Town of Dillon, Colorado

Financial Statements
with Independent Auditor's Report

December 31, 2025

HINKLE & COMPANY PC
Strategic Business Advisors

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HINKLE & COMPANY PC
Strategic Business Advisors

Independent Auditor's Report

Honorable Mayor and Members of the Town Council
Town of Dillon, Colorado
Dillon, Colorado

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, business-type activities and each major fund of the Town of Dillon, Colorado (the Town) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town, 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, business-type activities and each major fund of the Town as of December 31, 2025, and the respective changes in financial position and cash flows 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town 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
The Town's management is responsible for the preparation and fair presentation of these 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.

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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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information and the local highway finance report listed in the table of contents 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 the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hinkle & Company, PC

Englewood, Colorado
June 30, 2026

Management's Discussion and Analysis

This document provides a narrative overview and analysis of the financial activities of the Town of Dillon for the fiscal year ended December 31, 2025.

Financial Highlights

- The assets of the Town of Dillon exceeded its liabilities at the close of fiscal year 2025 by $64,122,067 (*net position*). Of this amount, $18,799,659 (*unrestricted net position*) may be used to meet the Town of Dillon's ongoing obligations to citizens and creditors.
- The Town of Dillon's total net position increased by $5,539,752. Due to the Town's continued practice of conservative budgeting.
- As of the close of the fiscal year 2025, the Town of Dillon's governmental activities reported ending net position of $47,107,848 an increase of $4,228,164 from the prior year. Approximately 30.85% of this total amount, $14,568,121, is available for spending at the Town's discretion (*unrestricted net position)*.
- At the end of the fiscal year ended December 31, 2025, unrestricted fund balance for the General Fund was $5,296,969, or 28.27% of the total general fund expenditures.
- In 2023, the Town Council approved the elimination of the Enterprise Fund status for the Marina Fund. Marina fund assets, liabilities, revenues and expenditures are now included in the General Fund.
- The Town of Dillon's total debt decreased by $1,030,756 during the fiscal year ended December 31, 2025.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of the Town of Dillon's assets and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Dillon is improving or weakening.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town of Dillon that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities).* The governmental activities of the Town of Dillon include general government, public safety, public works, community development, culture and recreation, housing and the Dillon Urban Renewal Authority. The business-type activities of the Town of Dillon include a water utility that treats and distributes water (the Water Fund), a sewer utility that maintains the sewer collection system (the Sewer Fund) and a marina program (now located within the general fund) that operates and maintains the Dillon Marina.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Dillon, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Dillon can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Doing so will facilitate the understanding of the long-term impact of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The Town of Dillon maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Improvement Fund and Street Improvement Fund, which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Town of Dillon adopts an annual appropriated budget for its General Fund, Capital Improvement Fund, Street Improvement Fund, Housing Initiative 5A Fund, Conservation Trust Fund, Cemetery Perpetual Care Fund and Dillon Urban Renewal Authority Fund. A budgetary comparison schedule has been provided for those funds.

Proprietary funds. The Town of Dillon maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Dillon uses enterprise funds to account for its water and sewer utilities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Funds, all of which are considered to be major funds of the Town of Dillon.

Fiduciary funds. The Town of Dillon has one fiduciary fund, the Summit County Telecommunications Consortium (SCTC). The activities of the SCTC are reported in a separate Statement of Assets and Liabilities and Changes in Assets and Liabilities. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Town of Dillon's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund financial statements are found on page 13 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 14.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Dillon, assets exceeded liabilities by $64,122,067 at the close of the fiscal year 2025.

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 21,667,548	$ 4,023,446	$ 25,690,994
Accounts Receivable	122,671	133,586	256,257
Current Taxes Receivable	234,088	-	234,088
Intergovernmental Receivable	4,156,282	-	4,156,282
Property Taxes Receivable	287,960	-	287,960
Notes Receivable	413,772	-	413,772
Interfund Receivable	(185,000)	185,000	-
Prepaid Expenses	-	-	-
Net Pension Asset	-	-	-
Investment in Joint Sewer Authority	-	2,568,405	2,568,405
Capital Assets, *not being depreciated*	2,107,049	2,958,482	5,065,531
Capital Assets, *net of accumulated depreciation*	33,814,553	9,199,286	43,013,839
Total Assets	62,618,923	19,068,205	81,687,128
Deferred Outflows of Resources			
Loss on Debt Refunding, *net of accumulated amortization*	56,474	-	56,474
Deferred Outflows Due to Pensions	507,041	-	507,041
	563,515	-	563,515
Liabilities			
Accounts Payable	1,708,354	49,041	1,757,395
Interest Payable	20,857	35,835	56,692
Accrued Liabilities	218,337	13,047	231,384
Deposits	2,750	-	2,750
Unearned Revenue	10,609	-	10,609
Noncurrent Liabilities			
Due Within One Year	1,067,395	137,478	1,204,873
Due in More Than One Year	10,466,328	1,818,585	12,284,913
Total Liabilities	13,494,630	2,053,986	15,548,616
Deferred Inflows of Resources			
Deferred Inflows Due to Pensions	88,162	-	88,162
Unavailable Revenue - Property Taxes	2,491,798	-	2,491,798
Total Deferred Inflows of Resources	2,579,960	-	2,579,960
Net Position			
Net Investment in Capital Assets	24,793,021	12,782,681	37,575,702
Restricted for:			
Cemetery	130,752	-	130,752
Emergencies (TABOR)	725,000	-	725,000
Parks and Open Space	122,375	-	122,375
Housing	6,279,259	-	6,279,259
Street	489,320	-	489,320
Unrestricted, unreserved	14,568,121	4,231,538	18,799,659
Total Net Position	$ 47,107,848	$ 17,014,219	$ 64,122,067

A large portion of the Town of Dillon's net position, 53.94% reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town of Dillon's investment in its 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. An additional portion of the Town of Dillon's net position, 12.08% represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* $18,799,659 may be used to meet the Town's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Dillon is able to report positive balances in all three categories of net position, both for the Town as a whole, as well as for its separate governmental and business-type activities.

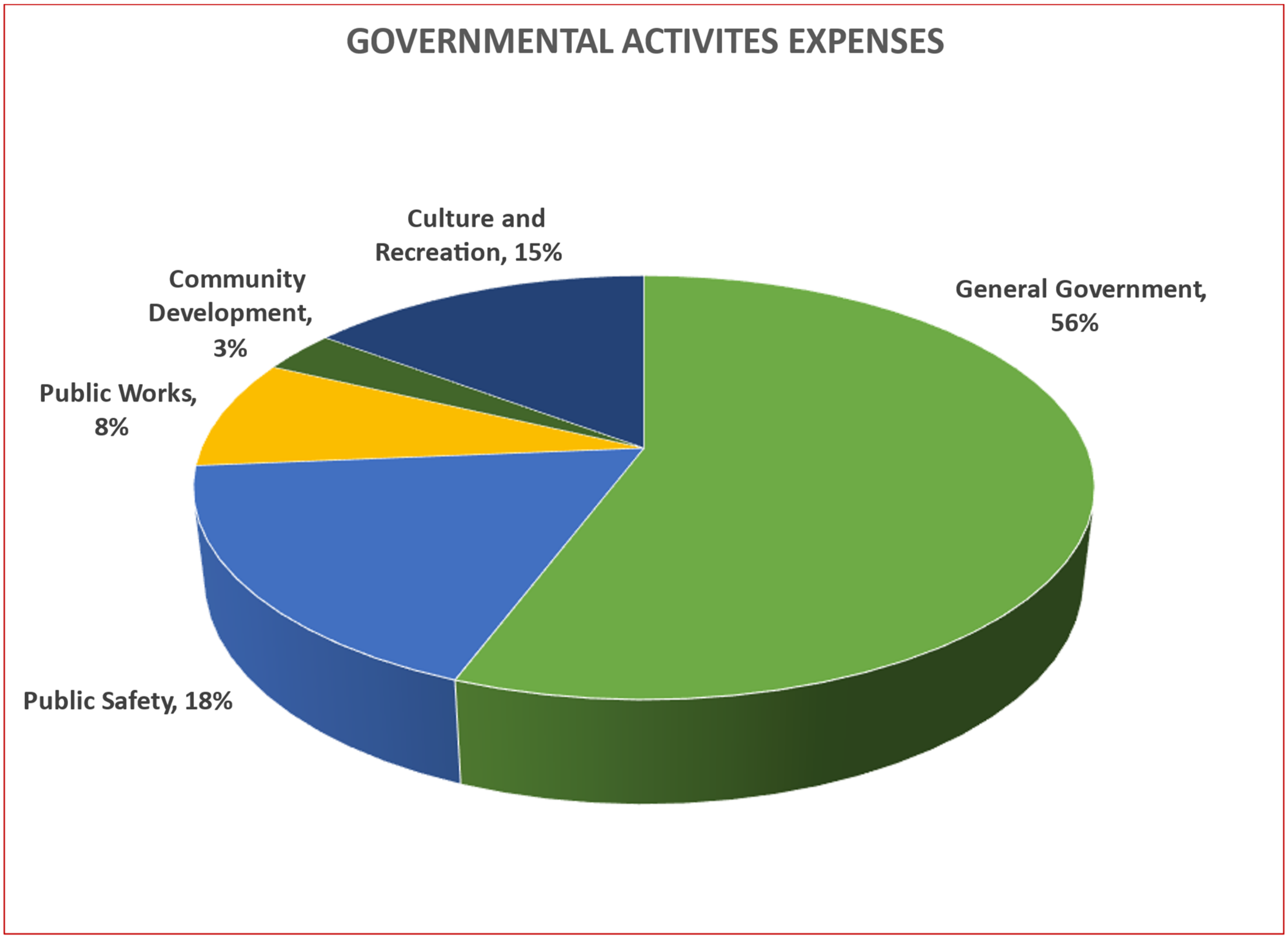
The Town of Dillon's net position increased by $5,539,752 during the fiscal year 2025. The net position of Governmental Activities increased by $4,228,164 which can be attributed to an increase in capital asset investment, an increase in excise tax revenue, and an increase in net concert proceeds. Net position of Business-Type Activities increased by $1,311,588 which is the result of Intergovernmental Agreement (IGA) revenue received in and closed out in 2025.

		Program Revenues			Net (Expense) Revenue and Change in Net Position		
					Primary Government		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities							
General Government	$ 10,553,362	$ 362,261	$ -	$ -	$ (10,191,101)	$ -	$ (10,191,101)
Public Safety	2,966,476	953,194	-	-	(2,013,282)	-	(2,013,282)
Public Works	4,883,145	-	164,575	-	(4,718,570)	-	(4,718,570)
Community Development	601,337	34,830	-	-	(566,507)	-	(566,507)
Culture and Recreation	2,944,429	10,245,728	-	12,220	7,313,519	-	7,313,519
Housing	1,364,375	-	-	1,214,160	(150,215)	-	(150,215)
Urban Development	336,196	-	-	-	(336,196)	-	(336,196)
Interest on Long-term Debt	340,212	-	-	-	(340,212)	-	(340,212)
Total Governmental Activities	23,989,532	11,596,013	164,575	1,226,380	(11,002,564)	-	(11,002,564)
Business-Type Activities							
Water	1,481,156	1,094,690	-	12,224	-	(374,242)	(374,242)
Sewer	958,961	1,025,189	-	7,839	-	74,067	74,067
Total Business-Type Activities	2,440,117	2,119,879	-	20,063	-	(300,175)	(300,175)
Total Primary Government	$ 26,429,649	$ 13,715,892	$ 164,575	$ 1,246,443	(11,002,564)	(300,175)	(11,302,739)
General Revenues							
Taxes							
Sales					9,437,906	-	9,437,906
Property					288,533	-	288,533
Lodging					1,987,561	-	1,987,561
Other					2,728,849	-	2,728,849
Grants and Contributions Not Restricted to Specific Programs					8,646	-	8,646
Interest					618,418	206,931	825,349
Miscellaneous					235,815	1,329,832	1,565,647
Transfers					(75,000)	75,000	-
Total General Revenues and Transfers					15,230,728	1,611,763	16,842,491
Change in Net Position					4,228,164	1,311,588	5,539,752
Net Position, *Beginning of Year*					42,879,684	15,702,631	58,582,315
Net Position, *End of Year*					$ 47,107,848	$ 17,014,219	$ 64,122,067

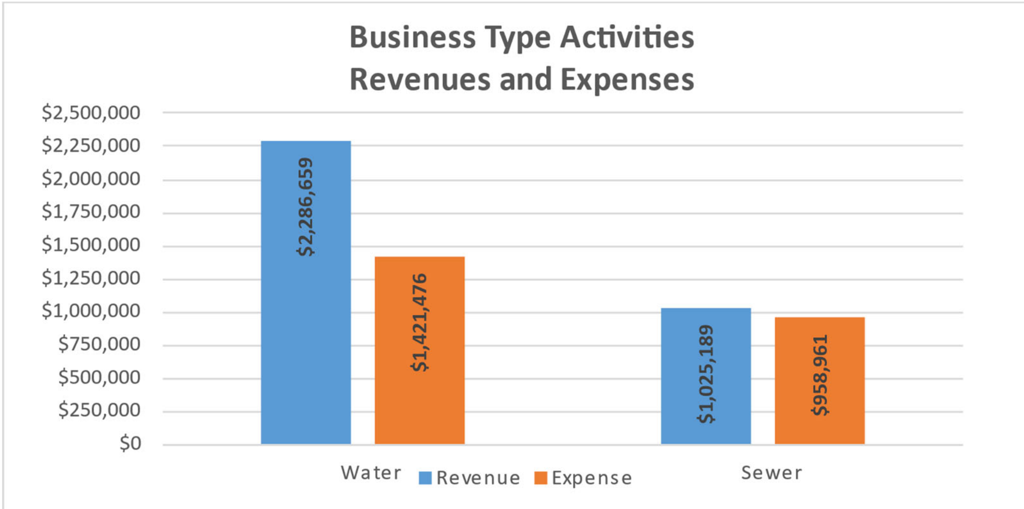
Governmental activities. Governmental activities increased the Town of Dillon's net position by $4,228,164. The following are illustrative summaries of Governmental Activities breaking out revenues and expenses:

- Sales tax, the primary source of revenues to the General Fund (41.37% of general fund revenues and 51.10% of total governmental fund revenues), decreased $236,857 from 2024. The majority of the decreases are the result of a weaker economic environment in 2025.
- Charges for services (Events/Marina - General Fund) decreased (6.76%) from 2024 due to a decline in paid concerts and a slight decline in Marina revenues in 2025.
- Expenses for total governmental activities are down (12.05%) from 2024 due to decreases in operational expenses and less expenses for the additional paid concerts. The chart below (see *Governmental Activities Expenses*) represents department expenses as a percentage of the total expenses for governmental activities.
- General Government expenses decreased (17.62%) compared to 2024 primarily due to lower operating costs. Concert-related expenditures fluctuate with concert revenues, as spending levels are adjusted based on event activity and related revenue generation.

- Public safety expenses increased 28.21% due to increases in staff salaries/benefits, operational expenses, and the Keystone Public Safety IGA.
- Public works expenses increased 18.99% from 2024 due to increases in staff salaries/benefits and operational expenses.
- Community Development expenses increased 12.53% due to increases in staff salaries/benefits and operational expenses.
- Culture and Recreation increased 11.14% due to increases in summer recreation programming.
- Core Services (public safety, public works and culture and recreation) make up 30.86% of the expenses. General Government makes up 40.76% of the governmental fund expenses and consists of Town Council, administration, marketing, communications, and events.



Business-type activities. Business-type activities increased the Town of Dillon's net position by $1,311,588.



Financial Analysis of the Town of Dillon's Funds

As noted earlier, the Town of Dillon uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town of Dillon's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town of Dillon's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year 2025, the Town of Dillon's governmental funds reported combined ending fund balances of $22,264,442, an increase of $2,695,086 or 13.77% over 2024. Approximately 23.79% of this total amount constitutes unassigned fund balance $5,296,969 which is available for spending at the Town's discretion. The remainder of fund balance is restricted or assigned to indicate that it is not available for new spending because it has already been either restricted for 1) emergencies $725,000, 2) parks and open space projects $122,375, 3) affordable housing projects $6,279,259, 4) streets $489,320 or assigned for 1) cemetery purposes $153,468 , 2) capital projects $2,736,484 3) urban renewal $5,965,947 or 4) non-spendable for cemetery perpetual care balances $130,752.

The General Fund is the chief operating fund of the Town of Dillon. At the end of the fiscal year 2024, unassigned fund balance of the General Fund was $5,296,969, while the total fund balance was $6,021,969. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned and total fund balance represents 28.27% and 32.14% of the total general fund expenditures, respectively.

The Capital Improvement Fund ended the year with a fund balance of $2,736,484. The net increase in fund balance during the fiscal year 2025 was $455,077, primarily due to a pause in non-essential capital spending, which resulted in expenditures coming in below budget.

The Street Improvement Fund was created in 2008 to account for the issuance of debt for funding street reconstruction projects that were approved by the voters in 2008. The funding source for the debt repayment is the voter approved .5% sales tax. The fund balance at December 31, 2025 is $489,320. The net increase in the fund balance for 2025 was $62,265 due to expenditures not exceeding revenues for the year.

The Housing Initiative 5A Fund was created in 2007 to collect the voter approved sales tax of .725% and the impact fee. All expenditures must be used for affordable housing and the current fund balance is $6,279,259.

The Dillon Urban Renewal Authority (DURA) was established by the Town for the purposes of revitalizing blighted areas. The Town Council serves as the governing body for DURA. The fund balance on December 31, 2025, is $5,965,947, an increase of $1,419,018 due to expenditures not exceeding revenues for the year.

The nonmajor special revenue funds include the Parking Fund, Conservation Trust Fund and Cemetery Perpetual Care Fund. The fund balance in the Parking Fund is $364,868 and is restricted to be used for parking capital projects in the Town Center of Dillon. Conservation Trust Fund $122,375 is restricted by the State of Colorado for parks and open space projects as approved by Great Outdoors Colorado (GOCO). The Cemetery Perpetual Care Fund has a current fund balance $284,220 and only the donations, capital fee and interest earnings can be expended for cemetery purposes. The Parks, Recreation, Arts and Cemetery Advisory Committee is charged with obtaining donations and make recommendations for future projects.

Proprietary funds. The Town of Dillon's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Funds at the end of the year amounted to $4,231,538. The changes in net position were increases for Water $989,273 and Sewer $322,315. Other factors concerning the finances of these three funds have already been addressed in the discussion of the Town of Dillon's business-type activities.

General Fund Budgetary Highlights

The fund balance of the Town of Dillon's General Fund increased by $610,626 or 11.28% during the current fiscal year. Revenues were under budget by ($1,059,800) or (4.97%) due to sales tax decline, proceeds from paid concerts, and marina revenue. Expenditures were under budget by ($2,596,254) or (12.35%) due to a decrease in overall operational spending in 2025.

Capital Asset and Debt Administration

Capital assets. The Town of Dillon's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounts to $35,921,602 for governmental activities and $12,157,768 for business-type activities (net of accumulated depreciation). This investment in capital assets includes land, streets, sidewalks, buildings, equipment and vehicles, parks and amphitheater, furniture and fixtures, water plant, water and sewer lines, marina facilities and other improvements. Major capital asset events during the current fiscal year included the following:

- CT Basin Yard Piping project - $1.865M
- Purchase of Equipment/Vehicles - $862k – all depts
- Town Hall Improvements - $148k
- Three Rivers storm sewer - $554k
- Water & Sewer lines - $247k

Note 4: Capital Assets

Capital assets for the governmental activities for the year ended December 31, 2025 is summarized below:

	Balance 12/31/24	Additions	Transfers	Deletions	Balance 12/31/25
Governmental Activities					
Capital Assets, *Not Being Depreciated*					
Land	$ 2,075,369	$ -	$ -	$ -	$ 2,075,369
Construction in Progress	395,807	764,767	(1,128,894)	-	31,680
Total Capital Assets, *Not Being Depreciated*	2,471,176	764,767	(1,128,894)	-	2,107,049
Capital Assets, *Being Depreciated*					
Infrastructure	33,481,955	935,420	1,128,894	-	35,546,269
Buildings	1,932,995	148,087	-	-	2,081,082
Equipment & Vehicles	7,196,396	1,141,088	-	(126,547)	8,210,937
Parks & Amphitheater	22,040,884	10,807	-	-	22,051,691
Furniture & Fixtures	606,218	-	-	-	606,218
Total Capital Assets, *Being Depreciated*	65,258,448	2,235,402	1,128,894	(126,547)	68,496,197
Less Accumulated Depreciation					
Infrastructure	(19,531,341)	(970,141)	-	-	(20,501,482)
Buildings	(1,762,551)	(24,827)	-	-	(1,787,378)
Equipment & Vehicles	(4,149,344)	(596,987)	-	126,547	(4,619,784)
Parks & Amphitheater	(6,623,407)	(837,220)	-	-	(7,460,627)
Furniture & Fixtures	(301,700)	(10,673)	-	-	(312,373)
Total Accumulated Depreciation	(32,368,343)	(2,439,848)	-	126,547	(34,681,644)
Total Capital Assets, *Being Depreciated, net*	32,890,105	(204,446)	1,128,894	-	33,814,553
Governmental Activities Capital Assets, *net*	$ 35,361,281	$ 560,321	$ -	$ -	$ 35,921,602

Depreciation expense is charged to the functions as follows:

Governmental Activities	
General Government	$ 45,834
Public Safety	268,417
Public Works	979,955
Culture and Recreation	1,145,642
Total	$ 2,439,848

Note 4: Capital Assets

Capital assets for business-type activities for the year ended December 31, 2025 is summarized below:

	Balance 12/31/24	Additions	Transfers	Deletions	Balance 12/31/25
Business-Type Activities					
Capital Assets, *Not Being Depreciated*					
Land	$ 219,652	$ -	$ -	$ -	$ 219,652
Water Rights	2,738,830	-	-	-	2,738,830
Construction in Progress	38,377	-	(38,377)	-	-
Total Capital Assets, *Not Being Depreciated*	2,996,859	-	(38,377)	-	2,958,482
Capital Assets, *Being Depreciated*					
Water Plant	5,800,065	-	-	-	5,800,065
Lines	7,884,203	2,155,090	38,377	-	10,077,670
Buildings	23,536	-	-	-	23,536
Equipment & Vehicles	352,419	-	-	-	352,419
Lift Station	1,024,851	-	-	-	1,024,851
Reservoirs	1,557,880	-	-	-	1,557,880
Total Capital Assets, *Being Depreciated*	16,642,954	2,155,090	38,377	-	18,836,421
Less: Accumulated depreciation					
Water Plant	(3,530,987)	(169,664)	-	-	(3,700,651)
Lines	(4,273,233)	(209,493)	-	-	(4,482,726)
Buildings	(23,536)	-	-	-	(23,536)
Equipment & Vehicles	(301,831)	(24,390)	-	-	(326,221)
Lift Station	(459,434)	(58,728)	-	-	(518,162)
Reservoirs	(546,892)	(38,947)	-	-	(585,839)
	(9,135,913)	(501,222)	-	-	(9,637,135)
Total Capital Assets, *Being Depreciated, net*	7,507,041	1,653,868	38,377	-	9,199,286
Business-Type Activities Capital Assets, *net*	$ 10,503,900	$ 1,653,868	$ -	$ -	$ 12,157,768

Depreciation expense is charged to the functions as follows:

Business-Type Activities	
Water Fund	$ 385,965
Sewer Fund	115,257
Total	$ 501,222

Long-term debt. At the end of the current fiscal year, the Town of Dillon had total long-term debt outstanding of $13,489,787. Of this amount, $1,943,492 in water utility loans and $6,803,000 in bonds are secured solely by specified revenue sources (i.e. revenue bonds).

Additionally, the Town of Dillon has $4,329,498 in lease financing for the amphitheater and marina improvements, $405,142 in compensated absences and a bond discount ($3,916). The Town of Dillon’s total debt decreased by $1,030,756 during the current fiscal year.

Economic Factors and Next Year's Budget and Rates

- The Town continued to budget conservatively in 2026 with the anticipation that if revenues increased, additional spending could be presented to Town Council for approval of supplemental appropriations. Sales tax collections in 2026 were projected to be flat to 2025 actuals. In 2025 the Town re-forecasted 2025 sales tax revenues to be down 6% and deferred several capital projects due to continual sales tax decline/weakened overall economic outlook. 2025 sales tax collections ended the year 4.42% down as compared to the 2025 budget.
- Sales tax revenues account for 40.25% of total governmental fund revenues and are the primary source for providing funds for general operations, maintenance, debt payments and capital projects of the Town of Dillon.
- Revenues from town concerts represent 35.21% of the budgeted revenues as the number of paid concerts has grown. Town concerts also represents 33.52% of the budgeted expenses, which also correlates to the operational costs associated with paid concerts.
- Assessed valuations were budgeted relatively flat from 2025 to 2026. Note the Town charter only allows for a 5% increase in property tax revenue each year. Revenues from property taxes account for less than 2% of all governmental revenues.
- General Fund expenditures were budgeted to decrease by (3.13%) from the 2025 budget to address declining sales tax revenues and anticipated economic uncertainty through reduced spending.
- The major budgeted capital projects include the Amphitheater scrim replacement, Town Hall front area safety improvements, PD facility analysis (to be split with Keystone), ADA improvements, AED purchase, Marina dock repairs, park improvements for recreation path resurfacing, disc golf course and cemetery entrance landscaping, and various equipment/vehicle replacements.
- Capital projects in the Enterprise Funds include C12 Room Modification, Old Dillon Reservoir repairs, Water Plant Expansion, water main replacement, equipment replacements and sewer manhole replacements and S sewer outfall repair.

All of these factors were considered in the preparation for the Town of Dillon's budget for the 2026 fiscal year.

Requests for Information.

This financial report is designed to provide a general overview of the Town of Dillon's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Heather Pezzella, Interim Finance Director, Town of Dillon, PO Box 8, Dillon, CO 80435 or hpezzella@townofdillon.com or (970) 262-3404.

Basic Financial Statements

Town of Dillon, Colorado
Statement of Net Position
December 31, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 21,667,548	$ 4,023,446	$ 25,690,994
Accounts Receivable	122,671	133,586	256,257
Current Taxes Receivable	234,088	-	234,088
Intergovernmental Receivable	4,156,282	-	4,156,282
Property Taxes Receivable	287,960	-	287,960
Notes Receivable	413,772	-	413,772
Interfund Receivable	(185,000)	185,000	-
Prepaid Expenses	-	-	-
Net Pension Asset	-	-	-
Investment in Joint Sewer Authority	-	2,568,405	2,568,405
Capital Assets, *not being depreciated*	2,107,049	2,958,482	5,065,531
Capital Assets, *net of accumulated depreciation*	33,814,553	9,199,286	43,013,839
Total Assets	62,618,923	19,068,205	81,687,128
Deferred Outflows of Resources			
Loss on Debt Refunding, *net of accumulated amortization*	56,474	-	56,474
Deferred Outflows Due to Pensions	507,041	-	507,041
	563,515	-	563,515
Liabilities			
Accounts Payable	1,708,354	49,041	1,757,395
Interest Payable	20,857	35,835	56,692
Accrued Liabilities	218,337	13,047	231,384
Deposits	2,750	-	2,750
Unearned Revenue	10,609	-	10,609
Noncurrent Liabilities			
Due Within One Year	1,067,395	137,478	1,204,873
Due in More Than One Year	10,466,328	1,818,585	12,284,913
Total Liabilities	13,494,630	2,053,986	15,548,616
Deferred Inflows of Resources			
Deferred Inflows Due to Pensions	88,162	-	88,162
Unavailable Revenue - Property Taxes	2,491,798	-	2,491,798
Total Deferred Inflows of Resources	2,579,960	-	2,579,960
Net Position			
Net Investment in Capital Assets	24,793,021	12,782,681	37,575,702
Restricted for:			
Cemetery	130,752	-	130,752
Emergencies (TABOR)	725,000	-	725,000
Parks and Open Space	122,375	-	122,375
Housing	6,279,259	-	6,279,259
Street	489,320	-	489,320
Unrestricted, unreserved	14,568,121	4,231,538	18,799,659
Total Net Position	$ 47,107,848	$ 17,014,219	$ 64,122,067

Town of Dillon, Colorado
Statement of Activities
For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Change in Net Position		
			Operating	Capital	Primary Government		
		Charges for	Grants and	Grants and	Governmental	Business-Type	
Functions/Programs	Expenses	Services	Contributions	Contributions	Activities	Activities	Total
Primary Government							
Governmental Activities							
General Government	$ 10,553,362	$ 362,261	$ -	$ -	$ (10,191,101)	$ -	$ (10,191,101)
Public Safety	2,966,476	953,194	-	-	(2,013,282)	-	(2,013,282)
Public Works	4,883,145	-	164,575	-	(4,718,570)	-	(4,718,570)
Community Development	601,337	34,830	-	-	(566,507)	-	(566,507)
Culture and Recreation	2,944,429	10,245,728	-	12,220	7,313,519	-	7,313,519
Housing	1,364,375	-	-	1,214,160	(150,215)	-	(150,215)
Urban Development	336,196	-	-	-	(336,196)	-	(336,196)
Interest on Long-term Debt	340,212	-	-	-	(340,212)	-	(340,212)
Total Governmental Activities	23,989,532	11,596,013	164,575	1,226,380	(11,002,564)	-	(11,002,564)
Business-Type Activities							
Water	1,481,156	1,094,690	-	12,224	-	(374,242)	(374,242)
Sewer	958,961	1,025,189	-	7,839	-	74,067	74,067
Total Business-Type Activities	2,440,117	2,119,879	-	20,063	-	(300,175)	(300,175)
Total Primary Government	$ 26,429,649	$ 13,715,892	$ 164,575	$ 1,246,443	(11,002,564)	(300,175)	(11,302,739)
General Revenues							
Taxes							
Sales					9,437,906	-	9,437,906
Property					288,533	-	288,533
Lodging					1,987,561	-	1,987,561
Other					2,728,849	-	2,728,849
Grants and Contributions Not Restricted to Specific Programs					8,646	-	8,646
Interest					618,418	206,931	825,349
Miscellaneous					235,815	1,329,832	1,565,647
Transfers					(75,000)	75,000	-
Total General Revenues and Transfers					15,230,728	1,611,763	16,842,491
Change in Net Position					4,228,164	1,311,588	5,539,752
Net Position, *Beginning of Year*					42,879,684	15,702,631	58,582,315
Net Position, *End of Year*					$ 47,107,848	$ 17,014,219	$ 64,122,067

See Notes to the Financial Statements.

Town of Dillon, Colorado
Balance Sheet
Governmental Funds
December 31, 2025

	General	Capital Improvement	Street Improvement	Dillon Urban Renewal Authority	Housing Initiative 5A	Other Governmental Funds	Total
Assets							
Cash and Cash Equivalents	$ 6,423,675	$ 2,387,335	$ 258,062	$ 6,140,588	$ 5,686,425	$ 771,463	$ 21,667,548
Accounts Receivable	122,671	-	-	-	-	-	122,671
Taxes Receivable	234,088	-	-	-	-	-	234,088
Intergovernmental Receivable	1,140,975	374,991	257,085	2,203,838	179,393	-	4,156,282
Property Taxes Receivable	237,028	50,932	-	-	-	-	287,960
Notes Receivable	-	-	-	-	413,772	-	413,772
Due to Other Funds	-	200,000	-	-	-	-	200,000
Total Assets	$ 8,158,437	$ 3,013,258	$ 515,147	$ 8,344,426	$ 6,279,590	$ 771,463	$ 27,082,321
Liabilities							
Accounts Payable	$ 1,466,713	$ 40,842	$ 25,827	$ 174,641	$ 331	$ -	$ 1,708,354
Accrued Liabilities	219,368	-	-	-	-	-	219,368
Due to Other Funds	200,000	185,000	-	-	-	-	385,000
Deposits	2,750	-	-	-	-	-	2,750
Unearned Revenue	10,609	-	-	-	-	-	10,609
Total Liabilities	1,899,440	225,842	25,827	174,641	331	-	2,326,081
Deferred Inflows of Resources							
Property Taxes	237,028	50,932	-	2,203,838	-	-	2,491,798
Fund Balance							
Nonspendable							
Prepaid Expenses	-	-	-	-	-	-	-
Notes Receivable	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	130,752	130,752
Restricted for:							
Emergencies (TABOR)	725,000	-	-	-	-	-	725,000
Parks and Open Space	-	-	-	-	-	122,375	122,375
Housing	-	-	-	-	6,279,259	-	6,279,259
Streets	-	-	489,320	-	-	-	489,320
Assigned							
Cemetery	-	-	-	-	-	153,468	153,468
Capital Projects	-	2,736,484	-	-	-	-	2,736,484
Parking	-	-	-	-	-	364,868	364,868
Urban Renewal	-	-	-	5,965,947	-	-	5,965,947
Unassigned	5,296,969	-	-	-	-	-	5,296,969
Total Fund Balance	6,021,969	2,736,484	489,320	5,965,947	6,279,259	771,463	22,264,442
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 8,158,437	$ 3,013,258	$ 515,147	$ 8,344,426	$ 6,279,590	$ 771,463	$ 27,082,321

Town of Dillon, Colorado
Reconciliation of Balance Sheet of the Governmental Funds
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 Balance of Governmental Funds	$ 22,264,442
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.	35,921,602
Pension assets and deferred outflows are not current, therefore, are not reported in governmental funds:	
Net Pension Asset (Liability)	-
Deferred Outflows, Pensions	507,041
Deferred Inflows, Pensions	(88,162)
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Bonds Payable	(6,803,000)
Premium on bond payable	3,916
Capital leases payable	(4,329,497)
Loss on Refunding	56,474
Accrued Interest	(19,826)
Accrued compensated absences	(405,142)
Total Net Position of Governmental Activities	$ 47,107,848

See Notes to the Financial Statements.

Town of Dillon, Colorado

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2025

	General	Capital Improvement	Street Improvements	Dillon Urban Renewal Authority	Housing Initiative 5A	Other Governmental Funds	Total
Revenues							
Taxes	$ 8,382,523	$ 2,235,107	$ 1,653,831	$ 2,180,034	$ -	$ -	$ 14,451,495
Charges for Services	8,598,693	-	-	-	-	74,792	8,673,485
Charges for Services, Marina	2,523,772	-	-	-	-	-	2,523,772
Licenses and Permits	353,612	-	-	-	-	-	353,612
Intergovernmental	164,575	-	-	-	1,108,107	12,220	1,284,902
Fines and Forfeitures	45,144	-	-	-	-	-	45,144
Interest	28,367	32,229	63,612	307,922	167,225	19,063	618,418
Miscellaneous	166,714	34,911	-	-	125,968	5,100	332,693
Total Revenues	20,263,400	2,302,247	1,717,443	2,487,956	1,401,300	111,175	28,283,521
Expenditures							
Current							
General Government	10,380,245	21,920	-	-	-	-	10,402,165
Public Safety	3,359,721	59,297	-	-	-	-	3,419,018
Public Works	1,568,661	17,317	-	-	-	-	1,585,978
Community Development	601,337	-	-	-	-	-	601,337
Culture and Recreation	2,765,953	105,073	-	-	-	-	2,871,026
Housing	-	-	-	-	1,364,375	-	1,364,375
Urban Renewal	-	-	-	336,196	-	-	336,196
Capital Outlay	62,758	2,014,634	807,610	732,742	-	-	3,617,744
Debt Service							
Principal Payments	-	315,342	689,000	-	-	-	1,004,342
Interest Payments	-	161,861	158,568	-	-	-	320,429
Total Expenditures	18,738,675	2,695,444	1,655,178	1,068,938	1,364,375	-	25,522,610
Excess Revenues Over (Under) Expenditures	1,524,725	(393,197)	62,265	1,419,018	36,925	111,175	2,760,911
Other Financing Sources (Uses)							
Proceeds from Sale of Assets	-	9,175	-	-	-	-	9,175
Transfers In	-	839,099	-	-	-	-	839,099
Transfers Out	(914,099)	-	-	-	-	-	(914,099)
Other Financing Sources (Uses)	(914,099)	848,274	-	-	-	-	(65,825)
Net Change in Fund Balance	610,626	455,077	62,265	1,419,018	36,925	111,175	2,695,086
Fund Balance, *Beginning of Year*	5,411,343	2,281,407	427,055	4,546,929	6,242,334	660,288	19,569,356
Fund Balance, *End of Year*	$ 6,021,969	$ 2,736,484	$ 489,320	$ 5,965,947	$ 6,279,259	$ 771,463	$ 22,264,442

Town of Dillon, Colorado

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2025

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balance of Governmental Funds	$ 2,695,086
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.	
Capital outlays	3,000,169
Depreciation expense	(2,439,848)
FPPA Pension liabilities reported in governmental funds as expenditures when contributions are made. However, for governmental activities those costs are reflected as liabilities when incurred.	
Net Pension Asset (Liability)	-
Deferred Outflows of Resources	(65,245)
Deferred Inflows of Resources	158,806
Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.	
Principal payments on bonds payable	689,000
Amortization of premium on bonds payable	(979)
Principal payments on capital leases	315,342
Amortization of deferred loss on refunding	(18,804)
Change in accrued compensated absences	(105,363)
Change in Net Position of Governmental Activities	$ 4,228,164

Town of Dillon, Colorado
Statement of Net Position
Proprietary Fund
December 31, 2025

Assets	Water	Sewer	Total
Current Assets			
Cash and Investments	$ 1,318,552	$ 2,704,894	$ 4,023,446
Accounts Receivable	54,010	79,576	133,586
Due to Other Funds	185,000	-	185,000
Total Current Assets	1,557,562	2,784,470	4,342,032
Noncurrent Assets			
Investment in Joint Sewer Authority	-	2,568,405	2,568,405
Capital Assets, *Not being depreciated*	2,958,482	-	2,958,482
Capital Assets, *Net of accumulated depreciation*	7,515,945	1,683,341	9,199,286
Total Noncurrent Assets	10,474,427	4,251,746	14,726,173
Total Assets	12,031,989	7,036,216	19,068,205
Liabilities			
Current Liabilities			
Accounts Payable	45,888	3,153	49,041
Due to Other Fund	-	-	-
Accrued Liabilities	12,758	289	13,047
Interest Payable	35,835	-	35,835
Current Portion of Noncurrent Liabilities			
Leases payable	137,478	-	137,478
Total Current Liabilities	231,959	3,442	235,401
Noncurrent Liabilities			
Accrued Compensated Absences	11,171	1,400	12,571
Notes and Leases payable	1,806,014	-	1,806,014
Total Noncurrent Liabilities	1,817,185	1,400	1,818,585
Total Liabilities	2,049,144	4,842	2,053,986
Net Position			
Net Investment in Capital Assets	8,530,935	4,251,746	12,782,681
Unrestricted	1,451,910	2,779,628	4,231,538
Total Net Position	$ 9,982,845	$ 7,031,374	$ 17,014,219

Town of Dillon, Colorado

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2025

	Water	Sewer	Total
Operating Revenues			
Charges for Services	$ 1,094,690	$ 1,025,189	$ 2,119,879
Intergovernmental	1,191,969	-	1,191,969
Total Operating Revenues	2,286,659	1,025,189	3,311,848
Operating Expenses			
Operations	716,406	83,712	800,118
Maintenance	75,527	25,287	100,814
Distribution	101,916	-	101,916
Treatment	89,003	697,592	786,595
Capital Outlay	52,659	37,113	89,772
Depreciation	385,965	115,257	501,222
Total Operating Expenses	1,421,476	958,961	2,380,437
Net Operating Income (Loss)	865,183	66,228	931,411
Non-Operating Revenues (Expenses)			
Interest Revenue	96,546	110,385	206,931
Interest Expense	(59,680)	-	(59,680)
Joint Sewer Authority	-	137,863	137,863
Net Income (Loss) Before Contributed Capital	902,049	314,476	1,216,525
Contributed Capital and Transfers			
Capital Contributions - Tap Fees	12,224	7,839	20,063
Transfers In	75,000	-	75,000
Total Capital Contributions and Transfers	87,224	7,839	95,063
Change in Net Position	989,273	322,315	1,311,588
Net Position, *Beginning of Year*	8,993,572	6,709,059	15,702,631
Net Position, *End of Year*	$ 9,982,845	$ 7,031,374	$ 17,014,219

Town of Dillon, Colorado
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2025

	Water	Sewer	Total
Cash Flows From Operating Activities			
Cash Received from Customers	$ 1,094,690	$ 1,020,648	$ 2,115,338
Cash Received from Others	1,218,457	-	1,218,457
Cash Paid to Suppliers	(1,046,670)	(940,019)	(1,986,689)
Cash Paid to Employees	4,237	(120,341)	(116,104)
Net Cash Provided by Operating Activities	1,270,714	(39,712)	1,231,002
Cash Flows From Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	(2,109,053)	(46,037)	(2,155,090)
Capital Contributions - Tap Fees	12,224	7,839	20,063
Transfers In (Out)	75,000	-	75,000
Debt Principal Payments	(137,478)	-	(137,478)
Debt Interest Payments	(59,680)	137,863	78,183
Net Cash Used by Capital and Related Financing Activities	(2,218,987)	99,665	(2,119,322)
Cash Flows From Investing Activities			
Additions to Investments	-	-	-
Interest received	96,546	110,385	206,931
Net Cash Used by Capital and Related Financing Activities	96,546	110,385	206,931
Net Change in Cash and Cash Equivalents	(851,727)	170,338	(681,389)
Cash and Cash Equivalents, *Beginning of Year*	2,170,279	2,534,556	4,704,835
Cash and Cash Equivalents, *End of Year*	$ 1,318,552	$ 2,704,894	$ 4,023,446
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:			
Net Operating Income	$ 865,183	$ 66,228	$ 931,411
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities			
Depreciation Expense	385,965	115,257	501,222
Net Gain from Joint Venture	-	(202,001)	(202,001)
Changes in Assets and Liabilities Related to Operations			
Accounts Receivable	26,488	(4,541)	21,947
Accounts Payable	(21,171)	(5,712)	(26,883)
Accrued Expenses	10,012	(9,427)	585
Accrued Compensated Absences	4,237	484	4,721
Net Cash Provided by Operating Activities	$ 1,270,714	$ (39,712)	$ 1,231,002

Town of Dillon, Colorado
Statement of Assets and Liabilities
Fiduciary Fund
December 31, 2025

	Summit County Telecommunications Consortium
Assets	
Current Assets	
Cash and Investments	$ 119,536
Accounts Receivable	4,963
Total Assets	$ 124,499
Liabilities	
Current Liabilities	
Accounts Payable	$ 1,034
Accrued Liabilities	13,318
Funds Held for Others	110,147
Total Liabilities	$ 124,499

See Notes to the Financial Statements.

Note 1: Summary of Significant Accounting Policies

The Town of Dillon, Colorado (the Town) is a home-rule municipality governed by a mayor-manager form of government through a Mayor and six-member Town Council elected by the citizens.

The Town's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the town's accounting policies are described below.

Reporting Entity

In accordance with governmental accounting standards, the Town has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

The Dillon Urban Renewal Authority (the Authority) was established in 2009 along with the Dillon Urban Renewal Plan to assist with revitalization of blighted areas in the Town. The Town amended the Dillon Urban Renewal Plan in 2012 to allow for tax increment financing. The Town Council serves as the governing board for the Authority and management of the Town has operational responsibility for the Authority. Although the Authority is legally separate from the Town, the Authority's primary revenue source, tax increment financing, can only be established by the Town. The Authority does not issue separate financial statements and is reported as a special revenue fund in the Town's financial statements.

For financial reporting purposes, the Town includes all funds, agencies, and boards and commissions, which are controlled by, or are dependent on, the Town. No additional entities are included in the Town's reporting entity.

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. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. 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.

Note 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements *(Continued)*

The statement of net position reports all financial, capital and debt resources of the Town. The difference between assets, liabilities and deferred inflows of the Town is net position.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Fund Financial Statements

Following the government-wide financial statements are separate financial statements for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The total fund balances for all governmental funds are reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

Fund Accounting

The Town uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with self-balancing accounts. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town has all three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use, and balances of the Town's expendable financial resources and the related liabilities (except those accounted for in the proprietary fund) are accounted for through governmental funds. The measurement focus is on determination of and changes in financial position, rather than on net income. The following are the Town's governmental major funds:

> *General Fund* - The Town’s primary operating fund. It accounts for all financial resources of the Town, except those accounted for in another fund. In 2023, the Marina Fund was moved from the Proprietary Funds to be included in the General Fund.

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental Funds *(Continued)*

Capital Improvement Fund - Accounts for financial resources to be used for the acquisition or construction of major capital facilities and/or assets (other than those financed by proprietary funds and fiduciary funds). Major capital projects are funded with a portion of sales and property taxes as approved by the Town Council in the annual budget.

Street Improvement Fund - Accounts for the reconstruction of streets funded by the dedicated sales tax of 0.5% and through the issuance of bonds.

Housing Initiative 5A Fund - Accounts for development and funding of workforce housing funded by the dedicated sales tax of 0.725%.

Proprietary Funds

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

In the proprietary fund financial statements, the Town reports the following major funds:

Water Fund - Accounts for the financial activities associated with the provision of water services.

Sewer Fund - Accounts for the financial activities associated with the provision of sewer services.

Fiduciary Funds

The Summit County Telecommunications Consortium (SCTC) is a fiduciary fund and accounts for assets that are held on behalf of the participating public entities. The SCTC was established through an intergovernmental agreement with the Towns of Dillon, Breckenridge, Frisco and Silverthorne, and Summit County Government. The responsibilities of the SCTC include the oversight of the public access channel. The Town holds the resources in a fiduciary capacity.

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

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 collected 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.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

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, are recorded only when payment is due.

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

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

Cash and Investments

The Town considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. State statutes and the Town policy authorize the Town to invest in obligations of the United States or any agency thereof, time deposit certificates, and repurchase agreements.

Receivables

The Town uses the allowance method for recognizing the uncollectable delinquent accounts receivable. At December 31, 2025, no allowance has been established, as all amounts are considered collectible. Each October, any utility bills more than 60 days old are certified to the County Treasurer for collection with the property taxes to be collected the following year.

Note 1: Summary of Significant Accounting Policies (Continued)

Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by governmental units until the subsequent year. In accordance with GAAP, the assessed, but uncollected, property taxes for calendar year 2025 have been recorded as receivable and as deferred revenue. Property taxes are billed and collected by Summit County, Colorado and distributed to the municipalities and special districts within the county the month after collection.

Interfund Receivables and Payables

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses) in the governmental funds and transfers in (out) in the proprietary funds.

Transactions between the Town's various funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to the Town government.

Activity between funds that is representative of borrowing/lending arrangements outstanding at the end of the fiscal year is referred to as either "due to/due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

In the process of aggregating data for the statement of net position and the statement of activities some amounts reported on interfund activity and balances in the funds have been eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activity's column.

Deferred Outflows and 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 future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item qualifying for this category: the collective deferred outflows related to the Town's net pension obligation. Pension contributions made after the measurement date, and the net difference between projected and actual earnings will be recognized as a change of the net pension liability or asset in future periods.

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Outflows and Inflows of Resources *(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 future periods 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. Unavailable revenue from property taxes, reported in the governmental balance sheet are deferred and recognized as an inflow from resources in the period that the amounts become available. Collective deferred inflows related to the Town's net pension obligation are reported on the Statement of Net Position and are amortized over the average service lives of participants.

Capital Assets

Capital assets, which include property, equipment, and 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. Capital assets are defined by the Town as assets with an initial cost of more than $5,000 and an estimated useful life in excess of one year. Purchased or constructed assets are recorded at historical cost where historical records are available or estimated historical costs where no historical records exist. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital assets (excluding land, water rights, construction in progress and capital assets held for other government) are depreciated using the straight-line method over the following estimated useful lives:

Equipment and Vehicles	3 - 15 years
Parks and Amphitheater	3 - 50 years
Furniture and Fixtures	3 - 20 years
Infrastructure	10 - 40 years
Buildings and Improvements	10 - 50 years
Plant, Lines and Reservoirs	15 - 40 years

Capital assets held for other government represents a sewer line constructed in 2004 and 2005 from several funding sources, including Federal grants. This sewer line will ultimately be conveyed to the Town Sanitation District, the government responsible for providing sanitation services within the Town boundaries. No depreciation is reported by the Town for the sewer line as a separate government is the operator of this system and the Town does not recognize any associated revenue.

Note 1: Summary of Significant Accounting Policies (Continued)

Compensated Absences

Vacation, sick leave, and compensatory time are accrued as earned. Accumulated unpaid vacation and compensatory time amounts are recorded in the government-wide financial statements by fund. The Town's personnel policy imposes limits on the maximum accrual of accumulated vacation time and sick leave. Upon termination, accrued unpaid vacation and compensatory time will be paid to the employee. Accrued compensated absences are liquidated by the fund that incurred the liability during the employee's employment.

A liability for vested, accrued leave time is reported in the governmental funds only if the amounts due at year end have matured.

Pensions

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Town's defined benefit pension plan and additions to/deductions from the fiduciary net position of the Town's defined benefit pension plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt is reported as a liability in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position

In the government-wide and proprietary fund financial statements, net position is displayed in three components as follows:

Net Investment in Capital Assets - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted - This consists of net position legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted - This consists of net position not meeting the definition of "restricted" or "invested in capital assets, net of related debt."

When an expense is incurred for purposes for which restricted and unrestricted net position is available, the Town's policy is to apply restricted net position first.

Fund Balance Classification

The following fund balance classifications describe the relative strength of the spending constraints placed on a government's fund balance and purposes for which resources can be used:

Nonspendable fund balance - Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Restricted fund balance - Amounts constrained to specific purposes stipulated by external resource providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers.

Committed fund balance - Amounts constrained to specific purposes stipulated by a government itself, determined by formal action by the Town Council to be reported as committed, amounts cannot be used for any other purpose unless changed by the Town Council.

Assigned fund balance - Amounts the Town intends to use for a specific purpose as expressed by management.

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

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balance Classification *(Continued)*

The Town Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution or ordinance. Each December the budget is adopted by resolution for the coming year. A fund balance commitment is indicated in the budget by the use of reserves. The budget document will also identify the budgeted use of any restricted funds planned in the budget.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Town Council has provided otherwise in its commitment or assignment actions.

Use of Estimates

The preparation of basic financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

Subsequent Events

The Town has evaluated subsequent events through June 30, 2026, the date the financial statements were available to be issued.

Note 2: Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

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

- In October, the Town staff submits to the Town Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15, the budget is legally enacted through passage of an ordinance.
- Upon Town Council approval of supplemental appropriations, management is authorized to transfer budgeted amounts between departments within any fund.

Note 2: Stewardship, Compliance and Accountability (Continued)

Budgets and Budgetary Accounting *(Continued)*

- Budgets are legally adopted for all funds of the Town. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the Enterprise Fund is presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

Note 3: Cash Deposits and Investments

A summary of cash and investments as of December 31, 2025 is as follows:

Petty Cash	$	925
Cash Deposits		10,561,034
Investments		15,248,571
Total	$	25,810,530

Cash and investments are reported in the financial statements as follows:

Cash and Investments	$	25,690,994
Fiduciary Fund Cash and Investments		119,536
Total	$	25,810,530

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible depositories. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held in trust for all of its local government depositors as a group with a market value of at least 102% of the uninsured deposits. The State Regulatory Commission for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

As of December 31, 2025, the Town had deposits of $8,686,634 collateralized with securities held by the financial institutions' agents but not in the Town's name.

Note 3: Cash Deposits and Investments (Continued)

Investments

The Town held investments at December 31, 2025 as follows:

Investment Type	Rating	Total	Less than 1 year	1 to 5 years
Colorado Liquid Government				
COLOTRUST	AAAm	$ 1,060,037	$ 1,060,037	$ -
CSAFE	AAAm	3,348,691	3,348,691	-
Certificates of Deposit	No Rating	1,833,148	1,833,148	-
Money Market Funds		5,606,092	5,606,092	-
U.S. Treasury Securities				
Federal Home Loan Bank	AA+	2,951,820	993,057	1,958,763
Federal National Mortgage Association	AA+	448,783	-	448,783
		$ 15,248,571	$ 12,841,025	$ 2,407,546

The Town has a formal investment policy that limits its investment choices and the length of maturity to five years. Custodial risk is not addressed by State Statutes or the Town's investment policy. The investment choices are within the limitations of state laws and include:

- Obligations of the United States & certain U.S. government agency securities.
- Money market funds that consist entirely of U.S. government securities.
- Local government investment pools.
- Written repurchase agreements collateralized by certain authorized securities.

Interest Rate Risk - The Town has an investment policy adopted by the Town Council that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Town's policy is to buy and hold investments to maturity and limits the maturities to five years. The Town's investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Town's investment risk constraints and the cash flow characteristics of the portfolio.

Fair Value Measurements - At December 31, 2025, the Town's investments in a money market fund and local government investment pools were measured at the net asset value per share.

Local Government Investment Pool - At December 31, 2025, the Town had $1,060,037 (fair value) invested in COLOTRUST and $3,348,691 (fair value) invested in CSafe, investment vehicles established by State statute for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating COLOTRUST and CSAFE. Both investment vehicles operate similar to money market funds and each share is equal in value to $1.00. Both vehicles are rated AAAm by Standard and Poor's. Investments are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments. Investment balances in the pools are not subject to limitations or restrictions on withdrawals. There are no unfunded commitments, the redemption dates frequencies are daily and there is no redemption notice period.

Note 4: Capital Assets

Capital assets for the governmental activities for the year ended December 31, 2025 is summarized below:

	Balance 12/31/24	Additions	Transfers	Deletions	Balance 12/31/25
Governmental Activities					
Capital Assets, *Not Being Depreciated*					
Land	$ 2,075,369	$ -	$ -	$ -	$ 2,075,369
Construction in Progress	395,807	764,767	(1,128,894)	-	31,680
Total Capital Assets, *Not Being Depreciated*	2,471,176	764,767	(1,128,894)	-	2,107,049
Capital Assets, *Being Depreciated*					
Infrastructure	33,481,955	935,420	1,128,894	-	35,546,269
Buildings	1,932,995	148,087	-	-	2,081,082
Equipment & Vehicles	7,196,396	1,141,088	-	(126,547)	8,210,937
Parks & Amphitheater	22,040,884	10,807	-	-	22,051,691
Furniture & Fixtures	606,218	-	-	-	606,218
Total Capital Assets, *Being Depreciated*	65,258,448	2,235,402	1,128,894	(126,547)	68,496,197
Less Accumulated Depreciation					
Infrastructure	(19,531,341)	(970,141)	-	-	(20,501,482)
Buildings	(1,762,551)	(24,827)	-	-	(1,787,378)
Equipment & Vehicles	(4,149,344)	(596,987)	-	126,547	(4,619,784)
Parks & Amphitheater	(6,623,407)	(837,220)	-	-	(7,460,627)
Furniture & Fixtures	(301,700)	(10,673)	-	-	(312,373)
Total Accumulated Depreciation	(32,368,343)	(2,439,848)	-	126,547	(34,681,644)
Total Capital Assets, *Being Depreciated, net*	32,890,105	(204,446)	1,128,894	-	33,814,553
Governmental Activities Capital Assets, *net*	$ 35,361,281	$ 560,321	$ -	$ -	$ 35,921,602

Depreciation expense is charged to the functions as follows:

Governmental Activities	
General Government	$ 45,834
Public Safety	268,417
Public Works	979,955
Culture and Recreation	1,145,642
Total	$ 2,439,848

Note 4: Capital Assets (Continued)

Capital assets for business-type activities for the year ended December 31, 2025 is summarized below:

	Balance 12/31/24	Additions	Transfers	Deletions	Balance 12/31/25
Business-Type Activities					
Capital Assets, *Not Being Depreciated*					
Land	$ 219,652	$ -	$ -	$ -	$ 219,652
Water Rights	2,738,830	-	-	-	2,738,830
Construction in Progress	38,377	-	(38,377)	-	-
Total Capital Assets, *Not Being Depreciated*	2,996,859	-	(38,377)	-	2,958,482
Capital Assets, *Being Depreciated*					
Water Plant	5,800,065	-	-	-	5,800,065
Lines	7,884,203	2,155,090	38,377	-	10,077,670
Buildings	23,536	-	-	-	23,536
Equipment & Vehicles	352,419	-	-	-	352,419
Lift Station	1,024,851	-	-	-	1,024,851
Reservoirs	1,557,880	-	-	-	1,557,880
Total Capital Assets, *Being Depreciated*	16,642,954	2,155,090	38,377	-	18,836,421
Less: Accumulated depreciation					
Water Plant	(3,530,987)	(169,664)	-	-	(3,700,651)
Lines	(4,273,233)	(209,493)	-	-	(4,482,726)
Buildings	(23,536)	-	-	-	(23,536)
Equipment & Vehicles	(301,831)	(24,390)	-	-	(326,221)
Lift Station	(459,434)	(58,728)	-	-	(518,162)
Reservoirs	(546,892)	(38,947)	-	-	(585,839)
	(9,135,913)	(501,222)	-	-	(9,637,135)
Total Capital Assets, *Being Depreciated, net*	7,507,041	1,653,868	38,377	-	9,199,286
Business-Type Activities Capital Assets, *net*	$ 10,503,900	$ 1,653,868	$ -	$ -	$ 12,157,768

Depreciation expense is charged to the functions as follows:

Business-Type Activities	
Water Fund	$ 385,965
Sewer Fund	115,257
Total	$ 501,222

Note 5: Investment in Silverthorne/Dillon Joint Sewer Authority

The Town is a participant in the Silverthorne/Dillon Joint Sewer Authority (the JSA) which was formed to construct and operate a sewage treatment facility. Participants in the JSA are the Towns of Silverthorne, Dillon, Dillon Valley District, Buffalo Mountain Metropolitan District, and Mesa Cortina Water and Sanitation District.

Construction costs are paid by each participant based on their share of the available capacity in each phase of the project. Operating costs are funded by quarterly billings to the participants, which are based on the number of taps each participant has connected to the system.

The Town records its investment in the JSA and its share of operating costs in the Sewer Fund. The investment is accounted for under the equity method in accordance with generally accepted accounting principles.

The Town had an investment in the JSA at December 31, 2025 of $2,568,405 which represents a 13.10% share in the joint venture. For the year ended December 31, 2025, the Town was responsible for 21.18% of the JSA's operating expenses.

Financial information about the JSA can be obtained in a separate audit report at the Silverthorne Town Hall, 601 Center Circle, Silverthorne, Colorado 80498.

Note 6: Long-Term Debt

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2025.

Governmental Activities	Balance 12/31/24	Additions	Deletions	Balance 12/31/25	Due Within One Year
Excise Tax Revenue Bonds					
2015 Series	$ 920,000	$ -	$ (145,000)	$ 775,000	$ 145,000
2017 Series	1,695,000	-	(410,000)	1,285,000	420,000
2020 Series	4,877,000	-	(134,000)	4,743,000	135,000
Amphitheater Lease	3,835,740	-	(180,011)	3,655,729	186,598
Marina Lease	809,099	-	(135,331)	673,768	140,283
Bond Discount	(4,895)	-	979	(3,916)	-
Compensated Absences	299,779	135,341	(29,978)	405,142	40,514
Total	$ 12,431,723	$ 135,341	$ (1,033,341)	$ 11,533,723	$ 1,067,395

Accrued Compensated Absences are being paid from resources generated by the General Fund.

Note 6: Long-Term Debt (Continued)

Governmental Activities *(Continued)*

Excise Tax Revenue Bonds, Series 2015

On April 15, 2015, the Town issued the Excise Tax Revenue Bonds, Series 2015 for the reconstruction of Town streets. The interest rate on the bonds is 2.73% and is payable on June 1 and December 1 of each year. Principal payments are due on December 1 of each year through 2030.

Annual debt service requirements for the outstanding revenue bonds at December 31, 2025 are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 145,000	$ 21,158	$ 166,158
2027	150,000	17,199	167,199
2028	155,000	13,104	168,104
2029	160,000	8,872	168,872
2030	165,000	4,505	169,505
	$ 775,000	$ 64,838	$ 839,838

Excise Tax Revenue Bonds, Series 2017

On June 1, 2017, the Town issued the Excise Tax Revenue Bonds, Series 2017 to refund the Excise Tax Revenue Bonds, Series 2008. The interest rate on the bonds is 2.18% and is payable on June 1 and December 1 of each year. Principal payments are due on December 1 of each year through 2028.

Annual debt service requirements for the outstanding revenue bonds at December 31, 2025 are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 420,000	$ 28,013	$ 448,013
2027	430,000	18,857	448,857
2028	435,000	9,483	444,483
	$ 1,285,000	$ 56,353	$ 1,341,353

Excise Tax Revenue Bonds, Series 2020

On December 8, 2020, the Town issued the Excise Tax Revenue Bonds, Series 2020 to refund the Excise Tax Revenue Bonds, Series 2010, and issued an additional $3,100,000 for the reconstruction of Tenderfoot and Lodgepole streets. The interest rate on the bonds is 1.91% and is payable on June 1 and December 1 of each year. Principal payments are due on December 1 of each year through 2035.

Note 6: Long-Term Debt (Continued)

Governmental Activities *(Continued)*

Excise Tax Revenue Bonds, Series 2020 (Continued)

Annual debt service requirements for the outstanding revenue bonds at December 31, 2025 are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 135,000	$ 90,591	$ 225,591
2027	137,000	88,013	225,013
2028	142,000	85,396	227,396
2029	628,000	82,684	710,684
2030	642,000	70,689	712,689
2031-2035	3,059,000	177,479	3,236,479
	$ 4,743,000	$ 594,852	$ 5,337,852

Amphitheater Lease

On December 15, 2016, the Town entered into a site improvement lease with UMB Bank , N.A. for the amphitheater project and the refinance of the 2010 Marina site and improvement lease with UMB Bank, N.A. for the slope stabilization project. The Town provided the Dillon Town Hall as collateral. The Capital Improvement Fund will repay the portion of the lease associated with the amphitheater project and the Marina revenue, which as part of the General Fund, will repay the portion associated with the slope stabilization project. The interest rate is 3.55% and matures on December 15, 2036 with monthly payments. Assets of $7,233,922 have been capitalized under this portion of the lease.

Annual debt service requirements for the outstanding revenue bonds at December 31, 2025 are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 186,598	$ 128,554	$ 315,152
2027	193,425	121,726	315,151
2028	200,504	114,648	315,152
2029	207,841	107,311	315,152
2030	295,542	99,188	394,730
2031-2035	2,571,819	292,652	2,864,471
	$ 3,655,729	$ 864,079	$ 4,519,808

Note 6: Long-Term Debt (Continued)

Governmental Activities *(Continued)*

Marina Lease

As stated above, the Marina Lease is the portion of the lease with UMB Bank, N.A. This portion of the lease provided funds for the slope stabilization project. This portion of the lease has the same terms are the Amphitheater lease, interest at 3.55% and matures on July 15, 2030 with monthly payments.

Annual debt service requirements for the outstanding revenue bonds at December 31, 2025 are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 140,283	$ 21,977	$ 162,260
2027	145,416	16,844	162,260
2028	150,737	11,523	162,260
2029	156,253	6,007	162,260
2030	81,079	1,672	82,751
	$ 673,768	$ 58,023	$ 731,791

Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2025.

Business-Type Activities	Balance 12/31/24	Additions	Deletions	Balance 12/31/25	Due Within One Year
2009 CWCB Loan	$ 1,029,240	$ -	$ (46,512)	$ 982,728	$ 46,512
2015 CWRPDA Loan	1,051,730	-	(90,966)	960,764	90,966
Compensated Absences	7,850	5,506	(785)	12,571	-
Total	$ 2,088,820	$ 5,506	$ (138,263)	$ 1,956,063	$ 137,478

Accrued Compensated Absences are being paid from resources generated by the Business-Type activities.

2009 Colorado Water Conservation Board (CWCB) Loan

On July 15, 2009, the Town entered into a loan contract with the Department of Natural Resources, Colorado Water Conversation Board (CWCB) for the Old Dillon Reservoir enlargement. The interest rate is 4.0% and matures on April 1, 2041. Principal and interest payments are due on April 1 of each year.

Note 6: Long-Term Debt (Continued)

Business-Type Activities *(Continued)*

2009 Colorado Water Conservation Board (CWCB) Loan (Continued)

Annual debt service requirements for the outstanding revenue bonds at December 31, 2025 are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 48,372	$ 38,240	$ 86,612
2027	50,307	37,304	87,611
2028	52,319	35,293	87,612
2029	54,412	33,200	87,612
2030	56,589	31,024	87,613
2031-2035	318,763	119,300	438,063
2036-2040	387,823	50,237	438,060
2041	14,143	497	14,640
	$ 982,728	$ 345,095	$ 1,327,823

2015 Colorado Water Resources and Power Development Authority (CWRPDA) Loan

On September 15, 2015, the Town entered into a loan contract with the Colorado Water Resources and Power Development Authority (CWRPDA) for the construction of a water storage tank. The interest rate is 2.0% and matures on March 1, 2035. Principal and interest payments are due on March 1 and September 1 of each year.

Annual debt service requirements for the outstanding revenue bonds at December 31, 2025 are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 92,795	$ 18,754	$ 111,549
2027	94,659	16,889	111,548
2028	96,562	14,986	111,548
2029	98,504	13,045	111,549
2030	100,483	11,065	111,548
2031-2035	477,761	24,204	501,965
	$ 960,764	$ 98,943	$ 1,059,707

The CWCB loan and CWRPDA loan are payable solely from revenues from the Town's water utility system after the deduction of operating maintenance costs. During the year ended December 31, 2025, net revenues of $195,599 were available to pay annual debt service of $111,548.

Note 7: Employee Retirement Plans

General Employees Retirement Plan - Section 401(a) Plan

Town employees participate in the Colorado Retirement Association (CRA) defined contribution plan. Full-time employees are required to contribute 5.0% of their gross salary and the Town matches the contribution. As required by plan documents. In 2023, the Town implemented a new voluntary program that allows employees to contribute up to 2.0%, and as of 2025 the amount increased to 3%, into their CRA 457 plan and the Town will match that amount into the 401 plan. The sworn officers contribute 10.0% of gross salaries with the Town matching their contribution. Town contribution vest at a rate of 20% each year and employees become fully vested after five years for either pension plan. Plan provisions and contribution requirements of the Town and the employees are established and may be amended by the Town Council. Total contributions of the CRA retirement plans made by the Town for the year ended December 31, 2025 were $241,690, which equals the required contribution.

FPPA Statewide Retirement Plan

Plan Description - The Statewide Retirement Plan (SRP) is a cost-sharing multiple-employer defined benefit pension plan. The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at http://www.fppaco.org. For the year ended December 31, 2024, the FPPA combined its reporting for the Statewide Hybrid plan and the Defined Benefit Plan into one actuarial report.

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

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 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.

Note 7: Employee Retirement Plans (Continued)

FPPA Statewide Retirement Plan (Continued)

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 three 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 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.

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 2023, the total combined member and employer contribution rate was 21.5 percent.

Note 7: Employee Retirement Plans (Continued)

FPPA Statewide Retirement Plan (Continued)

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 2023, the total minimum required member and employer contribution rate was 21.7 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 2023, the total combined member and employer contribution rate was 10.75 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 20 percent of base salary through 2014. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014-member election, the reentry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The contribution rate for members and employers of affiliated social security employers is 4 percent of base salary for a total contribution rate of 8 percent through 2014. Per the 2014 member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022.

The Town's contributions to the Plan for the year ended December 31, 2024, were $135,728, equal to the required contributions.

The Town and eligible employees are required to contribute to the SWH Plan at rates established by the Town Council. However, the amount allocated to the defined benefit component is set annually by the FPPA Board of Directors, which currently must be at least 8% of base salary for the employee and the employer.

Note 7: Employee Retirement Plans (Continued)

FPPA Statewide Retirement Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2025, the Town reported a net pension liability (asset) of $0 (ZERO) representing its proportionate share of the net pension asset of the Statewide Retirement Plan.

The net pension liability was measured at December 31, 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation at January 1, 2023. The Town's proportion of the net pension asset was based on a projection of the Town's contributions to the plans for the calendar year ended December 31, 2024, relative to the projected contributions of all participating employers.

At December 31, 2024, the Town's proportion of the Statewide Retirement Plan was 0.14542488%, which was an increase of 0.02190245% from its proportion measured at December 31, 2022.

For the year ended December 31, 2025, the Town recognized pension expense (Benefit) for the SWDB plan of $(93,928).

At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Statewide Defined Benefit Plan		
Differences between expected and actual experience	$ 269,849	$ 8,748
Changes in assumptions and other inputs	92,623	-
Net difference between projected and actual earnings on plan investments	8,841	-
Changes in proportion	-	79,414
Contributions subsequent to the measurement date	135,728	-
Total	$ 507,041	$ 88,162

Note 7: Employee Retirement Plans (Continued)

FPPA Statewide Retirement Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions *(Continued)*

Town contributions to the plan subsequent to the measurement date were $135,728 and will be recognized as an increase or decrease to the net pension (asset) liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended December 31,		
2026	$	106,821
2027		81,389
2028		7,420
2029		32,860
2030		27,506
Thereafter		27,155
Total	$	283,151

Actuarial Assumptions - The actuarial valuation at January 1, 2023, determined the total pension liability using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Mortality rates were based on the RP-2014 Mortality Table for Blue Collar Employees projected with Scale BB, using a 55% multiplier for off-duty mortality. The RP-2014 Mortality Table for Blue Collar Employees was used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants were used. For post-retirement members ages 55 through 64, a blend of the previous tables was used.

The current actuarial methods and assumptions were adopted by the FPPA Board of Directors for first use in the actuarial valuation as of January 1, 2016, based upon the actuary's unchanged analysis and recommendations from the 2015 Experience Study.

Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Long-term Investment Rate of Return	7.0%
Projected Salary Increases	4.25% - 11.75%
Cost of Living Adjustments (COLA)	0.0%
Includes Inflation at	2.5%

Note 7: Employee Retirement Plans (Continued)

FPPA Statewide Retirement Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions *(Continued)*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the 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%	7.00%
Equity Long/Short	6%	6.20%
Private Markets	34%	8.80%
Fixed Income Rates	7%	5.00%
Fixed Income Credit	7%	6.50%
Absolute Return	9%	5.70%
Cash	4%	4.20%
	100%	

Discount Rate - The discount rate used to measure the total pension liability was 7.0%. 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 in the FPPA Board of Director's funding policy, which establishes the contractually required rates under State statutes. Based on this assumption, the Plans' fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate at the prior measurement date was 7.5%.

Note 7: Employee Retirement Plans (Continued)

FPPA Statewide Retirement Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions *(Continued)*

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate - The following presents the Town's proportionate share of the net pension (asset) liability calculated using the discount rate of 7.0%, as well as the Town's proportionate share of the net pension (asset) liability if it were calculated using a discount that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate, as follows:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Town's proportionate share of the SWDB net pension (asset) liability	$ 709,660	$ -	$ -

Pension Plan Fiduciary Net Position - Detailed information about the Plans' fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

Death and Disability Benefits

Death and disability coverage is provided to full-time police officers through the Statewide Death and Disability Plan, which is administered by the FPPA. During the past year, the Town's required contribution rate was 2.6% of base salary for members. Town contributions to this plan totaled $43,695 during 2025, with State supplemental contribution of $0. Employees are not required to contribute to this plan.

Note 8: Public Entity Risk Pool

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. For these risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members with defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

Note 8: Public Entity Risk Pool (Continued)

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity, and the Town does not approve budgets, nor does it have the ability to significantly affect the operations of the entity.

CIRSA's operations are funded by contributions from member governments. Coverage is provided in the amount of $500,000 per claim or occurrence for property damage, $600,000 per claim or occurrence for liability, and $150,000 per claim or occurrence for crime. CIRSA has also acquired additional excess coverage from outside sources. While the Town may be liable for any losses in excess of this coverage, the Town does not anticipate losses at December 31, 2025. No settlements of claims against the Town in the last three years have exceeded the Town's coverage.

Surpluses or deficits realized by CIRSA for any given year are subject to change for such reasons as interest earnings on invested amounts for those years and funds, re-estimation of losses for those years and funds, and credits or distributions from surplus for those years and funds. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The Board of Directors may credit member municipalities' future contributions in the event of a surplus. Although it has never occurred, CIRSA member municipalities are subject to a supplemental assessment in the event of a deficiency.

For 2025, the Town's deductible for property and liability claims per occurrence is $1,000 for each. The auto liability deductible and the auto physical damage deductible are both $1,000 per occurrence.

The Town carries no deductible for workers Compensation coverage. CIRSA's coverage for workers' compensation claims are the Colorado statutory limits of $500,000 per occurrence and $1,000,000 for employer liability.

The Town also carries accident medical insurance coverage for volunteers through CIRSA. This provides a medical coverage for a minor injury a volunteer receives when serving the Town in a volunteer Town such as a community service worker, volunteer trail work, or volunteer coaching for recreation. Coverage is $15,000 per occurrence with a $25 deductible.

Note 9: Commitments and Contingencies

Litigation/Legal Claims

The Town may be a defendant in lawsuits pertaining to matters which are incidental to performing routine governmental and other functions. Based on the current status of any legal proceedings, it is the opinion of management that they will not have a material effect on the Town's financial position.

Federal and State Grants and Financial Sources

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the Town's financial position.

TABOR Amendment

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

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

TABOR also requires local governments to establish an emergency reserve to be used to declare emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved $725,000, which is the approximate required reserve at December 31, 2025.

Required Supplementary Information

Town of Dillon, Colorado
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Asset (Liability) and Contributions
Fire & Police Pension Association of Colorado Statewide Combined Plans
For the Year Ended December 31, 2025

	12/31/24	12/31/23
Proportionate Share of the Net Pension Asset		
Town's Proportion of the Net Pension Assets	0.14542500%	0.12352200%
Town's Proportion Share of the Net Pension Asset (Liability)	$ -	$ -
Town's Covered Payroll	$ 1,357,280	$ 1,087,838
Town's Proportionate Share of the Net Pension Asset (Liability) as a Percentage of Covered Payroll	0.0%	0.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.0%	100.0%

	12/31/25	12/31/24
Town Contribution		
Statutorily Required Contribution	$ 165,772	$ 135,728
Contributions in Relation to the Statutorily Required Contribution	(165,772)	(135,728)
Contribution Deficiency (Excess)	$ -	$ -
Town's Covered Payroll	$ 1,138,924	$ 1,357,280
Contributions as a Percentage of Covered Payroll	14.56%	10.00%

This schedule is presented to show information for 2 years. Until information for the full 10-year period is available, information will be presented for the years information is available.

Town of Dillon, Colorado

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Asset (Liability) and Contributions
Fire & Police Pension Association of Colorado Statewide Defined Benefit Plans
For the Year Ended December 31, 2025

	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17
Proportionate Share of the Net Pension Asset						
Town's Proportion of the Net Pension Assets	0.04902604%	0.04618213%	0.06500178%	0.07741684%	0.09486349%	0.09961455%
Town's Proportion Share of the Net Pension Asset (Liability)	$ (293,793)	$ 109,158	$ 141,119	$ 43,784	$ (349,333)	$ 143,311
Town's Covered Payroll	$ 402,297	$ 418,680	$ 400,747	$ 541,922	$ 508,361	$ 58,610
Town's Proportionate Share of the Net Pension Asset (Liability) as a Percentage of Covered Payroll	-73.0%	26.1%	35.2%	8.1%	-68.7%	244.5%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.6%	116.2%	106.7%	101.9%	95.2%	106.3%

	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
Town Contribution						
Statutorily Required Contribution	$ 48,178	$ 40,230	$ 41,868	$ 40,074	$ 45,192	$ 50,836
Contributions in Relation to the Statutorily Required Contribution	(48,178)	(40,230)	(41,868)	(40,074)	(45,192)	(50,836)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
Town's Covered Payroll	$ 481,790	$ 402,297	$ 418,680	$ 400,747	$ 451,922	$ 508,361
Contributions as a Percentage of Covered Payroll	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

This schedule is presented to show information for 6 years. Until information for the full 10-year period is available, information will be presented for the years information is available.

Town of Dillon, Colorado

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Asset (Liability) and Contributions
Fire & Police Pension Association of Colorado Statewide Hybrid Plans
For the Year Ended December 31, 2025

	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17
Proportionate Share of the Net Pension Asset						
Town's Proportion of the Net Pension Assets	2.99636150%	2.61645833%	1.80398714%	1.07217069%	0.00394095%	0.36336810%
Town's Proportion Share of the Net Pension Asset (Liability)	$ 43,700	$ 992,153	$ 496,188	$ 208,795	$ 69,439	$ 71,048
Town's Covered Payroll	$ 533,882	$ 429,911	$ 293,598	$ 180,075	$ 55,564	$ -
Town's Proportionate Share of the Net Pension Asset (Liability) as a Percentage of Covered Payroll	8.2%	230.8%	169.0%	115.9%	125.0%	n/a
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.4%	149.0%	138.0%	130.0%	123.0%	139.0%

	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
Town Contribution						
Statutorily Required Contribution	$ 68,552	$ 53,388	$ 42,991	$ 29,360	$ 18,008	$ 5,556
Contributions in Relation to the Statutorily Required Contribution	(68,552)	(53,388)	(42,991)	(29,360)	(18,008)	(5,556)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
Town's Covered Payroll	$ 685,541	$ 533,882	$ 429,911	$ 293,598	$ 180,075	$ 55,564
Contributions as a Percentage of Covered Payroll	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

This schedule is presented to show information for 6 years. Until information for the full 10-year period is available, information will be presented for the years information is available.

Town of Dillon, Colorado
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Taxes	$ 8,664,144	$ 8,664,144	$ 8,382,523	$ (281,621)
Charges for Services	9,382,020	9,382,020	8,598,693	(783,327)
Charges for Services, Marina	2,594,884	2,594,884	2,523,772	(71,112)
Licenses and Permits	305,953	305,953	353,612	47,659
Intergovernmental	91,593	91,593	164,575	72,982
Fines and Forfeitures	67,729	67,729	45,144	(22,585)
Interest	127,777	127,777	28,367	(99,410)
Miscellaneous/Other	89,100	89,100	166,714	77,614
Total Revenues	21,323,200	21,323,200	20,263,400	(1,059,800)
Expenditures				
Current				
General Government	11,655,644	11,922,664	10,380,245	1,542,419
Public Safety	4,132,329	4,221,329	3,359,721	861,608
Public Works	1,245,601	1,245,601	1,568,661	(323,060)
Community Development	591,487	591,487	601,337	(9,850)
Culture and Recreation	1,083,347	1,083,347	650,580	432,767
Culture and Recreation, Marina	2,255,501	2,270,501	2,115,373	155,128
Capital Outlay	104,000	-	62,758	(62,758)
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	21,067,909	21,334,929	18,738,675	2,596,254
Excess Revenues Over (Under) Expenditures	255,291	(11,729)	1,524,725	1,536,454
Other Financing Sources (Uses)				
Transfers Out	(646,975)	(914,099)	(914,099)	-
Net Change in Fund Balance	(391,684)	(925,828)	610,626	1,536,454
Fund Balance, *Beginning of Year*	4,562,933	5,411,343	5,411,343	-
Fund Balance, *End of Year*	$ 4,171,249	$ 4,485,515	$ 6,021,969	$ 1,536,454

Town of Dillon, Colorado
Budgetary Comparison Schedule
Capital Improvement Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Taxes	$ 2,275,526	$ 2,275,526	$ 2,235,107	$ (40,419)
Interest	20,000	20,000	32,229	12,229
Intergovernmental	33,333	33,333	34,911	1,578
Total Revenues	2,328,859	2,328,859	2,302,247	(26,612)
Expenditures				
Current				
General Government	432,500	432,500	21,920	410,580
Public Safety	356,215	356,215	59,297	296,918
Public Works	55,000	55,000	17,317	37,683
Culture and Recreation	-	105,073	105,073	-
Capital Outlay	2,294,006	2,294,006	2,014,634	279,372
Debt Service				
Principal	352,564	352,564	315,342	37,222
Interest	168,348	168,348	161,861	6,487
Total Expenditures	3,658,633	3,763,706	2,695,444	1,068,262
Excess Revenues Over (Under) Expenditures	(1,329,774)	(1,434,847)	(393,197)	1,041,650
Other Financing Sources (Uses)				
Proceeds from Sale of Asset	40,000	40,000	9,175	(30,825)
Proceeds from Issuance of Loans	42,000	42,000	-	(42,000)
Transfers In	571,975	839,099	839,099	-
Net Change in Fund Balance	(675,799)	(513,748)	455,077	968,825
Fund Balance, *Beginning of year*	753,801	2,281,407	2,281,407	-
Fund Balance, *End of year*	$ 78,002	$ 1,767,659	$ 2,736,484	$ 968,825

Town of Dillon, Colorado
Budgetary Comparison Schedule
Street Improvement Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Taxes	$ 1,774,672	$ 1,774,672	$ 1,653,831	$ (120,841)
Interest	50,000	50,000	63,612	13,612
Total Revenues	1,824,672	1,824,672	1,717,443	(107,229)
Expenditures				
Current				
General Government	590,000	590,000	-	590,000
Capital Outlay	400,000	465,000	807,610	(342,610)
Debt Service				
Principal Payments	689,000	689,000	689,000	-
Interest Payments	156,018	156,018	158,568	(2,550)
Total Expenditures	1,835,018	1,900,018	1,655,178	244,840
Excess Revenues Over Net Change in Fund Balance	(10,346)	(75,346)	62,265	137,611
Fund Balance, *Beginning of Year*	35,456	427,055	427,055	-
Fund Balance, *End of Year*	$ 25,110	$ 351,709	$ 489,320	$ 137,611

Town of Dillon, Colorado
Budgetary Comparison Schedule
Dillon Urban Renewal Authority Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Taxes	$ 2,422,706	$ 2,422,706	$ 2,180,034	$ (242,672)
Interest	90,000	90,000	307,922	217,922
Total Revenues	2,512,706	2,512,706	2,487,956	(24,750)
Expenditures				
Current				
Urban Renewal	470,081	610,881	336,196	274,685
Capital Outlay	1,000,000	1,000,000	732,742	267,258
Total Expenditures	1,470,081	1,610,881	1,068,938	541,943
Net Change in Fund Balance	1,042,625	901,825	1,419,018	517,193
Fund Balance, *Beginning of Year*	4,546,929	4,546,929	4,546,929	-
Fund Balance, *End of Year*	$ 5,589,554	$ 5,448,754	$ 5,965,947	$ 517,193

Town of Dillon, Colorado
Budgetary Comparison Schedule
Housing Initiative 5A Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Intergovernmental	$ 1,176,049	$ 1,176,049	$ 1,108,107	$ (67,942)
Interest	100,000	100,000	167,225	67,225
Misc	31,028	31,028	125,968	94,940
Total Revenues	1,307,077	1,307,077	1,401,300	94,223
Expenditures				
Current				
Housing	4,661,942	4,691,942	1,364,375	3,327,567
Total Expenditures	4,661,942	4,691,942	1,364,375	3,327,567
Excess Revenues Over Net Change in Fund Balance	(3,354,865)	(3,384,865)	36,925	3,421,790
Fund Balance, *Beginning of Year*	3,547,316	6,242,334	6,242,334	-
Fund Balance, *End of Year*	$ 192,451	$ 2,857,469	$ 6,279,259	$ 3,421,790

Note 1: Stewardship, Compliance, and Accountability

Budgets

Budgets are legally adopted for all funds of the Town. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis, whereby capital outlay and debt principal are budgeted as expenditures.

The Town follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the Town Council a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Upon Town Council approval of supplemental appropriations, management is authorized to transfer budgeted amounts between departments within any fund.
- All appropriations lapse at year-end.

Supplementary Information

Town of Dillon, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2025

	Parking	Cemetery Perpetual Care	Conservation Trust	Total
Assets				
Cash and Cash Equivalents	$ 364,868	$ 284,220	$ 122,375	$ 771,463
Total Assets	$ 364,868	$ 284,220	$ 122,375	$ 771,463
Fund Balance				
Nonspendable				
Cemetery	$ -	$ 130,752	$ -	$ 130,752
Restricted for:				
Parks and Open Space	-	-	122,375	122,375
Assigned				
Cemetery	-	153,468	-	153,468
Parking	364,868	-	-	364,868
Urban Renewal	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	364,868	284,220	122,375	771,463
Total Liabilities and Fund Balance	$ 364,868	$ 284,220	$ 122,375	$ 771,463

Town of Dillon, Colorado

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2025

	Parking	Cemetery Perpetual Care	Conservation Trust	Total
Revenues				
Intergovernmental	$ -	$ -	$ 12,220	$ 12,220
Charges for Services	71,192	3,600	-	74,792
Interest	7,758	8,017	3,288	19,063
Miscellaneous	-	5,100	-	5,100
Total Revenues	78,950	16,717	15,508	111,175
Net Change in Fund Balance	78,950	16,717	15,508	111,175
Fund Balance, *Beginning of Year*	285,918	267,503	106,867	660,288
Fund Balance, *End of Year*	$ 364,868	$ 284,220	$ 122,375	$ 771,463

Town of Dillon, Colorado
Budgetary Comparison Schedule
Parking Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Charges for Services	$ 35,000	$ 35,000	$ 71,192	$ 36,192
Interest	5,000	5,000	7,758	2,758
Total Revenues	40,000	40,000	78,950	38,950
Net Change in Fund Balance	40,000	40,000	78,950	38,950
Fund Balance, *Beginning of Year*	262,886	285,918	285,918	-
Fund Balance, *End of Year*	$ 302,886	$ 325,918	$ 364,868	$ 38,950

Town of Dillon, Colorado
Budgetary Comparison Schedule
Cemetery Perpetual Care Fund
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance *Positive (Negative)*
Revenues			
Charges for Services	$ 1,500	$ 3,600	$ 2,100
Interest	7,000	8,017	1,017
Miscellaneous	4,000	5,100	1,100
Total Revenues	12,500	16,717	4,217
Net Change in Fund Balance	12,500	16,717	4,217
Fund Balance, *Beginning of Year*	267,503	267,503	-
Fund Balance, *End of Year*	$ 280,003	$ 284,220	$ 4,217

Town of Dillon, Colorado
Budgetary Comparison Schedule
Conservation Trust Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Intergovernmental	$ 15,000	$ 15,000	$ 12,220	$ (2,780)
Interest	2,000	2,000	3,288	1,288
Total Revenues	17,000	17,000	15,508	(1,492)
Net Change in Fund Balance	17,000	17,000	15,508	(1,492)
Fund Balance, *Beginning of Year*	108,578	106,867	106,867	-
Fund Balance, *End of Year*	$ 125,578	$ 123,867	$ 122,375	$ (1,492)

Town of Dillon, Colorado
Budgetary Comparison Schedule
Water Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Charges For Services	$ 1,244,691	$ 1,244,691	$ 1,094,690	$ (150,001)
Intergovernmental	900,000	900,000	1,191,969	291,969
Capital Contributions - Tap Fees	718,608	718,608	12,224	(706,384)
Interest Income	96,000	96,000	96,546	546
Total Revenues	2,959,299	2,959,299	2,395,429	(563,870)
Expenses				
Current				
Operations	629,808	629,808	716,406	(86,598)
Maintenance	67,259	67,259	75,527	(8,268)
Distribution	25,661	25,661	101,916	(76,255)
Treatment	75,000	75,000	89,003	(14,003)
Capital Outlay	2,057,683	3,369,306	2,161,712	1,207,594
Debt Service				
Principal	133,897	133,897	137,478	(3,581)
Interest	65,264	65,264	59,680	5,584
Total Expenses	3,054,572	4,366,195	3,341,722	1,024,473
Net Operating Income	(95,273)	(1,406,896)	(946,293)	460,603
Nonoperating Revenues (Expenses)				
Transfers In	-	-	75,000	75,000
Total Nonoperating Revenues (Expenses)	-	-	75,000	75,000
Net Income (Loss) Before *Budgetary Basis*	$ (95,273)	$ (1,406,896)	(871,293)	$ 535,603
Reconciliation to GAAP Basis				
Principal Payments			137,478	
Capital Outlay			2,109,053	
Depreciation			(385,965)	
Change in Net Position, *GAAP Basis*			$ 989,273	

Town of Dillon, Colorado
Budgetary Comparison Schedule
Sewer Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Charges For Services	$ 1,059,472	$ 1,059,472	$ 1,025,189	$ (34,283)
Capital Contributions - Tap Fees	11,614	11,614	7,839	(3,775)
Interest	92,000	92,000	110,385	18,385
Total Revenues	1,163,086	1,163,086	1,143,413	(19,673)
Expenses				
Current				
Operations	206,727	206,727	83,712	123,015
Maintenance	51,000	51,000	25,287	25,713
Treatment	764,905	764,905	697,592	67,313
Capital Outlay	342,490	592,490	83,150	509,340
Total Expenses	1,365,122	1,615,122	889,741	725,381
Change in Net Position, *Budgetary Basis*	$ (202,036)	$ (452,036)	253,672	$ 705,708
Reconciliation to GAAP Basis				
Depreciation			(115,257)	
Capital Outlay			46,037	
Net Gain from Investment in Joint Sewer Authority			137,863	
Change in Net Position, *GAAP Basis*			$ 322,315	

State Compliance

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/2025
This Information From The Records Of: Town of Dillon	Prepared By: Heather Pezzella - hpezzella@townofdillon.com

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		**A. Local highway expenditures:**	
1. Local highway-user taxes		1. Capital outlay (from page 2)	$ 565,182.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	$ 42,334.93
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	$ -
2. General fund appropriations		b. Snow and ice removal	$ 14,783.00
3. Other local imposts (from page 2)	$ 2,047,591.20	c. Other	
4. Miscellaneous local receipts (from page 2)	$ 44,900.67	d. Total (a. through c.)	$ 14,783.00
5. Transfers from toll facilities		4. General administration & miscellaneous	$ -
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	$ 701,716.00
a. Bonds - Original Issues		6. Total (1 through 5)	$ 1,324,015.93
b. Bonds - Refunding Issues		**B. Debt service on local obligations:**	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	$ -	a. Interest	$ 139,763.00
7. Total (1 through 6)	$ 2,092,491.87	b. Redemption	$ 689,000.00
B. Private Contributions		c. Total (a. + b.)	$ 828,763.00
C. Receipts from State government		2. Notes:	
(from page 2)	$ 60,287.06	a. Interest	
D. Receipts from Federal Government		b. Redemption	
(from page 2)	$ -	c. Total (a. + b.)	$ -
E. Total receipts (A.7 + B + C + D)	$ 2,152,778.93	3. Total (1.c + 2.c)	$ 828,763.00
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	$ 2,152,778.93

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	$ 7,492,000.00	$ -	$ 689,000.00	$ 6,803,000.00
1. Bonds (Refunding Portion)				$ -
B. Notes (Total)				$ -

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		$ 2,152,778.93	$ 2,152,778.93		$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/2025

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments	$ 288,532.71	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	$ 44,900.67
1. Sales Taxes	$ 1,690,833.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	$ 68,225.49	g. Other Misc. Receipts	
6. Total (1. through 5.)	$ 1,759,058.49	h. Other	
c. Total (a. + b.)	$ 2,047,591.20	i. Total (a. through h.)	$ 44,900.67
(Carry forward to page 1)		*(Carry forward to page 1)*	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes (from Item I.C.5.)	$ 54,797.35	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	$ 5,489.71	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	$ 5,489.71	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	$ 60,287.06	3. Total (1. + 2.g)	$ -
(Carry forward to page 1)		*(Carry forward to page 1)*	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			$ -
b. Engineering Costs			$ -
c. Construction:			
(1). New Facilities			$ -
(2). Capacity Improvements			$ -
(3). System Preservation		$ 565,182.00	$ 565,182.00
(4). System Enhancement And Operation			$ -
(5). Total Construction (1)+(2)+(3)+(4)	$ -	$ 565,182.00	$ 565,182.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	$ -	$ 565,182.00	$ 565,182.00
(Carry forward to page 1)			

Notes and Comments:

FORM FHWA-536