
GUNNISON CEMETERY DISTRICT #1

ANNUAL FINANCIAL STATEMENTS

December 31, 2025

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Blair and Associates, P.C.
Cedaredge, Colorado

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Gunnison Cemetery District #1
Gunnison, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Gunnison Cemetery District #1, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Gunnison Cemetery District #1'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, each major fund, and the aggregate remaining fund information of Gunnison Cemetery District #1, as of December 31, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gunnison Cemetery District #1, 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 Gunnison Cemetery District #1's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Gunnison Cemetery District #1's internal control. Accordingly, no such opinion is expressed.

Certified Public Accountants

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- 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 Gunnison Cemetery District #1'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 (page 3 through 6) and budgetary comparison information (page 18) 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.

Blair and Associates, P.C.

Cedaredge, Colorado
April 30, 2026

GUNNISON CEMETERY DISTRICT #1
Management Discussion and Analysis
For the Year Ended December 31, 2025

As management of the Gunnison Cemetery District #1 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the District.

Financial Highlights

- In the government-wide financial statements, the District's assets exceeded its liabilities by \$1,076,257 at the end of the year, an increase of \$85,108 from the prior year.
- The General Fund reported an ending fund balance of \$711,482, an increase of \$20,324 from the prior year. The ending fund balance includes the required 3% state mandated emergency reserve.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

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

The statement of governmental activities presents information showing how the District'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 cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

In the government-wide financial statements, the District's activities are shown in one category; *governmental activities*. The District's activities are principally supported by property taxes and charges for services.

The government-wide financial statements can be found on pages 7 and 8.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The District has a general fund only.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the General Fund balance sheet and the General Fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The District has only one governmental fund; the General Fund. The District's General Fund's financial statements can be found on pages 9 and 10.

An annual appropriated budget is adopted for the General Fund. A budgetary comparison statement on page 18 has been provided for the fund to demonstrate compliance with the budget.

Notes to Basic Financial Statements

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

The notes to the basic financial statements can be found on pages 11 through 16.

Government-wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of the government's financial position. In this case, the District's assets exceeded its liabilities by \$1,076,257 as of December 31, 2025.

The following summarizes the District's governmental net position as of December 31:

	2024	2025
Assets		
Current and other assets	\$ 971,757	\$ 993,449
Capital assets	299,991	364,775
Total Assets	<u>1,271,748</u>	<u>1,358,224</u>
Liabilities		
Current liabilities	30,106	3,017
Total Liabilities	<u>30,106</u>	<u>3,017</u>
Deferred Inflows		
Property taxes receivable	250,493	278,950
Net Position		
Investment in capital assets	299,991	364,775
Restricted for emergencies	9,300	9,923
Unrestricted	681,858	701,559
Net Position	<u>\$ 991,149</u>	<u>\$ 1,076,257</u>

Restricted net assets of \$9,923 represents an emergency reserve required by an amendment to the State constitution.

The District's governmental activities increased the District's net position by \$85,108 in 2025.

The following summarizes the change in the District's governmental net position for the year ended December 31:

	<u>2024</u>	<u>2025</u>
Revenues		
Program revenues:		
Charges for services	\$ 5,750	\$ 24,949
General revenues		
Taxes	276,762	263,271
Earnings (losses) on investments	75,473	62,861
Total Revenues	<u>357,985</u>	<u>351,081</u>
Expenses		
Operations	215,129	233,297
General and administrative	35,320	32,676
Total Expenses	<u>250,449</u>	<u>265,973</u>
Change in Net Position	107,536	85,108
Net Position - January 1	883,613	991,149
Net Position - December 31	<u>\$ 991,149</u>	<u>\$ 1,076,257</u>

Governmental Funds Financial Analysis

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance related legal requirements.

The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District maintains only one governmental fund, the General Fund, which is the District's operating fund. The General Fund had a fund balance of \$711,482 as of December 31, 2025, an increase of \$20,324. The unassigned portion of the fund balance in the amount of \$701,055 is available for spending.

General Fund Budgetary Highlights

The District budgeted for \$375,227 in expenditures in 2025 and actual expenditures totaled \$330,757. There was one supplemental budget in 2025.

Capital Assets

The District made \$93,485 in capital purchases in 2025.

The District does not have any long-term debt.

Economic Factors and Next Year's Budget

As of April 30, 2026, the District has received 45% of the expected property tax revenue. Cemetery services, which include the sale of plots, opening and closing fees, sale of columbarium niches, and sale of memorial spaces for engraving is 53% of the budgeted amount. The District expects this number to increase throughout the summer as that is our busiest season. Overall, the District has received 44% of the expected annual revenue. Operational expenses are 28% of the budgeted amount. The 2026 budget includes \$25,500 allocated toward adding an additional memorial tablet and two benches. The amount of \$11,842 will be put in the Capital Reserve Fund for future improvements.

Request for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the Administrator: Gunnison Cemetery District #1; PO Box 7079, Gunnison, CO 81230.

GUNNISON CEMETERY DISTRICT #1
Statement of Governmental Net Position
December 31, 2025

Assets

Cash	\$ 39,158
Receivables	
Property taxes	278,950
Prepaid expenses	504
Long-term certificate of deposit and investments:	
Certificates of deposit	241,432
Investments	433,405
Capital assets:	
Land	3,800
Building and improvements	108,388
Grounds improvements	342,522
Equipment	224,360
Less accumulated depreciation	(314,295)
Total Assets	<u><u>1,358,224</u></u>

Liabilities

Accounts payable	3,017
Total liabilities	<u><u>3,017</u></u>

Deferred Inflows

Property taxes receivable	<u>278,950</u>
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Net Position

Invested in capital assets	364,775
Restricted for emergencies	9,923
Unrestricted	701,559
Net Position	<u><u>\$ 1,076,257</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

GUNNISON CEMETERY DISTRICT #1
Statement of Governmental Activities
For the Year Ended December 31, 2025

Expenses

Operations	\$ 233,297
General and Administrative	32,676
Total Expenses	<u>265,973</u>

Program Revenues

Charges for services	24,949
Total Program Revenues	<u>24,949</u>

Net Expenses (241,024)

General Revenues

Property taxes	249,945
Specific ownership taxes	12,751
Interest on delinquent taxes	575
Earnings (losses) on investments	62,861
Total General Revenues	<u>326,132</u>

Changes in Net Position 85,108

Net Position - January 1 991,149

Net Position - December 31 \$ 1,076,257

These financial statements should be read only in connection with the accompanying notes to financial statements.

GUNNISON CEMETERY DISTRICT #1
Balance Sheet-General Fund
December 31, 2025

Assets		
Cash		\$ 39,158
Receivables:		
Property taxes		278,950
Prepaid expenditures		504
Long-term certificate of deposit and investments:		
Certificate of deposit		241,432
Investments		433,405
Total Assets		<u><u>\$ 993,449</u></u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable		\$ 3,017
Total Liabilities		<u><u>3,017</u></u>
Deferred Inflows		
Property taxes receivable		<u>278,950</u>
Fund Balance:		
Restricted for emergencies		9,923
Unspendable (prepaids)		504
Unassigned		701,055
Total Fund Balance		<u><u>711,482</u></u>
Total Liabilities, Deferred Inflows and Fund Balance		<u><u>\$ 993,449</u></u>
Reconciliation of Governmental Fund Balance Sheet-		
General Fund to Statement of Governmental Net Position		
Fund Balance		\$ 711,482
Amounts reported for governmental activities in the statement of		
governmental net position are different because:		
Capital assets used in governmental activities are not financial resources		
and, therefore, are not reported as assets in the governmental funds.		
Cost of capital assets	\$ 679,070	
Less accumulated depreciation	<u>(314,295)</u>	<u>364,775</u>
Net Position - Governmental Funds		<u><u>\$ 1,076,257</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

GUNNISON CEMETERY DISTRICT #1
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund
For the Year Ended December 31, 2025

Revenues

Taxes	\$ 263,271
Charges for services	24,949
Earnings (losses) on investments	62,861
Total Revenues	<u>351,081</u>

Expenditures

Current:

Operations	237,272
General and administrative	-
Capital outlay	93,485
Total Expenditures	<u>330,757</u>

Excess of Expenditures over Revenues	<u>20,324</u>
Net Change in Fund Balance	

Fund Balance - January 1	<u>691,158</u>
Fund Balance - December 31	<u><u>\$ 711,482</u></u>

Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures and Changes in Fund Balance-
General Fund to the Statement of Governmental Activities:
Net Change in Fund Balance

\$ 20,324

Amounts reported for governmental activities in the statement of
governmental activities are different because:

Loss on Disposal of Assets

-

Capital outlays are reported as expenditures in the fund; however,
in the statement of governmental activities, the cost is allocated over
the estimated useful lives of the assets as depreciation expense.
The following is the amount by which depreciation exceeded
capital outlays in the current period:

Capital outlay	\$ 93,485	
Depreciation	<u>(28,701)</u>	<u>64,784</u>

Change in Net Position of Governmental Activities \$ 85,108

These financial statements should be read only in connection with the accompanying notes to financial statements.

GUNNISON CEMETERY DISTRICT #1
Notes to Basic Financial Statements
December 31, 2025

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Gunnison Cemetery District #1 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below:

A. Reporting Entity

The District was established September 3, 1963, by resolution of the Gunnison County Commissioners upon petition of the property owners within the District. The District's Board of Directors (the Board) consists of three members appointed by the Gunnison County Commissioners. The Gunnison County Commissioners' accountability for the District does not extend beyond making appointments to the District's Board. There are no entities required to be included in the District's financial statements based on GASB requirements.

B. Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of governmental net position and the statement of governmental activities) report information on all of the activities of the District. *Governmental activities* are supported by taxes and charges for services. The District has no *business-type activities*, which rely to a significant extent on user charges for support.

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

C. Fund Financial Statements

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

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

The District has only one governmental fund, the General Fund, which is the general operating fund of the District. The District has no financial resources required to be accounted for in a separate fund.

GUNNISON CEMETERY DISTRICT #1
Notes to Basic Financial Statements
December 31, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Those revenues associated with the current period susceptible to accrual are property taxes, interest revenue and charges for services. All other revenues are reported when cash is received. Expenditures are recorded when the related fund liability is incurred.

E. Use of Estimates

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

F. Property Taxes Receivable

Property taxes for the current year are levied and attached as a lien on property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes are reported as a receivable and deferred inflow of resources at December 31. The deferred taxes are reported as revenue in the year they are available and collected.

G. Long-term Certificates of Deposit and Investments

The reserved fund balance in the general fund consists of certificates of deposit at local financial institutions and corporate stocks which were donated to the District when it was established. Based on an opinion by the Colorado Attorney General, dated March 24, 1983, the District can retain ownership of the stocks. The District’s investments in stocks are reported at fair value based on quoted market prices.

H. Capital Assets

Capital assets are stated at cost. Donated assets are recorded at their estimated fair market value at the date of donation. The District defines capital assets as assets with an initial cost of more than \$500 for equipment and \$1,000 for buildings and ground improvements. Replacements, which improve or extend the lives of property, are capitalized. Maintenance, repairs and equipment replacements of a routine nature are charged to expenditures as incurred and are not capitalized.

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

Buildings and improvements	20 - 40 years
Grounds improvements.....	10 - 40 years
Equipment.....	5 - 15 years

GUNNISON CEMETERY DISTRICT #1
Notes to Basic Financial Statements
December 31, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

I. Compensated Absences

The District has no compensated absences policy requiring accrual in the financial statements.

J. Net Position

Net position represents the difference between assets and liabilities. Balances invested in capital assets consist of capital assets, net of accumulated depreciation. Amounts are reported as restricted when there are limitations imposed on their use by external restrictions imposed by creditors, grantors, laws or regulations of other governments. When the District has the option to use either restricted or unrestricted net assets to finance a program it is the District's policy to first apply restricted resources.

K. Fund Balance

The District has approved the following Fund Balance policies: Committed fund balances are approved by the District's Board via a majority vote. The District does not use the assigned fund balance designation. When the District has the option to use either restricted or unassigned fund balance to finance a program it is the District's policy to first apply restricted resources. It is also the District's policy to use committed fund balance first when it has the option to use committed or unassigned fund balance.

L. Subsequent Events

Management has evaluated subsequent events through the date of the audit report.

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

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

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements.

Note 3 - Tax, Spending and Debt Limitations

In November 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments.

On November 3, 1998, the electors of the District approved the retention and spending of the District's non-tax revenues for the year beginning January 1, 1998, and subsequent years, without regard to the limitations imposed by the Amendment.

The Amendment requires that an emergency reserve be maintained at three percent of fiscal year spending. A portion of the general fund's fund balance is classified as restricted for emergencies as required by the Amendment.

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

GUNNISON CEMETERY DISTRICT #1
Notes to Basic Financial Statements
December 31, 2025

Note 4 – Budgets

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

- A. Budgets are required by state law for all governmental, proprietary, and trust funds.
- B. The budget officer is required to submit a proposed budget to the Board by October 15.
- C. Public hearings are conducted by the Board to obtain taxpayer comments.
- D. Certification of the mill levies to the Board of County Commissioners and adoption of the budget and appropriations are required by December 15.
- E. Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the budget.
- F. Budget appropriations lapse at the end of each year.

Note 5 - Certificates of Deposit and Investments

The Colorado Public Deposit Protection Act (PDPA) governs the District's cash deposits. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets, to be maintained by another institution or held in trust for all of its local government depositors as a group, with a fair value at least equal to 102% of the uninsured deposits. The State Regulatory Commissions for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and the reporting of uninsured deposits and assets maintained in the collateral pools. Additionally, the local governments are authorized to invest in obligations of the United States Treasury or its agencies, commercial paper, money market, mutual funds and certain corporate instruments.

Bank balances of cash and certificates of deposit of \$250,000 are insured by the FDIC and \$37,449 was collateralized under PDPA.

The District's investment policy is to comply with State Statutes regarding investments. However, the District continues to hold telecommunication corporate stocks based on a legal opinion received from the State Attorney General dated March 24, 1983. See Note 1 G. The stocks are reported in the financial statements at fair value based on market price (Level 1 Input). Investments in stocks are subject to market risk. The stocks are held either in certificate form or held by an agent in the District's name.

GUNNISON CEMETERY DISTRICT #1
Notes to Basic Financial Statements
December 31, 2025

Note 6 - Capital Assets

Capital assets activity for the year was as follows:

	Balance December 31, 2024	Increases	Decreases	Balance December 31, 2025
Capital assets, not being depreciated:				
Land	\$ 3,800	\$ -	\$ -	\$ 3,800
Capital assets, being depreciated:				
Buildings and improvements	108,388	-	-	108,388
Grounds improvements	254,855	93,485	(5,818)	342,522
Equipment	224,360	-	-	224,360
Total capital assets being depreciated	587,603	93,485	(5,818)	675,270
Less accumulated depreciation for:				
Buildings and improvements	(48,456)	(4,290)	-	(52,746)
Grounds improvements	(123,134)	(14,018)	5,818	(131,334)
Equipment	(119,823)	(10,392)	-	(130,215)
Total accumulated depreciation	(291,413)	(28,700)	5,818	(314,295)
Total capital assets, being depreciated, net	296,190	64,785	-	360,975
Total capital assets, net of depreciation	<u>\$ 299,990</u>	<u>\$ 64,785</u>	<u>\$ -</u>	<u>\$ 364,775</u>

Total depreciation expense for the year ended December 31, 2025, was \$28,700, with \$28,700 charged to the Operations function.

GUNNISON CEMETERY DISTRICT #1
Notes to Basic Financial Statements
December 31, 2025

Note 7 - 401a Plan

The District participates in the Colorado Retirement Association (CRA) which provides retirement benefits through a 401a plan to participating Colorado counties, municipalities, and special districts. All full-time employees are eligible to participate in the plan after six months of service. The District is required to contribute a minimum of 3% of employee compensation up to a maximum of 8% of compensation. The District has agreed to contribute 8% of employee compensation. The employee is required to contribute an amount equal to the District's contribution and may contribute up to an additional 22% of compensation. The District's contribution for each employee, including earnings allocated to the employee's account, vested at the rate of 20% for each year of participation in the plan. The District's contributions for, and earnings forfeited by, employees who leave employment before five years are returned to the District to reduce the current period contribution requirement.

The covered payroll for the plan was \$107,821 for the year ended December 31, 2025. The District's total payroll for the same period was \$140,307. The District and employees each contributed \$8,623, 8% of covered payroll.

Plan provisions and contributions requirements are established and amended by CRA and would have to be approved by the district board.

Note 8 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims have not exceeded commercial coverage in any of the past three years.

Required Supplementary Information

GUNNISON CEMETERY DISTRICT #1

**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - General Fund
For the Year Ended December 31, 2025**

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues				
Taxes:				
Property taxes	\$ 250,317	\$ 250,317	\$ 249,945	\$ (372)
Specific ownership taxes	12,000	12,000	12,751	751
Interest on delinquent taxes	500	500	575	75
Total Taxes	<u>262,817</u>	<u>262,817</u>	<u>263,271</u>	<u>454</u>
Charges for services:				
Sale of burial plots	12,000	12,000	18,400	6,400
Grave openings	9,500	9,500	5,300	(4,200)
Memorial and Columbarium sales	-	-	1,025	1,025
Total Charges for Services	<u>21,500</u>	<u>21,500</u>	<u>24,725</u>	<u>3,225</u>
Miscellaneous:				
Investment Income (Loss)	-	-	62,861	62,861
Other	-	-	224	224
Total Miscellaneous	<u>-</u>	<u>-</u>	<u>63,085</u>	<u>63,085</u>
Total Revenues	<u>284,317</u>	<u>284,317</u>	<u>351,081</u>	<u>66,764</u>
Expenditures				
Current				
Salaries and wages	148,449	148,449	139,707	8,742
Payroll taxes	11,356	11,356	11,059	297
Employee benefits	10,302	10,302	8,623	1,679
Workers' compensation	5,500	5,500	6,463	(963)
Repairs and Maintenance:				
Building	1,500	1,500	145	1,355
Grounds	26,200	26,200	23,461	2,739
Equipment	3,500	3,500	2,421	1,079
Electricity	7,000	7,000	6,134	866
Shop supplies	700	700	605	95
Fuel	8,500	8,500	5,978	2,522
Rent	6,000	6,000	6,000	-
County treasurer's fees	7,600	7,600	7,518	82
Insurance	5,500	5,500	6,136	(636)
Office supplies	600	600	663	(63)
Audit	3,500	3,500	3,800	(300)
Legal fees	1,500	1,500	-	1,500
Directors' fees	600	600	600	-
Telephone	2,800	2,800	2,900	(100)
Miscellaneous	5,150	5,150	5,059	91
Capital outlay	28,060	118,970	93,485	25,485
Total Expenditures	<u>284,317</u>	<u>375,227</u>	<u>330,757</u>	<u>44,470</u>
Excess of Revenues over (under) Expenditures	<u>-</u>	<u>(90,910)</u>	<u>20,324</u>	<u>111,234</u>
Fund Balance - January 1	606,712	606,712	691,158	84,446
Fund Balance - December 31	<u>\$ 606,712</u>	<u>\$ 515,802</u>	<u>\$ 711,482</u>	<u>\$ 195,680</u>