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
Disabled (pre-1980): Post-retirement rates set forward three years.

Long-Term Expected Return on Plan Assets

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

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	10.0%	5.5%
Fixed Income – Rates	70.0%	5.4%
Fixed Income – Credit	10.0%	5.9%
Diversifiers	0.0%	7.4%
Long Short	0.0%	7.0%
Global Public Equity	10.0%	8.3%
Private Markets	0.0%	10.2%
Total	100.0%	

Single Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 3.77% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 4.50%.

Net Pension Liability

The net pension liability was measured at December 31, 2023, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated January 1, 2024, and the City's fiscal year ending date, or reporting date, is December 31, 2024.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at December 31, 2023	\$ 1,803,726	\$ 584,238	\$ 1,219,488
Change for the year:			
Interest	78,272	-	78,272
Difference between Expected & Actual Experience of the Total Pension Liability	(15,893)	-	(15,893)
Changes of Assumptions	(17,077)	-	(17,077)
Contributions – Employer	-	81,083	(81,083)
Contributions – Member	-	-	-
Net Investment Income	-	39,148	(39,148)
Benefit payments	(130,117)	(130,117)	-
Administrative Expense	-	(2,122)	2,122
Net Changes	(84,815)	(12,008)	(72,807)
Balances at December 31, 2024	1,718,911	572,230	1,146,681

Timing of the Valuation - An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability/(asset) and pension expense/(income) should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2024 and a measurement date of December 31, 2023. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2024 and may be used for December 31, 2024 reporting purposes.

Expense and deferred outflow calculations are shown starting with the year ending December 31, 2023, but can be used for the plan sponsor's December 31, 2024 financial reporting. Each reported amount will have a one-year lag so that year end December 31, 2023 can be used for December 31, 2024 plan sponsor reporting.

Paragraph 34 of GASB Statement No. 68 indicates that contributions to the pension plan subsequent to the measurement date of the Net Pension Liability/(Asset) and prior to the end of the employer's reporting period should be reported by the employer as a deferred outflow of resources related to pensions. The information contained in this report does not incorporate any contributions made to the La Junta Old Hire Fire Pension Fund subsequent to December 31, 2023.

Sensitivity of the Net Pension Liability / (Asset) to the Single Discount Rate Assumption – Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 4.50%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	<u>1% Decrease (3.50%)</u>	<u>Current Single Discount Rate Assumption (4.50%)</u>	<u>1% Increase (5.50%)</u>
Net Pension Liability	\$ 1,311,236	\$ 1,146,681	\$ 1,004,582

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 expense of \$37,476. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	84,747	16,382
Contributions subsequent to the measurement date	81,083	-
Total	\$ 165,830	\$ 16,382

\$81,083 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2024:	
2025	\$ 22,309
2026	27,494
2027	21,362
2028	(2,800)
2029	-
Thereafter	-
Total	68,365

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

OLD HIRE POLICE PENSION FUND – DEFINED BENEFIT PLAN

Summary of Significant Accounting Policies

Pensions – The City of La Junta participates in the Old Hire Police Pension Fund, an agent multiple-employer defined benefit pension fund administered by the Colorado Fire and Police Pension Association (“FPPA”).

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / deductions from the fiduciary net position of the Old Hire Police Pension Fund has been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Investments - Investments are reported at fair value.

Plan Information

Plan Description - The City, on behalf of certain full-time paid Police Officers, contributes to the Old Hire Police Pension Fund which is affiliated with the Colorado Fire and Police Pension Association (FPPA). FPPA administers the agent multiple-employer Public Employee Retirement System (“PERS”). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. The plan provides retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the City Council of the City of La Junta.

Plan Membership (Eligibility) – Plan membership consists of active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the City’s current plan.

The following is a summary of the participants:

	<u>Old Hire Police</u>
Retirees and Beneficiaries	2
Inactive, Nonretired Members	0
Active Members	0
Total	2

Benefits Provided - The plan provides retirement benefits for members and beneficiaries according to the plan provisions and is as follows:

The Old Hire Police Pension Fund provides retirement benefits to police Officers who have attained both 55 years of age and completed 20 years of service or upon completion of 25 years of service, if earlier. Any Police Officer who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to 70% of his monthly salary at the date of his retirement.

Upon death, the surviving spouse receives a monthly pension equal to 100% of the monthly pension the Police Officer was entitled to receive prior to death. In addition, the plan calls for a 3% cost of living adjustment effective each January 1.

Title 31, Article 30 of the Colorado Revised Statutes (“CRS”), as amended, establishes basic benefit provisions under the plan. FPPA issues a publicly available annual financial report that includes the assets of the City of La Junta Old Hire Police Pension Fund. That report may be obtained by writing to: FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Plan members and the City of La Junta are required to contribute at a rate set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or by election of the membership. The contributions are based on an actuarially determined amount recommended by an independent actuary.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

The contribution rate for members and the City for the Old Hire Police Pension Fund is 0% of covered salaries. Contribution was determined as part of the January 1, 2022 actuarial valuation. Total contribution for the year ended December 31, 2024 was \$75,594. The contribution of the City of La Junta Police Department was equal to the required contribution for the year.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status - Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 4.50% on the actuarial value of assets), then the funded status of the plan is expected to approach 100% over time.

This funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2123. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Actuarial Assumptions – Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022, determines the contribution amounts for 2023 and 2024.

Methods and Assumptions Used to Determine Contribution Rates for the fiscal Year Ending December 31, 2023:

- Actuarial Cost Method – Entry Age Normal
- Amortization Method – N/A
- Remaining Amortization Period – N/A
- Asset Valuation Method – 5-Year smoothed fair value
- Inflation – 2.50%
- Salary Increases – N/A
- Investment Rate of Return – 4.50%
- Retirement Age – Any remaining actives are assumed to retire immediately
- Mortality Rates – Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
- Disabled (pre-1980): Post-retirement rates set forward three years.

Long-Term Expected Return on Plan Assets

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

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	10.0%	5.5%
Fixed Income – Rates	70.0%	5.4%
Fixed Income - Credit	10.0%	5.9%
Diversifiers	0.0%	7.4%
Long Short	0.0%	7.0%
Global Public Equity	10.0%	8.3%
Private Markets	0.0%	10.2%
Total	100.0%	

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Single Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 3.77% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 4.50%.

Net Pension Liability

The net pension liability was measured at December 31, 2023, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated January 1, 2024, and the City's fiscal year ending date, or reporting date, is December 31, 2024.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at December 31, 2023	<u>\$ 1,187,777</u>	<u>\$ 389,813</u>	<u>\$ 797,964</u>
Change for the year:			
Interest	50,990	-	50,990
Difference between Expected & Actual Experience of the Total Pension Liability	(3,335)	-	(3,335)
Changes in Assumptions	1,352	-	1,352
Contributions – Employer	-	75,594	(75,594)
Contributions – Member	-	-	-
Net Investment Income	-	26,401	(26,401)
Benefit payments	(110,569)	(110,569)	-
Administrative Expense	-	(1,795)	1,795
Net Changes	<u>(61,562)</u>	<u>(10,369)</u>	<u>(51,193)</u>
Balances at December 31, 2024	<u>1,126,215</u>	<u>379,444</u>	<u>746,771</u>

Timing of the Valuation - An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability/(asset) and pension expense/(income) should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2024 and a measurement date of December 31, 2023. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2024 and may be used for December 31, 2024 reporting purposes.

Expense and deferred outflow calculations are shown starting with the year ending December 31, 2023, but can be used for the plan sponsor's December 31, 2024 financial reporting. Each reported amount will have a one-year lag so that year end December 31, 2023 can be used for December 31, 2024 plan sponsor reporting.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Paragraph 34 of GASB Statement No. 68 indicates that contributions to the pension plan subsequent to the measurement date of the Net Pension Liability/(Asset) and prior to the end of the employer’s reporting period should be reported by the employer as a deferred outflow of resources related to pensions. The information contained in this report does not incorporate any contributions made to the La Junta Old Hire Police Pension Fund subsequent to December 31, 2023.

Sensitivity of the Net Pension Liability / (Asset) to the Single Discount Rate Assumption – Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan’s net pension liability/(asset), calculated using a Single Discount Rate of 4.50%, as well as what the plan’s net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one % lower or one % higher:

	1% Decrease (3.50%)	Current Single Discount Rate Assumption (4.50%)	1% Increase (5.50%)
Net Pension Liability	\$ 844,031	\$ 746,771	\$ 662,154

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 revenue of \$44,035. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	59,442	11,644
Contributions subsequent to the measurement date	75,594	-
Total	\$ 135,036	\$ 11,644

\$75,594 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2024:	
2025	\$ 15,473
2026	19,375
2027	14,884
2028	(1,934)
2029	-
Thereafter	-
Total	\$ 47,798

FIRE DEFINED CONTRIBUTION PLAN AND POLICE DEFINED CONTRIBUTION PLAN

Plan Description - The City provides pension benefits for all of its full-time Fire and Police employees hired after April, 1978 and old hires that chose to switch to the new plan through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

State legislation requires that both the employee and the City contribute an amount equal to 8 percent of the employee's base salary each month. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after ten years' continuous service. City contributions for, and interest forfeited by, employees who leave employment before ten years of service are used to reduce the City's current-period contribution requirement.

The City is the trustee of the Fire Defined Contribution Plan and the Police Defined Contribution Plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plans.

Funding Policy - The City's total Fire and Police payroll for 2024 was \$1,021,785 and \$796,661, respectively. The City's contributions were calculated using a base salary amount of \$1,019,664 and \$748,325. Both City and the covered employees made the required 8 percent contribution, amounting to \$5,438 each for Firemen or a total of \$81,573 and \$3,151 each for Policemen or a total of \$59,866. As of December 31, 2024, the market value of assets held by the plans was \$1,495,141 for Fire and \$1,182,873 for Police.

CITY RETIREMENT – DEFINED CONTRIBUTION PLAN

Plan Description - The City provides pension benefits for all its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after attaining age 21 and having been employed six months. The plan entrance dates are January 1 and July 1. The plan requires that the employees contribute a minimum of 1 percent and the City contributes an amount equal to 5.7 percent of the employee's base.

The City is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan.

Funding Policy - The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years' continuous service. City contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce the City's current-period contribution requirement.

The City's total payroll in fiscal year 2024 was \$8,126,280. The City's contributions were calculated using the base salary amount of \$5,941,658. Both the City and the covered employees made the required contributions amounting to \$339,078 and \$303,310, respectively, for a total of \$642,388. As of December 31, 2024, the market value of assets held was \$8,679,651.

NOTE -11 NET POSITION

Restricted net position represents net position whose users are subject to constraints that are either 1.) legally imposed by creditors (such as debt covenants), grantors, or laws or regulations of other governments, or 2.) imposed by law through constitutional provisions or enabling legislation. Restricted net position at December 31, 2024 is as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Emergencies - TABOR	\$ 333,000	\$ -	\$ 333,000
Capital Projects	162,539	-	162,539
Endowments - Nonexpendable	425,956	-	425,956
Conservation Trust	363,447	-	363,447
Operations and Maintenance	-	1,152,800	1,152,800
	<u>\$ 1,284,942</u>	<u>\$ 1,152,800</u>	<u>\$ 2,437,742</u>

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -11 NET POSITION (Continued)

Restricted for Emergencies - TABOR – This represents approximately 3% of the City's 2024 fiscal year spending as that term is defined in the Colorado constitution. Under these provisions of the constitution, this portion of the City's net position can be used for declared emergencies only and the City must maintain 3% or more of its spending in this restricted account. The City does not believe this restriction meets the definition of a stabilization arrangement under generally accepted accounting principles.

Restricted for Capital Projects – This represents unspent cash received from the State of Colorado and other entities for specific functions and projects that do not fall under normal operations.

Restricted for Endowments - Nonexpendable – This represents donations received for the Library and Cemetery in which the corpus must remain intact while the investment income can be used for culture and community welfare.

Restricted for Conservation Trust – This represents money received from the Colorado state for parks and open space related projects.

Restricted for Operations and Maintenance – The City is required to maintain an operation and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation as set forth by the creditor.

NOTE -12 FUND BALANCES

At December 31, 2024, fund balances for governmental funds consist of the following:

	Restricted Fund Balance				
	Emergencies TABOR	Capital Projects	Conservation Trust	Endowments - Nonexpendable	Total
General Fund	\$ 333,000	\$ 162,539	\$ -	\$ -	\$ 495,539
Conservation Trust	-	-	363,447	-	363,447
Library Endowment	-	-	-	108,077	108,077
Cemetery Endowment	-	-	-	317,879	317,879
Total	<u>\$ 333,000</u>	<u>\$ 162,539</u>	<u>\$ 363,447</u>	<u>\$ 425,956</u>	<u>\$ 1,284,942</u>

	Assigned Fund Balance			
	Subsequent Years' Expenditures	Community and Economic Development	Surcharge	Total
General Fund	\$ -	\$ -	\$ -	\$ -
Economic Development	-	132,722	-	132,722
La Junta Urban Renewal Authority	-	386,593	-	386,593
La Junta Capital, Inc.	-	9,156	-	9,156
Moving Violation Surcharge	-	-	1,569	1,569
Lodging Tax Tourism	-	1,181,115	-	1,181,115
Total	<u>\$ -</u>	<u>\$ 1,709,586</u>	<u>\$ 1,569</u>	<u>\$ 1,711,155</u>

NOTE -13 RELATED PARTY TRANSACTIONS

The City entered into a lease agreement with a related party and recognized \$24,000 in rent revenue of which \$2,000 is reported as unearned lease revenues – current in the Property Management Fund.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -13 RELATED PARTY TRANSACTIONS (Continued)

As indicated in Note -1, the City entered into an intergovernmental agreement with Otero County Landfill, Inc. (OCLI) regarding a landfill operation. For the year ended December 31, 2024, the City had paid OCLI \$198,208 for its share of the costs of which \$14,597 was due and recorded as accounts payable in the Sanitation Utility Fund. The City has recognized \$363,100 for its share of estimated closure and post closure care costs.

The City purchased \$8,559,567 of power from ARPA (a jointly governed entity), of which \$639,458 is recorded in accounts payable in the Electric Utility Fund, to be resold to its utility customers.

NOTE -14 UNEARNED LEASE REVENUES AND LEASES

Unearned Lease Revenue

The City's Property Management Fund has entered into lease agreements with entities for space in which the lessee paid advance amounts for improvements of \$1,938,666, \$65,000, and \$114,120 and rent of \$5,120. The City would be required to refund a proportion of this based on the life of the lease if they terminate the lease early. It is being recognized over the terms of the lease agreements of 20 to 40 years, as applicable, with the unamortized balance included in unearned lease revenues. As of December 31, 2024, the balance remaining was \$1,150,110 with \$184,624 reported in unearned revenue – current.

Leases

The future minimum rentals on noncancellable leases as of December 31, 2024 are as follows:

2025	\$	712,866
2026		632,944
2027		447,369
2028		436,942
2029		416,016
Thereafter		3,785,883

NOTE -15 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; and natural disasters. The City joined the Colorado Intergovernmental Risk Agency (CIRSA), a public entity risk pool formed to provide property and liability and worker's compensation coverage and related services for its member municipalities. The City pays an annual premium to CIRSA for property and liability insurance coverage and risk management services.

All Colorado municipalities, which are members of the Colorado Municipal League, are eligible to participate in CIRSA. As of the most recent annual report filed, December 31, 2024, there were approximately 285 members in the Property/Casualty/Liability Pool. CIRSA's general objectives are to provide member municipalities and special districts defined property and liability and workers' compensation coverage through joint self-insurance and excess insurance.

Death and disability insurance for police officers hired prior to January 1997 is provided by the Fire and Police Pension Association (FPPA) on behalf of the City of La Junta. The state made one payment to the FPPA in 1997 to fully fund this insurance for officers hired before 1997.

Death and disability insurance for police officers hired after December 1996 is purchased from the FPPA. In 1996 the Colorado state legislature elected to cease providing state funding for disability insurance for police officers beginning with officers hired after December 31, 1996. The amount of settlements did not exceed insurance coverage during the past three fiscal years.

For part of 2024, the City handled health and life insurance claims for its employees. Premiums are charged to the employees as well as the City to cover medical claims with reinsurance provided by commercial carriers for claims in excess of \$35,000 annually. Incurred but not reported claims of \$0 have been accrued as a liability based primarily upon the claims administrator's historical estimate.

CITY OF LA JUNTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE -15 RISK MANAGEMENT (Continued)

The following represents the changes in approximate aggregate liabilities for claims incurred but not reported for the City for the year ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Liability Balance January 1,	\$ 375,000	\$ 197,000
Claims and Changes in Estimates	882,810	1,823,779
Claims Payments	<u>(1,257,810)</u>	<u>(1,645,779)</u>
Liability Balance December 31,	<u>\$ -</u>	<u>\$ 375,000</u>

In August 2024, the City switched from a partially self-insured health and life insurance plan to fully insured by an outside third-party vendor. Total premiums paid in 2024 was \$1,007,875.

NOTE -16 TAX SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The City's management believes a significant portion of its operations qualify for this exclusion.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation.

Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an enterprise will require judicial interpretation. Accordingly, the possibility exists that the City's interpretation of certain TABOR provisions may subsequently be determined to be incorrect. This could result in a potential refund of revenue unless voters approve retention of such revenue. The ultimate outcome of these matters cannot presently be determined and no provision for any liability for a refund of revenue has been made in the financial statements.

On November 2, 1993 the voters of the City approved an amendment to allow the collection, retention, and expenditure of the full proceeds of the City's sales and use tax and non-federal grants.

On November 3, 2020 the voters of the City approved an amendment to allow the City to retain and spend all revenues it receives from all sources, beginning in 2021 and thereafter, as a voter approved revenue change under Article X, Section 20 of the Colorado Constitution.

Emergency Reserves have been provided for as required by Article X, Section 20 of the constitution of the State of Colorado. \$333,000 of the fund balance has been reserved in compliance with this requirement.

NOTE -17 SUBSEQUENT EVENTS

Subsequent events have been evaluated through the report date, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LA JUNTA, COLORADO
 OLD HIRE FIRE PENSION FUND
 SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS
 YEAR ENDED DECEMBER 31, 2024

MEASUREMENT PERIOD ENDED DECEMBER 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY										
SERVICE COST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTEREST	78,272	80,584	79,973	82,039	102,107	103,396	101,662	102,500	95,494	96,307
CHANGES TO BENEFIT TERMS	-	-	-	-	-	-	-	-	-	-
DIFFERENCE BETWEEN EXPECTED AND ACTUAL EXPERIENCE OF THE TOTAL PENSION LIABILITY	(15,893)	-	65,392	-	45,580	-	38,548	-	32,911	-
ASSUMPTION CHANGES	(17,077)	-	-	-	438,644	-	-	-	75,370	-
BENEFIT PAYMENTS	(130,117)	(133,759)	(129,864)	(126,081)	(122,409)	(118,843)	(115,382)	(112,021)	(108,759)	(105,591)
NET CHANGE IN TOTAL PENSION LIABILITY	(84,815)	(53,175)	15,501	(44,042)	463,922	(15,447)	24,828	(9,521)	95,016	(9,284)
TOTAL PENSION LIABILITY - BEGINNING	1,803,726	1,856,901	1,841,400	1,885,442	1,421,520	1,436,967	1,412,139	1,421,660	1,326,644	1,335,928
TOTAL PENSION LIABILITY - ENDING (a)	<u>\$ 1,718,911</u>	<u>\$ 1,803,726</u>	<u>\$ 1,856,901</u>	<u>\$ 1,841,400</u>	<u>\$ 1,885,442</u>	<u>\$ 1,421,520</u>	<u>\$ 1,436,967</u>	<u>\$ 1,412,139</u>	<u>\$ 1,421,660</u>	<u>\$ 1,326,644</u>
PLAN FIDUCIARY NET POSITION										
CONTRIBUTIONS - EMPLOYER	\$ 81,083	\$ 74,822	\$ 74,822	\$ 71,924	\$ 71,924	\$ 60,388	\$ 60,388	\$ 48,084	\$ 48,084	\$ 44,595
CONTRIBUTIONS - EMPLOYEE	-	-	-	-	-	-	-	-	-	-
NET INVESTMENT INCOME (LOSS)	39,148	(89,089)	3,572	60,017	89,732	1,285	103,956	40,569	14,680	54,916
BENEFIT PAYMENTS	(130,117)	(133,759)	(129,864)	(126,081)	(122,409)	(118,843)	(115,382)	(112,021)	(108,759)	(105,591)
ADMINISTRATIVE EXPENSES	(2,122)	(3,345)	(1,679)	(2,935)	(1,794)	(3,616)	(1,253)	(3,084)	283	(4,139)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	(12,008)	(151,371)	(53,149)	2,925	37,453	(60,786)	47,709	(26,452)	(45,712)	(10,219)
PLAN FIDUCIARY NET POSITION - BEGINNING	584,238	735,609	788,758	785,833	748,380	809,166	761,457	787,909	833,621	843,840
PLAN FIDUCIARY NET POSITION - ENDING (b)	<u>\$ 572,230</u>	<u>\$ 584,238</u>	<u>\$ 735,609</u>	<u>\$ 788,758</u>	<u>\$ 785,833</u>	<u>\$ 748,380</u>	<u>\$ 809,166</u>	<u>\$ 761,457</u>	<u>\$ 787,909</u>	<u>\$ 833,621</u>
PLAN'S NET PENSION LIABILITY - BEGINNING	1,219,488	1,121,292	1,052,642	1,099,609	673,140	627,801	650,682	633,751	493,023	492,088
PLAN'S NET PENSION LIABILITY - ENDING (a) - (b)	<u>\$ 1,146,681</u>	<u>\$ 1,219,488</u>	<u>\$ 1,121,292</u>	<u>\$ 1,052,642</u>	<u>\$ 1,099,609</u>	<u>\$ 673,140</u>	<u>\$ 627,801</u>	<u>\$ 650,682</u>	<u>\$ 633,751</u>	<u>\$ 493,023</u>
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY (b) / (a)	33.29%	32.39%	39.61%	42.83%	41.68%	52.65%	56.31%	53.92%	55.42%	62.84%
COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PLAN'S NET PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

CITY OF LA JUNTA, COLORADO
 OLD HIRE POLICE PENSION FUND
 SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS
 YEAR ENDED DECEMBER 31, 2024

MEASUREMENT PERIOD ENDED DECEMBER 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY										
SERVICE COST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTEREST	50,990	54,042	52,442	55,660	71,342	74,726	80,293	82,572	75,714	77,860
CHANGES TO BENEFIT TERMS	-	-	-	-	-	-	-	-	-	-
DIFFERENCE BETWEEN EXPECTED AND ACTUAL EXPERIENCE OF THE TOTAL PENSION LIABILITY	(3,335)	-	114,079	-	85,518	-	(38,164)	-	61,291	-
ASSUMPTION CHANGES	1,352	-	-	-	252,682	-	-	-	64,117	-
BENEFIT PAYMENTS	(110,569)	(132,930)	(129,058)	(125,299)	(121,649)	(118,106)	(114,666)	(111,327)	(108,084)	(104,936)
NET CHANGE IN TOTAL PENSION LIABILITY	(61,562)	(78,888)	37,463	(69,639)	287,893	(43,380)	(72,537)	(28,755)	93,038	(27,076)
TOTAL PENSION LIABILITY - BEGINNING	1,187,777	1,266,665	1,229,202	1,298,841	1,010,948	1,054,328	1,126,865	1,155,620	1,062,582	1,089,658
TOTAL PENSION LIABILITY - ENDING (a)	<u>\$ 1,126,215</u>	<u>\$ 1,187,777</u>	<u>\$ 1,266,665</u>	<u>\$ 1,229,202</u>	<u>\$ 1,298,841</u>	<u>\$ 1,010,948</u>	<u>\$ 1,054,328</u>	<u>\$ 1,126,865</u>	<u>\$ 1,155,620</u>	<u>\$ 1,062,582</u>
PLAN FIDUCIARY NET POSITION										
CONTRIBUTIONS - EMPLOYER	\$ 75,594	\$ 65,180	\$ 65,180	\$ 54,550	\$ 55,128	\$ 55,128	\$ 55,128	\$ 37,190	\$ 37,190	\$ 29,105
CONTRIBUTIONS - EMPLOYEE	-	-	-	-	-	-	-	-	-	-
NET INVESTMENT INCOME (LOSS)	26,401	(62,151)	2,446	45,493	70,887	1,334	87,372	34,775	13,305	50,250
BENEFIT PAYMENTS	(110,569)	(132,930)	(129,058)	(125,299)	(121,649)	(118,106)	(114,666)	(111,327)	(108,084)	(104,936)
ADMINISTRATIVE EXPENSES	(1,795)	(3,074)	(1,445)	(2,723)	(1,585)	(3,401)	(1,065)	(2,918)	(1,302)	(4,030)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	(10,369)	(132,975)	(62,877)	(27,979)	2,781	(65,045)	26,769	(42,280)	(58,891)	(29,611)
PLAN FIDUCIARY NET POSITION - BEGINNING	389,813	522,788	585,665	613,644	610,863	675,908	649,139	691,419	750,310	779,921
PLAN FIDUCIARY NET POSITION - ENDING (b)	<u>\$ 379,444</u>	<u>\$ 389,813</u>	<u>\$ 522,788</u>	<u>\$ 585,665</u>	<u>\$ 613,644</u>	<u>\$ 610,863</u>	<u>\$ 675,908</u>	<u>\$ 649,139</u>	<u>\$ 691,419</u>	<u>\$ 750,310</u>
PLAN'S NET PENSION LIABILITY - BEGINNING	797,964	743,877	643,537	685,197	400,085	378,420	477,726	464,201	312,272	309,737
PLAN'S NET PENSION LIABILITY - ENDING (a) - (b)	<u>\$ 746,771</u>	<u>\$ 797,964</u>	<u>\$ 743,877</u>	<u>\$ 643,537</u>	<u>\$ 685,197</u>	<u>\$ 400,085</u>	<u>\$ 378,420</u>	<u>\$ 477,726</u>	<u>\$ 464,201</u>	<u>\$ 312,272</u>
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY (b) / (a)	33.69%	32.82%	41.27%	47.65%	47.25%	60.42%	64.11%	57.61%	59.83%	70.61%
COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PLAN'S NET PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

CITY OF LA JUNTA, COLORADO
 OLD HIRE FIRE PENSION FUND
 SCHEDULE OF PLAN CONTRIBUTIONS
 LAST 10 FISCAL YEARS

<u>FY ENDING DECEMBER 31,</u> (a)	<u>ACTUARIALLY DETERMINED CONTRIBUTION</u> (b)	<u>ACTUAL CONTRIBUTION*</u> (c)	<u>CONTRIBUTION DEFICIENCY (EXCESS)</u> (d) = (b) - (c)	<u>COVERED PAYROLL</u> (e)	<u>ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL</u> (f)
2024	\$ 81,083	\$ 81,083	\$ -	N/A	N/A
2023	\$ 81,083	\$ 81,083	\$ -	N/A	N/A
2022	\$ 74,822	\$ 74,822	\$ -	N/A	N/A
2021	\$ 74,822	\$ 74,822	\$ -	N/A	N/A
2020	\$ 71,924	\$ 71,924	\$ -	N/A	N/A
2019	\$ 71,924	\$ 71,924	\$ -	N/A	N/A
2018	\$ 60,388	\$ 60,388	\$ -	N/A	N/A
2017	\$ 60,388	\$ 60,388	\$ -	N/A	N/A
2016	\$ 48,084	\$ 48,084	\$ -	N/A	N/A
2015	\$ 48,084	\$ 48,084	\$ -	N/A	N/A

** Actuarially Determined Contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.*

CITY OF LA JUNTA, COLORADO
 OLD HIRE POLICE PENSION FUND
 SCHEDULE OF PLAN CONTRIBUTIONS
 LAST 10 FISCAL YEARS

<u>FY ENDING DECEMBER 31,</u> (a)	<u>ACTUARIALLY DETERMINED CONTRIBUTION</u> (b)	<u>ACTUAL CONTRIBUTION*</u> (c)	<u>CONTRIBUTION DEFICIENCY (EXCESS)</u> (d) = (b) - (c)	<u>COVERED PAYROLL</u> (e)	<u>ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL</u> (f)
2024	\$ 75,594	\$ 75,594	\$ -	N/A	N/A
2023	\$ 75,594	\$ 75,594	\$ -	N/A	N/A
2022	\$ 65,180	\$ 65,180	\$ -	N/A	N/A
2021	\$ 65,180	\$ 65,180	\$ -	N/A	N/A
2020	\$ 54,550	\$ 54,550	\$ -	N/A	N/A
2019	\$ 54,550	\$ 55,128	\$ (578)	N/A	N/A
2018	\$ 55,128	\$ 55,128	\$ -	N/A	N/A
2017	\$ 55,128	\$ 55,128	\$ -	N/A	N/A
2016	\$ 37,190	\$ 37,190	\$ -	N/A	N/A
2015	\$ 37,190	\$ 37,190	\$ -	N/A	N/A

* *Actuarially Determined Contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.*

CITY OF LA JUNTA, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2024

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
TAXES	\$ 7,314,900	\$ 7,314,900	\$ 8,666,179	\$ 1,351,279
LICENSES AND PERMITS	31,000	31,000	61,072	30,072
INTERGOVERNMENTAL	704,900	704,900	1,542,510	837,610
CHARGES FOR SERVICES	1,990,400	2,009,200	2,107,200	98,000
FINES	53,000	53,000	80,384	27,384
INTEREST	25,000	25,000	182,678	157,678
MISCELLANEOUS AND RENTALS	79,500	79,500	165,319	85,819
TOTAL REVENUES	<u>10,198,700</u>	<u>10,217,500</u>	<u>12,805,342</u>	<u>2,587,842</u>
EXPENDITURES				
GENERAL GOVERNMENT	1,827,600	1,827,600	1,654,138	173,462
PUBLIC SAFETY	4,088,900	4,107,700	4,233,629	(125,929)
PUBLIC WORKS	1,608,600	1,608,600	1,892,800	(284,200)
HEALTH AND WELFARE	370,300	370,300	374,259	(3,959)
CULTURE AND RECREATION	2,313,300	2,313,300	2,921,360	(608,060)
TOTAL EXPENDITURES	<u>10,208,700</u>	<u>10,227,500</u>	<u>11,076,186</u>	<u>(848,686)</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(10,000)	(10,000)	1,729,156	1,739,156
OTHER FINANCING SOURCES				
TRANSFERS IN	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	-	-	1,739,156	1,739,156
FUND BALANCE JANUARY 1	<u>2,721,094</u>	<u>2,721,094</u>	<u>2,721,094</u>	<u>-</u>
FUND BALANCE DECEMBER 31	<u>\$ 2,721,094</u>	<u>\$ 2,721,094</u>	<u>\$ 4,460,250</u>	<u>\$ 1,739,156</u>

CITY OF LA JUNTA, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2024

NOTE -1 SCHEDULES OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS

Measurement Period: January 1, 2023 - December 31, 2023 for the Fiscal Year Ending December 31, 2024 (December 31, 2023 measurement date). The City elected the one-year lookback for measurement date and measurement period purposes.

NOTE -2 SCHEDULES OF PLAN CONTRIBUTIONS

Actuarial Assumptions

Valuation Date: January 1, 2022

Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022, determines the contribution amounts for 2023 and 2024.

Significant actuarial methods and assumptions used to determine the contribution rates for the Old Hire Fire Pension Fund and Old Hire Police Pension Fund are as follows:

Actuarial Cost Method	- Entry Age Normal
Amortization Method	- N/A
Remaining Amortization Period	- N/A
Asset Valuation Method	- 5-Year smoothed fair value
Inflation	- 2.50%
Salary Increase	- N/A
Investment Rate of Return	- 4.50%
Retirement Age	- Any remaining actives are assumed to retire immediately
Mortality Rates	- Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
	Disabled (pre-1980): Post-retirement rates set forward three years.

SUPPLEMENTARY INFORMATION

CITY OF LA JUNTA, COLORADO

GENERAL FUND

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 1,674,207	\$ 653,959
CASH WITH TRUSTEE	566	3,094
RESTRICTED CASH	162,539	141,958
INVESTMENTS	1,166,134	629,476
RECEIVABLES:		
ACCOUNTS RECEIVABLE	72,361	111,576
GRANTS RECEIVABLE	7,621	464,239
PROPERTY TAXES RECEIVABLE	108,500	101,700
SALES TAX RECEIVABLE	1,206,236	886,238
DUE FROM OTHER GOVERNMENTS	425,123	281,741
DUE FROM OTHER FUND	-	55,214
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 4,823,287</u>	<u>\$ 3,329,195</u>
 LIABILITIES		
ACCOUNTS PAYABLE AND ACCRUED PAYROLL TAXES	\$ 246,103	\$ 481,287
UNEARNED REVENUE	8,434	25,114
	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>254,537</u>	<u>506,401</u>
 DEFERRED INFLOWS OF RESOURCES		
DEFERRED REVENUES - PROPERTY TAXES	108,500	101,700
	<u> </u>	<u> </u>
 FUND BALANCE		
RESTRICTED FOR EMERGENCIES - TABOR	333,000	335,000
RESTRICTED ASSETS	162,539	141,958
UNASSIGNED	3,964,711	2,244,136
	<u> </u>	<u> </u>
TOTAL FUND BALANCE	<u>4,460,250</u>	<u>2,721,094</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE		
	<u>\$ 4,823,287</u>	<u>\$ 3,329,195</u>

CITY OF LA JUNTA, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
REVENUES		
TAXES	\$ 8,666,179	\$ 6,693,072
LICENSES AND PERMITS	61,072	69,153
INTERGOVERNMENTAL	1,542,510	1,615,405
CHARGES FOR SERVICES	2,107,200	2,024,172
FINES	80,384	71,993
INTEREST	182,678	103,916
MISCELLANEOUS AND RENTALS	<u>165,319</u>	<u>77,341</u>
 TOTAL REVENUES	 <u>12,805,342</u>	 <u>10,655,052</u>
EXPENDITURES		
GENERAL GOVERNMENT	1,654,138	1,714,275
PUBLIC SAFETY	4,233,629	4,296,529
PUBLIC WORKS	1,892,800	1,863,549
HEALTH AND WELFARE	374,259	366,415
CULTURE AND RECREATION	<u>2,921,360</u>	<u>2,908,430</u>
 TOTAL EXPENDITURES	 <u>11,076,186</u>	 <u>11,149,198</u>
 REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	 1,729,156	 (494,146)
OTHER FINANCING SOURCES		
TRANSFERS IN	<u>10,000</u>	<u>10,000</u>
 REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	 1,739,156	 (484,146)
 FUND BALANCE JANUARY 1	 <u>2,721,094</u>	 <u>3,205,240</u>
 FUND BALANCE DECEMBER 31	 <u>\$ 4,460,250</u>	 <u>\$ 2,721,094</u>

CITY OF LA JUNTA, COLORADO

EXPLANATION OF FUNDS

DECEMBER 31, 2024

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Conservation Trust Fund – This fund is used to account for the collection and disbursement of revenues received from the Colorado state lottery and are restricted for parks and open space related projects.

Economic Development Fund – This fund is used to account for the collection and disbursement of specified federal and state grant revenues for the use of promoting the attraction of and retention of businesses.

La Junta Urban Renewal Authority Fund - This fund accounts for tax increment financing that is available to reinvest in the urban renewal district for property enhancements or new development incentives.

La Junta Capital Inc. Fund – This fund is used to account for the collection and disbursement of revenues received from donations and contributions for capital related projects.

Moving Violation Surcharge Fund – This fund accounts for the surcharge on certain fines and tickets to be used for the purchase of police department equipment and supplies.

Lodging Tax Tourism Fund – This fund is used for the collection and disbursement of lodging tax revenues to be used for the promotion and advertising of tourism for the City.

PERMANENT FUNDS

Library Endowment Fund – This fund accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes. Interest earnings are restricted for expenditures related to the library through a transfer to the General Fund.

Cemetery Endowment Fund - This fund accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes. Interest earnings are restricted for maintenance and operation of the cemetery through a transfer to the General Fund.

CITY OF LA JUNTA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2024

	SPECIAL REVENUE FUNDS					PERMANENT FUNDS			TOTAL NONMAJOR GOVERNMENTAL FUND
	CONSERVATION TRUST	ECONOMIC DEVELOPMENT	URBAN RENEWAL AUTHORITY	LA JUNTA CAPITAL INC.	MOVING VIOLATION SURCHARGE	LODGING TAX TOURISM	LIBRARY ENDOWMENT	CEMETERY ENDOWMENT	
ASSETS									
CASH OR EQUIVALENTS	\$ 160,487	\$ 24,887	\$ 15,112	\$ -	\$ 1,569	\$ 12,755	\$ -	\$ -	\$ 214,810
INVESTMENTS	-	107,835	371,481	9,156	-	1,127,408	108,077	317,879	2,041,836
RECEIVABLES:									
LODGING TAX RECEIVABLE	-	-	-	-	-	11,570	-	-	11,570
NOTE RECEIVABLE	-	-	1,438	-	-	0	-	-	1,438
OTHER RECEIVABLE	84,011	-	-	-	-	-	-	-	84,011
GRANTS RECEIVABLE	118,949	-	-	-	-	40,000	-	-	158,949
TOTAL ASSETS	\$ 363,447	\$ 132,722	\$ 388,031	\$ 9,156	\$ 1,569	\$ 1,191,733	\$ 108,077	\$ 317,879	\$ 2,512,614
LIABILITIES									
ACCOUNTS PAYABLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,618	\$ -	\$ -	\$ 10,618
UNEARNED REVENUE	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	10,618	-	-	10,618
FUND BALANCE									
NONSPENDABLE FOR:									
NOTES	-	-	1,438	-	-	-	-	-	1,438
RESTRICTED FOR:									
CONSERVATION TRUST ENDOWMENTS -	363,447	-	-	-	-	-	-	-	363,447
NONEXPENDABLE ASSIGNED	-	-	-	-	-	-	108,077	317,879	425,956
	-	132,722	386,593	9,156	1,569	1,181,115	-	-	1,711,155
TOTAL FUND BALANCE	363,447	132,722	388,031	9,156	1,569	1,181,115	108,077	317,879	2,501,996
TOTAL LIABILITIES AND FUND BALANCE	\$ 363,447	\$ 132,722	\$ 388,031	\$ 9,156	\$ 1,569	\$ 1,191,733	\$ 108,077	\$ 317,879	\$ 2,512,614

CITY OF LA JUNTA, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS BALANCE

YEAR ENDED DECEMBER 31, 2024

	SPECIAL REVENUE FUNDS					PERMANENT FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	CONSERVATION TRUST	ECONOMIC DEVELOPMENT	URBAN RENEWAL AUTHORITY	LA JUNTA CAPITAL INC.	MOVING VIOLATION SURCHARGE	LODGING TAX TOURISM	LIBRARY ENDOWMENT		CEMETERY ENDOWMENT
REVENUES									
TAXES	\$ -	\$ -	\$ 214,556	\$ -	\$ -	\$ 209,109	\$ -	\$ -	\$ 423,665
INTERGOVERNMENTAL	171,487	-	-	-	-	-	-	-	171,487
INTEREST	7,216	5,376	20,632	453	-	50,993	5,342	9,945	99,957
GRANTS AND OTHER	304,148	33,250	-	-	2,267	75,000	-	4,805	419,470
TOTAL REVENUES	482,851	38,626	235,188	453	2,267	335,102	5,342	14,750	1,114,579
EXPENDITURES									
GENERAL GOVERNMENT	-	-	3,743	-	2,900	216,857	-	-	223,500
CULTURE AND RECREATION	463,078	-	-	-	-	-	-	-	463,078
ECONOMIC DEVELOPMENT	-	42,217	302,537	-	-	-	-	-	344,754
DEBT SERVICE	-	-	34,730	-	-	-	-	-	34,730
TOTAL EXPENDITURES	463,078	42,217	341,010	-	2,900	216,857	-	-	1,066,062
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	19,773	(3,591)	(105,822)	453	(633)	118,245	5,342	14,750	48,517
OTHER FINANCING SOURCES (USES)									
TRANSFERS IN	-	-	-	-	-	-	-	-	-
TRANSFERS OUT	-	-	(6,200)	-	-	-	-	-	(6,200)
TOTAL OTHER FINANCING SOURCES	-	-	(6,200)	-	-	-	-	-	(6,200)
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	19,773	(3,591)	(112,022)	453	(633)	118,245	5,342	14,750	42,317
FUND BALANCE JANUARY 1	343,674	136,313	500,053	8,703	2,202	1,062,870	102,735	303,129	2,459,679
FUND BALANCE DECEMBER 31	\$ 363,447	\$ 132,722	\$ 388,031	\$ 9,156	\$ 1,569	\$ 1,181,115	\$ 108,077	\$ 317,879	\$ 2,501,996

CITY OF LA JUNTA, COLORADO

CONSERVATION TRUST FUND

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 160,487	\$ 287,206
GRANT RECEIVABLE	118,949	89,790
OTHER RECEIVABLE	<u>84,011</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 363,447</u>	<u>\$ 376,996</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
UNEARNED REVENUE	<u>-</u>	<u>33,322</u>
TOTAL LIABILITIES	<u>-</u>	<u>33,322</u>
FUND BALANCE		
RESTRICTED	<u>363,447</u>	<u>343,674</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 363,447</u>	<u>\$ 376,996</u>

CITY OF LA JUNTA, COLORADO

CONSERVATION TRUST FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024		VARIANCE FAVORABLE (UNFAVORABLE)	2023 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
INTERGOVERNMENTAL	\$ 171,487	\$ 90,000	\$ 81,487	\$ 102,027
GRANTS	304,148	250,000	54,148	316,344
INTEREST	7,216	600	6,616	3,110
TOTAL REVENUES	482,851	340,600	142,251	421,481
EXPENDITURES				
CULTURE AND RECREATION	463,078	391,000	(72,078)	312,271
REVENUES OVER (UNDER) EXPENDITURES	19,773	(50,400)	70,173	109,210
FUND BALANCE JANUARY 1	343,674	343,674	-	234,464
FUND BALANCE DECEMBER 31	<u>\$ 363,447</u>	<u>\$ 293,274</u>	<u>\$ 70,173</u>	<u>\$ 343,674</u>

CITY OF LA JUNTA, COLORADO
ECONOMIC DEVELOPMENT FUND
BALANCE SHEET
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CASH OR EQUIVALENTS	\$ 24,887	\$ 56,307
INVESTMENTS	107,835	102,506
TOTAL ASSETS	\$ 132,722	\$ 158,813
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
UNEARNED REVENUE	-	22,500
TOTAL LIABILITIES	-	22,500
FUND BALANCE		
ASSIGNED	132,722	136,313
TOTAL LIABILITIES AND FUND BALANCE	\$ 132,722	\$ 158,813

CITY OF LA JUNTA, COLORADO

ECONOMIC DEVELOPMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024		VARIANCE FAVORABLE (UNFAVORABLE)	2023 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
INTEREST INCOME	\$ 5,376	\$ 1,000	\$ 4,376	\$ 2,659
GRANT	33,250	90,700	(57,450)	66,286
OTHER	-	-	-	-
TOTAL REVENUES	38,626	91,700	(53,074)	68,945
EXPENDITURES				
CONTRACT SERVICES	11,592	25,700	14,108	1,376
GRANT	27,500	71,000	43,500	66,286
MISCELLANEOUS	3,125	5,000	1,875	946
TOTAL EXPENDITURES	42,217	101,700	59,483	68,608
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(3,591)	(10,000)	6,409	337
OTHER FINANCING SOURCES				
TRANSFERS IN	-	10,000	(10,000)	10,000
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(3,591)	-	(3,591)	10,337
FUND BALANCE JANUARY 1	136,313	136,313	-	125,976
FUND BALANCE DECEMBER 31	\$ 132,722	\$ 136,313	\$ (3,591)	\$ 136,313

CITY OF LA JUNTA, COLORADO
 LA JUNTA URBAN RENEWAL AUTHORITY
 BALANCE SHEET
 DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CASH OR EQUIVALENTS	\$ 15,112	\$ 19,700
INVESTMENTS	371,481	480,915
RECEIVABLES:		
NOTES RECEIVABLE	1,438	2,188
 TOTAL ASSETS	 \$ 388,031	 \$ 502,803
 LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ 2,750
 TOTAL LIABILITIES	 -	 2,750
 FUND BALANCE		
NONSPENDABLE - NOTES RECEIVABLE	1,438	2,188
ASSIGNED	386,593	497,865
 TOTAL FUND BALANCE	 388,031	 500,053
 TOTAL LIABILITIES AND FUND BALANCE	 \$ 388,031	 \$ 502,803

CITY OF LA JUNTA, COLORADO

LA JUNTA URBAN RENEWAL AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024		VARIANCE FAVORABLE (UNFAVORABLE)	2023 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
PROPERTY TAXES	\$ 214,556	\$ 180,000	\$ 34,556	\$ 214,208
INTEREST	20,632	15,000	5,632	22,160
TOTAL REVENUES	235,188	195,000	40,188	236,368
EXPENDITURES				
ECONOMIC DEVELOPMENT	302,537	40,000	(262,537)	102,071
GENERAL GOVERNMENT	3,743	12,000	8,257	5,060
DEBT SERVICE	34,730	35,000	270	34,730
TOTAL EXPENDITURES	341,010	87,000	(254,010)	141,861
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(105,822)	108,000	(213,822)	94,507
OTHER FINANCING SOURCES				
TRANSFER OUT	(6,200)	(12,400)	6,200	(12,400)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(112,022)	95,600	(207,622)	82,107
FUND BALANCE JANUARY 1	500,053	500,053	-	417,946
FUND BALANCE DECEMBER 31	\$ 388,031	\$ 595,653	\$ (207,622)	\$ 500,053

CITY OF LA JUNTA, COLORADO

LA JUNTA CAPITAL, INC.

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CASH OR EQUIVALENTS	\$ -	\$ -
INVESTMENTS	<u>9,156</u>	<u>8,703</u>
TOTAL ASSETS	<u>\$ 9,156</u>	<u>\$ 8,703</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
ASSIGNED	<u>9,156</u>	<u>8,703</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 9,156</u>	<u>\$ 8,703</u>

CITY OF LA JUNTA, COLORADO

LA JUNTA CAPITAL, INC.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024		VARIANCE FAVORABLE (UNFAVORABLE)	2023 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
INTEREST	\$ 453	\$ -	\$ 453	\$ 298
OTHER	-	500	(500)	-
TOTAL REVENUES	453	500	(47)	298
EXPENDITURES				
ADMINISTRATION	-	500	500	-
REVENUES OVER (UNDER) EXPENDITURES	453	-	453	298
FUND BALANCE JANUARY 1	8,703	8,405	298	8,405
FUND BALANCE DECEMBER 31	<u>\$ 9,156</u>	<u>\$ 8,405</u>	<u>\$ 751</u>	<u>\$ 8,703</u>

CITY OF LA JUNTA, COLORADO
MOVING VIOLATION SURCHARGE
BALANCE SHEET
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CASH OR EQUIVALENTS	\$ 1,569	\$ 2,022
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
ASSIGNED	1,569	2,022
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,569	\$ 2,022

CITY OF LA JUNTA, COLORADO

MOVING VIOLATION SURCHARGE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024		VARIANCE FAVORABLE (UNFAVORABLE)	2023 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
SURCHARGE	\$ 2,267	\$ 600	\$ 1,667	\$ 1,559
EXPENDITURES				
GENERAL GOVERNMENT	2,900	-	(2,900)	-
REVENUES OVER EXPENDITURES	(633)	600	(1,233)	1,559
FUND BALANCE JANUARY 1	2,202	2,202	-	643
FUND BALANCE DECEMBER 31	\$ 1,569	\$ 2,802	\$ (1,233)	\$ 2,202

CITY OF LA JUNTA, COLORADO

LODGING TAX TOURISM FUND

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 12,755	\$ 273,707
INVESTMENTS	1,127,408	847,904
TAX RECEIVABLE	11,570	9,317
GRANT RECEIVABLE	<u>40,000</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 1,191,733</u>	<u>\$ 1,130,928</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ 10,618	\$ 12,844
UNEARNED REVENUE	-	-
DUE TO OTHER FUND	<u>-</u>	<u>55,214</u>
TOTAL LIABILITIES	<u>10,618</u>	<u>68,058</u>
FUND BALANCE ASSIGNED	<u>1,181,115</u>	<u>1,062,870</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,191,733</u>	<u>\$ 1,130,928</u>

CITY OF LA JUNTA, COLORADO

LODGING TAX TOURISM FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024		VARIANCE FAVORABLE (UNFAVORABLE)	2023 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
TOURISM TAX	\$ 209,109	\$ 210,000	\$ (891)	\$ 212,005
GRANTS	75,000	-	75,000	7,500
INTEREST	50,993	37,000	13,993	39,968
TOTAL REVENUES	<u>335,102</u>	<u>247,000</u>	<u>88,102</u>	<u>259,473</u>
EXPENDITURES				
ADVERTISING	51,131	50,000	(1,131)	5,168
SUPPLIES	4,450	10,000	5,550	400
EVENT COORDINATOR	48,000	48,000	-	48,000
MARKETING AND PROMOTION	20,904	85,000	64,096	37,572
ADMINISTRATIVE FEES	6,344	6,000	(344)	7,214
GRANTS	83,500	-	(83,500)	12,509
MISCELLANEOUS	2,528	11,000	8,472	755
TOTAL EXPENDITURES	<u>216,857</u>	<u>210,000</u>	<u>(6,857)</u>	<u>111,618</u>
REVENUES OVER (UNDER) EXPENDITURES	118,245	37,000	81,245	147,855
FUND BALANCE JANUARY 1	<u>1,062,870</u>	<u>1,062,870</u>	<u>-</u>	<u>915,015</u>
FUND BALANCE DECEMBER 31	<u>\$ 1,181,115</u>	<u>\$ 1,099,870</u>	<u>\$ 81,245</u>	<u>\$ 1,062,870</u>

CITY OF LA JUNTA, COLORADO

LIBRARY ENDOWMENT FUND

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CASH IN SAVINGS	\$ -	\$ -
INVESTMENTS	<u>108,077</u>	<u>102,735</u>
TOTAL ASSETS	<u>\$ 108,077</u>	<u>\$ 102,735</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
RESTRICTED FOR ENDOWMENTS	<u>108,077</u>	<u>102,735</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 108,077</u>	<u>\$ 102,735</u>

CITY OF LA JUNTA, COLORADO

LIBRARY ENDOWMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024		VARIANCE	2023
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
INTEREST INCOME	\$ 5,342	\$ 500	\$ 4,842	\$ 1,960
EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	5,342	500	4,842	1,960
FUND BALANCE JANUARY 1	102,735	102,735	-	100,775
FUND BALANCE DECEMBER 31	<u>\$ 108,077</u>	<u>\$ 103,235</u>	<u>\$ 4,842</u>	<u>\$ 102,735</u>

CITY OF LA JUNTA, COLORADO
CEMETERY ENDOWMENT FUND
BALANCE SHEET
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CASH AND EQUIVALENTS	\$ -	\$ 203,950
INVESTMENTS	317,879	99,179
TOTAL ASSETS	\$ 317,879	\$ 303,129
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
RESTRICTED FOR ENDOWMENTS	317,879	303,129
TOTAL LIABILITIES AND FUND BALANCE	\$ 317,879	\$ 303,129

CITY OF LA JUNTA

CEMETERY ENDOWMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024		VARIANCE FAVORABLE (UNFAVORABLE)	2023 ACTUAL
	ACTUAL	FINAL BUDGET		
REVENUES				
INTEREST INCOME	\$ 9,945	\$ 3,000	\$ 6,945	\$ 6,531
OTHER	4,805	7,300	(2,495)	5,660
TOTAL REVENUES	14,750	10,300	4,450	12,191
EXPENDITURES				
GENERAL GOVERNMENT	-	-	-	-
NET CHANGE IN FUND BALANCE	14,750	10,300	4,450	12,191
FUND BALANCE JANUARY 1	303,129	303,129	-	290,938
FUND BALANCE DECEMBER 31	\$ 317,879	\$ 313,429	\$ 4,450	\$ 303,129

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 2,118,421	\$ 2,479,683
INVESTMENTS	2,163,340	1,379,693
ACCOUNTS RECEIVABLE BILLED CUSTOMERS - NET	650,439	686,470
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	648,700	666,400
INVENTORIES	1,618,866	1,779,008
PREPAID AND ACCRUALS	7,067	7,673
DUE FROM OTHER FUND	-	100,000
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	7,206,833	7,098,927
PROPERTY AND EQUIPMENT		
LAND, ELECTRIC SYSTEM, AND EQUIPMENT	12,546,624	12,371,463
ACCUMULATED DEPRECIATION	<u>(8,350,914)</u>	<u>(8,030,239)</u>
	<hr/>	<hr/>
NET PROPERTY AND EQUIPMENT	4,195,710	4,341,224
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 11,402,543</u>	<u>\$ 11,440,151</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 683,669	\$ 691,911
CUSTOMER DEPOSITS	<u>170,242</u>	<u>186,621</u>
	<hr/>	<hr/>
TOTAL CURRENT LIABILITIES	853,911	878,532
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	<u>197,729</u>	<u>206,195</u>
	<hr/>	<hr/>
TOTAL LIABILITIES	1,051,640	1,084,727
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	4,195,710	4,341,224
UNRESTRICTED	<u>6,155,193</u>	<u>6,014,200</u>
	<hr/>	<hr/>
TOTAL NET POSITION	10,350,903	10,355,424
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,402,543</u>	<u>\$ 11,440,151</u>

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 12,000,417	\$ 11,699,971
OPERATING EXPENSES		
GENERATION	8,824,966	8,433,216
DISTRIBUTION	1,319,521	1,080,889
ACCOUNTING AND GENERAL ADMINISTRATION	1,632,745	1,559,454
DEPRECIATION	465,629	436,477
TOTAL OPERATING EXPENSES	<u>12,242,861</u>	<u>11,510,036</u>
OPERATING INCOME (LOSS)	<u>(242,444)</u>	<u>189,935</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	113,158	82,621
GAIN (LOSS) ON SALE OF ASSET	53,000	-
GRANTS AND OTHER	71,765	47,782
TOTAL NONOPERATING REVENUES	<u>237,923</u>	<u>130,403</u>
CHANGE IN NET POSITION	(4,521)	320,338
NET POSITION JANUARY 1	<u>10,355,424</u>	<u>10,035,086</u>
NET POSITION DECEMBER 31	<u>\$ 10,350,903</u>	<u>\$ 10,355,424</u>

CITY OF LA JUNTA, COLORADO
ELECTRIC UTILITY FUND
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 12,054,148	\$ 11,699,995
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(10,410,268)	(10,047,300)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(1,223,214)	(1,161,795)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	420,666	490,900
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
OTHER REVENUES	71,765	47,782
CUSTOMER DEPOSITS	(16,379)	4,672
DUE TO OTHER FUND	100,000	(100,000)
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	155,386	(47,546)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(320,115)	(103,722)
CASH PROCEEDS FROM SALE OF ASSET	53,000	-
NET CASH FLOWS PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(267,115)	(103,722)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND LOANS	29,800	17,522
PURCHASE OF INVESTMENTS	(1,580,331)	(500,000)
CASH PROCEEDS FROM SALE OF INVESTMENTS	880,332	500,000
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	(670,199)	17,522
NET CHANGE IN CASH AND CASH EQUIVALENTS	(361,262)	357,154
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	2,479,683	2,122,529
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 2,118,421	\$ 2,479,683
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (242,444)	\$ 189,935
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	465,629	436,477
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE AND PREPAIDS	54,047	(6,650)
(INCREASE) DECREASE IN INVENTORIES	160,142	(48,642)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(8,242)	(91,320)
INCREASE (DECREASE) IN ACCRUED BENEFITS	(8,466)	11,100
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 420,666	\$ 490,900

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2024

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 12,077,200	\$ 12,077,200	\$ 12,000,417	\$ (76,783)
INTEREST INCOME	33,000	33,000	113,158	80,158
OTHER	96,500	96,500	124,765	28,265
TOTAL REVENUES	<u>12,206,700</u>	<u>12,206,700</u>	<u>12,238,340</u>	<u>31,640</u>
EXPENDITURES				
GENERATION	8,571,800	8,571,800	8,824,966	(253,166)
DISTRIBUTION	1,232,900	1,232,900	1,319,521	(86,621)
GENERAL ADMINISTRATION	1,548,600	1,573,600	1,632,745	(59,145)
DEPRECIATION	433,400	433,400	465,629	(32,229)
CAPITAL OUTLAY	420,000	431,000	320,115	110,885
TOTAL EXPENDITURES	<u>12,206,700</u>	<u>12,242,700</u>	<u>12,562,976</u>	<u>(320,276)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ (36,000)</u>	<u>(324,636)</u>	<u>\$ (288,636)</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR: CAPITALIZATION OF FIXED ASSETS			<u>320,115</u>	
CHANGE IN NET POSITION			(4,521)	
TOTAL NET POSITION JANUARY 1			<u>10,355,424</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 10,350,903</u>	

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 325,453	\$ 61,926
INVESTMENTS	411,240	-
ACCOUNTS RECEIVABLE - CUSTOMERS	205,878	186,142
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	118,500	97,500
GRANT RECEIVABLE	26,790	2,229
INVENTORIES	587,890	476,640
WATER INVENTORY	44,120	35,247
PREPAID AND ACCRUALS	27,690	35,741
	<u>1,747,561</u>	<u>895,425</u>
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT	24,020,428	23,593,742
ACCUMULATED DEPRECIATION	<u>(11,644,661)</u>	<u>(11,062,688)</u>
	<u>12,375,767</u>	<u>12,531,054</u>
NET PROPERTY AND EQUIPMENT		
	<u>12,375,767</u>	<u>12,531,054</u>
TOTAL ASSETS	<u>\$ 14,123,328</u>	<u>\$ 13,426,479</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 82,756	\$ 58,158
CURRENT PORTION - BORROWING TO OTHER FUND	78,600	-
CURRENT PORTION - LOAN PAYABLE	91,500	91,500
CURRENT PORTION - LEASE PAYABLE	<u>78,140</u>	<u>-</u>
	<u>330,996</u>	<u>149,658</u>
TOTAL CURRENT LIABILITIES		
	<u>330,996</u>	<u>149,658</u>
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	93,002	183,777
BORROWINGS TO OTHER FUND	445,831	603,031
LOAN PAYABLE	411,750	503,250
LEASE PAYABLE	<u>334,266</u>	<u>-</u>
	<u>1,284,849</u>	<u>1,290,058</u>
TOTAL NONCURRENT LIABILITIES		
	<u>1,284,849</u>	<u>1,290,058</u>
TOTAL LIABILITIES	<u>1,615,845</u>	<u>1,439,716</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	11,460,111	11,936,304
RESTRICTED FOR OPERATIONS & MAINTENANCE	636,400	681,900
UNRESTRICTED	<u>410,972</u>	<u>(631,441)</u>
	<u>12,507,483</u>	<u>11,986,763</u>
TOTAL NET POSITION		
	<u>12,507,483</u>	<u>11,986,763</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 14,123,328</u>	<u>\$ 13,426,479</u>

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 3,352,621	\$ 2,828,718
OTHER BILLINGS	183,345	146,167
	<u>3,535,966</u>	<u>2,974,885</u>
OPERATING EXPENSES		
SOURCE OF SUPPLY	181,838	205,975
POWER AND PUMPING	298,986	248,237
HOLBROOK	54,756	72,677
PURIFICATION	747,870	858,155
TRANSMISSION AND STORAGE	47,462	70,185
DISTRIBUTION	394,872	493,163
ACCOUNTING AND GENERAL ADMINISTRATION	819,591	779,056
DEPRECIATION	581,973	609,649
	<u>3,127,348</u>	<u>3,337,097</u>
TOTAL OPERATING EXPENSES		
	<u>408,618</u>	<u>(362,212)</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	23,682	14,219
INTEREST EXPENSE	(19,661)	(1,631)
GAIN (LOSS) ON SALE OF ASSET	16,599	-
RENT AND OTHER	18,486	20,736
GRANT INCOME	35,806	641,279
	<u>74,912</u>	<u>674,603</u>
TOTAL NONOPERATING REVENUES (EXPENSES)		
	<u>483,530</u>	<u>312,391</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS		
	<u>37,190</u>	<u>14,040</u>
CAPITAL CONTRIBUTIONS		
CHANGE IN NET POSITION	520,720	326,431
NET POSITION JANUARY 1	<u>11,986,763</u>	<u>11,660,332</u>
NET POSITION DECEMBER 31	<u>\$ 12,507,483</u>	<u>\$ 11,986,763</u>

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 3,311,885	\$ 2,823,542
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(1,670,689)	(1,664,014)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(1,069,037)	(966,102)
OTHER OPERATING REVENUES	183,345	146,167
	<u>755,504</u>	<u>339,593</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
RENTS RECEIVED AND OTHER	18,486	20,737
DUE TO OTHER FUNDS	-	(647,383)
BORROWINGS TO OTHER FUNDS	(96,691)	603,031
GRANT PROCEEDS	11,245	585
	<u>(66,960)</u>	<u>(23,030)</u>
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(426,686)	(1,216,694)
CASH PROCEEDS FROM SALE OF ASSETS	16,599	-
CAPITAL CONTRIBUTED	37,190	14,040
PRINCIPAL PAID ON LOAN AND LEASE PAYABLES	(105,780)	(91,500)
INTEREST PAID ON LOAN AND LEASE PAYABLES	(1,570)	(1,631)
LEASE PROCEEDS	426,686	-
	<u>(53,561)</u>	<u>(1,295,785)</u>
NET CASH FLOWS PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	7,423	14,219
PURCHASE OF INVESTMENTS	(378,879)	-
	<u>(371,456)</u>	<u>14,219</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES		
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	263,527	(965,003)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	61,926	1,026,929
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 325,453</u>	<u>\$ 61,926</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ 408,618	\$ (362,212)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	581,973	609,649
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE AND PREPAIDS	(48,787)	47,095
(INCREASE) DECREASE IN INVENTORIES	(120,123)	8,000
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	24,598	17,939
INCREASE (DECREASE) IN ACCRUED EXPENSES	(90,775)	19,122
	<u>\$ 755,504</u>	<u>\$ 339,593</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2024

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		(NEGATIVE)
REVENUES				
CHARGES FOR SERVICES	\$ 3,395,500	\$ 3,395,500	\$ 3,352,621	\$ (42,879)
INTEREST INCOME	2,500	2,500	23,682	21,182
OTHER BILLINGS AND INCOME	385,700	385,700	218,430	(167,270)
GRANT INCOME	-	311,300	35,806	(275,494)
TOTAL REVENUES	3,783,700	4,095,000	3,630,539	(464,461)
EXPENDITURES				
SOURCE OF SUPPLY	178,800	178,800	181,838	(3,038)
POWER AND PUMPING	315,300	315,300	298,986	16,314
HOLBROOK	121,400	121,400	54,756	66,644
PURIFICATION	915,300	915,300	747,870	167,430
TRANSMISSION AND STORAGE	69,200	69,200	47,462	21,738
DISTRIBUTION	453,200	453,200	394,872	58,328
GENERAL ADMINISTRATION	799,900	824,000	819,591	4,409
DEPRECIATION AND AMORTIZATION	598,200	598,200	581,973	16,227
INTEREST	-	-	19,661	(19,661)
CAPITAL OUTLAY	250,900	562,200	426,686	135,514
DEBT SERVICE	91,500	91,500	105,780	(14,280)
TOTAL EXPENDITURES	3,793,700	4,129,100	3,679,475	449,625
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(10,000)	(34,100)	(48,936)	(14,836)
OTHER FINANCING SOURCES (USES)				
CONTRIBUTIONS	10,000	10,000	37,190	27,190
PROCEEDS FROM LEASE PAYABLE	-	-	426,686	426,686
	\$ -	\$ (24,100)	414,940	\$ 439,040
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			426,686	
PRINCIPAL PAID ON LOANS			105,780	
PROCEEDS FROM LEASE PAYABLE			(426,686)	
TOTAL ADJUSTMENTS TO BASIS			105,780	
CHANGE IN NET POSITION			520,720	
TOTAL NET POSITION JANUARY 1			11,986,763	
TOTAL NET POSITION DECEMBER 31			\$ 12,507,483	

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 30	\$ -
INVESTMENTS	-	17,570
ACCOUNTS RECEIVABLE - CUSTOMERS	210,406	221,193
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	116,000	112,400
INVENTORIES	<u>23,216</u>	<u>22,457</u>
TOTAL CURRENT ASSETS	<u>349,652</u>	<u>373,620</u>
PROPERTY AND EQUIPMENT		
LAND, SEWER SYSTEM, AND EQUIPMENT	27,976,680	27,543,587
ACCUMULATED DEPRECIATION	<u>(7,340,098)</u>	<u>(6,738,710)</u>
NET PROPERTY AND EQUIPMENT	<u>20,636,582</u>	<u>20,804,877</u>
TOTAL ASSETS	<u>\$ 20,986,234</u>	<u>\$ 21,178,497</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 54,041	\$ 43,258
ACCRUED INTEREST	79,482	84,531
DUE TO OTHER FUND	285,100	100,000
CURRENT PORTION - LOANS PAYABLE	765,668	754,068
CURRENT PORTION - LEASE PAYABLE	<u>79,314</u>	<u>-</u>
TOTAL CURRENT LIABILITIES	<u>1,263,605</u>	<u>981,857</u>
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	98,274	100,419
LOANS PAYABLE	12,053,444	12,819,112
LEASE PAYABLE	<u>339,285</u>	<u>-</u>
TOTAL NONCURRENT LIABILITIES	<u>12,491,003</u>	<u>12,919,531</u>
TOTAL LIABILITIES	<u>13,754,608</u>	<u>13,901,388</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	7,398,871	7,231,697
RESTRICTED FOR OPERATIONS & MAINTENANCE	516,400	499,700
UNRESTRICTED	<u>(683,645)</u>	<u>(454,288)</u>
TOTAL NET POSITION	<u>7,231,626</u>	<u>7,277,109</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 20,986,234</u>	<u>\$ 21,178,497</u>

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	<u>\$ 2,800,918</u>	<u>\$ 2,632,771</u>
OPERATING EXPENSES		
COLLECTION SYSTEM	373,497	415,149
PUMPING STATIONS	70,860	71,238
TREATMENT PLANT	1,044,392	958,988
PRETREATMENT	139,714	149,117
ACCOUNTING AND GENERAL ADMINISTRATION	436,764	404,082
DEPRECIATION	<u>601,388</u>	<u>602,214</u>
TOTAL OPERATING EXPENSES	<u>2,666,615</u>	<u>2,600,788</u>
OPERATING INCOME (LOSS)	<u>134,303</u>	<u>31,983</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	5,410	4,848
INTEREST EXPENSE	(204,133)	(214,816)
GRANTS AND OTHER	<u>13,438</u>	<u>11,732</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(185,285)</u>	<u>(198,236)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	(50,982)	(166,253)
CAPITAL CONTRIBUTIONS	<u>5,499</u>	<u>2,927</u>
CHANGE IN NET POSITION	(45,483)	(163,326)
NET POSITION JANUARY 1	<u>7,277,109</u>	<u>7,440,435</u>
NET POSITION DECEMBER 31	<u><u>\$ 7,231,626</u></u>	<u><u>\$ 7,277,109</u></u>

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 2,808,105	\$ 2,585,653
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(1,314,784)	(1,284,417)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	<u>(742,564)</u>	<u>(782,698)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>750,757</u>	<u>518,538</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
DUE TO OTHER FUND	185,100	100,000
OTHER INCOME	<u>13,438</u>	<u>11,732</u>
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>198,538</u>	<u>111,732</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(433,093)	(43,769)
CAPITAL CONTRIBUTED	5,499	2,927
LEASE PROCEEDS	433,093	-
PRINCIPAL PAID ON LOAN AND LEASE PAYABLES	(768,562)	(738,689)
INTEREST PAID ON LOAN AND LEASE PAYABLES	<u>(209,182)</u>	<u>(218,950)</u>
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(972,245)</u>	<u>(998,481)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	3,772	3,646
PURCHASE OF INVESTMENTS	(150,279)	(177,141)
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>169,487</u>	<u>234,077</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>22,980</u>	<u>60,582</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	30	(307,629)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>-</u>	<u>307,629</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 30</u>	<u>\$ -</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ 134,303	\$ 31,983
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	601,388	602,214
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	7,187	(47,118)
(INCREASE) DECREASE IN INVENTORIES	(759)	639
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	10,783	9,633
INCREASE (DECREASE) IN ACCRUED BENEFITS	<u>(2,145)</u>	<u>(78,813)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 750,757</u>	<u>\$ 518,538</u>

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2024

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		(NEGATIVE)
REVENUES				
CHARGES FOR SERVICES	\$ 2,992,800	\$ 2,992,800	\$ 2,800,918	\$ (191,882)
INTEREST INCOME	1,500	1,500	5,410	3,910
GRANT INCOME	-	296,000	-	(296,000)
OTHER INCOME	11,000	11,000	13,438	2,438
TOTAL REVENUES	<u>3,005,300</u>	<u>3,301,300</u>	<u>2,819,766</u>	<u>(481,534)</u>
EXPENDITURES				
COLLECTION SYSTEM	363,900	363,900	373,497	(9,597)
PUMPING STATION	66,100	66,100	70,860	(4,760)
TREATMENT PLANT	748,000	748,000	1,044,392	(296,392)
PRETREATMENT	164,900	164,900	139,714	25,186
GENERAL ADMINISTRATION	448,000	458,400	436,764	21,636
DEPRECIATION	600,300	600,300	601,388	(1,088)
INTEREST	207,700	207,700	204,133	3,567
CAPITAL OUTLAY	151,000	447,000	433,093	13,907
DEBT SERVICE	754,000	754,000	754,068	(68)
TOTAL EXPENDITURES	<u>3,503,900</u>	<u>3,810,300</u>	<u>4,057,909</u>	<u>(247,609)</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(498,600)	(509,000)	(1,238,143)	(729,143)
OTHER FINANCING SOURCES				
CONTRIBUTIONS	-	-	5,499	5,499
PROCEEDS FROM LEASE PAYABLE	-	-	433,093	433,093
	<u>\$ (498,600)</u>	<u>\$ (509,000)</u>	<u>(799,551)</u>	<u>\$ (290,551)</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			433,093	
PRINCIPAL PAID ON LOANS			754,068	
PROCEEDS FROM LEASE PAYABLE			<u>(433,093)</u>	
TOTAL ADJUSTMENTS TO BASIS			<u>754,068</u>	
CHANGE IN NET POSITION			(45,483)	
TOTAL NET POSITION JANUARY 1			<u>7,277,109</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 7,231,626</u>	

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 183,130	\$ 341,434
INVESTMENTS	1,035,856	1,167,201
ACCOUNTS RECEIVABLE - CUSTOMERS	100,973	90,793
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	45,300	44,800
INVENTORIES	<u>5,465</u>	<u>2,201</u>
TOTAL CURRENT ASSETS	<u>1,370,724</u>	<u>1,646,429</u>
PROPERTY AND EQUIPMENT		
STRUCTURES AND EQUIPMENT	1,173,611	972,552
ACCUMULATED DEPRECIATION	<u>(621,820)</u>	<u>(759,127)</u>
NET PROPERTY AND EQUIPMENT	<u>551,791</u>	<u>213,425</u>
TOTAL ASSETS	<u>\$ 1,922,515</u>	<u>\$ 1,859,854</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 18,536	\$ 27,762
CURRENT PORTION - LANDFILL COSTS	<u>36,310</u>	<u>37,400</u>
TOTAL CURRENT LIABILITIES	<u>54,846</u>	<u>65,162</u>
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	43,982	39,120
ACCRUED CLOSURE AND POST CLOSURE COSTS	<u>326,790</u>	<u>300,000</u>
TOTAL NONCURRENT LIABILITIES	<u>370,772</u>	<u>339,120</u>
TOTAL LIABILITIES	<u>425,618</u>	<u>404,282</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	551,791	213,425
UNRESTRICTED	<u>945,106</u>	<u>1,242,147</u>
TOTAL NET POSITION	<u>1,496,897</u>	<u>1,455,572</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,922,515</u>	<u>\$ 1,859,854</u>

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 1,167,370	\$ 1,089,692
OTHER BILLINGS	<u>117,162</u>	<u>92,870</u>
TOTAL OPERATING REVENUES	<u>1,284,532</u>	<u>1,182,562</u>
OPERATING EXPENSES		
SALARIES AND BENEFITS	658,145	567,829
SUPPLIES	85,540	72,284
MAINTENANCE	183,383	139,067
RECYCLING	37,838	49,674
LANDFILL AND POST CLOSURE COSTS	198,208	222,136
ACCOUNTING AND GENERAL ADMINISTRATION	130,001	135,691
DEPRECIATION	<u>60,998</u>	<u>44,679</u>
TOTAL OPERATING EXPENSES	<u>1,354,113</u>	<u>1,231,360</u>
OPERATING INCOME (LOSS)	<u>(69,581)</u>	<u>(48,798)</u>
NONOPERATING REVENUES		
INTEREST INCOME	62,842	61,229
GAIN (LOSS) ON SALE OF ASSET	<u>73,764</u>	<u>-</u>
TOTAL NONOPERATING REVENUES	<u>136,606</u>	<u>61,229</u>
INCOME BEFORE SPECIAL ITEM	67,025	12,431
SPECIAL ITEM		
CHANGE IN ACCOUNTING ESTIMATE	<u>(25,700)</u>	<u>166,600</u>
CHANGE IN NET POSITION	41,325	179,031
NET POSITION JANUARY 1	<u>1,455,572</u>	<u>1,276,541</u>
NET POSITION DECEMBER 31	<u>\$ 1,496,897</u>	<u>\$ 1,455,572</u>

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 1,156,690	\$ 1,062,574
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(645,299)	(628,429)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(653,283)	(603,701)
OTHER OPERATING REVENUES	117,162	92,870
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(24,730)</u>	<u>(76,686)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(497,761)	(20,135)
CASH PROCEEDS FROM SALE OF ASSET	170,000	-
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(327,761)</u>	<u>(20,135)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	56,209	54,943
PURCHASE OF INVESTMENTS	(1,744,199)	(1,768,239)
CASH PROCEEDS FROM SALE OF INVESTMENTS	1,882,177	1,959,137
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>194,187</u>	<u>245,841</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(158,304)	149,020
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>341,434</u>	<u>192,414</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 183,130</u>	<u>\$ 341,434</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (69,581)	\$ (48,798)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	60,998	44,679
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(10,680)	(27,118)
(INCREASE) DECREASE IN INVENTORIES	(3,264)	(2,201)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(7,065)	(7,376)
INCREASE (DECREASE) IN ACCRUED BENEFITS	4,862	(35,872)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (24,730)</u>	<u>\$ (76,686)</u>
SUPPLEMENTAL SCHEDULE OF NON-CASH ACTIVITIES		
EQUIPMENT ACQUISITIONS IN ACCOUNTS PAYABLE	<u>\$ -</u>	<u>\$ 2,161</u>

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2024

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		(NEGATIVE)
REVENUES				
CHARGES FOR SERVICES	\$ 1,426,500	\$ 1,426,500	\$ 1,167,370	\$ (259,130)
OTHER BILLINGS	50,000	50,000	\$ 117,162	\$ 67,162
INTEREST	30,000	30,000	62,842	32,842
OTHER	7,000	7,000	73,764	66,764
TOTAL REVENUES	<u>1,513,500</u>	<u>1,513,500</u>	<u>1,421,138</u>	<u>(92,362)</u>
EXPENDITURES				
SALARIES AND BENEFITS	631,800	631,800	658,145	(26,345)
SUPPLIES	83,000	83,000	85,540	(2,540)
MAINTENANCE	164,900	164,900	183,383	(18,483)
RECYCLING	36,000	36,000	37,838	(1,838)
LANDFILL AND POST CLOSURE COSTS	225,000	225,000	198,208	26,792
GENERAL ADMINISTRATION	122,600	122,600	130,001	(7,401)
DEPRECIATION	44,800	44,800	60,998	(16,198)
CAPITAL OUTLAY	50,000	375,600	497,761	(122,161)
TOTAL EXPENDITURES	<u>1,358,100</u>	<u>1,683,700</u>	<u>1,851,874</u>	<u>(168,174)</u>
REVENUE OVER (UNDER) EXPENDITURES	155,400	(170,200)	(430,736)	(260,536)
SPECIAL ITEM				
CHANGE IN ACCOUNTING ESTIMATE	100	100	(25,700)	(25,800)
	<u>\$ 155,500</u>	<u>\$ (170,100)</u>	<u>(456,436)</u>	<u>\$ (286,336)</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			<u>497,761</u>	
CHANGE IN NET POSITION			41,325	
TOTAL NET POSITION JANUARY 1			<u>1,455,572</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 1,496,897</u>	

CITY OF LA JUNTA, COLORADO
PROPERTY MANAGEMENT FUND
BALANCE SHEET
DECEMBER 31, 2024 AND 2023

	2024	2023
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 491,916	\$ 438,931
INVESTMENTS	904,090	2,004,505
LEASE RECEIVABLES	466,323	774,086
TOTAL CURRENT ASSETS	1,862,329	3,217,522
NONCURRENT ASSETS		
LEASE RECEIVABLES	3,273,955	1,469,219
PROPERTY AND EQUIPMENT		
STRUCTURES AND EQUIPMENT	19,470,626	18,101,818
ACCUMULATED DEPRECIATION	(10,916,486)	(10,468,281)
NET PROPERTY AND EQUIPMENT	8,554,140	7,633,537
TOTAL ASSETS	\$ 13,690,424	\$ 12,320,278
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 33,170	\$ 4,895
ACCRUED PROPERTY TAXES	39,858	43,480
UNEARNED LEASE REVENUES - CURRENT	184,624	204,704
TOTAL CURRENT LIABILITIES	257,652	253,079
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	83,845	93,287
UNEARNED LEASE REVENUES	965,486	1,146,990
TOTAL NONCURRENT LIABILITIES	1,049,331	1,240,277
TOTAL LIABILITIES	1,306,983	1,493,356
DEFERRED INFLOW OF RESOURCES		
LEASES	3,660,234	2,194,840
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	8,554,140	7,633,537
UNRESTRICTED	169,067	998,545
TOTAL NET POSITION	8,723,207	8,632,082
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	\$ 13,690,424	\$ 12,320,278

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
RENT	<u>\$ 1,268,616</u>	<u>\$ 966,350</u>
OPERATING EXPENSES		
SALARIES AND BENEFITS	324,543	361,858
SUPPLIES	12,572	16,167
UTILITIES	153,887	147,517
MAINTENANCE	159,416	398,844
PROPERTY TAXES	39,858	43,480
GENERAL ADMINISTRATION	208,422	185,968
DEPRECIATION	<u>508,561</u>	<u>457,791</u>
TOTAL OPERATING EXPENSES	<u>1,407,259</u>	<u>1,611,625</u>
OPERATING INCOME (LOSS)	<u>(138,643)</u>	<u>(645,275)</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST	198,828	145,168
GAIN (LOSS) ON SALE OF ASSET	4,859	16,560
GRANTS AND OTHER	<u>29,881</u>	<u>5,650</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>233,568</u>	<u>167,378</u>
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	<u>94,925</u>	<u>(477,897)</u>
OTHER FINANCING SOURCES (USES)		
TRANSFERS IN	6,200	12,400
TRANSFERS OUT	<u>(10,000)</u>	<u>(20,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,800)</u>	<u>(7,600)</u>
CHANGE IN NET POSITION	91,125	(485,497)
NET POSITION JANUARY 1	<u>8,632,082</u>	<u>9,117,579</u>
NET POSITION DECEMBER 31	<u><u>\$ 8,723,207</u></u>	<u><u>\$ 8,632,082</u></u>

CITY OF LA JUNTA, COLORADO
PROPERTY MANAGEMENT FUND
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM RENT	\$ 1,035,453	\$ 822,867
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(549,502)	(804,333)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(333,985)	(354,062)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	151,966	(335,528)
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS IN	6,200	12,400
TRANSFERS OUT	(10,000)	(20,000)
OTHER	29,881	5,650
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	26,081	(1,950)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(1,431,564)	(116,067)
CASH PROCEEDS FROM SALE OF ASSET	7,259	16,560
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(1,424,305)	(99,507)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	172,559	142,140
PURCHASE OF INVESTMENTS	(927,483)	(1,384,540)
CASH PROCEEDS FROM SALE OF INVESTMENTS	2,054,167	1,400,510
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	1,299,243	158,110
NET CHANGE IN CASH AND CASH EQUIVALENTS	52,985	(278,875)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	438,931	717,806
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 491,916	\$ 438,931
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (138,643)	\$ (645,275)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	508,561	457,791
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN RECEIVABLES AND PREPAIDS	(1,496,973)	302,693
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	28,275	(12,837)
INCREASE (DECREASE) IN UNEARNED REVENUE	(201,584)	(157,663)
INCREASE (DECREASE) IN ACCRUED TAXES AND BENEFITS	(13,064)	8,276
INCREASE (DECREASE) IN DEFERRED INFLOW OF RESOURCES	1,465,394	(288,513)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 151,966	\$ (335,528)

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2024

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
RENT	\$ 1,013,000	\$ 1,013,000	\$ 1,268,616	\$ 255,616
INTEREST	50,000	50,000	198,828	148,828
OTHER	20,400	20,400	34,740	14,340
TOTAL REVENUES	<u>1,083,400</u>	<u>1,083,400</u>	<u>1,502,184</u>	<u>418,784</u>
EXPENDITURES				
SALARIES AND BENEFITS	400,100	400,100	324,543	75,557
SUPPLIES	15,400	15,400	12,572	2,828
UTILITIES	108,000	108,000	153,887	(45,887)
MAINTENANCE	125,000	125,000	159,416	(34,416)
PROPERTY TAXES	45,000	45,000	39,858	5,142
GENERAL ADMINISTRATION	185,500	205,700	208,422	(2,722)
DEPRECIATION	451,800	451,800	508,561	(56,761)
CAPITAL OUTLAY	-	-	1,431,564	(1,431,564)
TOTAL EXPENDITURES	<u>1,330,800</u>	<u>1,351,000</u>	<u>2,838,823</u>	<u>(1,487,823)</u>
REVENUES OVER (UNDER) EXPENDITURES	(247,400)	(267,600)	(1,336,639)	(1,069,039)
OTHER FINANCING SOURCES (USES) TRANSFERS	<u>(10,000)</u>	<u>(10,000)</u>	<u>(3,800)</u>	<u>6,200</u>
	<u>\$ (257,400)</u>	<u>\$ (277,600)</u>	<u>(1,340,439)</u>	<u>\$ (1,062,839)</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR CAPITALIZATION OF FIXED ASSETS			<u>1,431,564</u>	
CHANGE IN NET POSITION			91,125	
TOTAL NET POSITION JANUARY 1			<u>8,632,082</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 8,723,207</u>	

CITY OF LA JUNTA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS	
			MEMORANDUM ONLY 2024	2023
CURRENT ASSETS				
CASH OR EQUIVALENTS	\$ 1,469,942	\$ 336,212	\$ 1,806,154	\$ 1,667,306
INVESTMENTS	-	-	-	100,247
ACCOUNTS RECEIVABLE	7,136	-	7,136	6,264
INVENTORIES	77,904	-	77,904	26,928
DUE FROM OTHER FUND	285,100	-	285,100	-
TOTAL CURRENT ASSETS	1,840,082	336,212	2,176,294	1,800,745
PROPERTY AND EQUIPMENT				
LAND, BUILDINGS AND EQUIPMENT	6,292,668	-	6,292,668	6,881,184
ACCUMULATED DEPRECIATION	(4,645,614)	-	(4,645,614)	(4,556,723)
NET PROPERTY AND EQUIPMENT	1,647,054	-	1,647,054	2,324,461
OTHER ASSETS				
BORROWINGS FROM OTHER FUND	524,431	-	524,431	603,031
TOTAL ASSETS	\$ 4,011,567	\$ 336,212	\$ 4,347,779	\$ 4,728,237
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	\$ 25,902	\$ -	\$ 25,902	\$ 11,599
ACCRUED INTEREST PAYABLE	-	-	-	20,400
CLAIMS PAYABLE	-	-	-	375,000
CURRENT PORTION-LEASE PAYABLE	28,822	-	28,822	82,335
TOTAL CURRENT LIABILITIES	54,724	-	54,724	489,334
NONCURRENT LIABILITIES				
ACCRUED BENEFITS	15,686	-	15,686	11,738
LEASE PAYABLE	162,568	-	162,568	743,762
TOTAL NONCURRENT LIABILITIES	178,254	-	178,254	755,500
TOTAL LIABILITIES	232,978	-	232,978	1,244,834
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS UNRESTRICTED	1,455,664 2,322,925	- 336,212	1,455,664 2,659,137	1,498,364 1,985,039
TOTAL NET POSITION	3,778,589	336,212	4,114,801	3,483,403
TOTAL LIABILITIES AND NET POSITION	\$ 4,011,567	\$ 336,212	\$ 4,347,779	\$ 4,728,237

CITY OF LA JUNTA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2024 AND 2023

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS MEMORANDUM ONLY	
			2024	2023
OPERATING REVENUES				
CHARGES FOR SERVICES	\$ 1,733,756	\$ 2,442,682	\$ 4,176,438	\$ 3,711,216
OPERATING EXPENSES				
PERSONAL SERVICES, MATERIALS AND SUPPLIES	992,368	2,317,208	3,309,576	3,791,676
DEPRECIATION	479,426	-	479,426	512,025
TOTAL OPERATING EXPENSES	1,471,794	2,317,208	3,789,002	4,303,701
OPERATING INCOME (LOSS)	261,962	125,474	387,436	(592,485)
NONOPERATING REVENUES (EXPENSES)				
INTEREST INCOME	54,266	393	54,659	23,130
RENT AND OTHER	189,303	-	189,303	(47,953)
TOTAL NONOPERATING REVENUES (EXPENSES)	243,569	393	243,962	(24,823)
CHANGE IN NET POSITION	505,531	125,867	631,398	(617,308)
NET POSITION JANUARY 1	3,273,058	210,345	3,483,403	4,100,711
NET POSITION DECEMBER 31	\$ 3,778,589	\$ 336,212	\$ 4,114,801	\$ 3,483,403

CITY OF LA JUNTA, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS	
			MEMORANDUM ONLY 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
CASH RECEIVED FROM CUSTOMERS	\$ 1,732,884	\$ 2,442,682	\$ 4,175,566	\$ 3,710,306
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(772,361)	(2,692,208)	(3,464,569)	(3,245,065)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(252,732)	-	(252,732)	(427,462)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	707,791	(249,526)	458,265	37,779
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
DUE FROM OTHER FUND	(285,100)	-	(285,100)	647,383
BORROWINGS FROM OTHER FUNDS	78,600	-	78,600	(603,031)
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	(206,500)	-	(206,500)	44,352
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
ACQUISITION OF CAPITAL ASSETS	(310,849)	-	(310,849)	(452,007)
PRINCIPAL PAID ON LEASE PAYABLE	-	-	-	(67,800)
INTEREST PAID ON LEASE PAYABLE	-	-	-	(36,792)
CASH PROCEEDS FROM SALE OF ASSETS	42,438	-	42,438	10,698
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(268,411)	-	(268,411)	(545,901)
CASH FLOWS FROM INVESTING ACTIVITIES				
INTEREST ON INVESTMENTS	53,394	393	53,787	23,130
PURCHASE OF INVESTMENTS	-	-	-	(192,721)
CASH PROCEEDS FROM SALE OF INVESTMENTS	101,707	-	101,707	794,171
NET CASH FLOWS FROM INVESTING ACTIVITIES	155,101	393	155,494	624,580
NET CHANGE IN CASH AND CASH EQUIVALENTS	387,981	(249,133)	138,848	160,810
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	1,081,961	585,345	1,667,306	1,506,496
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 1,469,942	\$ 336,212	\$ 1,806,154	\$ 1,667,306
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
OPERATING LOSS	\$ 261,962	\$ 125,474	\$ 387,436	\$ (592,485)
ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
DEPRECIATION	479,426	-	479,426	512,025
CHANGE IN ASSETS AND LIABILITIES				
(INCREASE) DECREASE IN RECEIVABLES	(872)	-	(872)	(910)
(INCREASE) DECREASE IN INVENTORIES	(50,976)	-	(50,976)	4,015
INCREASE (DECREASE) IN PAYABLES	14,303	(375,000)	(360,697)	178,424
INCREASE (DECREASE) IN ACCRUED BENEFITS	3,948	-	3,948	(63,290)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 707,791	\$ (249,526)	\$ 458,265	\$ 37,779

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

BALANCE SHEET

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 1,469,942	\$ 1,081,961
INVESTMENTS	-	100,247
ACCOUNTS RECEIVABLE	7,136	6,264
INVENTORIES	77,904	26,928
DUE FROM OTHER FUND	<u>285,100</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>1,840,082</u>	<u>1,215,400</u>
PROPERTY AND EQUIPMENT		
LAND, BUILDINGS AND EQUIPMENT	6,292,668	6,881,184
ACCUMULATED DEPRECIATION	<u>(4,645,614)</u>	<u>(4,556,723)</u>
NET PROPERTY AND EQUIPMENT	<u>1,647,054</u>	<u>2,324,461</u>
OTHER ASSETS		
BORROWINGS FROM OTHER FUND	<u>524,431</u>	<u>603,031</u>
TOTAL ASSETS	<u>\$ 4,011,567</u>	<u>\$ 4,142,892</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 25,902	\$ 11,599
ACCRUED INTEREST PAYABLE	-	20,400
CURRENT PORTION - LEASE PAYABLE	<u>28,822</u>	<u>82,335</u>
TOTAL CURRENT LIABILITIES	<u>54,724</u>	<u>114,334</u>
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	15,686	11,738
LEASE PAYABLE	<u>162,568</u>	<u>743,762</u>
TOTAL NONCURRENT LIABILITIES	<u>178,254</u>	<u>755,500</u>
TOTAL LIABILITIES	<u>232,978</u>	<u>869,834</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	1,455,664	1,498,364
UNRESTRICTED	<u>2,322,925</u>	<u>1,774,694</u>
TOTAL NET POSITION	<u>3,778,589</u>	<u>3,273,058</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 4,011,567</u>	<u>\$ 4,142,892</u>

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
MAINTENANCE SERVICES AND RENTALS	\$ 1,292,856	\$ 1,296,660
PURCHASING DEPARTMENT	268,900	306,800
COMPUTER SERVICES	<u>172,000</u>	<u>171,300</u>
TOTAL OPERATING REVENUES	<u>1,733,756</u>	<u>1,774,760</u>
OPERATING EXPENSES		
MOTOR POOL SERVICES	665,496	803,470
PURCHASING DEPARTMENT	260,941	246,566
COMPUTER SUPPLIES AND TRAINING	65,931	136,441
DEPRECIATION	<u>479,426</u>	<u>512,025</u>
TOTAL OPERATING EXPENSES	<u>1,471,794</u>	<u>1,698,502</u>
OPERATING INCOME (LOSS)	<u>261,962</u>	<u>76,258</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	54,266	14,851
INTEREST EXPENSE	-	(57,192)
GAIN (LOSS) ON SALE OF ASSETS	<u>189,303</u>	<u>9,239</u>
TOTAL NONOPERATING REVENUES	<u>243,569</u>	<u>(33,102)</u>
CHANGE IN NET POSITION	505,531	43,156
NET POSITION JANUARY 1	<u>3,273,058</u>	<u>3,229,902</u>
NET POSITION DECEMBER 31	<u>\$ 3,778,589</u>	<u>\$ 3,273,058</u>

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 1,732,884	\$ 1,773,844
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(772,361)	(817,866)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	<u>(252,732)</u>	<u>(427,462)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>707,791</u>	<u>528,516</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
DUE FROM OTHER FUND	(285,100)	647,383
BORROWINGS FROM OTHER FUNDS	<u>78,600</u>	<u>(603,031)</u>
NET CASH USED BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>(206,500)</u>	<u>44,352</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(310,849)	(452,007)
PRINCIPAL PAID ON LEASE PAYABLE	-	(67,800)
INTEREST PAID ON LEASE PAYABLE	-	(36,792)
CASH PROCEEDS FROM SALE OF ASSETS	<u>42,438</u>	<u>10,698</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(268,411)</u>	<u>(545,901)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	53,394	14,851
PURCHASE OF INVESTMENTS	-	(192,721)
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>101,707</u>	<u>202,000</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>155,101</u>	<u>24,130</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	387,981	51,097
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>1,081,961</u>	<u>1,030,864</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 1,469,942</u>	<u>\$ 1,081,961</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ 261,962	\$ 76,258
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	479,426	512,025
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(872)	(916)
(INCREASE) DECREASE IN INVENTORIES	(50,976)	4,015
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	14,303	424
INCREASE (DECREASE) IN ACCRUED BENEFITS	<u>3,948</u>	<u>(63,290)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 707,791</u>	<u>\$ 528,516</u>

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND BUDGET COMPARISON

YEAR ENDED DECEMBER 31, 2024

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MAINTENANCE SERVICES	\$ 1,475,700	\$ 1,563,200	\$ 1,292,856	\$ (270,344)
PURCHASING DEPARTMENT	266,300	266,300	268,900	2,600
COMPUTER RENTAL	161,600	161,600	172,000	10,400
INTEREST	55,000	55,000	54,266	(734)
OTHER	15,000	15,000	189,303	174,303
TOTAL REVENUES	<u>1,973,600</u>	<u>2,061,100</u>	<u>1,977,325</u>	<u>(83,775)</u>
EXPENDITURES				
MOTOR POOL SERVICES	1,029,700	1,042,200	665,496	376,704
PURCHASING DEPARTMENT	266,300	266,300	260,941	5,359
COMPUTER SUPPLIES AND TRAINING	161,600	161,600	65,931	95,669
DEPRECIATION	516,000	516,000	479,426	36,574
CAPITAL OUTLAY	-	75,000	310,849	(235,849)
TOTAL EXPENDITURES	<u>1,973,600</u>	<u>2,061,100</u>	<u>1,782,643</u>	<u>278,457</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	194,682	<u>\$ 194,682</u>
ADJUSTMENT TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR CAPITALIZATION OF FIXED ASSETS			<u>310,849</u>	
CHANGE IN NET POSITION			505,531	
TOTAL NET POSITION JANUARY 1			<u>3,273,058</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 3,778,589</u>	

CITY OF LA JUNTA, COLORADO
EMPLOYEE BENEFIT CLAIM FUND
BALANCE SHEET
DECEMBER 31, 2024 AND 2023

	2024	2023
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 336,212	\$ 585,345
INVESTMENTS	-	-
ACCOUNTS RECEIVABLE	-	-
TOTAL CURRENT ASSETS	\$ 336,212	\$ 585,345
CURRENT LIABILITIES		
CLAIMS PAYABLE	\$ -	\$ 375,000
NET POSITION		
UNRESTRICTED	336,212	210,345
TOTAL LIABILITIES AND NET POSITION	\$ 336,212	\$ 585,345

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
CHARGES FOR SERVICES-PREMIUMS	<u>\$ 2,442,682</u>	<u>\$ 1,936,456</u>
OPERATING EXPENSES		
INSURANCE	1,402,363	732,313
CLAIMS	882,810	1,823,779
ADMINISTRATION	<u>32,035</u>	<u>49,107</u>
TOTAL OPERATING EXPENSES	<u>2,317,208</u>	<u>2,605,199</u>
OPERATING INCOME (LOSS)	125,474	(668,743)
NONOPERATING REVENUES		
INTEREST	<u>393</u>	<u>8,279</u>
CHANGE IN NET POSITION	125,867	(660,464)
NET POSITION JANUARY 1	<u>210,345</u>	<u>870,809</u>
NET POSITION DECEMBER 31	<u><u>\$ 336,212</u></u>	<u><u>\$ 210,345</u></u>

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 2,442,682	\$ 1,936,462
CASH PAYMENTS FOR PREMIUMS AND CLAIMS	<u>(2,692,208)</u>	<u>(2,427,199)</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(249,526)</u>	<u>(490,737)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	393	8,279
PURCHASE OF INVESTMENTS	-	-
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>-</u>	<u>592,171</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>393</u>	<u>600,450</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(249,133)	109,713
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>585,345</u>	<u>475,632</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 336,212</u>	<u>\$ 585,345</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ 125,474	\$ (668,743)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
INCREASE (DECREASE) IN ACCOUNTS RECEIVABLE	-	6
INCREASE (DECREASE) IN CLAIMS PAYABLE	<u>(375,000)</u>	<u>178,000</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (249,526)</u>	<u>\$ (490,737)</u>

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

SCHEDULE OF REVENUES, EXPENDITURES AND BUDGET COMPARISON

YEAR ENDED DECEMBER 31, 2024

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES-PREMIUMS	\$ 2,397,500	\$ 2,397,500	\$ 2,442,682	\$ 45,182
INTEREST	10,000	10,000	393	(9,607)
TOTAL REVENUES	<u>2,407,500</u>	<u>2,407,500</u>	<u>2,443,075</u>	<u>35,575</u>
EXPENSES				
INSURANCE	745,900	745,900	1,402,363	(656,463)
CLAIMS	1,610,800	1,610,800	882,810	727,990
ADMINISTRATION	50,800	50,800	32,035	18,765
TOTAL EXPENSES	<u>2,407,500</u>	<u>2,407,500</u>	<u>2,317,208</u>	<u>90,292</u>
CHANGE IN NET POSITION	-	-	125,867	125,867
NET POSITION JANUARY 1	<u>210,345</u>	<u>210,345</u>	<u>210,345</u>	-
NET POSITION DECEMBER 31	<u>\$ 210,345</u>	<u>\$ 210,345</u>	<u>\$ 336,212</u>	<u>\$ 125,867</u>

SINGLE AUDIT SECTION

CITY OF LA JUNTA, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

PROGRAM TITLE	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION				
Airport Improvement Program	20.106	3-08-0035-018-2023	-	55,777
Passed Through the Colorado Department of Transportation				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	23-HA2-XC-00164-M0001	-	544,727
COVID-19 Formula Grants for Rural Areas and Tribal Transit Program	20.509	20-HTR-ZL-00103	-	34,041
COVID-19 Formula Grants for Rural Areas and Tribal Transit Program	20.509	20-HTR-ZL-00147	-	125,636
Total Passed Through Colorado Department of Transportation				<u>704,404</u>
Total U.S. Department of Transportation				<u>760,181</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	-	-	154,344
Passed Through the Colorado Department of Public Health and Environment				
Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program	66.442	2025*0799	-	26,790
Total U.S. Environmental Protection Agency				<u>181,134</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed Through the Colorado Department of Local Affairs				
Community Development Block Grants/ State's Program - CDBG	14.228	-	-	269,485
Total U.S. Department of Housing and Urban Development				<u>269,485</u>
NATIONAL ENDOWMENT FOR THE ARTS				
Passed Through the Creative Industries Division of the Office of Economic Development				
Promotion of the Arts Partnership Agreements	45.025	-	-	7,000
Total U.S. Department of Housing and Urban Development				<u>7,000</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u><u>\$ 1,217,800</u></u>

CITY OF LA JUNTA, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE -1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of La Junta, Colorado 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 Audit Requirements for Federal Awards (Uniform Guidance)*. Because the schedule presents only a selected portion of the operations of the City of La Junta, Colorado, it is not intended to and does not present the financial position, changes in net assets of the City of La Junta, Colorado.

NOTE – 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE – 3 INDIRECT COST RATES

The City of La Junta, Colorado has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE – 4 SUB-RECIPIENTS

No payments were made to sub-recipients in the fiscal year ended December 31, 2024.

HANCOCK FROESE & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 669
ROCKY FORD, COLORADO 81067

Patrick A. Hancock CPA 719-688-0812
Andrew H. Froese CPA 719-980-1962

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

To the City Council
La Junta, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of La Junta, Colorado, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise City of La Junta, Colorado's basic financial statements, and have issued our report thereon dated April 29, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of La Junta, Colorado's internal control over financial reporting (internal control) as a basis for designing audit 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 City of La Junta, Colorado's internal control. Accordingly, we do not express an opinion on the effectiveness of City of La Junta, Colorado'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a 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.

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 City of La Junta, Colorado'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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Hancock Froese & Company LLC
Rocky Ford, Colorado
April 29, 2025

HANCOCK FROESE & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 669
ROCKY FORD, COLORADO 81067

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the City Council
La Junta, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of La Junta, Colorado'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 City of La Junta, Colorado's major federal programs for the year ended December 31, 2024. City of La Junta, Colorado'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, City of La Junta, Colorado complied, in all material respects, with the types of 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 City of La Junta, Colorado 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 City of La Junta, Colorado's compliance with the compliance requirements referred to above.

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 City of La Junta, Colorado'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 City of La Junta, Colorado'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 generally accepted auditing standards, *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 for 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 City of La Junta, Colorado's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 City of La Junta, Colorado'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 City of La Junta, Colorado'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 City of La Junta, Colorado'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.

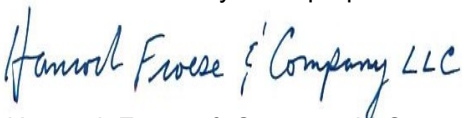
Report on Internal Control over Compliance

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 a 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.



Hancock Froese & Company LLC

Rocky Ford, Colorado
April 29, 2025

City of La Junta, 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 auditor’s report issued Unmodified

Internal control over financial reporting as reported in the INDEPENDENT AUDITORS’ 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*:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ___ yes X no

Noncompliance material to financial statements noted ___ yes X no

Federal Awards

Internal control over major programs as reported in the INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ___ yes X no

Type of auditor’s report issued on compliance for major program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) ___ yes X no

Assisted Listing Number	Name of Federal Program or Cluster
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 low-risk auditee	___ yes <u>X</u> no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Prior Year Findings

There were no findings in the prior year that were required to be reported.

LOCAL HIGHWAY FINANCE REPORT

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

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
YEAR ENDING (mm/yy):
12/24

This Information From The Records Of:
CITY OF LA JUNTA

Prepared By:
ALIZA LIBBY

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. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ -
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 332,436.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ -
2. General fund appropriations	\$ 291,735.00	b. Snow and ice removal	\$ 3,068.00
3. Other local imposts (from page 2)	\$ 92,393.00	c. Other	\$ 41,973.00
4. Miscellaneous local receipts (from page 2)	\$ -	d. Total (a. through c.)	\$ 45,041.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 53,070.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 254,267.00
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 684,814.00
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 384,128.00	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 300,686.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 684,814.00	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 684,814.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ -	\$ 684,814.00	\$ 684,814.00	\$ -	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
 YEAR ENDING (mm/yy):
12/24

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
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	\$ 92,393.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 92,393.00	h. Other	
c. Total (a. + b.)	\$ 92,393.00	i. Total (a. through h.)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 277,968.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 22,718.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 22,718.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 300,686.00	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments: