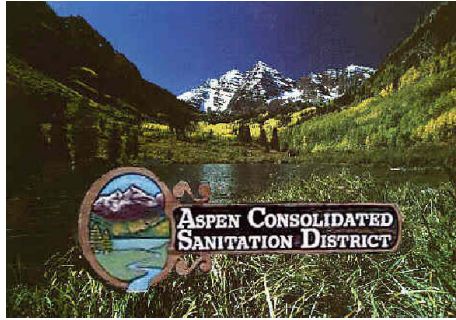


**Aspen Consolidated Sanitation District
Aspen, Colorado**

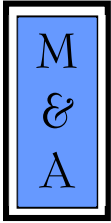
**Financial Statements
December 31, 2025 and 2024**



**Aspen Consolidated Sanitation District
Financial Statements
December 31, 2025 and 2024**

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McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Aspen Consolidated Sanitation District
Aspen, Colorado**

Opinion

We have audited the accompanying financial statements of the business-type activities and the major fund of Aspen Consolidated Sanitation District (the "District"), as of and for the year ended December 31, 2025, which collectively comprise the District's basic financial statements as listed in the Table of Contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the major fund of Aspen Consolidated Sanitation District, as of December 31, 2025 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 ("U.S. GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS") 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 Aspen Consolidated Sanitation District 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

Aspen Consolidated Sanitation District's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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 District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Aspen Consolidated Sanitation District
Aspen, Colorado

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 U.S. GAAS 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 U.S. GAAS, 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 District'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 District'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

U.S. GAAP require that the Management's Discussion and Analysis in Section B 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 U.S. GAAS, 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.

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Aspen Consolidated Sanitation District
Aspen, Colorado

Supplementary Information

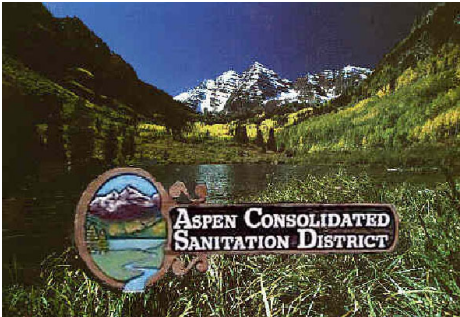
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Aspen Consolidated Sanitation District's basic financial statements. The individual fund budgetary comparisons in Section E are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund budgetary comparisons 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. Such 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 U.S. GAAS. In our opinion, the information in Section E is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
April 9, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS



Aspen Consolidated Sanitation District Management's Discussion and Analysis December 31, 2025 and 2024

We, the financial managers of Aspen Consolidated Sanitation District (the "District"), offer readers of the District's financial statements this narrative summary of the financial activities of the District for the fiscal years ended December 31, 2025 and 2024.

Financial Highlights

- The District had net income of \$2,095,479 in 2025 as compared to a net income of \$2,929,077 in 2024. District assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$46,955,298 in 2025, while assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$44,859,819 in 2024.
- In 2025, the District received contributions totaling \$1,168,640, including line improvement fees, developer fees, and plant capacity fees, compared to \$1,697,851 in 2024.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of two components: 1) financial statements; and 2) notes to the financial statements. These components are discussed below.

Financial Statements: The 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 Net Position presents information on all the District's assets, liabilities and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Fund Net Position shows how the District's net position changed during the years presented. 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 only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The Statement of Cash Flows shows the District's sources of cash inflows and outflows for the years presented. Cash flows are categorized among operating, non-capital financing, capital and related financing and investing activities and unlike items reported in the Statement of Revenues, Expenses and Changes in Fund Net Position, these amounts are reported on the cash basis of accounting.

The business-type activity of the District relates to water resource recovery services. There are currently no governmental-type activities occurring at the District.

The District's financial statements can be found in Section C of this report.

Proprietary Funds: The District maintains a proprietary fund commonly known as an enterprise fund. Enterprise funds are used to report business-type activities. The District uses an enterprise fund to account for its sanitation service

Overview of the Financial Statements (continued)

Notes to the Financial Statements: The notes provide a background of the entity, certain required statutes and accounting policies utilized by the District. They also provide additional information that will aid in the interpretation of the financial statements. The Notes to the Financial Statements can be found in Section D of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report also conveys certain supplementary information. The Schedule of Revenues and Expenditures - Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis provides a detailed comparison of the District's actual revenues and expenditures to budgeted amounts. As the District's budget was adopted in a manner that is not consistent with Generally Accepted Accounting Principles ("GAAP"), this statement is presented on a non-GAAP basis with reconciliation to GAAP basis. Supplementary information can be found in Section E of this report.

Financial Analysis of the District:

The following table shows the District's assets, liabilities and net position at the end of 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Assets:		
Current assets	\$ 18,277,381	\$ 19,936,271
Capital assets	32,163,069	28,534,178
Total Assets	<u>50,440,450</u>	<u>48,470,449</u>
Liabilities:		
Other liabilities	239,144	267,850
Long-term liabilities	184,312	157,450
Total Liabilities	<u>423,456</u>	<u>425,300</u>
Deferred Inflows of Resources	<u>3,061,696</u>	<u>3,185,330</u>
Net Position:		
Net invested in capital assets	32,132,235	28,503,344
Unrestricted	14,823,063	16,356,475
Total Net Position	<u>\$ 46,955,298</u>	<u>\$ 44,859,819</u>

In 2025, the District's total net position increased by \$2,095,479. The District has a significant portion of its net position invested in capital assets. The capital assets are used to provide services to the District's customers.

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Overview of the Financial Statements (continued)

Financial Analysis of the District (continued):

The following table summarizes information relating to the District's Statement of Revenues, Expenses and Changes in Net Position:

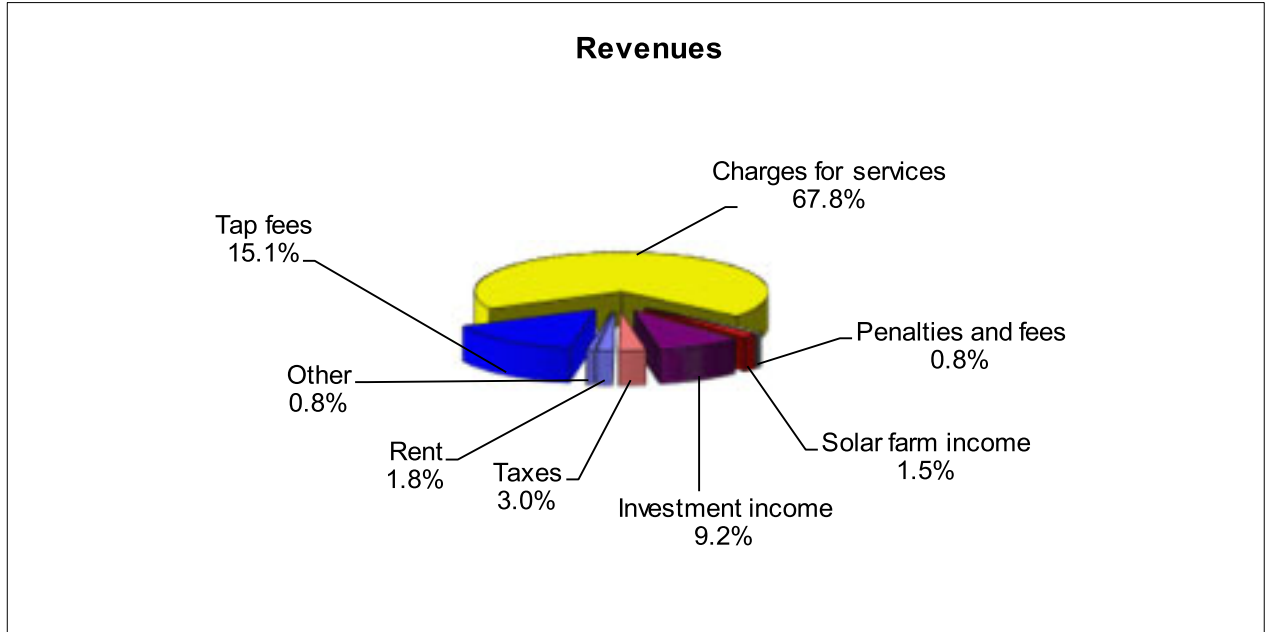
	<u>2025</u>	<u>2024</u>
Revenues:		
Program revenues:		
Charges for services	\$ 5,324,862	\$ 5,170,904
General revenues:		
Property taxes	226,750	225,701
Specific ownership taxes	6,671	17,295
Investment income	717,645	827,298
Solar farm lease income	116,658	116,658
Rent income	140,333	142,751
Gain (loss) on disposal of asset	48,043	11,475
Miscellaneous	10,670	18,040
Capital contributions	1,168,641	1,697,851
Total Revenues	<u>7,760,273</u>	<u>8,227,973</u>
Expenses:		
Administration	894,911	852,359
Collection system	897,111	798,999
Treatment plant	2,010,352	1,904,562
Depreciation	1,850,816	1,731,168
Treasurer's fees	11,604	11,808
Total Expenses	<u>5,664,794</u>	<u>5,298,896</u>
Change in Net Position	2,095,479	2,929,077
Net Position - Beginning of Year	<u>44,859,819</u>	<u>41,930,742</u>
Net Position - End of Year	<u>\$ 46,955,298</u>	<u>\$ 44,859,819</u>

The District's total 2025 revenues decreased by \$467,700 from 2024. This decrease is primarily due to decreased yields on investment accounts and decreased capital contributions in 2025

Overview of the Financial Statements (continued)

Financial Analysis of the District (continued):

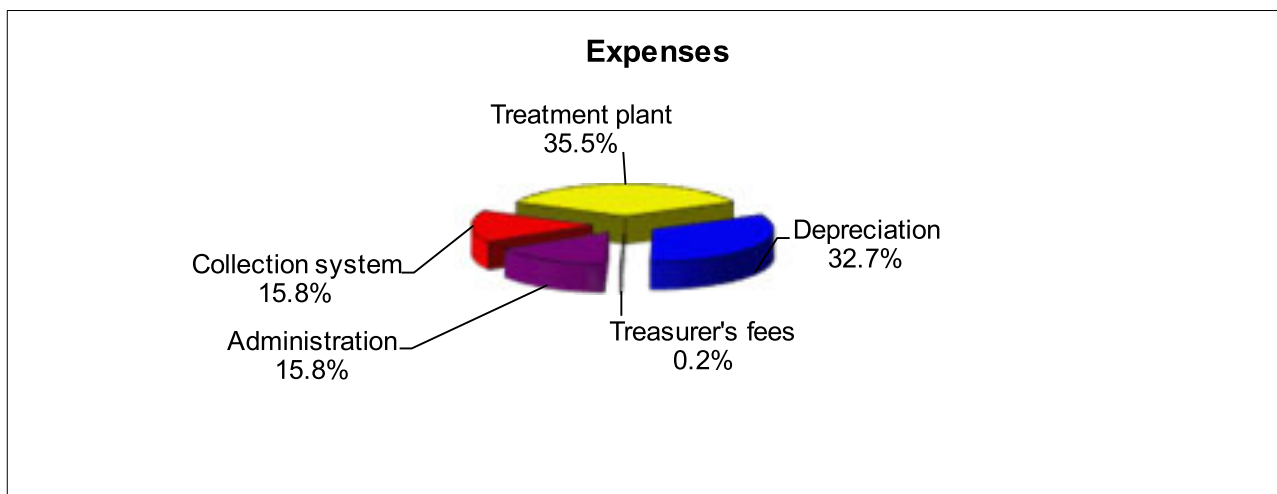
The following chart summarizes the District's revenue sources during 2025:



2025 expenses were higher by \$365,898 as compared to 2024 expenses, chiefly due to 1) an increase in depreciation expense and 2) an increase in personnel expenses, primarily related to increased salaries and an increase in employee health insurance.

As in the previous years, the aggregate of administration, sewage collection and treatment plant costs comprised the highest percentage of the District's costs for the year ended December 31, 2025. All costs, in total and expressed as a percentage of total costs, remained relatively consistent between years.

The following chart summarizes the District's expenses, by natural classification, during 2025:



Budget Variances in the Enterprise Fund

Significant budget variances were as follows:

<u>Account</u>	<u>Budget</u>	<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>	<u>Reason</u>
<u>Revenues:</u>				
Investment income	394,897	717,645	322,748	Increased yields on investment accounts
<u>Expenditures:</u>				
Capital outlay	7,385,000	5,504,320	1,880,680	Project delays and difficulties finding contractors

Capital Asset and Debt Administration

Capital Assets: The District's net capital assets increased by \$3,628,891 in 2025 as compared to an decrease of \$573,232 in 2024. This change is due to \$5,504,320 of fixed asset additions offset by depreciation expense of \$1,850,816 and \$1,113,866 of asset disposals (with no book value at the time of disposal) during 2025. A detailed classification of the District's capital assets can be found in the Notes to Financial Statements in Section D of this report.

Long-term Debts: The District had no outstanding debt at the end of the fiscal year.

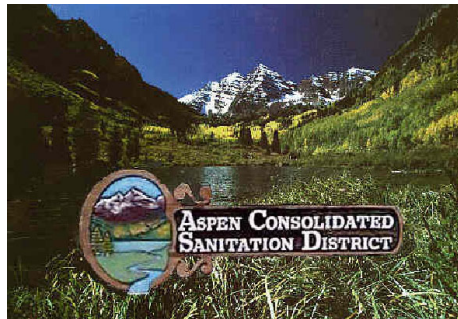
Next Year's Budget and Rates

The District's net position at the end of 2025 was \$46,955,298 as compared to \$44,859,819 in 2024. The District's 2026 budget anticipates a 2.5% increase in charges for services to reflect rate increases and a 13% decrease in operating expenses due to less capital projects than in the prior year. Furthermore, the budget projects \$3.7 million in capital projects during 2026.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Aspen Consolidated Sanitation District, 565 N. Mill Street, Aspen, Colorado 81611.

FINANCIAL STATEMENTS



Aspen Consolidated Sanitation District
Statement of Net Position
December 31, 2025 and 2024

	2025	2024
Assets:		
Current Assets:		
Cash and cash equivalents - Unrestricted	14,415,033	15,717,527
Receivables, net:		
Property taxes	220,920	227,896
Service receivables	173,644	116,923
Other governments	547	391
Leases receivable	3,134,250	3,183,712
Other	2,722	4,721
Prepaid expenses	287,335	603,501
Inventory	42,930	81,600
Total Current Assets	18,277,381	19,936,271
Non-current Assets:		
Capital assets:		
Capital assets	88,464,703	84,098,862
Less: Accumulated depreciation	(56,301,634)	(55,564,684)
Capital assets, net of depreciation	32,163,069	28,534,178
Total Non-current Assets	32,163,069	28,534,178
Total Assets	50,440,450	48,470,449
Liabilities:		
Current Liabilities:		
Accounts payable:		
Trade	108,692	144,772
Retainage	30,834	30,834
Other unearned revenue	88,618	79,744
Deposits	11,000	12,500
Total Current Liabilities	239,144	267,850
Non-current Liabilities:		
Accrued compensated absences - due in more than one year	184,312	157,450
Total Non-current Liabilities	184,312	157,450
Total Liabilities	423,456	425,300
Deferred Inflows of Resources		
Unavailable property tax revenue	220,920	227,896
Deferred lease revenue	2,840,776	2,957,434
Total Deferred Inflows of Resources	3,061,696	3,185,330
Net Position:		
Net invested in capital assets	32,132,235	28,503,344
Unrestricted	14,823,063	16,356,475
Total Net Position	46,955,298	44,859,819

The accompanying notes are an integral part of these financial statements.

Aspen Consolidated Sanitation District
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2025 and 2024

	2025	2024
Operating Revenues:		
Charges for services	5,263,450	5,124,270
Penalties and interest	61,412	46,634
	5,324,862	5,170,904
Operating Expenses:		
Administration	894,911	852,359
Collection system	897,111	798,999
Treatment plant	2,010,352	1,904,562
Depreciation	1,850,816	1,731,168
	5,653,190	5,287,088
Operating Profit (Loss)	(328,328)	(116,184)
Non-operating Revenues (Expenses):		
Property taxes	226,750	225,701
Specific ownership taxes	6,671	17,295
Investment income	717,645	827,298
Solar farm lease income	116,658	116,658
Rent income	140,333	142,751
Gain (loss) on disposal of asset	48,043	11,475
Treasurer's fees	(11,604)	(11,808)
Miscellaneous	10,670	18,040
	1,255,166	1,347,410
Gain (Loss) Before Capital Contributions	926,838	1,231,226
Capital Contributions:		
Line improvement fee	185,385	311,966
Developer fee	29,643	9,779
Plant capacity fee	953,613	1,376,106
	1,168,641	1,697,851
Change in Net Position	2,095,479	2,929,077
Net Position - Beginning of Year	44,859,819	41,930,742
Net Position - End of Year	46,955,298	44,859,819

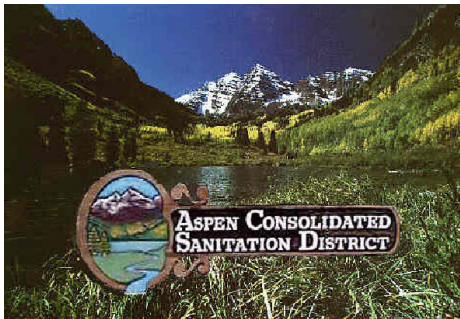
The accompanying notes are an integral part of these financial statements.

Aspen Consolidated Sanitation District
Statement of Cash Flows
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities:		
Cash received from customers and others	5,311,859	5,141,743
Cash payments for goods and services	(730,129)	(1,870,155)
Cash payments to employees and for benefits	(2,631,730)	(2,473,542)
Net Cash Provided (Used) by Operating Activities	1,950,000	798,046
Cash Flows From Non-capital Financing Activities:		
Cash received from property and specific ownership taxes, net	221,661	231,373
Net Cash Provided (Used) by Non-capital Financing Activities	221,661	231,373
Cash Flows From Capital and Related Financing Activities:		
Cash received from tap fees	1,168,641	1,697,851
Cash received from solar farm lease	166,120	161,887
Cash received for sale of capital assets	48,043	9,275
Cash paid for capital acquisitions	(5,479,707)	(1,155,736)
Net Cash Provided (Used) by Capital and Related Financing Activities	(4,096,903)	713,277
Cash Flows From Investing Activities:		
Interest income received	622,748	730,998
Net Cash Provided (Used) by Investing Activities	622,748	730,998
Net Increase (Decrease) in Cash and Cash Equivalents	(1,302,494)	2,473,694
Cash and Cash Equivalents - Beginning of Year	15,717,527	13,243,833
Cash and Cash Equivalents - End of Year	14,415,033	15,717,527
Represented by Balance Sheet captions:		
Cash and cash equivalents - Unrestricted	14,415,033	15,717,527
Cash and Cash Equivalents - End of Year	14,415,033	15,717,527
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	(328,328)	(116,184)
Adjustments:		
Depreciation	1,850,816	1,731,168
Rent income, net of non-cash activity on solar farm lease	118,572	122,393
Miscellaneous income	10,670	18,040
(Increase) decrease in accounts receivable	(54,722)	(21,613)
(Increase) decrease in prepaid expenses	316,166	(460,364)
(Increase) decrease in inventory	38,670	(25,336)
Increase (decrease) in accounts payable	(36,080)	(403,663)
Increase (decrease) in payroll liabilities	-	(822)
Increase (decrease) in unearned revenue	8,874	(50,681)
Increase (decrease) in deposits	(1,500)	(1,000)
Increase (decrease) in accrued compensated absences	26,862	6,108
Total Adjustments	2,278,328	914,230
Net Cash Provided (Used) by Operating Activities	1,950,000	798,046

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS



Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024

I. Summary of Significant Accounting Policies

Aspen Consolidated Sanitation District (the “District”) is a quasi-municipal corporation and a political subdivision of the State of Colorado. It was formed under Colorado statutes as a special district in 1983. The District was formed as a result of the consolidation of the Aspen Sanitation District, Aspen Metropolitan Sanitation District and the Aspen Highlands Water and Sanitation District. The District provides sanitary sewer service for the inhabitants of the District’s service area which includes the City of Aspen and surrounding developed areas located in Pitkin County, Colorado. Five elected board members govern the District.

The District’s financial statements are prepared in accordance with generally accepted accounting principles (“GAAP”). The Governmental Accounting Standards Board (“GASB”) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the District are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization’s governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations, which are fiscally dependent; i.e., unable to adopt a budget, levy taxes or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria above, the District is not financially accountable for any other entity nor is the District a component unit of any other government.

B. Accounting Policies

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions and activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The District uses a proprietary fund-type, an enterprise fund, to account for its sole activity, providing wastewater treatment services to taxpayers within the District’s boundaries. Enterprise funds are used to account for operations (a) which are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Proprietary funds use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Financial Statement Presentation

Proprietary funds distinguish operating revenues and expenses from non-operating 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 District's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise 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 non-operating revenues and expenses.

D. Financial Statement Accounts

1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the District.

Investments are stated at fair value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Colorado statutes specify instruments in which local governments may invest, including:

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

**Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)**

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts. However, no allowance for uncollectible accounts has been established at December 31, 2025 and 2024, as the District considers all accounts to be collectible.

3. Inventory

Inventory consists largely of equipment, parts, supplies, fuel and oil, and is recorded at the lower of cost or market.

4. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by governmental units until the subsequent year. In accordance with GAAP, the assessed but uncollected property taxes have been recorded as a receivable and as unavailable revenue.

5. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are shown as prepaid expenses on the financial statements.

6. Capital Assets

Capital assets, which include land, buildings and improvements, sewer collection systems and related improvements and equipment, are reported in the financial statements. The District defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at acquisition value. Donated capital assets are recorded at estimated fair value at the date of donation.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is expensed as incurred.

Buildings and improvements, sewer collection systems and improvements, equipment and lagoons are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & improvements	5 - 40
Collection system	3 - 40
Plant	3 - 40
Vehicles & equipment	3 - 15

Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

7. Compensated Absences

The District allows its employees to accumulate sick and vacation leave, based on the employee's length and hours of service. Full-time employees receive 10 days of vacation their first year and accrue time at the rate of 3.08 hours per pay period. Employees are allowed to accumulate vacation and compensatory time totaling up to 125% of the vacation time they are eligible for and must be used within their maximum accumulation by year end. All employees accumulate sick time at the rate of 8 hours per month and 96 hours per year. Unused sick hours currently are carried over from year to year up to 400 hours so they can be accumulated and used when needed.

The District estimates how much of the leave is more likely than not to be used as paid leave and recognizes that portion as a liability for compensated absences. At December 31, 2025, the estimated value of accumulated personal days off and sick leave is \$184,312 compared to \$157,450 at December 31, 2024.

8. Deferred Inflows and 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 District does not have any items that qualify for reporting in this category.

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 District has two items that qualifies for reporting in this category, unavailable property tax revenue and deferred lease revenue. These items are deferred and recognized as an inflow of resources in the period that the amount becomes available.

9. Leases

District as Lessor:

The District is lessor in a Solar Farm array as further described in Note III.D. In such arrangements, the District recognizes a lease receivable and a deferred inflow of resources on the Statement of Net Position.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received.

Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

9. Leases (continued)

District as Lessor (continued)

The deferred inflow of resources is initially measured as the initial of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the lease term.

Key estimates and judgments include how the District determines the following:

Discount Rate: The District uses the maximum interest rate disclosed for its outstanding debt at the time of the lease commencement as the discount rate to discount the expected lease receipts to present value.

Lease Term: The lease term includes the non-cancellable period of the lease and extended term(s) that the District is reasonably certain the lessee will exercise.

Lease Receipts: Lease receipts included in the measurement of the lease receivable are composed of fixed payments and minimum guaranteed payments from the lessee.

The District monitors changes in circumstances that would require a re-measurement of its leases and will re-measure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

E. Significant Accounting Policies

1. Use of Estimates

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

2. Restricted and Unrestricted Resources

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)**

II. Stewardship, Compliance and Accountability

A. Budgetary Information

In the fall of each year, the District’s Board of Directors formally adopts a budget with appropriations for the ensuing year pursuant to the Colorado Local Budget Law. The proprietary fund budget was adopted on a non-GAAP basis and has been reconciled to a GAAP basis below for both 2025 and 2024:

	2025	2024
Change in Net Position - Budget Basis	\$ (1,606,068)	\$ 2,533,208
<i>add (less):</i>		
Gain (loss) on asset disposal	48,043	11,475
Capital outlay	5,504,320	2,115,562
Depreciation	(1,850,816)	(1,731,168)
Change in Net Position - GAAP Basis	\$ 2,095,479	\$ 2,929,077

Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level and all appropriations lapse at year-end.

As required by Colorado statutes, the District followed the required timetable noted below in preparing, approving and enacting its budget for 2025.

1. For the 2025 budget year, prior to August 25, 2024, the County Assessor sent to the District an assessed valuation of all taxable property within the District’s boundaries. The County Assessor may change the assessed valuation on or before December 10 only once by a single notification to the District.
2. The Manager of the District submitted, on or before October 15, 2024, a recommended budget that detailed the necessary property taxes needed along with other available revenues to meet the District’s operating requirements.
3. Prior to December 15, 2024, after a required publication of “Notice of Proposed Budget” and a public hearing, the District certified to the County Commissioners a levy rate that derived the necessary property taxes as computed in the proposed budget, and the District adopted the proposed budget and an appropriating resolution that legally appropriated expenditures for the upcoming year.
4. After adoption of the budget resolution, the District may make the following changes: a) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; b) approve emergency appropriations; and c) reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2024 were collected in 2025 and taxes certified in 2025 will be collected in 2026. Taxes are due on January 1 in the year of collection; however, they may be paid in either one installment (no later than April 30) or two equal installments (not later than February 28 and June 15) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16.

**Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)**

II. Stewardship, Compliance and Accountability (continued)

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

The District believes it is in compliance with the financial provisions of TABOR as allowed for enterprises. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

III. Detailed Notes on All Funds

A. Deposits and Investments

The District's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amounts of the District's petty cash, demand deposits and investments were \$14,415,033 and \$15,717,527 as of the fiscal year ended 2025 and 2024, respectively.

Fair Value of Investments

The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At December 31, 2025, the District had the following recurring net asset values measurements:

December 31, 2025	
Investments Measured at Net Asset Value	Total
Colostrust investment pool	13,986,548
Total	13,986,548

**Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)**

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2024, the District had the following recurring net asset values measurements:

December 31, 2024	
Investments Measured at	
Net Asset Value	Total
Colotrust investment pool	14,965,800
Total	14,965,800

The ColoTrust investment pool represents investments in the Colorado Government Liquid Asset Trust (“COLOTRUST”). The District invests in both the ColoTrust Edge and ColoTrust Plus+, both are measured at net asset value. ColoTrust Plus+ offers same-day liquidity and a rating of AAAM. ColoTrust Edge offers weekly liquidity and a rating of AAAf.

The District did not have any fair value measurements at December 31, 2025 or at December 31, 2024.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the District diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer and type of issuer. The District coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years (less in some cases) from the purchase date. As a result of the limited length of maturities the District has limited its interest rate risk.

Credit Risk. The District’s investment policy limits investments to those authorized by State statutes as listed in note I.D.1. The District’s general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and in general, avoid speculative investments.

Concentration of Credit Risk. The District diversifies its investments by security type and institution. Financial institutions holding District funds must provide the District a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2025 and 2024, the District had the following cash and investments with the following maturities:

December 31, 2025				
	Standard & Poors Rating	Carrying Amounts	Maturities	
			Less than one year	Less than five years
<i>Petty cash</i>	Not rated	\$ 1,085	\$ 1,085	\$ -
<i>Deposits:</i>				
Checking	Not rated	400,799	400,799	-
Money market	Not rated	26,601	26,601	-
<i>Investments:</i>				
Investment pools	AAAm/AAAf	13,986,548	13,986,548	-
		\$ 14,415,033	\$ 14,415,033	\$ -
December 31, 2024				
	Standard & Poors Rating	Carrying Amounts	Maturities	
			Less than one year	Less than five years
<i>Petty cash</i>	Not rated	\$ 522	\$ 522	\$ -
<i>Deposits:</i>				
Checking	Not rated	571,100	571,100	-
Money market	Not rated	180,105	180,105	-
<i>Investments:</i>				
Investment pools	AAAm/AAAf	14,965,800	14,965,800	-
		\$ 15,717,527	\$ 15,717,527	\$ -

The Investment Pool represents investments in COLOTRUST. The fair value of the pool is determined by the pool's share price. The District has no regulatory oversight for the pool. As of December 31, 2025 and 2024, the District's investments in COLOTRUST were 97.03% and 95.22%, respectively, of the District's investment portfolio.

Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)

III. Detailed Notes on All Funds (continued)

B. Capital Assets

The following table summarizes capital asset activity for 2025.

	<u>1/1/25 Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/25 Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 454,479	\$ -	\$ -	\$ 454,479
Construction in progress	\$ 33,202	\$ 8,589	\$ (33,202)	\$ 8,589
Total capital assets, not being depreciated	<u>\$ 487,681</u>	<u>\$ 8,589</u>	<u>\$ (33,202)</u>	<u>\$ 463,068</u>
Capital assets, being depreciated:				
Buildings and improvements	\$ 7,357,861	\$ 121,667	\$ -	\$ 7,479,528
Collection system	\$ 31,603,646	\$ 98,215	\$ -	\$ 31,701,861
Plant	\$ 40,544,749	\$ 5,092,358	\$ (910,000)	\$ 44,727,107
Vehicles and equipment	\$ 4,104,925	\$ 192,080	\$ (203,866)	\$ 4,093,139
Total capital assets being depreciated:	<u>\$ 83,611,181</u>	<u>\$ 5,504,320</u>	<u>\$ (1,113,866)</u>	<u>\$ 88,001,635</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ (5,121,573)	\$ (275,007)	\$ -	\$ (5,396,580)
Collection system	\$ (16,587,679)	\$ (675,674)	\$ -	\$ (17,263,353)
Plant	\$ (31,259,064)	\$ (713,495)	\$ 910,000	\$ (31,062,559)
Vehicles and equipment	\$ (2,596,368)	\$ (186,640)	\$ 203,866	\$ (2,579,142)
Total accumulated depreciation:	<u>\$ (55,564,684)</u>	<u>\$ (1,850,816)</u>	<u>\$ 1,113,866</u>	<u>\$ (56,301,634)</u>
Total capital assets, being depreciated, net	<u>\$ 28,046,497</u>	<u>\$ 3,653,504</u>	<u>\$ -</u>	<u>\$ 31,700,001</u>
Total capital assets, net	<u>\$ 28,534,178</u>	<u>\$ 3,662,093</u>	<u>\$ (33,202)</u>	<u>\$ 32,163,069</u>

Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)

III. Detailed Notes on All Funds (continued)

B. Capital Assets (continued)

Capital asset activity for 2024 was as follows:

	1/1/24 Beginning Balance	Additions	Disposals	12/31/24 Ending Balance
Capital assets, not being depreciated:				
Land	\$ 454,479	\$ -	\$ -	\$ 454,479
Construction in progress	32,994	9,279	(9,071)	33,202
Total capital assets, not being depreciated	<u>487,473</u>	<u>9,279</u>	<u>(9,071)</u>	<u>487,681</u>
Capital assets, being depreciated:				
Buildings and improvements	7,346,118	11,743	-	7,357,861
Collection system	31,460,406	143,240	-	31,603,646
Plant	39,985,643	559,106	-	40,544,749
Vehicles and equipment	3,681,745	447,440	(24,260)	4,104,925
Total capital assets being depreciated:	<u>82,473,912</u>	<u>1,161,529</u>	<u>(24,260)</u>	<u>83,611,181</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,847,355)	(274,218)	-	(5,121,573)
Collection system	(15,916,086)	(671,593)	-	(16,587,679)
Plant	(30,645,773)	(613,291)	-	(31,259,064)
Vehicles and equipment	(2,444,762)	(172,066)	20,460	(2,596,368)
Total accumulated depreciation:	<u>(53,853,976)</u>	<u>(1,731,168)</u>	<u>20,460</u>	<u>(55,564,684)</u>
Total capital assets, being depreciated, net	<u>28,619,936</u>	<u>(569,639)</u>	<u>(3,800)</u>	<u>28,046,497</u>
Total capital assets, net	<u>\$ 29,107,409</u>	<u>\$ (560,360)</u>	<u>\$ (12,871)</u>	<u>\$ 28,534,178</u>

**Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)**

III. Detailed Notes on All Funds (continued)

C. Long-term Liabilities

1. Accrued Compensated Absences

Earned but unused vacation benefits and sick leave amounted to \$184,312 and \$157,450 at December 31, 2025 and 2024, respectively.

2. Long-term Liability Activity Schedule

Long-term liability activity for the past two years was as follows:

	<u>1/1/25</u> Balance	<u>Additions</u>	<u>Reductions</u>	<u>12/31/25</u> Balance	Current Portion
Compensated absences	157,450	26,862	-	184,312	46,078
Total	<u>\$ 157,450</u>	<u>\$ 26,862</u>	<u>\$ -</u>	<u>\$ 184,312</u>	<u>\$ 46,078</u>

	<u>1/1/24</u> Balance	<u>Additions</u>	<u>Reductions</u>	<u>12/31/24</u> Balance	Current Portion
Compensated absences	151,342	6,108	-	157,450	39,363
Total	<u>\$ 151,342</u>	<u>\$ 6,108</u>	<u>\$ -</u>	<u>\$ 157,450</u>	<u>\$ 39,363</u>

The change in compensated absence liability is presented as a net change.

D. Leases Receivable

The District leases a solar farm to Holy Cross Electric. The non-cancelable terms of the lease agreement, including options to extend which the District believes will be exercised by the lessee, are between 25 and 40 years. Per the terms of the lease agreement, the District receives a monthly credit on its electric bill and annual rent payments. Both the monthly credits (25 year term) and annual payments (40 year term) increase by 2% each year.

During 2025, the District recognized \$116,658 in lease revenue and \$94,897 in interest revenue. During 2024, the District recognized \$116,658 in lease revenue and \$96,300 in interest revenue.

At December 31, 2025, the District's receivable for lease payments was \$3,134,250 and the deferred inflow of resources associated with these leases, which will be recognized as revenue over the lease term, was \$2,840,776. At December 31, 2024, the District's receivable for lease payments was \$3,183,712 and the deferred inflow of resources associated with these leases was \$2,957,434.

The following is a schedule of future principal and interest lease payments due under the terms of this lease at December 31, 2025:

**Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)**

III. Detailed Notes on All Funds (continued)

D. Leases Receivable (continued)

<u>Year</u>	<u>Lease Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 53,882	\$ 94,897	\$ 148,779
2027	58,494	93,365	151,859
2028	63,305	91,698	155,003
2029	68,322	89,891	158,213
2030	73,554	87,937	161,491
2031-2035	454,298	404,797	859,095
2036-2040	621,972	330,081	952,053
2041-2045	826,489	228,767	1,055,257
2046-2050	324,630	120,113	444,743
2051-2055	256,051	81,142	337,193
2056-2060	333,253	40,508	373,761
<u>Total</u>	<u>\$ 3,134,250</u>	<u>\$ 1,663,197</u>	<u>\$ 4,797,447</u>

IV. Other Information

A. Risk Management

The District 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 District has joined together with other special districts in the State to form the Colorado Special Districts Property and Liability Pool (“the Pool”), a public entity risk pool currently operating as a common risk management and insurance program for member special districts. The District pays an annual premium to the Pool for its general insurance coverage. The Pool is to be self-sustaining through member premiums and reinsures through commercial companies for claims in excess of certain limits for each insured event.

The District continues to carry commercial insurance for all other risks of loss, including workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District participates in the Public Sector Health Group for employee health and accident coverage. The District’s plan administrator is United Healthcare. The plan provides coverage up to a maximum of \$25,000 for each claim, with commercial insurance providing coverage in excess of this limit.

Aspen Consolidated Sanitation District
Notes to the Financial Statements
December 31, 2025 and 2024
(Continued)

IV. Other Information (continued)

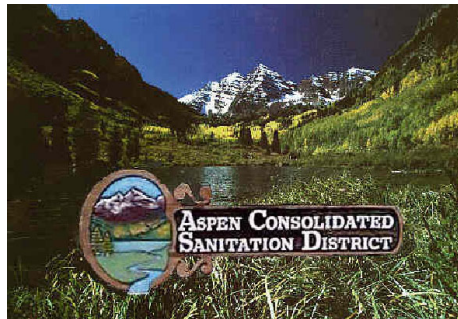
B. Deferred Compensation Plan - Section 401(k)

The District adopted the Aspen Consolidated Sanitation District 401(k) Profit Sharing Plan ("the Plan"). Empower Retirement administers the Plan. Benefits depend solely on amounts contributed plus investment earnings. All contributions are vested 100% when they are made.

All full-time employees above the age of 21 are eligible to participate in the Plan on the first day of the month following commencement of employment. The District matches up to 6% of total earnings of participants. Participants may contribute from 1% to the annual IRS contribution and catch-up contribution limits. Participants have immediate vesting.

The District's expense for the Plan was \$117,172 and \$109,864 for 2025 and 2024, respectively. There was no liability outstanding as of December 31, 2025 and 2024.

SUPPLEMENTARY INFORMATION



**Aspen Consolidated Sanitation District
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2025
(With Comparative Totals for For the Year Ended 2024)**

	<u>2025</u>		<u>2024</u>	
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Charges for services	5,243,371	5,263,450	20,079	5,124,270
Penalties and interest	20,500	61,412	40,912	46,634
Property taxes	227,896	226,750	(1,146)	225,701
Specific ownership taxes	8,200	6,671	(1,529)	17,295
Investment income	394,897	717,645	322,748	827,298
Solar farm lease income	116,658	116,658	-	116,658
Rent income	140,870	140,333	(537)	142,751
Miscellaneous	16,500	10,670	(5,830)	18,040
Capital contributions	975,000	1,168,641	193,641	1,697,851
Total Revenues	<u>7,143,892</u>	<u>7,712,230</u>	<u>568,338</u>	<u>8,216,498</u>
Expenditures:				
Administration	923,378	894,911	28,467	852,359
Collection system	930,060	897,111	32,949	798,999
Treatment plant	2,170,201	2,010,352	159,849	1,904,562
Treasurer's fees	12,500	11,604	896	11,808
Capital outlay	7,385,000	5,504,320	1,880,680	2,115,562
Total Expenditures	<u>11,421,139</u>	<u>9,318,298</u>	<u>2,102,841</u>	<u>5,683,290</u>
Change in Net Position (Budget Basis)	<u>(4,277,247)</u>	<u>(1,606,068)</u>	<u>2,671,179</u>	<u>2,533,208</u>
Reconciliation to GAAP Basis:				
Gain/(loss) on asset disposal		48,043		11,475
Capitalized asset additions		5,504,320		2,115,562
Depreciation and amortization		<u>(1,850,816)</u>		<u>(1,731,168)</u>
Change in Net Position (GAAP Basis)		<u>2,095,479</u>		<u>2,929,077</u>

The accompanying notes are an integral part of these financial statements.

**Aspen Consolidated Sanitation District
Schedule of Administrative Expenditures
Budget and Actual
For the Year Ended December 31, 2025
(With Comparative Totals for For the Year Ended 2024)**

	2025		Final Budget Variance Positive (Negative)	2024
	Original and Final Budget	Actual		Actual
Salaries	496,867	503,277	(6,410)	466,730
Payroll taxes	38,259	38,203	56	35,703
Benefits	109,461	106,927	2,534	102,286
Office supplies	12,000	6,324	5,676	12,099
Postage	8,000	8,329	(329)	7,761
Publication and legal	500	344	156	65
Dues and subscriptions	18,600	13,921	4,679	10,095
Utilities	33,000	28,977	4,023	36,730
Telephone/IT	13,750	20,173	(6,423)	14,827
Legal	20,000	16,515	3,485	7,295
Auditing	16,532	16,090	442	15,745
Other expense	40,000	23,424	16,576	21,469
Insurance	44,409	41,577	2,832	38,756
Ground maintenance	72,000	70,830	1,170	82,798
Total Administrative Expenditures	923,378	894,911	28,467	852,359

The accompanying notes are an integral part of these financial statements.

**Aspen Consolidated Sanitation District
Schedule of Collection System Expenditures
Budget and Actual
For the Year Ended December 31, 2025
(With Comparative Totals for For the Year Ended 2024)**

	2025		Final Budget Variance Positive (Negative)	2024
	Original and Final Budget	Actual		Actual
Salaries	546,534	538,763	7,771	510,757
Payroll taxes	42,083	39,015	3,068	37,730
Benefits	188,584	185,354	3,230	162,830
Office supplies	4,750	2,505	2,245	1,226
Safety equipment	6,200	1,282	4,918	2,626
Oil and grease	12,000	14,730	(2,730)	1,134
Equipment parts	25,000	19,216	5,784	14,795
Line repairs	30,000	40,228	(10,228)	6,922
Tools	7,000	2,762	4,238	103
Shop supplies	13,000	7,988	5,012	14,472
Tuition	6,000	981	5,019	4,468
Miscellaneous	4,500	2,845	1,655	3,273
Insurance	44,409	41,442	2,967	38,663
Total Collection System Expenditures	930,060	897,111	32,949	798,999

The accompanying notes are an integral part of these financial statements.

**Aspen Consolidated Sanitation District
Schedule of Treatment Plant Expenditures
Budget and Actual
For the Year Ended December 31, 2025
(With Comparative Totals for For the Year Ended 2024)**

	2025		Final Budget Variance Positive (Negative)	2024
	Original and Final Budget	Actual		Actual
Salaries	909,408	910,561	(1,153)	855,447
Payroll taxes	70,024	67,890	2,134	63,588
Benefits	258,860	268,602	(9,742)	243,757
Office supplies	5,000	2,707	2,293	6,349
Chemicals	192,000	195,063	(3,063)	145,090
Lab supplies and tests	42,500	37,160	5,340	36,892
Janitorial supplies	7,000	5,445	1,555	6,128
Uniforms	6,000	3,339	2,661	4,837
Dump fees and trash	69,000	50,852	18,148	52,635
Oil and grease	13,000	18,115	(5,115)	4,404
Equipment parts	33,000	19,049	13,951	29,717
Electrical supplies	45,000	16,046	28,954	36,098
Utilities	337,000	253,564	83,436	290,613
Telephone/IT	40,000	41,634	(1,634)	14,237
Other maintenance	40,000	35,054	4,946	29,417
Ground maintenance	12,000	7,752	4,248	5,751
Shop supplies	6,000	2,722	3,278	4,689
Tuition	6,000	2,509	3,491	1,189
Other expenses	4,000	4,440	(440)	3,770
Insurance	44,409	41,442	2,967	38,663
Permits	30,000	26,406	3,594	31,291
Total Treatment Plant Expenditures	2,170,201	2,010,352	159,849	1,904,562

The accompanying notes are an integral part of these financial statements.