SILT WATER CONSERVANCY DISTRICT

FINANCIAL STATEMENTS
AND
AUDITOR'S REPORT

DECEMBER 31, 2025

SILT WATER CONSERVANCY DISTRICT
SILT, COLORADO
FOR THE YEAR ENDED
December 31, 2025

OFFICERS/DIRECTORS

Charlie Terrell – District 4 -President
Wayne Pollard – District 3 – Vice President
Kevin Roberts – District 1
Doug Piffer – District 2
Roger Day – District 5
Jerry Seifert – District 6
Mike Walck – District 7
Jack Pretti – District 8
Vacant – District 9

OFFICERS - OTHER

Vacant – Secretary/Treasurer

Table of Contents

	Page(s)
Independent Auditor's Report	A1 - A2
Management's Discussion and Analysis	B1 - B9
Basic Financial Statements:	
Government-Wide Financial statements	
Statement of Net Position	C1
Statement of Activities	C2
Fund Financial Statements	
Balance Sheet – Governmental Funds	C3
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	C4
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	C5
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Government Funds to the Statement of Activities	C6
Statement of Fund Net Position – Proprietary Funds	C7
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	C8
Statement of Cash Flows – Proprietary Funds	C9
Notes to Financial Statements	D1 - D19
Required Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget & Actual – General Fund	E1
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget & Actual – Special Revenue Fund – Operations & Maintenance	E2
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget & Actual – Special Revenue Fund – Pump Reserve	E3
Supplementary Information	
Combining Balance Sheet – Special Revenue Funds	F1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Special Revenue Funds	F2
Schedule of Budgetary Based Revenues and Expenditures – Budget to Actual Comparison – Proprietary Fund	F3

HOOD P.C.
CPAS & ADVISORS

To the Board of Directors
Silt Water Conservancy District
Silt, Colorado

INDEPENDENT AUDITOR'S REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Silt Water Conservancy District as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Silt Water Conservancy District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Silt Water Conservancy 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 conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Silt Water Conservancy 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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Silt Water Conservancy District's ability to continue as a going concern for twelve months beyond the financial statement date, including any 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 one resulting in an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Silt Water Conservancy 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Silt Water Conservancy District's ability to continue as a going concern for a reasonable period of time.

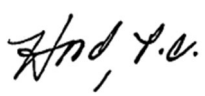
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with accounting standards generally accepted in the United States of America, which consisted of inquiries of management regarding 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.

Supplemental Information

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Silt Water Conservancy District's basic financial statements. The proprietary fund budgetary comparison schedule listed as Supplemental Information in the table of contents is for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the proprietary fund budgetary comparison schedule is fairly stated, in all material aspects, in relation to the basic financial statements taken as a whole.



Hood P.C.
Glenwood Springs, Colorado
September 25, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

SILT WATER CONSERVANCY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Silt Water Conservancy District (the "District"), a political subdivision of the State of Colorado, was formed to manage water stored in the Rifle Gap and Harvey Gap reservoirs near the City of Rifle and the Town of Silt. The Board of Directors is appointed by a District Judge and has authority to levy ad valorem taxes, set fees for services, acquire and own property, incur debt, and perform all other functions necessary in the operation of the District.

The Management's Discussion and Analysis of the Silt Water Conservancy District's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the District's overall financial performance.

FINANCIAL HIGHLIGHTS

- The District's overall net position increased $357,380, or 26% from the previous fiscal year.
- The District's General Revenues accounted for $211,632 or 21% of all revenues. These general revenues include taxes and interest on investments and other general revenues not related to program services. Program specific revenues, in the form of charges for services, expense reimbursements and capital grants, amounted to $816,415 or 79% of the District's total revenues of $1,028,047. Total revenues increased $244,212 from 2024, primarily due to the receipt of capital grants.
- *Overall* the District had $670,667 of expenses which all were offset by program specific charges for services, reimbursements, and grants.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements,* and *required supplementary information*. The basic financial statements include two types of information on the same statement that present different views of the District:

- *Government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- *Fund financial statements* that focus on *individual parts* of the District's government, reporting the District's operations *in more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Additional supplemental information has also been included to enhance the reader's understanding of the financial statements.

REPORTING ON THE DISTRICT AS A WHOLE

Statement of Net Position and Statement of Activities

While this report contains all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during the current fiscal year?" The statement of net position and statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash was received or paid.

The focus of the government-wide financial statements is on the overall financial position and activities of the District. These financial statements are constructed around the concept of an overall primary reporting government, which includes all funds of the District. The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances.

The two statements report the District's net position and changes in those assets. This change in net position is important because it identifies whether the financial position of the District has improved or diminished for the District as a whole. The cause of this change may be the result of many factors, some financial, some not. Nonfinancial factors include the District's property tax base, current property tax laws, statutorily required reserves, facility conditions, and other factors.

In the statement of net position and the statement of activities, the District is divided into two distinct kinds of activities:

> ***Governmental Activities*** – Governmental activities are generally financed through taxes, intergovernmental revenues and other non-exchange revenues. Most of the District's administrative operations are reported here including a portion of its debt service and other fiscal charges.
>
> ***Business-Type Activities*** – Business-type activities are financed to some degree by charging external parties for the goods or services they acquire. The District's enterprise fund for irrigation water is reported as a business-type activity as the service is provided on a charge for goods or services basis to recover the expenses of the goods and services provided.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's *funds*, focusing on its most significant funds – not the District as a whole. Unlike government-wide financial statements, the focus of the fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

Governmental funds – The District's administrative and general obligation debt service activity is reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending in future periods. The funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* is provided in reconciliations following the fund financial statements. The District maintains the following governmental funds:

> ***General Fund*** – The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.
>
> ***Special Revenue Funds*** – Special Revenue Funds are used to account for the proceeds of special revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes. The special revenue funds of the District are the Operations and Maintenance Fund and the Pump Reserve Fund. These funds were established pursuant to a contract with the U.S. Department of the Interior to account for reserves that are to be maintained for extraordinary and unforeseen operating costs (operations and maintenance fund) and pumping plant replacements (pump reserve fund).
>
> ***Proprietary Funds*** – The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. These funds are established to account for operations that are financed and operated in a manner similar to private enterprise, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges
>
> > ***Water Fund*** – accounts for activities related to irrigation water services provided to the citizens of the District.

THE DISTRICT AS A WHOLE

Statement of Net Position

The perspective of the Statement of Net Position is of the District as a whole. Following is a summary of the District's net position for the current and prior fiscal year.

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and Other Assets	$ 478,528	$ 815,606	$ 545,726	$ 111,062	$ 1,024,254	$ 926,668
Capital Assets, Net	193,252	205,485	1,355,037	1,087,805	1,548,289	1,293,290
Total Assets	671,780	1,021,091	1,900,763	1,198,867	2,572,543	2,219,958
Liabilities:						
Current & Other Liabilities	-	218	40,079	39,415	40,079	39,633
Long-term Liabilities	-	-	563,784	600,113	563,784	600,113
Total Liabilities	-	218	603,863	639,528	603,863	639,746
Deferred Inflows of Resources:						
Property Taxes	219,460	188,372	-	-	219,460	188,372
Total Deferred Inflows	219,460	188,372	-	-	219,460	188,372
Net Position:						
Invested in Capital Assets, Net of Related Debt	193,252	205,485	754,924	452,249	948,176	657,734
Restricted For:						
Emergencies	4,000	3,700	-	-	4,000	3,700
Water System Operation & Maintenance	65,069	65,069	-	-	65,069	65,069
Water Pumping Plant Operations	41,144	41,145	-	-	41,144	41,145
Unrestricted	148,855	517,102	541,976	107,090	690,831	624,192
Total Net Position	$ 452,320	$ 832,501	$ 1,296,900	$ 559,339	$ 1,749,220	$ 1,391,840

Governmental Activities resources were less than amounts used to provide for current year expenditures, resulting in a decrease in net position of $380,181.

The net position of Business type Activities increased from the prior fiscal year; the net increase amounted to $737,561.

THE DISTRICT AS A WHOLE, CONTINUED

Statement of Activities

The perspective of the statement of activities is also of the District as a whole. The statement of activities reflects the cost of program services and the charges for services and sales, grants and contributions offsetting those services. The following detail reflects the total cost of services supported by program revenues and general property taxes, as well as other general revenues, resulting in the overall change in net position for the current and prior fiscal year:

	Governmental Activities		Business-Type		Totals	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for Services/Sales	$ -	$ -	$ 347,604	$ 329,007	$ 347,604	$ 329,007
Operating Grants & Contrib.	24,532	34,063	94,029	89,762	118,561	123,825
Capital Grants & Contrib.	-	-	350,250	89,958	350,250	89,958
Total Program Revenues	24,532	34,063	791,883	508,727	816,415	542,790
General Revenues:						
Taxes	202,243	226,907	-	-	202,243	226,907
Interest/Investment Earnings	-	3,898	-	-	-	3,898
Miscellaneous	2,822	10,240	-	-	2,822	10,240
Gain/(Loss) on Asset Disposition	-	-	6,567	-	6,567	-
Total General Revenues	205,065	241,045	6,567	-	211,632	241,045
Total Revenues	229,597	275,108	798,450	508,727	1,028,047	783,835
Expenses						
Operating Expenses:						
Administration	147,571	126,049	-	-	147,571	126,049
Salaries	-	-	147,883	145,274	147,883	145,274
Energy and Power	-	-	54,810	45,746	54,810	45,746
Operations and Maintenance	-	-	39,388	39,063	39,388	39,063
Insurance and Bonds	-	-	34,961	33,109	34,961	33,109
Office Expense	-	-	17,560	15,189	17,560	15,189
Depreciation	12,233	13,494	112,388	101,796	124,621	115,290
Non-Capitalized Outlay	3,818	2,035	72,076	92,255	75,894	94,290
Non-Operating Expenses:						
Treasurer's Fees	6,156	6,154	6,156	5,878	12,312	12,032
Interest on Long-Term Debt	-	-	15,667	16,537	15,667	16,537
Total Expenses	169,778	147,732	500,889	494,847	670,667	642,579
Increase (Decrease) in Net before Operating Transfers	59,819	127,376	297,561	13,880	357,380	141,256
Operating Transfers	(440,000)	(40,000)	440,000	40,000	-	-
Increase (Decrease) in Net Position	$ (380,181)	$ 87,376	$ 737,561	$ 53,880	$ 357,380	$ 141,256

THE DISTRICT AS A WHOLE, CONTINUED

Governmental Activities

Revenues
Overall revenues decreased from the prior year as a result of general tax revenues decreasing approximately 11% from the prior year. Other program service revenue include reimbursements from the Farmer' Irrigation Company for cost share expenses.

Expenses
Expenses increased $22,046 from the prior fiscal year. Cost increases of administering the District occurred for professional fees related to engineering services provided.

The statement of activities reflects the cost of program services and the charges for services and sales, grants, and contributions offsetting those services. The following table summarizes the information from the statement of activities, reflecting the total cost of program services and remaining net cost of program services which are supported by taxes and other general revenues:

	Total Cost of Service		Net Cost of Service	
	2025	2024	2025	2024
Water Utility System	$ 169,778	$ 147,732	$ (145,246)	$ (113,669)

The dependence on taxes and other general revenues is apparent as $145,246 of administration services were supported through taxes and other general revenues such as investment earnings and other miscellaneous income.

Business-Type Activities

Revenues
Charges for services increased with revenues of $347,604 for year 2025 as compared to $329,007 for year 2024. In total program revenues increased $283,156 as the result of the District receiving several cost share grants for continued infrastructure improvement costs.

Expenses
Program expenses increased $6,042 from the prior fiscal year. An increase was observed in expenses relating to energy and power, while outlay for expenses not capitalized saw a decrease.

The positive increase in net position of the business-type activity indicate that the Enterprise Fund operating revenues are sufficient to provide for operating expenses.

THE DISTRICT'S FUNDS

Governmental Funds

The fund level financial statements focus on how services were financed in the short-term as well as what remains for future spending. The fund level financial statements are reported on the modified accrual basis of accounting. At the fund level, under the modified accrual basis of accounting, depreciable assets and their related depreciation expense are not reflected as they are not a current period financial resource or use. In addition, at the fund level, inflows from operating loans are presented as a revenue item while outflows for capital outlay and debt service payments are presented as expenditure items, as these items represent current period financial resources and uses.

The General Fund ending fund balance decreased from $520,803 to $152,855 during the current fiscal year. This represents the deficit of current period current period revenues (financial resources) over expenditures (financial uses). The ending fund balance of $152,855 is the amount of net resources available for future spending. Most of the financial resources are from property and specific ownership taxes, as well as expense reimbursements. The primary use of funds were for administrative costs, professional services, and operating transfers to other funds.

The special revenue funds ending fund balances did not change and remained at $106,213.

Proprietary Funds

The proprietary fund level financial statements, as discussed above, use the same basis of accounting as business-type activities. The Water Enterprise Fund ending net position increased from $559,339 to $1,296,900. The positive change in fund net position reflects that the enterprise fund's operating and non-operating revenues were sufficient in amount to offset current year operating and non-operating expenses. The ending net position in the enterprise activity represents the amount of net resources, including capital assets, available to provide future utility services and capacity improvements to the citizens of the District.

BUDGETARY INFORMATION

The District's procedures in establishing budgetary data reflected in the financial statements are summarized in *Note 1* of the financial statements. Budgets for the District are adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception of the Proprietary Fund. The reconciliation of the budgetary differences in the Proprietary Fund to (GAAP) is found in *Note 7* of the financial statements. The budgetary comparison schedules for the District are found in the section entitled "Required Supplemental Information" and "Other Supplemental Information" following the notes to financial statements.

The District uses a line-item based budget which is designed to control line-item expenditures, but provide flexibility for overall budgetary management. It is not anticipated that the current year variances will have a significant impact on future services or liquidity.

BUDGETARY INFORMATION, CONTINUED

General Fund Resources (Inflows)
The District's General Fund budgetary revenues and other financing sources in the amount of $229,597 missed budget expectations of $233,800 by $4,203 , or 1.8%.

General Fund Charges to Appropriations (Outflows)
The District's general fund budgetary expenditures and other financing uses of $597,545 were $36,255 less than the final appropriated balance of $633,800. Both positive and negative budget variances occurred throughout the District's expenditure classifications. Notable budgetary savings occurred in unused appropriations for capital outlay.

General Fund Unappropriated Fund Balance
The General Fund ending unappropriated budgetary fund balance carryover to fiscal year 2026 is $152,855.

CAPITAL ASSETS

At the end of 2025, the District had a total of $1,548,289 invested in capital assets, consisting of $193,252 in governmental activities and $1,355,037 in business-type activities. The following reflects the balances the current fiscal year compared to the prior fiscal year, net of depreciation and amortization:

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Net of Depreciation:						
Non-Depreciable Assets:						
Easements	$ 10,793	$ 10,793	$ -	$ -	$ 10,793	$ 10,793
Construction in Process	-	-	-	204,943	-	204,943
Depreciable Assets:						
Infrastructure	161,369	168,385	-	-	161,369	168,385
Pump House	-	-	-	-	-	-
Vehicles & Equipment	21,090	26,307	173,788	219,024	194,878	245,331
Utility System	-	-	1,181,249	663,838	1,181,249	663,838
Capital Assets, Net	$ 193,252	$ 205,485	$ 1,355,037	$ 1,087,805	$ 1,548,289	$ 1,293,290

DEBT ADMINISTRATION

At December 31, 2024 the District had total outstanding long-term debt of $600,113. The entire amount is carried in the business type activity. See *Note 4 - Long-term Debt Obligations* for details of the terms and annual debt service requirements to amortize the District's long-term debt.

MAJOR INITIATIVES

The District will continue servicing and maintaining infrastructure and equipment needed to supply irrigating water for approximately 7,000 acres of land located within the District boundaries. Principal features of the District are Rifle Gap Dam and Reservoir, a pumping plant, and a lateral system.

ECONOMIC CONDITION AND OUTLOOK

As the local economy has continued to grow, property valuations have increased, resulting in larger property tax revenues; however, the future economic outlook remains uncertain as the District's water delivery system continues to age. The District will continue to pursue grant funding to offset these costs. There continues to be the possibility of increased per acre foot assessments if funding is unavailable.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, please contact the:

Administration Office
120 S. 7th Street
P.O. Box 8
Silt, Colorado 81652
Phone: (970) 876-2393

GOVERNMENT – WIDE FINANCIAL STATEMENTS

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF NET POSTION
For the Year Ended December 31, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets:			
Cash and Investments	$ 803,562	$ -	$ 803,562
Receivables:			
Accounts Receivable	-	-	-
Taxes - W/ County Treasurer	1,232	-	1,232
Taxes - Property	219,460	-	219,460
Internal Balances	(545,726)	545,726	-
Total Current Assets	478,528	545,726	1,024,254
Non-Current Assets:			
Capital Assets, Net of Depreciation	193,252	1,355,037	1,548,289
Total Non-Current	193,252	1,355,037	1,548,289
Total Assets	671,780	1,900,763	2,572,543
Liabilities			
Current Liabilities:			
Accounts Payable	-	-	-
Payroll Liabilities	-	-	-
Accrued Interest	-	3,750	3,750
Accrued Vacation & Sick Pay	-	-	-
Loans Payable within One Year	-	36,329	36,329
Noncurrent Liabilities:			
Loans Payable after One Year	-	563,784	563,784
Total Liabilities	-	603,863	603,863
Deferred Inflows of Resources:			
Unavailable Revenues - Property Taxes	219,460	-	219,460
Total Deferred Inflows	219,460	-	219,460
Net Position			
Invested in Capital Assets, Net of Related Debt	193,252	754,924	948,176
Restricted For:			
Emergencies	4,000	-	4,000
Water System Operation & Maintenance	65,069	-	65,069
Water Pumping Plant Operations	41,144	-	41,144
Unrestricted	148,855	541,976	690,831
Total Net Position	$ 452,320	$ 1,296,900	$ 1,749,220

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OFACTIVITIES
For the Year Ended December 31, 2025

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Busines-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities							
Water Utility System	$ 169,778	$ -	$ 24,532	$ -	$ (145,246)		$ (145,246)
Total Governmental Activities	169,778	-	24,532	-	(145,246)		(145,246)
Business-Type Activities:							
Water Utility System	485,222	347,604	94,029	350,250	-	$ 306,661	306,661
Interest on Long-Term Debt	15,667	-	-	-	-	(15,667)	(15,667)
Total Business-Type Activities	500,889	347,604	94,029	350,250	-	290,994	290,994
Total Primary Government	$ 670,667	$ 347,604	$ 118,561	$ 350,250	(145,246)	290,994	145,748
General Revenues:							
Property Taxes, Levied for General Purposes					202,243	-	202,243
Unrestricted Interest and Investment Earnings					-	-	-
Miscellaneous					2,822	-	2,822
Gain/(Loss) on Asset Disposition					-	6,567	6,567
Total General Revenues					205,065	6,567	211,632
Excess before Transfers and Loans to Other Funds					59,819	297,561	357,380
Transfers					(440,000)	440,000	-
Change in Net Position					(380,181)	737,561	357,380
Net Position - Beginning of Year					832,501	559,339	1,391,840
Net Position - End of Year					$ 452,320	#########	#########

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

FUND FINANCIAL STATEMENTS

SILT WATER CONSERVANCY DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	General Fund	Special Revenue	Total Governmental Funds
Assets			
Cash and Investments	$ 697,349	$ 106,213	$ 803,562
Receivables:			
Accounts Receivable	-	-	-
Taxes - W/ County Treasurer	1,232	-	1,232
Taxes - Property	219,460	-	219,460
Total Assets	$ 918,041	$ 106,213	$ 1,024,254
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Due to Water Fund	$ 545,726	$ -	$ 545,726
Total Liabilities	545,726	-	545,726
Deferred Inflows of Resources:			
Unavailable Revenues - Property Taxes	219,460	-	219,460
Total Deferred Inflows	219,460	-	219,460
Fund Balances:			
Restricted for Emergencies	4,000	-	4,000
Restricted for Water System Operation & Maintenance	-	65,069	65,069
Restricted for Water Pumping Plant Operations	-	41,144	41,144
Unassigned	148,855	-	148,855
Total Fund Balance	152,855	106,213	259,068
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 918,041	$ 106,213	$ 1,024,254

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

SILT WATER CONSERVANCY DISTRICT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
For the Year Ended December 31, 2025

TOTAL GOVERNMENTAL FUND BALANCES			$ 259,068
Amounts reported for governmental activities on the statement of net position is different because of the following:			
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds:			
Governmental Capital Assets	$	470,868	
Less Accumulated Depreciation		(277,616)	193,252
NET POSITION OF GOVERNMENTAL ACTIVITIES			$ 452,320

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANAGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	General Funds	Special Revenue	Total Governmental Funds
Revenues:			
Local Taxes and Assessments	$ 202,243	$ -	$ 202,243
Expenditure Reimbursements	24,532	-	24,532
Interest & Investment Income	-	-	-
Miscellaneous	2,822	-	2,822
Total Revenues	229,597	-	229,597
Expenditures:			
Administration	153,727		153,727
Capital Outlay	3,818	-	3,818
Total Expenditures	157,545	-	157,545
Excess Revenues Over (Under) Expenditures	72,052	-	72,052
Other Financing Sources and (Uses):			
Transfers From (To) Other Funds	(440,000)	-	(440,000)
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	(367,948)	-	(367,948)
Fund Balances – Beginning	520,803	106,213	627,016
Fund Balances – Ending	$ 152,855	$ 106,213	$ 259,068

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

SILT WATER CONSERVANCY DISTRICT
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the year ended December 31, 2024

NET CHANGE IN FUND BALANCES – TOTAL		
Amounts reported for governmental activities on the Statement of Activities are different because of the following:		$ (367,948)
Governmental Funds report capital outlays as expenditures and contributed infrastructure is not recorded; however, on the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount by which fixed asset additions exceeded depreciation.		
Capital Outlay	$ -	
Depreciation	(12,233)	(12,233)
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ (380,181)

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2025

	Business-Type Activity Enterprise Fund
	Water Fund
Assets:	
Current Assets:	
Due from General Fund	$ 545,726
Total Current Assets	545,726
Non-Current Assets:	
Utility System	2,021,441
Vehicles and Equipment	530,476
Less Accumulated Depreciation	(1,196,880)
Total Non-Current Assets	1,355,037
Total Assets	$ 1,900,763
Liabilties and Fund Net Position:	
Current Liabilities:	
Accrued Interest	$ 3,750
Current Maturities of Long-term Debt	36,329
Total Current Liabilities	40,079
Non-Current Liabilities:	
Long-term Notes Payable	563,784
Total Liabilities	603,863
Fund Net Position:	
Net Investment in Capital Assets	754,924
Unrestricted	541,976
Total Net Position	1,296,900
Total Liabilities and Fund Net Position	$ 1,900,763

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET POSITION - PROPRIETARY FUNDS
For the Year Ended December 31, 2025

	Business-Type Activity Enterprise Fund
	Water Fund
Operating Revenues:	
Charges for Service	$ 337,860
Expense Reimbursements	94,029
Grants	350,250
Miscellaneous	9,744
Total Operating Revenues	791,883
Operating Expenses:	
Operations & Maintenance	39,388
Energy and Power	54,810
Salaries and Wages	118,350
Payroll Taxes	9,727
Retirement	4,499
Employee Health	15,307
Insurance and Bonds	34,961
Office Expense and Telephone	16,326
Treausrers Fees	6,156
Security System	1,234
Capital Outlay	72,076
Depreciation Expense	112,388
Total Operating Expenses	485,222
Net Operating Income (Loss)	306,661
Non-Operating Revenues (Expenses):	
Gain (Loss) on Sale of Asset	6,567
Interest Expense	(15,667)
Transfers From (To) Other Funds	440,000
Total Non-Operating Revenues (Expenses)	430,900
Change in Net Position	737,561
Net Position – Beginning	559,339
Net Position – Ending	$ 1,296,900

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2025

	Business-Type Activity Enterprise Fund
	Water Fund
Cash Flows From Operating Activities:	
Cash Received from Customers	$ 791,883
Cash Payments to Employees	(118,350)
Cash Payments for Goods and Services	(689,149)
Net Cash Provided (Used) by Operating Activities	(15,616)
Cash Flows From Capital and Financing Related Activities:	
Transfer from General Fund	440,000
Additions to Property, Plant, & Equipment	(380,452)
Sale of Assets	7,400
Principal Payments on Loan	(35,443)
Interest Paid	(15,889)
Net Cash Provided (Used) by Capital and Related Financing Activities	15,616
Net Increase (Decrease) in Cash and Cash Equivalents	-
Cash at Beginning of Year	-
Cash at End of Year	$ -
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:	
Net Operating Income (Loss)	$ 306,661
Non-Cash Expenses Included in Operating Income - Depreciation	112,388
Change in Assets & Liabilities - Decrease (Increase) Receivables	(434,665)
Change in Assets & Liabilities - Increase (Decrease) Payables	-
Net Cash Provided (Used) by Operating Activities	$ (15,616)

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes:				
Property Tax	$ 188,000	$ 188,000	$ 188,853	$ 853
Specific Ownership Taxes	10,000	10,000	13,037	3,037
Delinquent Taxes & Interest	300	300	353	53
Total Taxes	198,300	198,300	202,243	3,943
Intergovernmental Revenues:				
State and Local Grants	-	-	-	-
Charges for Services:				
Farmers Irrigation Company	35,000	35,000	24,532	(10,468)
Interest & Investment Income:				
Interest Income	-	-	-	-
Other Income:				
Miscellaneous Income	500	500	2,822	2,322
TOTAL REVENUES	233,800	233,800	229,597	(4,203)
EXPENDITURES:				
Admistration:				
Bank and Credit Charges	175	175	51	124
Directors Fees	12,000	12,000	9,400	2,600
Professional Services	27,000	32,000	31,739	261
Security System	1,000	1,000	(1)	1,001
Office Expense and Telephone	15,000	14,300	12,816	1,484
Insurance and Bonds	3,500	3,500	1,498	2,002
Energy and Power	3,000	3,000	1,226	1,774
Miscellaneous	1,000	1,000	1,085	(85)
Treasurer Fees	7,000	7,000	5,601	1,399
Mileage Reimbursement	1,500	1,700	1,726	(26)
Salary – Manager	40,350	40,350	39,724	626
Salary – Secretary	28,868	31,368	29,060	2,308
Salary – Ditch Rider	32,993	0	0	-
Retirement	5,250	3,500	2,671	829
Payroll Taxes	9,750	9,750	5,263	4,487
Employee Health	13,000	8,600	11,868	(3,268)
Total Administration	201,386	169,243	153,727	15,516

Continued on next page:

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

NOTES TO THE FINANCIAL STATEMENTS

SILT WATER CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Silt Water Conservancy District, located in Silt, Colorado, are prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Significant accounting policies of the Silt Water Conservancy District are described below.

A. Financial Reporting Entity

The Silt Water Conservancy District, a political subdivision of the State of Colorado, was formed to manage water stored in the Rifle Gap and Harvey Gap reservoirs near the City of Rifle and the Town of Silt. The Board of Directors is appointed by a District Judge and has authority to levy ad valorem taxes, set fees for services, acquire and own property, incur debt, and perform all other functions necessary in the operation of the District.

The Governmental Accounting Standards Board (GASB) has specified the criteria to be used in defining a governmental entity for financial reporting purposes.

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 discussed above, the District is not financially accountable for any other entity and, therefore, the District's financial statements do not include any component units, nor do they exclude any potential component units requiring inclusion in the District's reporting entity, nor is the District a component unit of any other government. The District's financial statements include the accounts of all District operations.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued*

B. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and statement of activities, and fund financial statements which provide a more detailed level of financial information.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall primary government.

The statement of net position presents the financial condition of the District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District.

In the statement of activities, direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from general revenues of the District.

FUND FINANCIAL STATEMENTS

During the fiscal year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance by segregating transactions related to certain governmental functions or activities. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds, if applicable, are aggregated and presented in a single column. Enterprise funds are reported by type.

C. Fund Accounting

Governmental accounting systems are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The District's funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations or limitations based upon the purposes for which they are to be spent and by means by which spending activities are controlled. The various funds of the District are outlined in the following paragraphs.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued*

C. Fund Accounting, continued

GOVERNMENTAL FUNDS

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to general statutory laws.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of special revenue sources that are restricted or committed for purposes other than debt service or capital projects. The special revenue funds of the District are the Operations and Maintenance Fund and the Pump Reserve Fund. These funds were established pursuant to a contract with the U.S. Department of the Interior to account for reserves that are to be maintained for extraordinary and unforeseen operating costs (operations and maintenance fund) and pumping plant replacements (pump reserve fund).

PROPRIETARY FUNDS

Enterprise Funds – The Water Fund is used to account for operations that 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 or services to the general public on a continuing basis be financed or recovered primarily through user charges.

D. Measurement Focus and Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are prepared using the *economic resources measurement* focus and the *accrual basis of accounting.* Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in return, consist of property taxes, other taxes and fines and penalties. All assets and all liabilities associated with the operation of the District are included on the statement of net position.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued*

D. Measurement Focus and Basis of Accounting, continued

FUND FINANCIAL STATEMENTS

All governmental funds are accounted for using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under this method, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between government-wide and governmental fund statements. Under this method, revenues are recognized when measurable and available. The District considers all revenues available if they are collected within 60 days after year-end. The following material revenue sources are considered susceptible to accrual because they are both measurable and available to finance expenditures of the current period:

- Property Taxes
- Specific Ownership Taxes
- Expense Reimbursements

Taxpayer-assessed local property and specific ownership taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Expenditures are recorded when the related fund liability is incurred, except for matured principal and interest on general long-term liabilities which are reported as other financing uses.

Like the government-wide financial statements, the enterprise fund is accounted for using a flow of economic resources measurement focus. This basis of accounting and measurement focus emphasizes the measurement of net income similar to the approach used by commercial enterprises, and revenues are recorded when earned and expenses are recorded when incurred. All assets and all liabilities associated with the operation of this fund are included on the statement of net position. The statement of changes in revenues, expenses, and changes in net position, presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the District finances and meets the cash flow needs of its enterprise fund. Under this basis of accounting and measurement focus, the District applies all GASB pronouncements.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued*

E. Budgets and Budgetary Accounting

With the exception of its proprietary fund (see *Note 7*) the District's budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds. The level of control in the budget at which expenditures exceed appropriations is at the fund level. All annual appropriations lapse at fiscal year end.

Budget Calendar
As required by Colorado statutes, the District followed required timetables in preparing, approving, and enacting its budget for the ensuing year. The following is a summary of the budget calendar for the budget year:

1. Prior to October 10, the County Assessor sends the District the certified assessed valuation of all taxable property within the District's boundaries.

2. On or prior to October 15, the District Secretary submits to the District Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Within 10 days of submission a notice of the proposed budget is published.

3. Public hearings are conducted by the Board of Directors to obtain taxpayer comments.

4. Prior to December 15, the Board of Directors enacts a resolution setting the tax mill levy.

5. After the required public hearing, the Board of Directors adopts the proposed budget, by resolution, prior to December 31. A resolution legally appropriating expenditures for the upcoming year is also adopted.

6. After adoption of the budget ordinance, the District may make, by resolutions, the following changes: (a) supplemental appropriations of revenues to the extent of revenues in excess of the estimated budget; (b) emergency appropriations; and (c) reduction of appropriations for which originally estimated revenues are insufficient. At any time during the year, the Board may, by resolution, transfer part or all of any unexpended funds from one department, fund or office to another.

7. Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the total budget of any fund.

8. Budget appropriations lapse at the end of each year.

The District legally adopted annual budgets for all the District's funds. Budget amounts included in the financial statements are based on the final, legally adopted budget. The budget was amended on April 16, 2025.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued*

F. Fund Balance and Net Position

In the government-wide financial statements, net position is classified as follows:

Invested in Capital Assets, Net of Related Debt – this category groups all capital assets into one component. Accumulated depreciation and the outstanding debt balances that are attributable to (already invested in) the acquisition, construction or improvement of these assets reduce this category.

Restricted – assets are reported as *restricted* when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by various enabling legislation.

Unrestricted – represents the amount which is not restricted for any purpose. It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.

In the governmental fund financial statements, fund balances are classified as follows:

Non-spendable – amounts that cannot be spent because they are either in non-spendable form such as inventory and prepaid expenses, or legally or contractually required to be maintained intact such as the corpus of permanently restricted funds to be retained in perpetuity. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale, when applicable.

Restricted – when constraints are placed on the use of resources either (a) externally imposed by creditors or (b) imposed by law through constitutional provisions or enabling legislation. Available fund balances of the Operations and Maintenance and Pump Reserve Funds are restricted for unforeseen expenses in accordance with an agreement with the U.S. Department of Interior. Also, as discussed in *Note 10*, Colorado voters passed an amendment to the State Constitution, one of the provisions of which requires local governments to establish an emergency reserve which is calculated at 3% of certain expenditures; these funds may only be expended in cases of emergencies as defined by the amendment and are used to fund appropriations only after unrestricted resources are depleted. This reserve has been recorded in the General Fund.

Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Board of Directors). These amounts cannot be changed except by taking the same type of action employed to previously commit these amounts. The District has no committed funds.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued*

Assigned – amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the governing body itself, or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The District has no assigned amounts.

Unassigned – the residual for the general fund.

It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available. Committed and assigned amounts are considered to have been spent first when an expenditure is incurred for purposes for which such categories and unassigned amounts are available.

G. Cash and Investments

The District's policy in determining which items are treated as cash equivalents on the statement of cash flows for the enterprise fund include all cash, demand deposits, treasury bills and other short-term, highly liquid investments (including restricted assets) that are readily convertible to cash and have original maturities of three months or less.

Investments are reported at fair value which is determined using selected basis. Short-term investments are reported at cost which approximates fair value. Securities traded on a national or international exchange are valued at the last quoted market price. Cash deposits are reported at carrying amounts which reasonably estimates fair value. See additional required disclosures for cash and investments in *Note 2*.

H. Accounts Receivable

The District extends credit to customers, all of whom are engaged in agriculture near Silt, Colorado. The District also has amounts due from Farmers Irrigation Company for some cost sharing. Farmers Irrigation Company is an association of agricultural producers located near Silt, Colorado. The District considers all accounts receivable to be fully collectible.

I. Proprietary Funds – Contributed Capital

Grants and contributions in the enterprise fund which may be used for either operations or capital expenditures at the discretion of the District are recognized as non-operating revenues. If expenditure of funds is the prime factor for determining eligibility for contributed funds, revenue or contributed capital is recognized at the time of making the expenditure.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued*

J. Property Taxes Receivable and Deferred Inflows

Property taxes are due and attach as an enforceable lien on property as of January 1. Taxes may be paid in two equal payments. To avoid penalties, the first half must be paid on or before February 28 and the second half must be paid on or before June 15. The taxes may also be paid in one installment due April 30. All unpaid tax becomes delinquent on June 16. Property taxes are levied and collected on behalf of the District by Garfield County and are reported as revenue when received by the County Treasurer.

Deferred property taxes receivable represents the 2025 assessed tax to be collected in 2026 with an offset to deferred inflows.

K. Proprietary Funds – Unearned Revenue

The Water Fund bills for current services, therefore no unearned revenues have been accrued in the Water Fund.

L. Capital Assets/Depreciation

Capital assets purchased or acquired with an original cost in excess of the capitalization thresholds (office equipment $2,500; mobile equipment $5,000; capital improvements $10,000) set by the District are reported at historical or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Utility System	10-40 years
Motorized Equipment	5 years
Tools and Equipment	5-7 years

Governmental funds depreciation expense is included in the water utility system function on the government-wide Statement of Activities.

M. Inter-fund Transactions

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the fund providing services and as expenditures/expenses in the fund receiving services. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in the governmental funds and are non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued*

N. Internal Balances

During the year, the District has transactions between funds to finance operations and provide services and to allocate combined cash balances. To the extent that certain transactions between funds had not been paid or received as of year-end, balances of inter-fund amounts receivable or payable are recorded.

Inter-fund balances at December 31, 2025 are as follows:

	Receivables	Payables
General Fund	$ -	$ 545,726
Water Fund	545,726	-
Totals	$ 545,726	$ 545,726

Inter-fund balances within governmental activities are eliminated on the government-wide statement of net position.

O. Proprietary Funds – Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. These revenues are charges for utility services and expense reimbursements. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise funds.

P. Compensated Absences

The District does not provide for any sick or vacation benefits. Accordingly, no provision for accrued compensated absences is reflected in the accompanying financial statements.

Q. Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

R. Proprietary Funds- Statement of Cash Flows Supplemental Disclosures

For purposes of the statement of cash flows, the Water Activity Enterprise Fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued*

S. Fair Values of Financial Instruments

The District reports its investments using the fair value measurements established by generally accepted accounting principles. As such, fair value hierarchy categorizes the inputs used to measure the fair value into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs. At December 31, 2025, all investments consisted of money market accounts which are considered Level 1 cash and cash equivalents.

NOTE 2 - *CASH AND INVESTMENTS*

Deposits and Investments

In order to facilitate the recording of cash transactions and maximize interest earnings, the District has pooled cash deposits for all funds. The District maintains accountability for each fund's equity in pooled cash and investments. Interest earnings for combined funds are generally distributed based on monthly cash balances.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. The eligible depository is required to pledge to the Colorado Division of Banking a pool of collateral having a market value that at all times exceeds 102 percent of uninsured aggregate public deposits. The eligible collateral is determined by the PDPA, which includes obligations of the United States, the State of Colorado, Local Colorado governments, and obligations secured by first lien mortgages on real property located in the state. PDPA allows the institution to create a single collateral pool for all public funds. The pool is maintained by another institution or held in trust for all uninsured public deposits as a group. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. There is no custodial credit risk for public deposits collateralized under PDPA.

It is the policy of the District to invest public funds in a manner which will provide the highest investment return with the maximum security, meet the daily cash flow demands of the District, and conform to all federal, state and local statutes governing the investment of public funds. This policy applies to the investment of all financial assets of all funds of the District over which it exercises financial control. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

. Obligations of the United States and certain U.S. government agency securities, including securities issued by FNMA (federal national mortgage association), GNMA (Governmental National Mortgage Association), FHLMC (Federal Home Loan Mortgage Corporation), the federal farm credit bank, the federal land bank, the export-import bank, and by the Tennessee Valley Authority, and certain international agency securities, including the World Bank.

NOTE 2 - *CASH AND INVESTMENTS, continued*

Deposits and Investments, continued

- General obligation and revenue bonds of U.S. local government entities, the District of Columbia, and territorial possessions of the U.S. rated in the highest two rating categories by two or more nationally recognized rating agencies.
- Bankers' acceptances of certain banks
- Certain securities lending agreements
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools
- The investing local government's own securities including certificates of participation and lease obligations.

The District's bank deposits and investments were entirely covered by Federal Depository Insurance Corporation (FDIC) or collateralized under PDPA in accordance with state statute. At December 31, 2025 the District had bank balances of $789,032, of which $250,000 was covered by FDIC insurance and $539,032 by PDPA as described above.

Total Cash and Cash Equivalents

A summary of the District's cash and cash equivalents at December 31, 2025 are classified below:

Checking/Money Market	$	789,032
Net Outstanding Items		14,530
Total Cash and Cash Equivalents	$	803,562

Risk Disclosures

Additional investment and deposit disclosures for credit risk, interest rate risk, and foreign currency risk, as required by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, are included in the notes below.

To minimize custodial credit risk, or the risk that an insurer or other counterparty to an investment will not fulfill its obligations, state law limits District investments to those where the issuer is rated in one of the three highest rating categories by one or more nationally recognized organizations that rate such issuers. As of December 31, 2025, the District had no investments subject to custodial credit risk.

NOTE 2 - *CASH AND INVESTMENTS, continued*

Deposits and Investments, continued

The concentration of credit risk, or the risk of loss attributed to the magnitude of a government's investment in a single issuer, occurs when deposits are not diversified. The District's policy places no limit on the amount the District may invest in any one issuer; however, the District maintains general guidelines for investments to ensure proper diversification by security type and institution. All investments are issued or explicitly guaranteed by securities of the U.S. government, insured by the FDIC, the SIPC or by the Public Depository Protection Act, or are investments in mutual fund or external investment pools, and therefore are not subject to concentration of credit risk.

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. As of December 31, 2025, the District had no investments that were subject to interest rate risk as described above.

The District was not subject to foreign currency risk as of December 31, 2025.

NOTE 3 - *CAPITAL ASSETS*

Capital asset activity for Governmental Activities for the year ended December 31, 2025, was as follows:

	Balance 12/31/24	Additions	Reductions	Balance 12/31/25
Governmental Activities				
Non-depreciable Assets:				
Easements	$ 10,793	$ -	$ -	$ 10,793
Depreciable Assets:				
Infrastructure	210,481	-	-	210,481
Pump House	24,722	-	-	24,722
Equipment	224,872	-	-	224,872
Total at Historical Cost	470,868	-	-	470,868
Less Accumulated Depreciation:				
Infrastructure	(42,096)	(7,016)	-	(49,112)
Pump House	(24,722)	-	-	(24,722)
Equipment	(198,565)	(5,217)	-	(203,782)
Total Accum. Depreciation	(265,383)	(12,233)	-	(277,616)
Capital Assets Net	$ 205,485	$ (12,233)	$ -	$ 193,252

For the fiscal year ended December 31, 2025, depreciation expense in the amount of $12,233 has been included in the Statement of Activities.

NOTE 3 - *CAPITAL ASSETS – continued*

Capital asset activity for Business-Type Activities for the year ended December 31, 2025, was as follows:

	Balance 12/31/24	Additions	Reductions	Balance 12/31/25
Business-Type Activities				
Construction in Progress	$ 204,943	$ -	$ (204,943)	$ -
Utility System	1,483,998	537,443	-	2,021,441
Vehicles and Equipment	505,131	47,953	(22,608)	530,476
Total at Historical Cost	2,194,072	585,396	(227,551)	2,551,917
Less Accumulated Depreciation:				
Utility System	(780,747)	(59,445)	-	(840,192)
Vehicles and Equipment	(325,520)	(52,943)	21,775	(356,688)
Total Accum. Depreciation	(1,106,267)	(112,388)	21,775	(1,196,880)
Capital Assets Net	$ 1,087,805	$ 473,008	$ (205,776)	$ 1,355,037

For the fiscal year ended December 31, 2025, depreciation expense in the amount of $112,388 has been included in the Statement of Activities.

NOTE 4 - *LONG TERM DEBT OBLIGATIONS*

BUSINESS TYPE ACTIVITIES:

	Balance 1/1/2025	Additions	Reductions	Balance 12/31/2025	Amounts Due Within One Year
Intergovernmental Loan:					
CWCB Loan	$ 635,556	$ -	$ (35,443)	$ 600,113	$ 36,329
Total Business Type Long-Term Obligations	$ 635,556	$ -	$ (35,443)	$ 600,113	$ 36,329

The District entered into a loan agreement dated January 9, 2004, and amended on January 15, 2009, between the Colorado Water Conservation Board and the Silt Water Conservancy District Water Activity Enterprise for the rehabilitation of infrastructures that includes reservoirs, canals, pump plants and irrigation laterals varying in age from 50 to 100 years old. The Colorado Water Conservation Board approved a loan to the Silt Water Conservancy District with a maximum amount of $1,515,000 for 90% of the project costs and a 1% loan service charge, with interest at 2.5% per annum and a repayment term of 30 years. In 2009, the project was completed and the District had drawn $1,074,385 on the loan which is secured by water user charges and fees.

The annual requirements to amortize the loan are as follows:

	Principal	Interest	Totals
2026	$ 36,329	$ 15,003	$ 51,332
2027	37,237	14,095	51,332
2028	38,168	13,164	51,332
2029	39,122	12,209	51,332
2030	40,100	11,231	51,332
2031-2035	216,049	40,609	256,658
2036-2039	193,108	12,218	205,326
	$ 600,113	$ 118,529	$ 718,642

NOTE 5 - *FUND BALANCES*

Restrictions of fund balances of governmental funds are established to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify a portion of the fund balance that is only appropriable for specific expenditures. Specific restrictions of the fund balance accounts follow:

Emergency Reserves – As disclosed in *Note 10*, Colorado voters passed an amendment to the State Constitution. One of the provisions of this amendment requires local governments to establish an emergency reserve which is calculated at 3% of certain expenditures. These funds may only be expended in cases of emergencies as defined by the amendment.

Operations and Maintenance Fund – As required by the contract with the U.S. Department of the Interior, the District has established a fund to be used for extraordinary and unforeseen costs of operation and maintenance of the project works. The fund is required to be maintained at a minimum amount of $13,000. In the event the reserve fund balance falls below $13,000, the District is required to contribute the lesser of $2,000 per year or the amount necessary to maintain the required minimum balance of $13,000. The entire fund balance in the amount of $65,069 is restricted.

Pump Reserve Fund – As required by the contract with the U.S. Department of the Interior, the District has established a fund to provide for the replacement of major parts connected with the pumping operations. Annual deposits in an amount no less than $610 are to be made to this fund and accumulated throughout the contract repayment period. The entire fund balance in the amount of $41,144 is restricted.

NOTE 6- *RISK MANAGEMENT*

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District has elected to participate in the Colorado Special Districts Property and Liability Pool (the Pool) which is sponsored by the Special District Association (SDA) of Colorado. The Pool provides property and general liability, automobile physical damage and liability, public official's liability and machinery coverage to its members. There have been no significant reductions in coverage from the prior year and settled claims have not exceeded coverage in the last three years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula. The Pool made no distributions to the District in the year ended December 31, 2025.

NOTE 7 - *PROPRIETARY FUND BUDGETS*

Budgets for proprietary funds are adopted on a basis that is not consistent with GAAP but, instead, adopts the spending measurement focus of governmental funds. The following is a budgetary comparison for the proprietary fund and a summary of the adjustments necessary to convert to the budgetary basis from GAAP:

	Water Enterprise Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
GAAP Operating Revenues	$ 832,800	$ 798,450	$ (34,350)
GAAP Non-Operating Revenues	660,000	440,000	(220,000)
Total Budgetary Based Revenues	$ 1,492,800	$ 1,238,450	$ (254,350)
Expenses:			
GAAP Operating Expense	$ 338,754	$ 300,758	$ 37,996
GAAP Non-Operating Expense	16,800	15,889	911
Debt Principal Payments	35,500	35,443	57
Capital Outlay	474,000	452,528	21,472
Total Budgetary Based Expenditures	$ 865,054	$ 804,618	$ 60,436

NOTE 8 - *RELATED PARTIES*

In 1964, the District entered into a contract with Farmers Irrigation Company (FICO). Among other things, the agreement sets out rights and obligation of jointly used facilities and cost sharing of the operations and maintenance of the facilities. Board members of FICO are elected by FICO shareholders. The District's financial statements reflect revenues in the amounts of $24,532 and $92,653 in Governmental and Proprietary Fund types respectively.

The cost sharing transactions for 2025 are summarized as follows:

Amount due the District at January 1, 2025	$ -
Amount due the District for 2025 cost sharing	117,185
Payments made by FICO	117,185
Amount due the District at December 31, 2025	$ -

The District contracted with the Board President Charlie Terrell and CT Electric and Automation to perform routine electrical services for the District. Invoices totaling $1,130 were paid in 2025.

NOTE 9 - *RETIREMENT PLAN*

The District has a SIMPLE IRA retirement plan which covers all employees. The Corporation matches 100% of pre-tax contributions up to 3% of salary deferral elected by each eligible employee. The District's contributions for the year were $7,170.

NOTE 10 - *STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY*

A. TABOR Amendment – Revenue and Spending Limitation Agreement

In November 1992 the voters of Colorado approved an Amendment to the State Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), which added Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all Colorado local governments.

The initial base for local government spending and revenue limits was June 30, 1993 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The required reserve at December 31, 2025 is approximately $4,000.

TABOR requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government. Except for bond refinancing at a lower interest rate or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments. In 2014 the Districts electorate voted to allow the District to collect, retain, and expend revenues not withstanding any of Tabor's restrictions.

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits (and qualification of a fund as an Enterprise Fund) will require judicial interpretation.

NOTE 10 - *STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – continued*

B. Enterprise Fund Reporting

Silt Water Conservancy District reports its irrigation water operations as an enterprise fund. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, including activities where fees are charged to external users for goods and services.

For the year end December 31, 2025, the District anticipated a shortfall in recovering costs through user fees and grants for a large infrastructure project. Management planned and budgeted a one-time transfer from the General fund to the Water Enterprise fund to cover these shortfalls. The transfer may have impacted the Water Activity enterprise status for December 31, 2025 reporting.

Management of the District believes enterprise fund presentation remains appropriate under GASB Codification 1300.109 and GASB No. 34 because the District's pricing and rate-setting policies continue to establish fees and charges intended to recover costs of providing services and capital improvements. The District's Water Activity financial statements continue to be presented as an enterprise fund.

NOTE 11 - *CONTINGENCIES*

During the normal course of business, the District incurs claims and other assertions against it from various agencies and individuals. Management of the District and their legal representatives believe their outcome will not materially affect the fairness of the presentation of the financial statements at December 31, 2025.

NOTE 12 - *COMMITMENTS*

Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases,* and Statement No. 96, *Subscription-Based Information Technology Arrangements*, require recognition of certain items on the government-wide Statement of Net Assets and related note disclosures. Under these requirements, the District must determine whether a contract falls under these requirements at inception and subsequently measure, classify and recognize such commitments with contractual terms longer than twelve months. When applicable, right-to-use assets and associated obligations are included as Right-to-use Assets and Present Value of Liability, respectively, in the Statement of Net Assets. Any assets represent the District's right to use an underlying asset for the contract term and any associated liabilities represent the District's obligation to make payments, subject to annual appropriation. Operating right-of-use assets and associated liabilities are recognized based on the present value of future minimum payments to be made over the expected term, generally using the risk-free discount rate at the commencement date in determining the present value of future payments

The District has identified no commitments for leases or subscription-based information technology arrangements requiring recognition or disclosure under the requirements of GASB.

NOTE 13 - *SUBSEQUENT EVENTS*

Management of the District has evaluated events subsequent to December 31, 2025 through the issuance date of this report. There have been no material events noted during this period that would impact the result reflected in this report or the District's results going forward.

REQUIRED SUPPLEMENTAL INFORMATION

BUDGETARY COMPARISON SCHEDULES FOR THE
GENERAL FUND AND SPECIAL REVENUE FUNDS

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES *(continued)* :				
Capital Outlay:				
Capital Outlay	$ 15,100	$ 24,557	$ 3,818	$ 20,739
Total Capital Outlay	15,100	24,557	3,818	20,739
TOTAL EXPENDITURES	216,486	193,800	157,545	36,255
Excess Revenue Over (Under) Expenditures	17,314	40,000	72,052	(40,458)
Other Financing Sources and (Uses):				
Transfers From (To) Other Funds	(40,000)	(440,000)	(440,000)	-
	(40,000)	(440,000)	(440,000)	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	(22,686)	(400,000)	(367,948)	(40,458)
Fund Balances – Beginning	447,641	447,641	520,803	73,162
Fund Balances – Ending	$ 424,955	$ 47,641	$ 152,855	$ 105,214

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET & ACTUAL - SPECIAL REVENUE FUND - PUMP RESERVE
For the Year Ended December 31, 2025

	Original	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Interest & Investment Income	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
Expenditures:				
Repairs and Maintenance	-	-	-	-
Total Expenditures	-	-	-	-
Excess Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources and (Uses):				
Transfers From (To) Other Funds	-	-	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	-	-
Fund Balances – Beginning	41,144	41,144	41,144	-
Fund Balances – Ending	$ 41,144	$ 41,144	$ 41,144	$ -

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

SILT WATER CONSERVANCY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET & ACTUAL - SPECIAL REVENUE FUND - OPERATION & MAINTAINENCE RESERVE
For the Year Ended December 31, 2025

	Original	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Interest & Investment Income	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
Expenditures:				
Repairs and Maintenance	-	-	-	-
Total Expenditures	-	-	-	-
Excess Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources and (Uses):				
Transfers From (To) Other Funds	-	-	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	-	-
Fund Balances – Beginning	65,069	65,069	65,069	-
Fund Balances – Ending	$ 65,069	$ 65,069	$ 65,069	$ -

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

SUPPLEMENTAL INFORMATION

SILT WATER CONSERVANCY DISTRICT
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2025

	Operations and Maintenance Fund	Pump Reserve Fund	Total
Assets:			
Cash and Investments	$ 65,069	$ 41,144	$ 106,213
Total Assets	$ 65,069	$ 41,144	$ 106,213
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	$ -	$ -	$ -
Fund Balances:			
Restricted	65,069	41,144	106,213
Total Liabilities & Fund Balances	$ 65,069	$ 41,144	$ 106,213

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

SILT WATER CONSERVANCY DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2025

	Operations and Maintenance Fund	Pump Reserve Fund	Total
Revenues:			
Interest & Investment Income	$ -	$ -	$ -
Total Revenues	-	-	-
Expenditures:			
Repairs and Maintenance	-	-	-
Total Expenditures	-	-	-
Excess Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources and (Uses):			
Transfers From (To) Other Funds	-	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	-
Fund Balances – Beginning	65,069	41,144	106,213
Fund Balances – Ending	$ 65,069	$ 41,144	$ 106,213

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

SILT WATER CONSERVANCY DISTRICT
SCHEDULE OF BUDGETARY BASED REVENUES AND EXPENDITURES
BUDGET TO ACUTAL COMPARISON - PROPIETARY FUND
For the Year Ended December 31, 2025

	Original	Final Budget	Actual	Variance Favorable (Unfavorable)
Budgetary Revenues:				
Acre Feet Assessment	$ 305,000	$ 305,000	$ 306,717	$ 1,717
Extra Water Sales	15,000	15,000	30,040	15,040
Water Assessment Interest	500	500	1,103	603
Expenditure Reimbursements:				
Farmers Irrigation Company	110,000	110,000	92,653	(17,347)
SDA Safety Grant	2,000	2,000	-	(2,000)
West Divide Water Conservancy	7,500	7,500	1,376	(6,124)
Intergovernmental State, Federal & Local Grants	374,000	374,000	350,250	(23,750)
Transfer Fees	5,000	5,000	4,500	(500)
Perrmits	300	300	500	200
Miscellaneous Income	5,000	5,000	4,744	(256)
Sale Assets	-	8,500	6,567	(1,933)
Interest Income	220,000	220,000	-	(220,000)
Inter-fund Transfers	40,000	440,000	440,000	-
Total Budgetary Based Revenue	1,084,300	1,492,800	1,238,450	(254,350)
Budgetary Expenditures:				
Office Expense and Telephone	16,800	15,900	16,326	(426)
Insurance and Bonds	40,000	38,500	34,961	3,539
Payroll Taxes	9,750	9,750	9,727	23
Employee Health Insurance	13,000	17,400	15,307	2,093
Miscellaneous Expenses	5,000	5,000	-	5,000
Retirement	5,250	7,000	4,499	2,501
Salaries and Wages	105,211	142,704	118,350	24,354
Security System	1,500	1,500	1,234	266
Operation and Maintenance	58,000	47,500	39,388	8,112
Energy and Power	47,500	46,500	54,810	(8,310)
Treasurer Fees	7,000	7,000	6,156	844
Interest Expense	16,800	16,800	15,889	911
Infrastructure Replacement	19,000	5,000	915	4,085
Capital Outlay	114,989	100,000	100,500	(500)
Grant Expenses	369,000	369,000	351,113	17,887
CWCB Loan Repayment	35,500	35,500	35,443	57
Total Budgetary Based Expenditures	864,300	865,054	804,618	60,436
Budgetary Based Revenues Over (Under) Expenditures	220,000	627,746	433,832	(193,914)
Beginning Available Funds	17,451	17,451	559,339	541,888
Ending Available Funds	$ 237,451	$ 645,197	$ 993,171	$ 347,974

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