TOWN OF FOWLER, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2025

TOWN OF FOWLER, COLORADO

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HANCOCK FROESE & COMPANY LLC

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Town of Fowler, Colorado

Opinions
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Fowler, Colorado, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Town of Fowler, Colorado basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Fowler, Colorado, as of December 31, 2025, and the respective changes in financial position and, where applicable, cashflows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Town of Fowler, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Fowler, Colorado's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Fowler, Colorado's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Fowler, Colorado's basic financial statements. The combining and individual fund financial statements, budget schedules and local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budget schedules and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hancock Froese & Company LLC

HANCOCK FROESE & COMPANY LLC

Rocky Ford, Colorado
May 6, 2026

MANAGEMENT’S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Town of Fowler's (the "Town") Annual Financial Report provides readers with a narrative overview and analysis of the Town's financial performance during the fiscal year that ended on December 31, 2025. We encourage readers to consider the information presented here in conjunction with the Town of Fowler's basic financial statements and notes to the financial statements to enhance their understanding of the activities and financial health of the Town of Fowler.

FINANCIAL HIGHLIGHTS

The Town's total net position increased from $8,345,758 to $8,567,793 over the course of the Town's operations in 2025.

During the year, the Town's governmental revenues generated in taxes and other revenues for governmental programs (including other financing sources) were $137,988 more than the $1,057,861 of expenditures (including transfers out) for general government and governmental services.

The Town's business-type funds, the water, sewer, sanitation, storm drainage and natural resources funds, had an increase in total net position of $229,251 up from $5,300,524 in 2024 to $5,529,775 in 2025.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Town's *Basic Financial Statements*. The Basic Financial Statements contain three components: (1), government-wide financial statements; (2), fund financial statements (including component unit statements, if applicable); and (3), notes to the financial statements. In addition, this report contains other *Required Supplementary Information*, and a *Supplemental Information* section that presents *combining statements* for non-major governmental funds and internal service funds (along with actual and budget comparison schedules).

The basic financial statements include two kinds of statements that present different views of the Town: *government-wide financial statements* and *fund financial statements.*

The first two statements are government-wide financial statements that provide both *long-term* and *short-term* information about the Town's *overall* financial status.

The remaining statements are *fund financial statements* that focus on *individual parts* of the Town government, reporting the Town's operations in more detail than the government-wide statements.

Governmental Fund statements tell how *general government* services like public safety, highways and streets, welfare, and cultural and recreation, were financed in the short-term as well as what remains for future spending.

Proprietary Fund statements offer *short-term* and *long-term* financial information about the activities the Town government operates in, similar to a private business, such as the Fowler Water Department, and the internal service funds which provide services to other departments or governmental units within the Town.

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 explain and support the information in the financial statements. In addition to these required components, a section is included with combining statements that provide further detail about the Town's non-major governmental funds and internal service fund, each of which are added together and presented in single columns in each of the basic financial statements.

Government-wide Statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Town's net position and how they have changed. Net position, the difference between the Town's assets and liabilities, is one way to measure the Town's financial health or current position.

Over time, increases or decreases in the Town's net position is an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the Town, consideration should be given to additional non-financial factors such as changes in the Town's property tax base and the condition of the Town's streets, sewer mains, and water treatment and distribution systems.

The government-wide financial statements of the Town are divided into three categories.

1. *Governmental Activities*. Most of the Town's basic services are included in governmental activities such as public safety, streets, recreation, and general administration. Property and sales taxes and state and federal grants finance most of these activities.

2. *Business-type Activities*. The Town charges fees to customers to help cover the costs of certain services it provides. The Town's water, sewer, sanitation, storm drainage, and natural resources enterprise funds are included here.

3. *Component Units*. Component units are legally separate organizations for which the Town's Board is financially accountable. Currently, the Town has no component units.

Fund Financial Statements

The fund financial statements provide more detailed information about the Town's most significant funds, the Town as a whole. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by state law and by bond covenants.

The Town's Board establishes other funds to show that certain taxes and grants are used appropriately (i.e. Special Revenue Funds).

The Town reports the following kinds of funds:

1. *Governmental Funds*. Most of the Town's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the government-wide funds statement that explains the relationship (or differences) between the two types of statements.

2. *Proprietary Funds*. Services for which the Town charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

   The Town's Enterprise Funds are classified as business-type activities on the government-wide statements, but more detailed information is provided in the Proprietary Fund Statements, such as its cash flows.

3. *Internal Service Fund.* Internal service fund is used to accumulate and allocate costs internally among the Town's functions. The Town uses the internal service fund to account for data processing and fleet management services provided to other departments or agencies of the Town, or to other governments, on a cost reimbursement basis. Because the internal service fund predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the Government-wide financial statements.

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

Financial Analysis of the Town as a Whole

Net Position: As discussed earlier, net position may serve as a useful indicator of a government's financial position. As of December 31, 2025, total Town's net position was $8,567,793, the governmental activity net position was $3,038,018 and business-type activities net position was $5,529,775. The table below provides a comparative summary of the Town's Governmental and Business-type net position for 2025 and 2024:

The 2025 MD&A presentation includes comparative changes in net position for the past two years below:

Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
Assets	2025	2024	2025	2024	2025	2024
Current and other	$ 1,408,431	$ 1,281,893	$ 3,835,144	$ 3,884,049	$ 5,243,575	$ 5,165,942
Capital Assets	$ 1,705,026	$ 1,834,094	$ 4,429,673	$ 4,426,935	$ 6,134,699	$ 6,261,029
Total Assets	$ 3,113,457	$ 3,115,987	$ 8,264,817	$ 8,310,984	$ 11,378,274	$ 11,426,971
Deferred Outflows of Resources	$ 68,279	$ 74,601	$ -	$ -	$ 68,279	$ 74,601
Total Assets and Deferred Outflows	$ 3,181,736	$ 3,190,588	$ 8,264,817	$ 8,310,984	$ 11,446,553	$ 11,501,572
Liabilities						
Current Liab.	$ 42,907	$ 39,364	$ 148,561	$ 199,424	$ 191,468	$ 238,788
Non Current Liab.	$ 27,941	$ 35,889	$ 2,586,481	$ 2,811,036	$ 2,614,422	$ 2,846,925
Total Liabilities	$ 70,848	$ 75,253	$ 2,735,042	$ 3,010,460	$ 2,805,890	$ 3,085,713
Deferred Inflows of Resources	$ 72,870	$ 70,101	$ -	$ -	$ 72,870	$ 70,101
Net Position						
Net Investment in Capital Assets	$ 1,677,085	$ 1,798,205	$ 3,105,433	$ 2,870,940	$ 4,782,518	$ 4,669,145
Restricted	$ 94,963	$ 77,816	$ 2,017,351	$ 1,662,870	$ 2,112,314	$ 1,740,686
Unrestricted	$ 1,265,970	$ 1,169,213	$ 406,991	$ 766,714	$ 1,672,961	$ 1,935,927
Total Net Position	$ 3,038,018	$ 3,045,234	$ 5,529,775	$ 5,300,524	$ 8,567,793	$ 8,345,758
Total Liabilities, Deferred Inflows & Net Position	$ 3,181,736	$ 3,190,588	$ 8,264,817	$ 8,310,984	$ 11,446,553	$ 11,501,572

A significant portion 56% of the net position represents the *net investment in capital asset*. This includes land, buildings, machinery and equipment, and infrastructure assets, offset with associated long-term and short-term debt liabilities. Capital assets are restricted for the purpose of providing services to the citizens of Fowler; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Other *restricted net position* represents resources that are subject to external restrictions on how they may be used. Included in this category are restricted amounts for conservation trust, TABOR emergency fund, facility fees and debt service. This portion makes up 25% of the total.

The remaining 19% of net position represent the *unrestricted* portion available for the Town's ongoing obligations to its citizens.

At the end of 2025, the Town of Fowler had positive balances in all three categories of net position.

Changes in Revenues and Expenditures

The table below presents the Town's 2025 revenues and expenditures for Governmental and Business-type activities as they are reported in the Statement of Activities compared to 2024. The revenues and expenditures include the Governmental Funds (General Fund, and Special Revenue Funds) and the Enterprise Funds (Water Utility Fund, Sewer Utility Fund, Sanitation Utility Fund, Storm Drainage Fund, and Natural Resource Fund).

The 2025 MD&A presentation includes changes in revenues and expenditures for the past two years below:

Changes in Revenues and Expenditures

	Governmental Activities		Business-Type Activities		Total	
REVENUES	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Governmental Revenues:						
Charges for Services	$ 218,569	$ 102,647			$ 218,569	$ 102,647
Operating Grants & Contributions	$ 78,717	$ 72,555			$ 78,717	$ 72,555
Capital Grants & Contributions	$ 70,000	$ -			$ 70,000	$ -
Taxes	$ 724,387	$ 726,633			$ 724,387	$ 726,633
Fees & Fines	$ 21,770	$ 24,869			$ 21,770	$ 24,869
Earnings on Investments & Other	$ 82,406	$ 113,633			$ 82,406	$ 113,633
Total Government Revenues	$1,195,849	$1,040,337			$1,195,849	$1,040,337
Business-type Revenues						
Charges for Services			$ 1,099,772	$ 1,096,197	$1,099,772	$1,096,197
Earnings on Investments & Other			$ 28,029	$ 17,907	$ 28,029	$ 17,907
Grants & Contributions			$ 54,280	$ 15,000	$ 54,280	$ 15,000
Total Business-type Revenues			$ 1,182,081	$ 1,129,104	$1,182,081	$1,129,104
TOTAL REVENUES	$1,195,849	$1,040,337	$ 1,182,081	$ 1,129,104	$2,377,930	$2,169,441
Government Expenditures						
General Government	$ 424,967	$ 438,744			$ 424,967	$ 438,744
Public Safety	$ 192,306	$ 204,679			$ 192,306	$ 204,679
Public Works	$ 131,009	$ 172,538			$ 131,009	$ 172,538
Culture and Recreation	$ 418,468	$ 233,096			$ 418,468	$ 233,096
Interest	$ 1,315	$ 1,680			$ 1,315	$ 1,680
Total Government Expenditures	$1,168,065	$1,050,737			$1,168,065	$1,050,737
Business-type Expenditures						
Personal Services, Materials, Supplies			$ 842,168	$ 746,649	$ 842,168	$ 746,649
Net Depreciation			$ 138,462	$ 141,753	$ 138,462	$ 141,753
Total Business-type Expenditures			$ 980,630	$ 888,402	$ 980,630	$ 888,402
TOTAL EXPENDITURES	$1,168,065	$1,050,737	$ 980,630	$ 888,402	$2,148,695	$1,939,139
EXCESS (DEFICIENCY) BEFORE TRANSFERS & SPECIAL ITEM	$ 27,784	$ (10,400)	$ 201,451	$ 240,702	$ 229,235	$ 230,302
Transfers In (Out)	$ (35,000)	$ 75,000	$ 35,000	$ (75,000)	$ -	$ -
Special Item	$ -	$ -	$ (7,200)	$ (4,000)	$ (7,200)	$ (4,000)
CHANGE IN NET POSITION	$ (7,216)	$ 64,600	$ 229,251	$ 161,702	$ 222,035	$ 226,302
NET POSITION – BEGINNING	$3,045,234	$2,980,634	$ 5,300,524	$ 5,138,822	$8,345,758	$8,119,456
NET POSITION - ENDING	$3,038,018	$3,045,234	$ 5,529,775	$ 5,300,524	$8,567,793	$8,345,758

Governmental Activities: Governmental activities had $7,216 revenues under expenses in 2025. Total revenues from governmental activities including the general fund and other governmental funds amounted to $1,195,849. Total expenses for governmental activities in 2025 including the general fund and other governmental funds amounted to $1,168,065.

Business-type Activities: The business activities had revenues in excess of expenses of $229,251 in 2025 due to current year operations.

Financial Analysis of the Town's Funds

Governmental Funds Overview: The Town of Fowler uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As described earlier, the Town's governmental funds provide information on short-term inflows and outflows, as well as what remains for future spending. Such information is useful in assessing the Town's financial requirements. For example, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The following information is supplemental to the information presented in the previous section.

The Town of Fowler reported a fund balance for total governmental funds of $1,312,511 in 2025 compared to $1,174,523 in 2024. Of the total fund balance, $516,488 is unassigned which is the portion of fund balance that serves as a measure of current available financial resources. The fund balance is further divided into restricted and assigned. The assigned portion of $701,060 are resources the government intends to use for a specific purpose.

The restricted fund balance represents resources not available for spending or those on which legal restrictions have been placed. The Town's restricted fund balance includes the following: restricted for emergencies- Tabor $27,900; and restricted for conservation trust $67,063.

<u>General Fund:</u> The General Fund of the Town accounts for all transactions not accounted for in other funds. As the Town's major operating fund, the General Fund accounts for ordinary operating expenditures financed primarily by property and sales taxes and charges for services. The General Fund completed the year with a fund balance of $544,388. This was an increase of $13,018 from the previous year's fund balance of $531,370. The General Fund had total budgeted revenues (excluding transfers) of $1,237,950 and actual revenues of $967,987 (excluding transfers) and total budgeted expenditures (excluding transfers) of $1,253,950 and actual expenditures of $927,391 (excluding transfers).

Proprietary Funds Overview: The proprietary funds are used to account for activities similar to those found in the private sector where determination of net income is necessary or useful to sound financial administration. The Town has one type of proprietary fund, consisting of Enterprise Funds. The Town's proprietary fund statements provide the same type of information found in the government-wide statements, but in more detail.

<u>Enterprise Funds</u>: The Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing goods or services to the general public are being financed or recovered primarily through users' charges on a continuing basis. The Town of Fowler has five enterprise funds: In 2025 the Water Utility Fund had a negative unrestricted net position of $5,608, the Sewer Utility Fund with a negative unrestricted net position of $8,914, the Sanitation Utility Fund with an unrestricted net position of $1,764, the Storm Drainage Fund with an unrestricted net position of $18,625 and the Natural Resources Fund with an unrestricted net position of $401,124.

Capital Asset and Debt Administration

Capital Assets

At the end of 2025, the Town had acquired $6,134,699 (net of accumulated depreciation) in a broad range of capital assets for its governmental and business-type activities, including land, buildings, park facilities, roads, heavy machinery, vehicle and equipment.

1. The total change in net capital assets for 2025 was a decrease of $126,330.

2. Additional information on the Town's net position can be found in Notes 1 and 3 of the Notes to Financial Statements.

Long-Term Debt

At December 31, 2025, the Town of Fowler had outstanding long-term debt in the governmental-type and business-type activities of $27,941 and $2,586,481, respectively. More detailed information is presented in Note 4.

Economic Factors and Next Year's Budgets and Rates

The 2026 budget reflects General Fund revenues and expenditures that are comparable to prior years. The Town continues to focus on savings in fuel, repairs and maintenance and other operating expenses in order to create savings that will be utilized to move the general fund, as well as other funds, into a stronger cash position.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Clerk/Administrator, 114 E. Cranston Ave, Fowler, CO 81039.

BASIC FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO

STATEMENT OF NET POSITION

DECEMBER 31, 2025

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
CASH OR EQUIVALENTS	$ 1,044,860	$ 568,944	$ 1,613,804
CASH WITH TRUSTEE	-	1,201,241	1,201,241
RECEIVABLES - NET:			
ACCOUNTS / OTHER	102,368	245,338	347,706
PROPERTY TAXES	72,400	-	72,400
INTERNAL RECEIVABLES (PAYABLES)	188,803	(188,803)	-
INVENTORY	-	55,873	55,873
RESTRICTED ASSETS	-	1,952,551	1,952,551
CAPITAL ASSETS - NET	1,705,026	4,429,673	6,134,699
TOTAL ASSETS	3,113,457	8,264,817	11,378,274
DEFERRED OUTFLOWS OF RESOURCES			
PENSION RELATED	68,279	-	68,279
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 3,181,736	$ 8,264,817	$ 11,446,553
LIABILITIES			
ACCOUNTS PAYABLE	$ 6,452	$ 4,560	$ 11,012
ACCRUED EXPENSES	12,810	27,412	40,222
UNEARNED REVENUES	-	96,948	96,948
COMPENSATED ABSENCES	23,645	19,641	43,286
NET PENSION LIABILITY	-	-	-
NON CURRENT LIABILITIES:			
DUE WITHIN ONE YEAR	8,604	212,316	220,920
DUE IN MORE THAN ONE YEAR	19,337	2,374,165	2,393,502
TOTAL LIABILITIES	70,848	2,735,042	2,805,890
DEFERRED INFLOWS OF RESOURCES			
PENSION RELATED	470	-	470
DEFERRED REVENUES - PROPERTY TAXES	72,400	-	72,400
TOTAL DEFERRED INFLOWS OF RESOURCES	72,870	-	72,870
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	1,677,085	3,105,433	4,782,518
RESTRICTED FOR:			
DEBT SERVICE	-	122,408	122,408
EMERGENCIES - TABOR	27,900	-	27,900
CULTURE AND RECREATION	67,063	-	67,063
FACILITY FEES AND WATER SURCHARGE	-	1,894,943	1,894,943
UNRESTRICTED	1,265,970	406,991	1,672,961
TOTAL NET POSITION	3,038,018	5,529,775	8,567,793
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 3,181,736	$ 8,264,817	$ 11,446,553

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2025

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE: CHARGES FOR SERVICES	PROGRAM REVENUE: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUE: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION — PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
GOVERNMENTAL ACTIVITIES:							
GENERAL GOVERNMENT	$ 424,967	$ 2,036	$ -	$ 35,000	$ (387,931)	$ -	$ (387,931)
PUBLIC WORKS	131,009	-	56,175	-	(74,834)	-	(74,834)
PUBLIC SAFETY	192,306	-	-	35,000	(157,306)	-	(157,306)
CULTURE AND RECREATION	418,468	216,533	22,542	-	(179,393)	-	(179,393)
INTEREST ON LONG TERM DEBT	1,315	-	-	-	(1,315)	-	(1,315)
TOTAL GOVERNMENTAL ACTIVITIES	1,168,065	218,569	78,717	70,000	(800,779)	-	(800,779)
BUSINESS-TYPE ACTIVITIES:							
WATER FUND	515,889	399,065	54,280	-	-	(62,544)	(62,544)
SEWER FUND	286,818	433,485	-	-	-	146,667	146,667
SANITATION FUND	-	-	-	-	-	-	-
STORM DRAINAGE FUND	20,627	12,368	-	-	-	(8,259)	(8,259)
NATURAL RESOURCES FUND	157,296	254,854	-	-	-	97,558	97,558
TOTAL BUSINESS-TYPE ACTIVITIES	980,630	1,099,772	54,280	-	-	173,422	173,422
TOTAL PRIMARY GOVERNMENT	$ 2,148,695	$ 1,318,341	$ 132,997	$ 70,000	(800,779)	173,422	(627,357)
GENERAL REVENUES							
PROPERTY TAXES					79,469	-	79,469
SALES AND USE TAXES					569,584	-	569,584
FRANCHISE TAXES					57,860	-	57,860
OTHER TAXES					17,474	-	17,474
FINES AND FORFEITS					21,770	-	21,770
EARNINGS ON INVESTMENTS					4,676	16,865	21,541
OTHER REVENUES					77,730	11,164	88,894
TOTAL GENERAL REVENUES					828,563	28,029	856,592
TRANSFERS					(35,000)	35,000	-
SPECIAL ITEM					-	(7,200)	(7,200)
TOTAL GENERAL REVENUES, TRANSFERS, AND SPECIAL ITEM					793,563	55,829	849,392
CHANGE IN NET POSITION					(7,216)	229,251	222,035
NET POSITION JANUARY 1					3,045,234	5,300,524	8,345,758
NET POSITION DECEMBER 31					$ 3,038,018	$ 5,529,775	$ 8,567,793

TOWN OF FOWLER, COLORADO

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2025

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
CASH OR EQUIVALENTS	$ 409,042	$ 630,338	$ 1,039,380
RECEIVABLES:			
ACCOUNTS	102,368	-	102,368
PROPERTY TAXES	72,400	-	72,400
DUE FROM OTHER FUNDS	269,008	141,484	410,492
TOTAL ASSETS	$ 852,818	$ 771,822	$ 1,624,640
LIABILITIES			
ACCOUNTS PAYABLE	$ 6,452	$ -	$ 6,452
ACCRUED EXPENSES	11,588	-	11,588
DUE TO OTHER FUNDS	217,990	3,699	221,689
TOTAL LIABILITIES	236,030	3,699	239,729
DEFERRED INFLOWS OF RESOURCES			
DEFERRED PROPERTY TAXES	72,400	-	72,400
FUND BALANCE			
RESTRICTED FOR:			
EMERGENCIES	27,900	-	27,900
CONSERVATION TRUST	-	67,063	67,063
ASSIGNED			
LIBRARY	-	165,775	165,775
CEMETERY	-	223,640	223,640
POOL & RECREATION	-	311,645	311,645
UNASSIGNED	516,488	-	516,488
TOTAL FUND BALANCE	544,388	768,123	1,312,511
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	$ 852,818	$ 771,822	$ 1,624,640

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO

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

DECEMBER 31, 2025

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

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		$ 1,312,511
CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES AND THEREFORE ARE NOT REPORTED IN FUNDS.		
THE COST OF CAPITAL ASSETS IS	$ 4,929,004	
ACCUMULATED DEPRECIATION IS	(3,223,978)	
		1,705,026
INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF CERTAIN DATA PROCESSING AND FLEET MANAGEMENT SERVICES PROVIDED TO OTHER DEPARTMENTS. THE ASSETS AND LIABILITIES OF THE INTERNAL SERVICES FUND ARE INCLUDED IN GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION		5,480
LONG-TERM LIABILITIES ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED IN THE FUNDS.		
LONG TERM DEBT	(27,941)	
COMPENSATED ABSENCES	(23,645)	
ACCRUED INTEREST ON THE LEASES	(1,222)	
DEFERRED INFLOWS - PENSION RELATED AMOUNTS	(470)	
DEFERRED OUTFLOWS - PENSION RELATED AMOUNTS	68,279	
NET PENSION ASSET (LIABILITY)	-	
		15,001
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 3,038,018

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2025

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
TAXES	$ 534,542	$ 189,844	$ 724,386
LICENSES AND PERMITS	13,613	-	13,613
INTERGOVERNMENTAL	54,675	14,542	69,217
CHARGES FOR SERVICES	217,475	2,594	220,069
FINES	21,770	-	21,770
GRANTS	70,000	8,000	78,000
OTHER	63,334	5,460	68,794
TOTAL REVENUES	975,409	220,440	1,195,849
EXPENDITURES			
GENERAL GOVERNMENT	354,473	-	354,473
PUBLIC SAFETY	188,474	-	188,474
PUBLIC WORKS	63,285	-	63,285
CULTURE AND RECREATION	298,949	77,870	376,819
DEBT SERVICE:			
PRINCIPAL	7,948	-	7,948
INTEREST	1,662	-	1,662
CAPITAL OUTLAY	12,600	17,600	30,200
TOTAL EXPENDITURES	927,391	95,470	1,022,861
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	48,018	124,970	172,988
OTHER FINANCING SOURCES (USES)			
TRANSFERS IN	-	-	-
TRANSFERS OUT	(35,000)	-	(35,000)
TOTAL OTHER FINANCING SOURCES (USES)	(35,000)	-	(35,000)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	13,018	124,970	137,988
FUND BALANCE JANUARY 1	531,370	643,153	1,174,523
FUND BALANCE DECEMBER 31	$ 544,388	$ 768,123	$ 1,312,511

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO

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

YEAR ENDED DECEMBER 31, 2025

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

NET CHANGE IN FUND BALANCE		$ 137,988
GOVERNMENTAL FUNDS REPORT CAPITAL OUTLAYS AS EXPENDITURES. HOWEVER, IN THE STATEMENT OF ACTIVITIES THE COST OF THOSE ASSETS IS ALLOCATED OVER THEIR ESTIMATED USEFUL LIVES AND REPORTED AS DEPRECIATION EXPENSE. THIS IS THE AMOUNT BY WHICH CAPITAL OUTLAY EXCEEDED DEPRECIATION IN THE CURRENT PERIOD.		
CAPITAL OUTLAY	$ 30,200	
DEPRECIATION EXPENSE AND DISPOSALS	(152,870)	
		(122,670)
SOME EXPENSES REPORTED IN THE STATEMENT OF ACTIVITIES DO NOT REQUIRE THE USE OF CURRENT FINANCIAL RESOURCES AND THEREFORE, ARE NOT REPORTED AS EXPENDITURES IN THE GOVERNMENTAL FUNDS		
DEBT PAYMENTS	7,948	
COMPENSATED ABSENCES	(11,516)	
ACCRUED INTEREST EXPENSE	347	
PENSION RELATED AMOUNTS	(5,491)	
		(8,712)
THE NET REVENUES (LOSS) OF CERTAIN ACTIVITIES OF THE INTERNAL SERVICE FUND IS REPORTED WITH GOVERNMENTAL ACTIVITIES.		(13,822)
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ (7,216)

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

DECEMBER 31, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITIES
	WATER	SEWER	SANITATION	STORM DRAINAGE	NATURAL RESOURCES	TOTAL	INTERNAL SERVICE FUND
CURRENT ASSETS							
CASH OR EQUIVALENTS	$ 204,407	$ 39,416	$ 27,764	$ 19,905	$ 277,452	$ 568,944	$ 5,480
CASH WITH TRUSTEE	-	1,201,241	-	-	-	1,201,241	-
ACCOUNTS RECEIVABLE	67,463	63,658	-	1,289	112,928	245,338	-
INVENTORY	55,873	-	-	-	-	55,873	-
TOTAL CURRENT ASSETS	327,743	1,304,315	27,764	21,194	390,380	2,071,396	5,480
RESTRICTED ASSETS							
RESTRICTED CASH	364,203	1,588,348	-	-	-	1,952,551	-
PROPERTY AND EQUIPMENT- AT COST							
LAND, WATER SYSTEM, EQUIPMENT - AT COST	3,466,070	2,048,279	-	-	2,758,881	8,273,230	166,092
ACCUMULATED DEPRECIATION	(2,259,581)	(1,408,321)	-	-	(175,655)	(3,843,557)	(128,447)
NET PROPERTY AND EQUIPMENT	1,206,489	639,958	-	-	2,583,226	4,429,673	37,645
TOTAL ASSETS	$ 1,898,435	$ 3,532,621	$ 27,764	$ 21,194	$ 2,973,606	$ 8,453,620	$ 43,125
CURRENT LIABILITIES							
ACCOUNTS PAYABLE	$ 4,560	$ -	$ -	$ -	$ -	$ 4,560	$ -
COMPENSATED ABSENCES	10,682	8,959	-	-	-	19,641	-
ACCRUED INTEREST PAYABLE	1,322	-	-	-	3,440	4,762	-
DUE TO (FROM) OTHER FUNDS	198,089	38,229	(35,000)	2,569	(15,084)	188,803	-
UNEARNED REVENUE	96,948	-	-	-	-	96,948	-
NOTES PAYABLE - CURRENT	-	70,000	-	-	123,384	193,384	-
LEASE PAYABLE - CURRENT	12,832	-	-	-	-	12,832	-
ACCRUED LANDFILL COSTS - CURRENT	-	-	6,100	-	-	6,100	-
TOTAL CURRENT LIABILITIES	324,433	117,188	(28,900)	2,569	111,740	527,030	-

TOWN OF FOWLER, COLORADO

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

DECEMBER 31, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITIES
	WATER	SEWER	SANITATION	STORM DRAINAGE	NATURAL RESOURCES	TOTAL	INTERNAL SERVICE FUND
TERM LIABILITIES							
NOTE PAYABLE	-	560,000	-	-	1,730,956	2,290,956	-
LEASE PAYABLE	28,309	-	-	-	-	28,309	-
ACCRUED LANDFILL COSTS	-	-	54,900	-	-	54,900	-
TOTAL TERM LIABILITIES	28,309	560,000	54,900	-	1,730,956	2,374,165	-
CUSTOMER DEPOSITS	21,750	-	-	-	900	22,650	-
TOTAL LIABILITIES	374,492	677,188	26,000	2,569	1,843,596	2,923,845	-
NET POSITION							
NET INVESTMENT IN CAPITAL ASSETS	1,165,348	1,211,199	-	-	728,886	3,105,433	37,645
RESTRICTED FOR:							
FACILITY FEES	281,807	1,588,348	-	-	-	1,870,155	-
WATER SURCHARGE	24,788	-	-	-	-	24,788	-
DEBT SERVICE	57,608	64,800	-	-	-	122,408	-
UNRESTRICTED	(5,608)	(8,914)	1,764	18,625	401,124	406,991	5,480
TOTAL NET POSITION	1,523,943	2,855,433	1,764	18,625	1,130,010	5,529,775	43,125
TOTAL LIABILITIES AND NET POSITION	$ 1,898,435	$ 3,532,621	$ 27,764	$ 21,194	$ 2,973,606	$ 8,453,620	$ 43,125

TOWN OF FOWLER, COLORADO

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED DECEMBER 31, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY
	WATER	SEWER	SANITATION	STORM DRAINAGE	NATURAL RESOURCES	TOTAL	INTERNAL SERVICE FUND
OPERATING REVENUES							
CHARGES FOR SERVICES	$ 399,065	$ 433,485	$ -	$ 12,368	$ 154,509	$ 999,427	$ -
RENT	-	-	-	-	100,345	100,345	-
TOTAL OPERATING REVENUES	399,065	433,485	-	12,368	254,854	1,099,772	-
OPERATING EXPENSES							
PERSONAL SERVICES, MATERIALS, SUPPLIES	447,555	259,204	-	20,627	23,358	750,744	-
DEPRECIATION	66,897	27,614	-	-	43,951	138,462	13,822
TOTAL OPERATING EXPENSES	514,452	286,818	-	20,627	67,309	889,206	13,822
OPERATING INCOME (LOSS)	(115,387)	146,667	-	(8,259)	187,545	210,566	(13,822)
NONOPERATING REVENUES (EXPENSE)							
INTEREST INCOME	4,067	12,298	115	28	357	16,865	-
GRANT INCOME	54,280	-	-	-	-	54,280	-
INTEREST EXPENSE	(1,437)	-	-	-	(89,987)	(91,424)	-
OTHER	11,164	-	-	-	-	11,164	-
TOTAL NONOPERATING REVENUES (EXPENSES)	68,074	12,298	115	28	(89,630)	(9,115)	-
INCOME (LOSS) BEFORE TRANSFERS, CAPITAL CONTRIBUTIONS AND SPECIAL ITEM	(47,313)	158,965	115	(8,231)	97,915	201,451	(13,822)
TRANSFERS IN (OUT)	-	-	35,000	-	-	35,000	-
SPECIAL ITEM	-	-	(7,200)	-	-	(7,200)	-
CHANGE IN NET POSITION	(47,313)	158,965	27,915	(8,231)	97,915	229,251	(13,822)
NET POSITION JANUARY 1	1,571,256	2,696,468	(26,151)	26,856	1,032,095	5,300,524	56,947
NET POSITION DECEMBER 31	$ 1,523,943	$ 2,855,433	$ 1,764	$ 18,625	$ 1,130,010	$ 5,529,775	$ 43,125

TOWN OF FOWLER, COLORADO

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUND
	WATER	SEWER	SANITATION	STORM DRAINAGE	NATURAL RESOURCES	TOTAL	
CASH FLOWS FROM OPERATING ACTIVITIES							
CASH RECEIVED FROM CUSTOMERS	$ 388,704	$ 426,503	$ 5	$ 12,203	$ 195,323	$ 1,022,738	$ -
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(253,737)	(71,871)	(49)	(11,100)	(25,996)	(362,753)	-
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(155,630)	(145,055)	-	(11,881)	-	(312,566)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(20,663)	209,577	(44)	(10,778)	169,327	347,419	-
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES							
TRANSFERS	-	-	-	-	-	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	-	-	-	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
ACQUISITION OF CAPITAL ASSETS	-	(141,200)	-	-	-	(141,200)	(7,424)
CAPITAL CONTRIBUTED	-	-	-	-	-	-	-
INTEREST PAID ON DEBT	(1,823)	-	-	-	(90,252)	(92,075)	-
PRINCIPAL PAID ON DEBT	(12,006)	(70,000)	-	-	(149,749)	(231,755)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(13,829)	(211,200)	-	-	(240,001)	(465,030)	(7,424)
CASH FLOWS FROM INVESTING ACTIVITIES							
INTEREST ON INVESTMENTS AND OTHER	15,231	12,298	115	28	357	28,029	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	15,231	12,298	115	28	357	28,029	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	(19,261)	10,675	71	(10,750)	(70,317)	(89,582)	(7,424)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING	587,871	2,818,330	27,693	30,655	347,769	3,812,318	12,904
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - ENDING	$ 568,610	$ 2,829,005	$ 27,764	$ 19,905	$ 277,452	$ 3,722,736	$ 5,480

TOWN OF FOWLER, COLORADO

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY
	WATER	SEWER	SANITATION	STORM DRAINAGE	NATURAL RESOURCES	TOTAL	INTERNAL SERVICE FUND
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
OPERATING INCOME (LOSS)	$ (115,387)	$ 146,667	$ -	$ (8,259)	$ 187,545	$ 210,566	$ (13,822)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
DEPRECIATION	66,897	27,614	-	-	43,951	138,462	13,822
CHANGE IN ASSETS AND LIABILITIES							
ACCOUNTS RECEIVABLE AND PREPAIDS	(10,361)	(6,982)	5	(165)	(59,531)	(77,034)	-
INVENTORIES	(2,737)	-	-	-	-	(2,737)	-
DUE FROM (TO) OTHER FUNDS	16,675	42,278	(49)	(2,354)	(2,638)	53,912	-
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	24,250	-	-	-	-	24,250	-
ACCRUED LANDFILL COSTS	-	-	-	-	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (20,663)	$ 209,577	$ (44)	$ (10,778)	$ 169,327	$ 347,419	$ -

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY
The Town of Fowler, Colorado (the “Town”) is governed by an elected mayor and Board of Trustees, which are governed by state statutes and regulations. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town of Fowler (the primary government) and its component units, if applicable.

The Town is not included in any other governmental “reporting entity”, as required by accounting principles generally accepted in the United States of America; these basic financial statements present the Town (the primary government) and its component units, if applicable. Currently no component units have been included in the Town’s reporting entity because of a lack of significant operational or financial relationships with the Town.

Joint Venture:

Otero County Landfill, Inc.
The Town of Fowler is a participant along with six other entities within the County in a joint venture known as the Otero County Landfill, Inc. As a participant, the Town is responsible for a portion of closure and post-closure costs of the landfill. As of December 31, 2025, the Town’s share of the closure and post-closure costs are estimated at $61,000 or approximately 2.86% of the total. A complete financial report may be obtained from the administrative offices of Otero County. Financial statements for OCLI may be requested at 21250 County Road 21, La Junta, CO 81050.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town and its component units, if applicable. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the later are excluded from the government-wide financial statements. Major individual governmental funds (General Fund) and individual enterprise funds (Water Utility, Sewer Utility, Sanitation Utility, Storm Drainage, and Natural Resources Enterprise Funds) are reported as separate columns in the fund financial statements.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

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

The Town reports the following major governmental fund:

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

The Town reports the following major proprietary funds:

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

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

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

Storm Drainage Fund – Accounts for the activities of the Town's storm drainage infrastructure. Activities of the fund include administration, operation and maintenance of the storm drainage system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Natural Resources Enterprise Fund – Accounts for the Town's purchase of land and water rights. Activities of the fund include administration costs related to those land and water rights. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Additionally, the Town reports the following fund types:

Internal Service Fund – Accounts for the financing of goods or services provided by one department or agency of the Town to other departments or agencies of the Town, generally on a cost reimbursement basis. The internal service fund of the Town provides data processing and fleet management services to the other Town departments and agencies.

As a general rule the effects of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Town's utility functions and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

The proprietary funds account for transactions that are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the costs and expenses of providing goods or services to the general public on a continuing basis, be financed or recovered primarily through charges. The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the funds principal ongoing operations. The principal operating revenues of the funds are charges to customers for sales and service. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

STEWARDSHIP

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

Prior to October 15, the Town Clerk submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments. Prior to December 15, the budget is legally enacted through passage of an ordinance.

Revisions that alter total expenditures of any kind generally must be approved by the Board of Trustees. Budget amounts in the accompanying financial statements include revisions to the original approval. Appropriations lapse at year end and any open purchase item must be reappropriated in the following year.

All budget amounts presented in the accompanying supplemental information reflect the final budgets.

Expenditures may not legally exceed appropriations at the fund level. For the year ended December 31, 2025, the Storm Drainage Utility Fund and Natural Resources Utility Fund were in violation.

ENCUMBRANCES

Outstanding encumbrances represent a commitment for the estimated amount of expenditures, which could ultimately result from the fulfillment of uncompleted purchase orders and contracts. Encumbrances lapse at the end of each fiscal year (December 31). Lapsed encumbrances are then reviewed by department heads to determine those which will remain canceled and those, which will be reinstated and paid from appropriations for the following year. Encumbrances are, therefore, not considered expenditures until an actual liability is incurred.

CASH AND CASH EQUIVALENTS

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments held in banks. For purposes of the statement of cash flows, the Town considers all highly liquid investments (including restricted assets and cash with trustee) with a maturity of six months or less when purchased to be cash equivalents.

State statutes authorize the Town to deposit in accounts of federally insured banks, credit unions, and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances, and mutual funds composed of otherwise legal investments.

ACCOUNTS RECEIVABLE

The Town grants credit terms in the normal course of business to its utility customers. Concentrations of credit risk with respect to accounts receivables which are uncollectible is limited due to customer deposits and account monitoring procedures which are utilized to minimize risk of loss. The Town recognized amounts due from utility customers as of year-end but not billed due to cycle billings. Recognition is based upon a direct ratio of days in the current period to the total days in each individual billing cycle.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVENTORIES
The inventories of the General Fund are accounted for as expenditures at the time they are purchased. Consumable supplies on hand are not recognized. The inventories of the Proprietary Funds are valued at cost using the first-in, first-out method.

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

RESTRICTED ASSETS
Proprietary Funds - The cash is restricted for future major repairs and the related debt service costs.

CAPITAL ASSETS
Capital assets which include property, plant, equipment and current infrastructure (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town defines capital assets as assets with an initial life in excess of two years and an individual cost of $5,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Expenditures for maintenance and repairs are charged to expenses as incurred; expenditures for renewals and betterments are generally capitalized. Gains or losses due to disposal are charged or credited to income. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is determined using the straight-line method based on the estimated useful lives of the assets as follows:

Systems	5 - 40	Years
Equipment	5 - 25	Years

COMPENSATED ABSENCES
It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay are accrued when incurred in the government-wide and proprietary fund financial statements. A liability is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability for compensated absences totaled $43,286 at December 31, 2025.

DEFERRED OUTFLOWS / INFLOWS 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 Town has one item that qualifies for reporting in this category which is for pension related amounts.

Pension related amounts reported as deferred outflows of resources include the following:

	Statewide Retirement Plan
Difference Between Expected and Actual Experience	$ 42,015
Changes of Assumptions or Other Inputs	5,377
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2,134
Changes in Proportion	-
Contributions Made Subsequent to the Measurement Date	18,753
Total Pension Related Deferred Outflows	$ 68,279

More information on pension related items is included in Note 6.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Town has two types of items that qualify for reporting in this category.

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

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

	Statewide Retirement Plan
Difference Between Expected and Actual Experience	$ 470
Changes of Assumptions or Other Inputs	-
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	-
Total Pension Related Deferred Inflows	$ 470

More information on pension related items is included in Note 6.

DUE TO/FROM OTHER FUNDS

Outstanding balances between funds created by lending/borrowing or cash allocation in common purchasing activities are reported as due to/from other funds.

LEASE AGREEMENTS

Annual rentals pertaining to leases which convey merely the right to use the property are charged to current operations. Lease agreements which are substantially installment purchases of property have been recorded as purchases with a corresponding liability recognized in the government-wide financial statements.

NET POSITION / FUND BALANCE

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

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

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

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

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

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

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

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

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

NET POSITION / FUND BALANCE

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

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

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

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

LONG-TERM OBLIGATIONS

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

Net pension liabilities and assets, associated with the Statewide Retirement Plan administered by FPPA, represent the Town's total pension liabilities less the fiduciary net position. Amounts have been determined using the economic resources measurement focus and the accrual basis of accounting.

PROPERTY TAXES

Property taxes represent ad valorem taxes levied by the Town, which are payable to the County Treasurer, and are recognized as revenues by the Town in the year for which they are levied.

Property taxes are levied in December for collection in the subsequent year.

Property taxes attach as an enforceable lien on property as of January 1. Taxes may be paid without penalty in either of two ways: (a) Full payment by April 30, or (b) First half must be paid by last day of February, and second half must be paid by June 15. Property taxes are reported as a receivable and a deferred revenue when levied and as a revenue when due for collection in the following year.

ESTIMATES

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

ACCOUNTING PRINCIPLES

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations.

NOTE -2 DEPOSITS

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of December 31, 2025, the carrying value of cash deposits was $3,566,355 and the bank balances were $3,657,499 of which $500,000 was covered by federal deposit insurance and the remaining balance was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

NOTE -2 DEPOSITS (Continued)

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

NOTE -3 CAPITAL ASSETS

A summary of the various fund types' property and equipment follows:

GOVERNMENTAL ACTIVITIES:

	Balances January 1, 2025	Additions	Deletions	Balances December 31, 2025
Capital assets not being depreciated:				
Land	$ 50,770	$ -	$ -	$ 50,770
Capital assets being depreciated:				
Site Improvements	1,862,717	17,600	-	1,880,317
Buildings	1,922,924	-	-	1,922,924
Equipment	1,054,969	20,024	-	1,074,993
Total Capital Assets	4,891,380	37,624	-	4,929,004
Less Accumulated Depreciation:				
Site Improvements	(1,248,694)	(73,379)	-	(1,322,073)
Buildings	(1,080,001)	(33,717)	-	(1,113,718)
Equipment	(728,591)	(59,596)	-	(788,187)
	(3,057,286)	(166,692)	-	(3,223,978)
Governmental Activities Net Capital Assets	$ 1,834,094	$ (129,068)	$ -	$ 1,705,026

BUSINESS-TYPE ACTIVITIES:

	Balances January 1, 2025	Additions	Deletions	Balances December 31, 2025
Capital assets not being depreciated:				
Land	$ 817,760	$ -	$ -	$ 817,760
Water Rights	1,197,196	-	-	1,197,196
Construction in Process	526,644	141,200	-	667,844
Capital assets being depreciated:				
Systems and Equipment	5,590,430	-	-	5,590,430
	8,132,030	141,200	-	8,273,230
Less Accumulated Depreciation	(3,705,095)	(138,462)	-	(3,843,557)
Business-type Activities Net Capital Assets	$ 4,426,935	$ 2,738	$ -	$ 4,429,673

NOTE -3 CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions as follows:

Governmental Activities	
General Government	$ 39,665
Public Safety	3,832
Public Works	81,546
Culture and Recreation	41,649
Total Governmental Activities Depreciation	$ 166,692

Business-Type Activities	
Water Utility	$ 66,897
Sewer Utility	27,614
Natural Resources	43,951
Total Business-Type Activities Depreciation	$ 138,462

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions of the Town for the year ended December 31, 2025:

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE	CURRENT PORTION
Governmental Activities:					
Lease Payable	$ 35,889	$ -	$ (7,948)	$ 27,941	8,604
Totals	$ 35,889	$ -	$ (7,948)	$ 27,941	$ 8,604

The compensated absences will be liquidated with resources of the general fund.

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE	CURRENT PORTION
Business-Type Activities:					
Lease Payable - Water	$ 53,147	$ -	$ (12,006)	$ 41,141	$ 12,832
Loan Payable 1- Sewer	700,000	-	(70,000)	630,000	70,000
Loan Payable 1- Natural Resources	1,134,048	-	(102,082)	1,031,966	76,741
Loan Payable 2- Natural Resources	870,041	-	(47,667)	822,374	46,643
Estimated Closure & Post-Closure Costs	53,800	7,200	-	61,000	6,100
Totals	$2,811,036	$ 7,200	$ (231,755)	$2,586,481	$ 212,316

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS (Continued)

LEASE PAYABLE

The Town entered into a Lease Agreement with Fowler State Bank on January 23, 2013, in the amount of $89,371, for street lighting improvements. The lease is payable in various monthly principal and interest installments at 4.63% per annum beginning January 23, 2014 with the final payment January 23, 2028. The is collateralized by street lights.

Annual requirements of the lease as of December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	$ 8,604	$ 1,294	$ 9,898
2027	9,300	895	10,195
2028	10,037	464	10,501
	$ 27,941	$ 2,653	$ 30,594

LEASE PAYABLE - WATER

The Town entered into a Lease Purchase Agreement with Fowler State Bank on January 23, 2013, in the amount of $147,737 for water system equipment. The lease is payable in varying amounts beginning January 23, 2014 with an interest rate of 3.43% and with the final payment due January 23, 2028. The loan is unsecured.

Annual requirements of the lease as of December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	$ 12,832	$ 1,411	$ 14,243
2027	13,699	971	14,670
2028	14,610	501	15,111
	$ 41,141	$ 2,883	$ 44,024

LOAN PAYABLE 1 - SEWER

The Town entered into a Loan Agreement with Colorado Water Resource & Power Development Authority on June 30, 2014, in the amount of $1,400,000 for sewer system improvements. The loan is payable in semi-annual principal and interest installments of $35,000 beginning May 1, 2015 with an interest rate of 0.00% and with the final payment due November 1, 2034. The loan is collateralized by Sewer Utility Fund pledged revenues. The loan is payable from the revenues generated from the system.

Annual requirements of the loan as of December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	$ 70,000	$ -	$ 70,000
2027	70,000	-	70,000
2028	70,000	-	70,000
2029	70,000	-	70,000
2030	70,000	-	70,000
2031-2034	280,000	-	280,000
	$ 630,000	$ -	$ 630,000

In connection with the above loan payable, the Town is subject to various covenants and is required to maintain an operation and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation. As of December 31, 2025, the Town was in compliance with all covenants and maintained the required reserve of $64,800.

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS (Continued)

LOAN PAYABLE 1 - NATURAL RESOURCES

The Town entered into a Loan Agreement with First National Bank of Las Animas on September 30, 2022, in the amount of $1,360,396 for the purchase of land and water rights. The loan is payable in monthly principal and interest installments of $10,059 beginning November 1, 2022 with an interest rate of 3.99% and with the final payment due October 1, 2037. The loan is collateralized by 310 acres and 60.23 shares of water rights and revenues generated by the natural resource fund.

Annual requirements of the loan as of December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	$ 76,741	$ 43,966	$ 120,707
2027	79,859	40,848	120,707
2028	82,996	37,711	120,707
2029	86,478	34,229	120,707
2030	89,992	30,715	120,707
2031-2035	507,802	95,735	603,537
2036-2037	108,098	6,445	114,543
	$1,031,966	$289,649	$1,321,615

LOAN PAYABLE 2 - NATURAL RESOURCES

The Town entered into a Loan Agreement with First National Bank of Las Animas on May 11, 2023, in the amount of $936,286 for the purchase of land, structures and well rights. The loan is payable in monthly principal and interest installments of $7,854 beginning June 11, 2023 with an interest rate of 5.90% and with the final payment due May 11, 2038. The loan is collateralized by the deed of trust on the land and 60.23 shares of water rights and revenues generated by the natural resource fund.

Annual requirements of the loan as of December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	$ 46,643	$ 47,604	$ 94,247
2027	49,470	44,777	94,247
2028	52,347	41,900	94,247
2029	55,643	38,604	94,247
2030	59,016	35,231	94,247
2031-2035	353,179	118,058	471,237
2036-2038	206,076	31,046	237,122
	$ 822,374	$357,220	$1,179,594

ESTIMATED CLOSURE AND POSTCLOSURE CARE COSTS

In 1995 the Town entered into an intergovernmental agreement with Otero County and other municipalities within the County to form Otero County Landfill, Inc. to operate the landfill within the County. The agreement transfers the liability for closure and postclosure costs to this organization. The Town and all participating entities are responsible for a portion of the costs based on an average of the population and assessed valuation of each entity to the total of all entities. Based on the current allocation, the Town's share is approximately 2.86% of the estimated $2,137,000 in closure and post-closure costs amounting to $61,000. These amounts are based on estimates of what it would cost to perform all closure and post-closure care in 2025. Actual costs may be higher or lower due to inflation or deflation, changes in technology, or changes in applicable laws or regulations

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS (Continued)

ESTIMATED CLOSURE AND POSTCLOSURE CARE COSTS (Continued)
The estimated closure and post closure costs increased from 2024 to 2025, therefore, increasing the Town's allocation by $7,200 from the prior year which is reported as a special item on the statement of activities and statement of revenues, expenses and changes in net position in the Sanitation Utility Fund.

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

			OTERO #2		
	Manzanola	Otero #1	Module #1	Module #2	Module #3
Percent of capacity	100%	100%	85%	84%	50%
Estimated closure date	2026	Closed	2028	2028	2035
Estimated final monitoring date	-	2049	-	-	-

NOTE -5 DEFINED BENEFIT PLAN

FIRE & POLICE – STATEWIDE RETIREMENT PLAN

Plan Description
The District participates in the Statewide Retirement Plan (SR Plan), a cost-sharing multiple-employer defined benefit pension plan. The SR Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The SR Plan currently has 229 participating employer fire and police departments.

The Defined Benefit Component and Social Security Component cover substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. Employers once had the option to withdraw from the SR Plan, but a change in state statutes eliminated this option effective January 1, 1988, unless the employer elects and is determined to be eligible to participate in the Statewide Money Purchase Plan.

In 2003, legislation was enacted that allows departments who cover their firefighters and police officers in money purchase plans to elect coverage under the SR Plan. As of August 5, 2003, clerical and other personnel from fire districts whose services are auxiliary to fire protection may also participate in the SR Plan. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the SR Plan.

The SR Plan assets are in the Fire & Police Members' Benefit Investment Fund Long-Term Pool and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Money Purchase Component assets). The Long-Term Pool is designed primarily for open plans with a longer time horizon, appropriate risk tolerance, and lower liquidity needs. The investment return assumption is 7.00 percent.

NOTE -5 STATEWIDE RETIREMENT PLAN (Continued)

Members participating in DROP or in the Money Purchase Component choose among various investment options offered by an outside investment manager.

The SR Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at http://www.FPPAco.org.

Benefits Provided

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

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

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

The annual retirement benefit for the Defined Benefit Component is 2.0 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average of the member's highest three years' base salary for each year of service thereafter.

Beginning January 1, 2007, the annual normal retirement benefit for the Social Security Component is 1.0 percent of the average of the member's highest three years base salary for each year of credited service up to then years plus 1.25 percent of the average of the member's highest three years' base salary for each year thereafter. Prior to 2007, the benefit for members of the Social Security Component will be reduced by the amount of social security income the member receives annually, calculated as if the social security benefit started as of age 62.

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

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

Upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit

Contributions

Contribution rates for the SR Plan are set by state statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election of both employers and members.

NOTE -5 STATEWIDE RETIREMENT PLAN (Continued)

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 22.0 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2024, the total minimum required member and employer contribution rate was 22.2 percent.

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 11.00 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2023, the total minimum combined member and employer contribution rate was 17.0 percent.

The Hybrid Defined Benefit Component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Component is set annually by the FPPA Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2024 through June 30, 2025 is 14.56 percent. The Hybrid Defined Benefit Component contribution rate from January 1, 2023 through June 30, 2024 was 14.24 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase Component.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions form the employer are made on a pre-tax basis.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer’s contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

Net Pension Liability/(Asset)

At December 31, 2025, the total pension liability for the SR Plan was $4,716,284,644, the plan fiduciary net position was $4,716,284,644, the net pension liability was $0, and the plan fiduciary net position as a percentage of the total pension liability was 100 percent.

At December 31, 2025, the District’s proportion of the net pension liability of the SR Plan was 0.0063 percent, which was a decrease of 0.0080 percent from its proportion measured as of December 31, 2023.

NOTE -5 STATEWIDE RETIREMENT PLAN (Continued)

At December 31, 2025, the District reported a net pension liability of $0 for its proportionate share of the SR Plan net pension liability. The net pension liability was measured as of December 31, 2024. The collective total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2024. The actuarially determined contributions as of December 31, 2024 are based on the January 1, 2024 actuarial valuation. For the year ended December 31, 2025, the District recognized pension expense of $5,491 related to the SR Plan.

Employer contributions recognized by the SR Plan from the District were $18,753 for the measurement period ended December 31, 2025.

At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to the SR Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 42,015	$ 470
Assumption Changes	5,377	-
Net difference between projected and actual earnings on pension plan investments	2,134	-
District Contributions Subsequent to Measurement Date	18,753	-
Total	$ 68,279	$ 470

The deferred outflows and deferred inflows related to pensions are included with total deferred outflows and total deferred inflows on the statement of net position. Deferred outflows of resources of $18,753 related to FPPA pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the FPPA net pension liability in the measurement period ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2025:	Net Deferred Outflows / (Inflows) of Resources
2026	$ 13,661
2027	20,185
2028	1,428
2029	2,117
2030	4,654
Thereafter	7,011
Total	$ 49,056

Actuarial Assumptions

The actuarial valuations for the Statewide Retirement Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2024. The valuations used the following actuarial assumption and other inputs:

NOTE -5 STATEWIDE RETIREMENT PLAN (Continued)

	Total Pension Liability	Actuarial Determined Contribution
Actuarial Valuation Date	January 1, 2025	January 1, 2024
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.00%	7.00%
Projected Salary Increases*	4.25% - 11.75%	4.25% - 11.75%
Cost of Living Adjustments (COLA)	0.00%	0.00%
*Includes Inflation at	2.5%	2.5%

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

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

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2024. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	33.00%	7.00%
Equity Long/Short	6.00%	6.20%
Private Markets	34.00%	8.80%
Fixed Income – Rates	7.00%	5.00%
Fixed Income – Credit	7.00%	6.50%
Absolute Return	9.00%	5.70%
Cash	4.00%	4.20%
Total	100.00%	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the Statewide Retirement Plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE -5 STATEWIDE RETIREMENT PLAN (Continued)

The COLA assumption reflects the true nature of Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported

Discount Rate

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.08 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

Regarding the sensitivity of the net pension liability/(asset) to changes in the single discount rate, the following presents the plan's net pension liability/(asset), calculated using a single discount rate of 7.00 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a single discount rate that is one percent lower or one percent higher:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension (asset) liability	$ 30,509	$ -	$ -

The net pension liability of $0 reflects a reserve for cost of living adjustments and to manage adverse experience of $8,988 at a 7.00 percent discount rate and $41,695 at an 8.00 percent discount rate.

NOTE -6 DEFINED CONTRIBUTION PLAN

Plan Description

The Town provides pension benefits for all its full-time employees through a defined contribution plan administered by Edward Jones. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All Employees are eligible to participate when hired. The plan requires that the employees contribute a minimum of 2 percent and the Town match employee contributions up to 2 percent of the employees' annual compensation.

The Town is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan. The Town Trustees have the authority to amend the plan terms.

Funding Policy

The Town's contributions for each employee (and interest allocated to the employee's account) are fully vested immediately. The Town shall make no contributions to the plan other than through voluntary salary reduction contributions not to exceed 2% of each employee's yearly salary, and non-elective contributions not to exceed 2% of each employee's yearly salary. For each calendar year, the Town of Fowler will contribute a non-elective contribution equal to 2% of compensation for the calendar year to the plan of each employee. The Town of Fowler will not require the employee to retain any portion of the contribution in his or her plan or otherwise impose any withdrawal restrictions

The Town's total payroll in fiscal year 2025 was $662,895. The Town's contributions were calculated using the base salaries amount of $539,000. Both the Town and the covered employees made the required contributions amounting to $10,780 and $8,556, respectively, for a total of $19,336.

NOTE -7 PENSION TRUST FUND

Plan Description and Funding Policy

The Pension Trust Fund covers all employees of the Town of Fowler, Police Department. Funding is accomplished by the aggregate cost method. This cost method received contributions from the State of Colorado, the Town's General Fund, and the covered employees. The Town is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan.

The Town currently has no employee of the Police Department that has met the vesting requirements to receive pension benefits and has never had anyone meet those requirements. The Town has obtained permission to use the collective contributions for current and future police requirements.

NOTE -8 RISK MANAGEMENT

The Town 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 Town participates in a public entity risk pool to meet its insurance needs for workers' compensation. The Town utilizes the Colorado Intergovernmental Risk Agency (CIRSA), a public entity risk pool currently operating as a common risk management and insurance program for over 100 Colorado governmental entities. The Town pays an annual premium to CIRSA for its workers compensation coverage.

It is the intent of the members of CIRSA to create a self-sustaining entity through member premiums and reinsurance through commercial companies for workers' compensation claims in excess of $400,000 up to $1 million for each insured event. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE -9 TAX SPENDING AND DEBT LIMITATIONS

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

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

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 on such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). A portion of the fund balance has been restricted in compliance with this requirement. At December 31, 2025, $27,900 of the fund balance has been restricted.

Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

In November 2003, the authorized voters of the Town of Fowler, Colorado voted to authorize the Town to collect, retain, and expend all revenues from any source collected during 2004 and grants in future periods from any source, notwithstanding the limitation of Article X, Section 20 of Colorado constitution and providing that no local tax rate or mill levy be increased without further voter approval.

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

NOTE -10 RELATED PARTY TRANSACTIONS

As indicated in Note -1, the Town entered into an intergovernmental agreement with Otero County Landfill, Inc. (OCLI) regarding a landfill operation. For the year ended December 31, 2025, the Town had paid OCLI $0 for its share of the costs of which $0 was due and recorded as accounts payable in the Sanitation Utility Fund. The Town has recognized $61,000 for its share of estimated closure and post closure care costs.

NOTE -11 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS

Interfund Receivables and Payables:
During the course of operations, numerous transactions occur between the Town's funds for the reimbursement of expenditures. Related interfund receivables and payables are classified as "due from other funds" and "due to other funds" on the balance sheet and statement of net position and will be settled within a reasonable time period.
The composition of due to / from other funds as of December 31, 2025 is as follows:

Receivable Fund	Payable Fund	Amount
General	Water Utility	$ 169,354
General	Sewer Utility	88,272
General	Storm Drainage Utility	6,727
General	Natural Resources Utility	956
General	Library	3,699
		269,008
Sanitation Utility	General	35,000
Water Utility	General	20,240
Sewer Utility	General	14,542
Storm Drainage Utility	General	3,157
Natural Resources Utility	General	3,567
Conservation Trust	General	3,237
Pool & Recreation	General	46,070
Library	General	45,381
Cemetery	General	46,796
		217,990
Sewer Utility	Water Utility	35,501
Storm Drainage Utility	Water Utility	1,001
Natural Resources Utility	Water Utility	12,473
		48,975
		$ 535,973

Interfund Transfers:
Transfers are for the use of unrestricted revenues collected in the enterprise funds to finance various programs accounted for in other funds in accordance with the Board of Trustee authorizations.

The composition of interfund transfers as of December 31, 2025 is as follows:

	Transfers In (Out)				
	General Fund	Non-Major Funds	Proprietary Funds	Internal Services	Total
Sanitation Utility	$ 35,000	$ -	$ -	$ -	$ 35,000

NOTE -12 NET POSITION

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

Restricted net position at December 31, 2025 is as follows:

	Governmental Activities	Business-Type Activities	Total
Emergencies - TABOR	$ 27,900	$ -	$ 27,900
Debt Service	-	122,408	122,408
Culture and Recreation	67,063	-	67,063
Facility Fees and Water Surcharge	-	1,894,943	1,894,943
	$ 94,963	$ 2,017,351	$ 2,112,314

Restricted for Emergencies – TABOR – This represents approximately 3% of the Town's 2025 fiscal year spending as that term is defined in the Colorado constitution. Under these provisions of the constitution, this portion of the Town's net position can be used for declared emergencies only and the Town must maintain 3% or more of its spending in this restricted account. The Town does not believe this restriction meets the definition of a stabilization arrangement under generally accepted accounting principles.

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

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

Restricted for Facility Fees and Water Surcharge – This represents unspent cash received from special assessments in the Water Utility Fund and Sewer Utility Fund. The cash is restricted for future major repairs and the related debt service costs.

NOTE -13 FUND BALANCES

At December 31, 2025, fund balances for governmental funds consist of the following:

	Restricted Fund Balance		
	Emergencies TABOR	Conservation Trust	Total
General Fund	$ 27,900	$ -	$ 27,900
Conservation Trust Fund	-	67,063	67,063
Total	$ 27,900	$ 67,063	$ 94,963

	Assigned Fund Balance			
	Library	Cemetery	Pool & Recreation	Total
Library Fund	$ 165,775	$ -	$ -	$ 165,775
Cemetery Fund	-	223,640	-	223,640
Pool & Recreation Fund	-	-	311,645	311,645
Total	$ 165,775	$ 223,640	$ 311,645	$ 701,060

NOTE -14 SUBSEQUENT EVENTS

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

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF FOWLER, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

FIRE & POLICE STATEWIDE RETIREMENT PLAN

LAST 10 FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Measurement period ending	12/31/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Town's proportion of the net pension liability (asset)	0.0063%	0.0142%	0.0152%	0.0166%	0.0150%	0.0100%	0.0120%	0.0153%	0.0188%	0.0176%
Town's proportionate share of the net pension liability (asset)	$ -	$ -	$ 13,516	$ (90,105)	$ (32,573)	$ (5,535)	$ 15,143	$ (22,120)	$ 6,786	$ (300)
Town's covered payroll	$ 115,778	$ 116,442	$ 139,899	$ 132,780	$ 133,847	$ 120,513	$ 72,130	$ 80,235	$ 89,938	$ 106,637
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.00%	0.00%	9.66%	-67.86%	-24.34%	-4.59%	20.99%	27.57%	7.55%	0.28%
Plan fiduciary net position as a percentage of the total pension liability (asset)	100.00%	100.00%	97.60%	116.20%	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%

* Information above is presented as of the measurement date (December 31 of the previous fiscal year.)

See the accompanying Independent Auditors' Report.

TOWN OF FOWLER, COLORADO

SCHEDULE OF TOWN'S CONTRIBUTIONS

FIRE & POLICE STATEWIDE RETIREMENT PLAN

LAST 10 FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	$ 18,753	$ 15,909	$ 13,267	$ 11,950	$ 11,377	$ 9,641	$ 5,770	$ 6,419	$ 7,195	$ 8,531
Contributions in relation to the statutorily required contribution	(18,753)	(15,909)	(13,267)	(11,950)	(11,377)	(9,641)	(5,770)	(6,419)	(7,195)	(8,531)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	$ 115,778	$ 116,442	$ 139,889	$ 132,780	$ 133,847	$ 120,513	$ 72,130	$ 80,235	$ 89,938	$ 106,637
Contributions as a percentage of covered payroll	16.22%	13.68%	9.50%	9.00%	8.50%	8.00%	8.00%	8.00%	8.00%	8.00%

* Information above is presented as of the Town's fiscal year-end.

See the accompanying Independent Auditors' Report.

TOWN OF FOWLER, COLORADO

GENERAL FUND

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

YEAR ENDED DECEMBER 31, 2025

	BUDGET			VARIANCE FAVORABLE
	ORIGINAL	FINAL	ACTUAL	(UNFAVORABLE)
REVENUES				
TAXES	$ 789,450	$ 789,450	$ 534,542	$ (254,908)
LICENSES AND PERMITS	13,400	13,400	13,613	213
INTERGOVERNMENTAL	64,000	64,000	54,675	(9,325)
CHARGES FOR SERVICES	233,000	233,000	217,475	(15,525)
FINES	63,200	63,200	21,770	(41,430)
INTEREST	1,200	1,200	4,372	3,172
GRANT	35,000	35,000	70,000	35,000
MISCELLANEOUS	38,700	38,700	51,540	12,840
TOTAL REVENUES	1,237,950	1,237,950	967,987	(269,963)
EXPENDITURES				
GENERAL GOVERNMENT	184,109	184,109	354,473	(170,364)
PUBLIC SAFETY	486,014	486,014	201,074	284,940
PUBLIC WORKS	83,654	83,654	63,285	20,369
CULTURE AND RECREATION	476,734	476,734	298,949	177,785
DEBT SERVICE:				
PRINCIPAL	21,777	21,777	7,948	13,829
INTEREST	1,662	1,662	1,662	-
CAPITAL OUTLAY	-	-	-	-
TOTAL EXPENDITURES	1,253,950	1,253,950	927,391	326,559
REVENUES OVER (UNDER) EXPENDITURES	(16,000)	(16,000)	40,596	56,596
OTHER FINANCING SOURCES				
TRANSFERS IN	26,000	26,000	7,422	(18,578)
TRANSFERS OUT	(10,000)	(10,000)	(35,000)	(25,000)
TOTAL OTHER FINANCING SOURCES	16,000	16,000	(27,578)	(43,578)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	-	-	13,018	13,018
FUND BALANCE JANUARY 1	531,370	531,370	531,370	-
FUND BALANCE DECEMBER 31	$ 531,370	$ 531,370	$ 544,388	$ 13,018

SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

MAJOR GOVERNMENTAL FUNDS

General Fund – It accounts for all financial resources of the general government, except those which are required to be accounted for in another fund.

TOWN OF FOWLER, COLORADO

GENERAL FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 409,042	$ 365,936
RECEIVABLES:		
ACCOUNTS	101,530	89,369
PROPERTY TAXES	72,400	68,800
ACCRUED INTEREST	838	838
DUE FROM OTHER FUNDS	269,008	153,896
TOTAL ASSETS	$ 852,818	$ 678,839
LIABILITIES		
ACCOUNTS PAYABLE	$ 6,452	$ 11,490
ACCRUED EXPENSES	11,588	14,176
DUE TO OTHER FUNDS	217,990	53,003
TOTAL LIABILITIES	236,030	78,669
DEFERRED INFLOWS OF RESOURCES		
DEFERRED REVENUES - PROPERTY TAXES	72,400	68,800
FUND BALANCE		
RESTRICTED FOR		
EMERGENCIES - TABOR	27,900	25,600
UNASSIGNED	516,488	505,770
TOTAL FUND BALANCE	544,388	531,370
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	$ 852,818	$ 678,839

TOWN OF FOWLER, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
REVENUES		
TAXES	$ 534,542	$ 542,072
LICENSES AND PERMITS	13,613	12,326
INTERGOVERNMENTAL	54,675	55,566
CHARGES FOR SERVICES	217,475	101,249
FINES	21,770	24,869
INTEREST	4,372	4,155
GRANTS	70,000	-
OTHER	58,962	87,479
TOTAL REVENUES	975,409	827,716
EXPENDITURES		
GENERAL GOVERNMENT	354,473	391,074
PUBLIC SAFETY	188,474	204,570
PUBLIC WORKS	63,285	101,274
CULTURE AND RECREATION	298,949	140,598
DEBT SERVICE:		
PRINCIPAL	7,948	7,329
INTEREST	1,662	2,001
CAPITAL OUTLAY	12,600	5,000
TOTAL EXPENDITURES	927,391	851,846
REVENUES OVER (UNDER) EXPENDITURES	48,018	(24,130)
OTHER FINANCING SOURCES		
TRANSFERS IN	-	121,537
TRANSFERS OUT	(35,000)	(20,000)
TOTAL OTHER FINANCING SOURCES	(35,000)	101,537
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	13,018	77,407
FUND BALANCE JANUARY 1	531,370	453,963
FUND BALANCE DECEMBER 31	$ 544,388	$ 531,370

<u>NONMAJOR GOVERNMENTAL FUNDS</u>

SPECIAL REVENUE FUNDS

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

Library Fund – This fund is used for the disbursement of sales tax revenues that were collected in the General Fund and transferred to the Library Fund to be used for the operation and maintenance of the public library. It also accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes.

Cemetery Fund - This fund is used for the disbursement of sales tax revenues that were collected in the General Fund and transferred to the Cemetery Fund to be used for the operation and maintenance of the community cemetery. It also accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes.

Pool & Recreation Fund - This fund is used for the disbursement of sales tax revenues that were collected in the General Fund and transferred to the Pool & Recreation Fund to be used for the operation and maintenance of the community swimming pool. It also accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes.

TOWN OF FOWLER, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2025

	CONSERVATION TRUST	LIBRARY	CEMETERY	POOL & RECREATION	TOTAL
ASSETS					
CASH OR EQUIVALENTS	$ 63,826	$ 124,093	$ 176,844	$ 265,575	$ 630,338
DUE FROM OTHER FUNDS	3,237	45,381	46,796	46,070	141,484
TOTAL ASSETS	$ 67,063	$ 169,474	$ 223,640	$ 311,645	$ 771,822
LIABILITIES					
ACCOUNTS PAYABLE	$ -	$ -	$ -	$ -	$ -
DUE TO OTHER FUNDS	-	3,699	-	-	3,699
TOTAL LIABILITIES	-	3,699	-	-	3,699
FUND BALANCE					
RESTRICTED	67,063	-	-	-	67,063
ASSIGNED	-	165,775	223,640	311,645	701,060
TOTAL FUND BALANCE	67,063	165,775	223,640	311,645	768,123
TOTAL LIABILITIES AND FUND BALANCE	$ 67,063	$ 169,474	$ 223,640	$ 311,645	$ 771,822

TOWN OF FOWLER, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2025

	CONSERVATION TRUST	LIBRARY	CEMETERY	POOL & RECREATION	TOTAL
REVENUES					
TAXES	$ -	$ 63,294	$ 63,275	$ 63,275	$ 189,844
INTERGOVERNMENTAL	14,542	-	-	-	14,542
CHARGES FOR SERVICES	-	2,594	-	-	2,594
GRANTS	-	8,000	-	-	8,000
OTHER	305	2,056	2,431	668	5,460
TOTAL REVENUES	14,847	75,944	65,706	63,943	220,440
EXPENDITURES					
CULTURE AND RECREATION	-	56,172	19,080	2,618	77,870
CAPITAL OUTLAY	-	17,600	-	-	17,600
TOTAL EXPENDITURES	-	73,772	19,080	2,618	95,470
REVENUES OVER (UNDER) EXPENDITURES	14,847	2,172	46,626	61,325	124,970
OTHER FINANCING SOURCES					
TRANSFERS IN	-	-	-	-	-
TRANSFERS OUT	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	-	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	14,847	2,172	46,626	61,325	124,970
FUND BALANCE JANUARY 1	52,216	163,603	177,014	250,320	643,153
FUND BALANCE DECEMBER 31	$ 67,063	$ 165,775	$ 223,640	$ 311,645	$ 768,123

TOWN OF FOWLER, COLORADO

CONSERVATION TRUST FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 63,826	$ 52,216
DUE FROM OTHER FUND	3,237	-
TOTAL ASSETS	67,063	52,216
LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
FUND BALANCE		
RESTRICTED	67,063	52,216
TOTAL LIABILITIES AND FUND BALANCE	$ 67,063	$ 52,216

TOWN OF FOWLER, COLORADO

CONSERVATION TRUST FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025 ACTUAL	2025 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
INTERGOVERNMENTAL	$ 14,542	$ 12,000	$ 2,542	$ 14,989
OTHER	305	-	305	206
TOTAL REVENUES	14,847	12,000	2,847	15,195
EXPENDITURES				
RECREATION	-	12,000	12,000	7,147
CAPITAL OUTLAY	-	-	-	27,600
TOTAL EXPENDITURES	-	12,000	12,000	34,747
CHANGE IN FUND BALANCE	14,847	-	14,847	(19,552)
FUND BALANCE JANUARY 1	52,216	52,216	-	71,768
FUND BALANCE DECEMBER 31	$ 67,063	$ 52,216	$ 14,847	$ 52,216

TOWN OF FOWLER, COLORADO

LIBRARY FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 124,093	$ 150,573
DUE FROM OTHER FUNDS	45,381	17,217
TOTAL ASSETS	$ 169,474	$ 167,790
LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
DUE TO OTHER FUNDS	3,699	4,187
TOTAL LIABILITIES	3,699	4,187
FUND BALANCE		
ASSIGNED	165,775	163,603
TOTAL LIABILITIES AND FUND BALANCE	$ 169,474	$ 167,790

TOWN OF FOWLER, COLORADO

LIBRARY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025 ACTUAL	2025 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
TAXES	$ 63,294	$ 62,000	$ 1,294	$ 61,533
CHARGES FOR SERVICES	2,594	5,000	(2,406)	1,398
GRANTS	8,000	6,000	2,000	2,000
OTHER	2,056	250	1,806	969
TOTAL REVENUES	75,944	73,250	2,694	65,900
EXPENDITURES				
SALARIES & BENEFITS	35,291	39,539	4,248	33,954
SUPPLIES	4,613	6,420	1,807	3,820
UTILITIES	6,047	9,600	3,553	6,792
BOOKS & SUBSCRIPTIONS	6,368	16,300	9,932	4,917
REPAIRS & MAINTENANCE	3,853	5,320	1,467	558
CAPITAL OUTLAY	17,600	22,500	4,900	-
TOTAL EXPENDITURES	73,772	99,679	25,907	50,041
REVENUES OVER (UNDER) EXPENDITURES	2,172	(26,429)	28,601	15,859
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	-	-	-	-
TRANSFERS OUT	-	-	-	(11,223)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	(11,223)
CHANGE IN FUND BALANCE	2,172	(26,429)	28,601	4,636
FUND BALANCE JANUARY 1	163,603	163,603	-	158,967
FUND BALANCE DECEMBER 31	$ 165,775	$ 137,174	$ 28,601	$ 163,603

TOWN OF FOWLER, COLORADO

CEMETERY FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 176,844	$ 158,426
DUE FROM OTHER FUNDS	46,796	18,588
TOTAL ASSETS	$ 223,640	$ 177,014
LIABILITIES		
DUE TO OTHER FUNDS	$ -	$ -
FUND BALANCE		
ASSIGNED	223,640	177,014
TOTAL LIABILITIES AND FUND BALANCE	$ 223,640	$ 177,014

TOWN OF FOWLER, COLORADO

CEMETERY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025 ACTUAL	2025 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
TAXES	$ 63,275	$ 62,000	$ 1,275	$ 61,514
OTHER	2,431	4,275	(1,844)	391
TOTAL REVENUES	65,706	66,275	(569)	61,905
EXPENDITURES				
REPAIRS & MAINTENANCE	19,080	53,275	34,195	433
CAPITAL OUTLAY	-	3,000	3,000	-
TOTAL EXPENDITURES	19,080	56,275	37,195	433
REVENUES OVER (UNDER) EXPENDITURES	46,626	10,000	36,626	61,472
OTHER FINANCING SOURCES (USES)				
TRANSFER OUT	-	(10,000)	10,000	(21,541)
CHANGE IN FUND BALANCE	46,626	-	46,626	39,931
FUND BALANCE JANUARY 1	177,014	177,014	-	137,083
FUND BALANCE DECEMBER 31	$ 223,640	$ 177,014	$ 46,626	$ 177,014

TOWN OF FOWLER, COLORADO

POOL & RECREATION FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 265,575	$ 233,122
DUE FROM OTHER FUNDS	46,070	17,198
TOTAL ASSETS	$ 311,645	$ 250,320
LIABILITIES		
DUE TO OTHER FUNDS	$ -	$ -
FUND BALANCE		
ASSIGNED	311,645	250,320
TOTAL LIABILITIES AND FUND BALANCE	$ 311,645	$ 250,320

TOWN OF FOWLER, COLORADO

POOL & RECREATION FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025 ACTUAL	2025 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
TAXES	$ 63,275	$ 62,000	$ 1,275	$ 61,514
OTHER	668	1,000	(332)	607
TOTAL REVENUES	63,943	63,000	943	62,121
EXPENDITURES				
REPAIRS & MAINTENANCE	$ 2,618	17,050	14,432	$ 3,562
CAPITAL OUTLAY	-	200,000	200,000	9,536
TOTAL EXPENDITURES	2,618	217,050	214,432	13,098
REVENUES OVER (UNDER) EXPENDITURES	61,325	(154,050)	215,375	49,023
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	-	-	-	7,768
TRANSFERS OUT	-	(10,000)	10,000	(21,541)
TOTAL OTHER FINANCING SOURCES (USES)	-	(10,000)	10,000	(13,773)
CHANGE IN FUND BALANCE	61,325	(164,050)	225,375	35,250
FUND BALANCE JANUARY 1	250,320	250,320	-	215,070
FUND BALANCE DECEMBER 31	$ 311,645	$ 86,270	$ 225,375	$ 250,320

PROPRIETARY FUNDS

ENTERPRISE FUNDS

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

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

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

Storm Drainage Fund – Accounts for the activities of the Town's storm drainage infrastructure. Activities of the fund include administration, operation, and maintenance of the storm drainage system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Natural Resources Enterprise Fund – Accounts for the Town's purchase of land and water rights. Activities of the fund include administration costs related to those land and water rights. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 204,407	$ 257,985
ACCOUNTS RECEIVABLE	67,463	57,102
DUE FROM OTHER FUNDS	20,240	-
INVENTORY	27,353	26,050
WATER INVENTORY	28,520	27,086
TOTAL CURRENT ASSETS	347,983	368,223
RESTRICTED ASSETS		
RESTRICTED CASH	364,203	329,886
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	3,466,070	3,466,070
ACCUMULATED DEPRECIATION	(2,259,581)	(2,192,684)
NET PROPERTY AND EQUIPMENT	1,206,489	1,273,386
TOTAL ASSETS	$ 1,918,675	$ 1,971,495
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 4,560	$ 1,175
COMPENSATED ABSENCES	10,682	10,682
ACCRUED INTEREST PAYABLE	1,322	1,708
DUE TO OTHER FUNDS	218,329	161,232
UNEARNED REVENUE	96,948	151,228
LEASE PAYABLE - CURRENT	12,832	12,006
TOTAL CURRENT LIABILITIES	344,673	338,031
TERM LIABILITIES		
LEASE PAYABLE	28,309	41,141
TOTAL TERM LIABILITIES	28,309	41,141
OTHER LIABILITIES		
CUSTOMER DEPOSITS	21,750	21,067
TOTAL LIABILITIES	394,732	400,239
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	1,165,348	1,220,239
RESTRICTED FOR:		
FACILITY FEES	281,807	247,955
WATER SURCHARGE	24,788	25,744
DEBT SERVICE	57,608	56,187
UNRESTRICTED	(5,608)	21,131
TOTAL NET POSITION	1,523,943	1,571,256
TOTAL LIABILITIES AND NET POSITION	$ 1,918,675	$ 1,971,495

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES	$ 316,134	$ 291,012
SPECIAL ASSESSMENTS	82,931	82,965
TOTAL OPERATING REVENUES	399,065	373,977
OPERATING EXPENSES		
SOURCE OF SUPPLY	217,408	170,794
SUPPLY MAINTENANCE	34,344	36,820
DISTRIBUTION AND OPERATING SUPPLIES	97,835	60,429
ACCOUNTING AND GENERAL ADMINISTRATION	97,968	106,445
DEPRECIATION	66,897	66,988
TOTAL OPERATING EXPENSES	514,452	441,476
OPERATING INCOME (LOSS)	(115,387)	(67,499)
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	4,067	3,278
GRANT INCOME	54,280	-
INTEREST EXPENSE	(1,437)	(2,101)
OTHER	11,164	3,455
TOTAL NONOPERATING REVENUES (EXPENSES)	68,074	4,632
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(47,313)	(62,867)
CAPITAL CONTRIBUTIONS	-	-
CHANGE IN NET POSITION	(47,313)	(62,867)
NET POSITION JANUARY 1	1,571,256	1,634,123
NET POSITION DECEMBER 31	$ 1,523,943	$ 1,571,256

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 388,704	$ 361,734
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(253,737)	(136,202)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(155,630)	(151,063)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(20,663)	74,469
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	-	(19,743)
CAPITAL CONTRIBUTED	-	-
INTEREST PAID ON DEBT	(1,823)	(2,486)
PRINCIPAL PAID ON DEBT	(12,006)	(24,743)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(13,829)	(46,972)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	15,231	6,733
NET CHANGE IN CASH AND CASH EQUIVALENTS	(19,261)	34,230
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	587,871	553,641
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	$ 568,610	$ 587,871
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ (115,387)	$ (67,499)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	66,897	66,988
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	(10,361)	(12,243)
INVENTORIES	(2,737)	(9,821)
DUE FROM (TO) OTHER FUNDS	16,675	96,720
ACCOUNTS PAYABLE	23,567	(4,123)
COMPENSATED ABSENCES	-	-
CUSTOMER DEPOSITS	683	4,447
TOTAL ADJUSTMENTS	94,724	141,968
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (20,663)	$ 74,469

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 39,416	$ 342,905
CASH WITH TRUSTEE	1,201,241	1,201,241
ACCOUNTS RECEIVABLE	63,658	56,676
DUE FROM OTHER FUNDS	50,043	48,749
TOTAL CURRENT ASSETS	1,354,358	1,649,571
RESTRICTED ASSETS		
RESTRICTED CASH	1,588,348	1,274,184
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	2,048,279	1,907,079
ACCUMULATED DEPRECIATION	(1,408,321)	(1,380,707)
NET PROPERTY AND EQUIPMENT	639,958	526,372
TOTAL ASSETS	$ 3,582,664	$ 3,450,127
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
COMPENSATED ABSENCES	8,959	8,959
DUE TO OTHER FUNDS	88,272	44,700
NOTE PAYABLE - CURRENT	70,000	70,000
TOTAL CURRENT LIABILITIES	167,231	123,659
TERM LIABILITIES		
NOTE PAYABLE	560,000	630,000
TOTAL LIABILITIES	727,231	753,659
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	1,211,199	1,027,613
RESTRICTED FOR:		
FACILITY FEES	1,588,348	1,274,184
OPERATION AND MAINTENANCE	64,800	58,800
UNRESTRICTED	(8,914)	335,871
TOTAL NET POSITION	2,855,433	2,696,468
TOTAL LIABILITIES AND NET POSITION	$ 3,582,664	$ 3,450,127

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES	$ 199,893	$ 215,105
SPECIAL ASSESSMENT	233,592	232,347
TOTAL OPERATING REVENUES	433,485	447,452
OPERATING EXPENSES		
COLLECTION SYSTEM	170,339	154,823
ACCOUNTING AND GENERAL ADMINISTRATION	88,865	80,105
DEPRECIATION	27,614	30,814
TOTAL OPERATING EXPENSES	286,818	265,742
OPERATING INCOME (LOSS)	146,667	181,710
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	12,298	10,750
TOTAL NONOPERATING REVENUES (EXPENSES)	12,298	10,750
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	158,965	192,460
CAPITAL CONTRIBUTIONS	-	15,000
CHANGE IN NET POSITION	158,965	207,460
NET POSITION JANUARY 1	2,696,468	2,489,008
NET POSITION DECEMBER 31	$ 2,855,433	$ 2,696,468

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 426,503	$ 449,572
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(71,871)	(91,017)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(145,055)	(136,703)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	209,577	221,852
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
CAPITAL CONTRIBUTED	-	15,000
ACQUISITION OF CAPITAL ASSETS	(141,200)	-
PRINCIPAL PAID ON DEBT	(70,000)	(70,000)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(211,200)	(55,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	12,298	10,750
NET CHANGE IN CASH AND CASH EQUIVALENTS	10,675	177,602
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	2,818,330	2,640,728
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	$ 2,829,005	$ 2,818,330
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ 146,667	$ 181,710
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
DEPRECIATION	27,614	30,814
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	(6,982)	2,120
DUE FROM (TO) OTHER FUNDS	42,278	8,469
ACCOUNTS PAYABLE	-	(2,887)
COMPENSATED ABSENCES	-	1,626
TOTAL ADJUSTMENTS	62,910	40,142
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 209,577	$ 221,852

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 27,764	$ 27,693
ACCOUNTS RECEIVABLE	-	5
DUE FROM OTHER FUNDS	35,000	-
TOTAL CURRENT ASSETS	$ 62,764	$ 27,698
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
DUE TO OTHER FUNDS	-	49
ACCRUED LANDFILL - CURRENT PORTION	6,100	5,380
TOTAL CURRENT LIABILITIES	6,100	5,429
TERM LIABILITIES		
ACCRUED LANDFILL COSTS	54,900	48,420
TOTAL LIABILITIES	61,000	53,849
NET POSITION		
UNRESTRICTED	1,764	(26,151)
TOTAL NET POSITION	1,764	(26,151)
TOTAL LIABILITIES AND NET POSITION	$ 62,764	$ 27,698

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES	$ -	$ -
OTHER	-	121
TOTAL OPERATING REVENUES	-	121
OPERATING EXPENSES		
COLLECTION	-	3,191
ACCOUNTING AND GENERAL ADMINISTRATION	-	432
TOTAL OPERATING EXPENSES	-	3,623
OPERATING INCOME (LOSS)	-	(3,502)
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	115	67
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES) AND SPECIAL ITEM	115	(3,435)
TRANSFER IN	35,000	-
TRANSFER OUT	-	(75,000)
SPECIAL ITEM - CHANGE IN ACCOUNTING ESTIMATE	(7,200)	(4,000)
CHANGE IN NET POSITION	27,915	(82,435)
NET POSITION JANUARY 1	(26,151)	56,284
NET POSITION DECEMBER 31	$ 1,764	$ (26,151)

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 5	$ 143
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(49)	(3,642)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	-	(807)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(44)	(4,306)
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	-	(75,000)
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	-	(75,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	115	67
NET CHANGE IN CASH AND CASH EQUIVALENTS	71	(79,239)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	27,693	106,932
CASH AND CASH EQUIVALENTS END OF YEAR	$ 27,764	$ 27,693
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ -	$ (3,502)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	5	22
PREPAID EXPENSES	-	-
DUE FROM (TO) OTHER FUNDS	(49)	(826)
ACCOUNTS PAYABLE	-	-
TOTAL ADJUSTMENTS	(44)	(804)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (44)	$ (4,306)

TOWN OF FOWLER, COLORADO

STORM DRAINAGE FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 19,905	$ 30,655
ACCOUNTS RECEIVABLE	1,289	1,124
DUE FROM OTHER FUNDS	4,158	1,020
TOTAL CURRENT ASSETS	$ 25,352	$ 32,799
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
DUE TO OTHER FUNDS	6,727	5,943
TOTAL CURRENT LIABILITIES	6,727	5,943
NET POSITION		
UNRESTRICTED	18,625	26,856
TOTAL LIABILITIES AND NET POSITION	$ 25,352	$ 32,799

TOWN OF FOWLER, COLORADO

STORM DRAINAGE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES	$ 12,368	$ 12,637
TOTAL OPERATING REVENUES	12,368	12,637
OPERATING EXPENSES		
COLLECTION SYSTEM	11,731	11,632
ACCOUNTING AND GENERAL ADMINISTRATION	8,896	9,924
TOTAL OPERATING EXPENSES	20,627	21,556
OPERATING INCOME (LOSS)	(8,259)	(8,919)
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	28	38
TOTAL NONOPERATING REVENUES (EXPENSES)	28	38
CHANGE IN NET POSITION	(8,231)	(8,881)
NET POSITION JANUARY 1	26,856	35,737
NET POSITION DECEMBER 31	$ 18,625	$ 26,856

TOWN OF FOWLER, COLORADO

STORM DRAINAGE FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 12,203	$ 12,656
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(11,100)	(4,887)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(11,881)	(12,149)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(10,778)	(4,380)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	28	38
NET CHANGE IN CASH AND CASH EQUIVALENTS	(10,750)	(4,342)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	30,655	34,997
CASH AND CASH EQUIVALENTS END OF YEAR	$ 19,905	$ 30,655
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ (8,259)	$ (8,919)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	(165)	19
DUE FROM (TO) OTHER FUNDS	(2,354)	4,520
TOTAL ADJUSTMENTS	(2,519)	4,539
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (10,778)	$ (4,380)

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 277,452	$ 347,769
ACCOUNTS RECEIVABLE	21,978	19,897
RENT RECEIVABLE	90,950	33,500
DUE FROM OTHER FUND	16,040	13,402
TOTAL CURRENT ASSETS	406,420	414,568
PROPERTY AND EQUIPMENT		
LAND, WATER RIGHTS AND BUILDING - AT COST	2,758,881	2,758,881
ACCUMULATED DEPRECIATION	(175,655)	(131,704)
NET PROPERTY AND EQUIPMENT	2,583,226	2,627,177
TOTAL ASSETS	$ 2,989,646	$ 3,041,745
CURRENT LIABILITIES		
ACCRUED INTEREST PAYABLE	$ 3,440	$ 3,705
DUE TO OTHER FUND	956	956
NOTE PAYABLE - CURRENT	123,384	117,721
TOTAL CURRENT LIABILITIES	127,780	122,382
TERM LIABILITIES		
NOTE PAYABLE	1,730,956	1,886,368
OTHER LIABILITIES		
CUSTOMER DEPOSITS	900	900
TOTAL LIABILITIES	1,859,636	2,009,650
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	728,886	623,088
UNRESTRICTED	401,124	409,007
TOTAL NET POSITION	1,130,010	1,032,095
TOTAL LIABILITIES AND NET POSITION	$ 2,989,646	$ 3,041,745

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES	$ 154,509	$ 149,412
RENT	100,345	112,598
TOTAL OPERATING REVENUES	254,854	262,010
OPERATING EXPENSES		
REPAIRS AND MAINTENANCE	7,325	1,588
FEES AND OTHER	16,033	9,678
DEPRECIATION	43,951	43,951
TOTAL OPERATING EXPENSES	67,309	55,217
OPERATING INCOME	187,545	206,793
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	357	319
INTEREST EXPENSE	(89,987)	(98,687)
TOTAL NONOPERATING REVENUES (EXPENSES)	(89,630)	(98,368)
CHANGE IN NET POSITION	97,915	108,425
NET POSITION JANUARY 1	1,032,095	923,670
NET POSITION DECEMBER 31	$ 1,130,010	$ 1,032,095

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 152,428	$ 149,935
CASH RECEIVED FROM RENT	42,895	111,598
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(25,996)	(12,626)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	169,327	248,907
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	-	-
INTEREST PAID ON DEBT	(90,252)	(101,966)
PRINCIPAL PAID ON DEBT	(149,749)	(138,034)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(240,001)	(240,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	357	319
NET CHANGE IN CASH AND CASH EQUIVALENTS	(70,317)	9,226
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	347,769	338,543
CASH AND CASH EQUIVALENTS END OF YEAR	$ 277,452	$ 347,769
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ 187,545	$ 206,793
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	43,951	43,951
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	(2,081)	523
RENT RECEIVABLE	(57,450)	(1,000)
DUE TO (FROM) OTHER FUNDS	(2,638)	(1,360)
TOTAL ADJUSTMENTS	(18,218)	42,114
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 169,327	$ 248,907

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

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

YEAR ENDED DECEMBER 31, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
CHARGES FOR SERVICES	$ 547,500	$ 547,500	$ 399,065	$ (148,435)
INTEREST INCOME	1,500	1,500	4,067	2,567
GRANTS	286,790	286,790	54,280	(232,510)
OTHER	5,000	5,000	11,164	6,164
TOTAL REVENUES	840,790	840,790	468,576	(372,214)
EXPENDITURES				
SOURCE OF SUPPLY	219,959	219,959	217,408	2,551
SUPPLY MAINTENANCE	14,000	14,000	34,344	(20,344)
DISTRIBUTION AND OPERATING SUPPLIES	83,475	83,475	97,835	(14,360)
ACCOUNTING AND GENERAL ADMINISTRATION	69,539	69,539	97,968	(28,429)
DEPRECIATION	41,000	41,000	66,897	(25,897)
INTEREST EXPENSE	2,208	2,208	1,437	771
DEBT RETIREMENT	11,218	11,218	12,006	(788)
CAPITAL OUTLAY	405,500	405,500	-	405,500
TOTAL EXPENDITURES	846,899	846,899	527,895	319,004
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(6,109)	(6,109)	(59,319)	(53,210)
OTHER FINANCING SOURCES				
TRANSFERS	-	-	-	-
CAPITAL CONTRIBUTIONS	-	-	-	-
	$ (6,109)	$ (6,109)	(59,319)	$ (53,210)
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS				
CAPITAL OUTLAY			-	
DEBT RETIREMENT			12,006	
CHANGE IN NET POSITION			(47,313)	
NET POSITION JANUARY 1			1,571,256	
NET POSITION DECEMBER 31			$ 1,523,943	

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

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

YEAR ENDED DECEMBER 31, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
CHARGES FOR SERVICES	$ 448,000	$ 448,000	$ 433,485	$ (14,515)
INTEREST INCOME AND OTHER	10,500	10,500	12,298	1,798
TOTAL REVENUES	458,500	458,500	445,783	(12,717)
EXPENDITURES				
COLLECTION SYSTEM	231,892	231,892	170,339	61,553
ACCOUNTING AND GENERAL ADMINISTRATION	110,608	110,608	88,865	21,743
DEPRECIATION	6,000	6,000	27,614	(21,614)
DEBT RETIREMENT	70,000	70,000	70,000	-
CAPITAL OUTLAY	1,485,000	1,485,000	141,200	1,343,800
TOTAL EXPENDITURES	1,903,500	1,903,500	498,018	1,405,482
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(1,445,000)	(1,445,000)	(52,235)	1,392,765
OTHER FINANCING SOURCES				
TRANSFERS	-	-	-	-
LOAN PROCEEDS	1,400,000	1,400,000	-	(1,400,000)
CAPITAL CONTRIBUTIONS	-	-	-	-
	$ (45,000)	$ (45,000)	(52,235)	$ (7,235)
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS				
CAPITAL OUTLAY			141,200	
DEBT RETIREMENT			70,000	
CHANGE IN NET POSITION			158,965	
NET POSITION JANUARY 1			2,696,468	
NET POSITION DECEMBER 31			$ 2,855,433	

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

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

YEAR ENDED DECEMBER 31, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
CHARGES FOR SERVICES	$ -	$ -	$ -	$ -
INTEREST INCOME	75	75	115	40
TOTAL REVENUES	75	75	115	40
EXPENDITURES				
COLLECTION	20,000	20,000	-	20,000
ACCOUNTING AND GENERAL ADMINISTRATION	1,655	1,655	-	1,655
TOTAL EXPENDITURES	21,655	21,655	-	21,655
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES) AND SPECIAL ITEM	(21,580)	(21,580)	115	21,695
TRANSFER IN	-	-	35,000	35,000
SPECIAL ITEM - CHANGE IN ACCOUNTING ESTIMATE	-	-	(7,200)	(7,200)
CHANGE IN NET POSITION	$ (21,580)	$ (21,580)	27,915	$ 49,495
NET POSITION JANUARY 1			(26,151)	
NET POSITION DECEMBER 31			$ 1,764	

TOWN OF FOWLER, COLORADO

STORM DRAINAGE UTILITY FUND

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

YEAR ENDED DECEMBER 31, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
CHARGES FOR SERVICES	$ 12,700	$ 12,700	$ 12,368	$ (332)
INTEREST INCOME	50	50	28	(22)
TOTAL REVENUES	12,750	12,750	12,396	(354)
EXPENDITURES				
COLLECTION SYSTEM	11,867	11,867	11,731	136
ACCOUNTING AND GENERAL ADMINISTRATION	4,544	4,544	8,896	(4,352)
TOTAL EXPENDITURES	16,411	16,411	20,627	(4,216)
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(3,661)	(3,661)	(8,231)	(4,570)
OTHER FINANCING SOURCES				
TRANSFERS	-	-	-	-
CHANGE IN NET POSITION	$ (3,661)	$ (3,661)	(8,231)	$ (4,570)
NET POSITION JANUARY 1			26,856	
NET POSITION DECEMBER 31			$ 18,625	

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES UTILITY FUND

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

YEAR ENDED DECEMBER 31, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
CHARGES FOR SERVICES	$ 159,000	$ 159,000	$ 154,509	$ (4,491)
RENT	111,350	111,350	100,345	(11,005)
INTEREST INCOME	400	400	357	(43)
TOTAL REVENUES	270,750	270,750	255,211	(15,539)
EXPENDITURES				
ASSESSMENTS	9,500	9,500	-	9,500
REPAIRS AND MAINTENANCE	6,000	6,000	7,325	(1,325)
UTILITIES	700	700	-	700
PROFESSIONAL FEES	4,350	4,350	-	4,350
FEES AND OTHER	10,515	10,515	16,033	(5,518)
DEPRECIATION	-	-	43,951	(43,951)
INTEREST EXPENSE	97,233	97,233	89,987	7,246
DEBT RETIREMENT	117,721	117,721	149,749	(32,028)
CONTINGENCY EXPENSE	24,731	24,731	-	24,731
TOTAL EXPENDITURES	270,750	270,750	307,045	(36,295)
REVENUES OVER (UNDER) EXPENDITURES	$ -	$ -	(51,834)	$ (51,834)
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS				
DEBT RETIREMENT			149,749	
CHANGE IN NET POSITION			97,915	
NET POSITION JANUARY 1			1,032,095	
NET POSITION DECEMBER 31			$ 1,130,010	

INTERNAL SERVICE FUND

INTERNAL SERVICE FUND

Internal Service Fund - Accounts for the financing of goods or services provided by one department or agency of the Town to other departments or agencies of the Town, generally on a cost reimbursement basis. The internal service fund of the Town provides data processing and fleet management services to the other Town departments and agencies.

TOWN OF FOWLER, COLORADO

INTERNAL SERVICE FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 5,480	$ 12,904
TOTAL CURRENT ASSETS	5,480	12,904
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	166,092	158,668
ACCUMULATED DEPRECIATION	(128,447)	(114,625)
NET PROPERTY AND EQUIPMENT	37,645	44,043
TOTAL ASSETS	$ 43,125	$ 56,947
LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	37,645	44,043
UNRESTRICTED	5,480	12,904
TOTAL NET POSITION	43,125	56,947
TOTAL LIABILITIES AND NET POSITION	$ 43,125	$ 56,947

TOWN OF FOWLER, COLORADO

INTERNAL SERVICE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
OTHER	$ -	$ -
TOTAL OPERATING REVENUES	-	-
OPERATING EXPENSES		
DEPRECIATION	13,822	11,026
TOTAL OPERATING EXPENSES	13,822	11,026
OPERATING INCOME (LOSS)	(13,822)	(11,026)
NONOPERATING REVENUES (EXPENSES)		
MISCELLANEOUS	-	-
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	(13,822)	(11,026)
OTHER FINANCING SOURCES (USES)		
TRANSFERS IN	-	20,000
CHANGE IN NET POSITION	(13,822)	8,974
NET POSITION JANUARY 1	56,947	47,973
NET POSITION DECEMBER 31	$ 43,125	$ 56,947

TOWN OF FOWLER, COLORADO

INTERNAL SERVICE FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
OTHER	$ -	$ -
TRANSFERS	-	20,000
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	-	20,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(7,424)	(44,950)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(7,424)	(44,950)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(7,424)	(24,950)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	12,904	37,854
CASH AND CASH EQUIVALENTS END OF YEAR	$ 5,480	$ 12,904

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ (13,822)	$ (11,026)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
DEPRECIATION	13,822	11,026
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS PAYABLE	-	-
TOTAL ADJUSTMENTS	13,822	11,026
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ -	$ -

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO
THIS INFORMATION FROM THE RECORDS OF: TOWN OF FOWLER, COLORADO	PREPARED BY: COLTON DAVIS administrator@fowlercolorado.com	REPORT YEAR ENDING DATE(mm/yyyy): 12/2025

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Total (1 - (2 through 4))				

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other Local Imposts:		**A.4. Miscellaneous Local Receipts:**	
a. Property Taxes and Assesments		a. Interest on investments	
b. Non-property Taxes and Assessments Imposts	15,373.00	b. Other Misc. Local Receipts	18,068.00
c. Total (a + b)	$ 15,373.00	**c. Total (a + b)**	$ 18,068.00

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	45,387.00	1. FHWA (from Item I.D.5.)	
2. State General Funds		2. Other Federal Agencies:	
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds			
c. Total (a + b)	$ -		
4. Total (1 + 2 + 3c)	$ 45,387.00	**3. Total (1 + 2)**	$ -

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT
A.1. Capital outlay:	
a. Right-Of-Way Costs	
b. Engineering Costs	
c. Construction Costs	
d. Total Capital Outlay (a+ b + c)	$ -

LOCAL HIGHWAY FINANCE REPORT

STATE: COLORADO

REPORT YEAR ENDING DATE(mm/yyyy): 12/2025

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Amount used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from Local Sources:	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
c. Total (a + b)	
2. General Fund Appropriations	87,215.00
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 15,373.00
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ 18,068.00
5. Transfers from Toll Facilities	
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a + b + c)	$ -
7. Total (1 through 6)	$ 120,656.00
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	$ 45,387.00
D. Receipts from Federal government (from page 1, Item II.D.3)	$ -
E. Total receipts (A.7 + B + C + D)	$ 166,043.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ -
2. Maintenance:	19,485.00
3. Road and Street Services:	
a. Snow and Ice Removal	
b. Other & Traffic Control Operations	
c. Total (a + b)	$ -
4. General Administration & Miscellaneous	29,250.00
5. Highway Law Enforcement and Safety	117,308.00
6. Total (1 through 5)	$ 166,043.00
B. Debt Service on Local Obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
3. Total (1c + 2c)	$ -
C. Payments to State for Highways	
D. Payments to Toll Facilities	
E. Total Expenditures (A6 + B3 + C + D)	$ 166,043.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

ITEM	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)		$ -	$ -	$ -
1. Bonds (Refunding Portion)		$ -		
B. Notes (Total)		$ -	$ -	$ -