TOWN OF DOVE CREEK, COLORADO

Independent Accountants' Reports
And
Basic Financial Statements

December 31, 2025

TOWN OF DOVE CREEK, COLORADO

TABLE OF CONTENTS
December 31, 2025

Majors and Haley, P.C.

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INDEPENDENT AUDITOR'S REPORT

To the Town Board
Town of Dove Creek, Colorado
Dove Creek, Colorado 81324

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Dove Creek, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Dove Creek, Colorado's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Dove Creek, Colorado's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, 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 management's discussion and analysis 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.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Dove Creek's basic financial statements. The accompanying other supplemental information, as 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 such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information, including the Budgetary Comparison Schedules of the Water and Sanitation Funds and Local Highway Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Majors and Haley P.C.

Majors and Haley PC
Cortez, Colorado
June 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Town of Dove Creek, Colorado's (Town) financial performance provides an overview of the Towns financial activities for the fiscal year ended December 31, 2025. Please consider the information presented here in conjunction with additional information that can be found in the basic financial statements, as listed in the table of contents.

FINANCIAL HIGHLIGHTS

- The Town's net position decreased $242,061 as a result of this year's operations.
    - Net position of governmental activities decreased $58,794, which represents a 1.56% decrease.
    - Net position of business type activities decreased $183,267or 10.44%.
- The Town's total revenue was $1,521,880 which is a decrease of $119,492 from $1,641,372 in the prior year.
    - General revenues accounted for $729,423 in revenue or 47.9% of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for $792,457 or the remaining 52.1%.
- The Town incurred $1,763,941 in expenses which is a $363,912 increase from $1,400,029 in the prior year.
    - The general revenues of $729,423 were not adequate by $242,061 to cover the expenditures that were not offset by program specific revenues.
- The General Fund reported a $401,114 decrease in fund balance from $2,867,001 to $2,465,887. This is a 14% decrease. The General Fund had $157,110 in capital outlay.
- The business type activities decreased net position by $183,267 which consisted of an decrease in the Water Fund of $29,866 and an decrease in the Sanitation Fund of $153,401. Depreciation included was $40,156 in the Water Fund and $17,700 in the Sanitation Fund. Capitilized capital outlay was $96,986 in the Water Fund and $6,342 in the Sanitation Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report is comprised of a series of financial statements. Management's Discussion and Analysis is intended to serve as an introduction to the Town's basic financial statements. Comparison to prior year's activity is provided in this document. The basic financial statements are comprised of three components.

- Government-wide financial statements.
- Fund financial statements.
- Notes to the basic financial statements.

This report also contains required supplemental information, other supplementary information and information required by oversight authorities in addition to the basic financial statements themselves.

Government-wide Statements

The government-wide financial statements report information about the Town as a whole using accounting methods similar to those used by private companies. The government-wide financial statements include the Statement of Net Position and the Statement of Activities.

- The Statement of Net Position presents information about all of the Town's assets and liabilities. The difference between assets and liabilities is reported as net position.

- The Statement of Activities presents information showing how the net position of the Town changed during the current fiscal year. Changes in net position are recorded in the Statement of Activities when the underlying event occurs regardless of the timing of related cash flow. Thus, all of the revenues and expenses are taken into account regardless of when cash is received or paid.

The Government-wide financial statements are one way to measure the Town's financial health, or financial position.

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

- To assess the Town's overall health, you need to consider additional non-financial factors such as changes in the Town's property tax base and the condition of Town facilities.

In the Government-wide financial statements, the Town's activities are divided into two categories:

- ***Governmental activities-*** Most of the Town's basic services are included here, such as general government, public safety, public works and culture and recreation. These activities are financed mainly through property taxes and sales taxes. The Town's General Fund, Town Park and Recreation Fund and Street Fund are included here.

- ***Business-type activities-*** The Town charges fees to help cover the costs of certain services it provides. The Town's Water and Sanitation Funds are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the Town's funds, focusing on its most significant or "major" funds, not the Town as a whole. Funds are accounting devices the Town uses to keep track of specific sources of funding and spending on particular programs. Some funds are required to be established by state law. However, the Town can establish other funds to help it manage and control its finances to achieve certain results.

The Town uses two types of funds:

- ***Governmental funds-*** Most of the Town's basic services are included in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general operations and the services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the Government-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.

- ***Proprietary funds-*** Services for which the Town charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the Government-wide financial statements. The Town's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information such as cash flow analysis.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Total Town's assets increased by $22,309. The current assets decreased $557,062 and the noncurrent assets increased $579,371. The Town's liabilities increased by $258,586. The current liabilities increased $125,764 and the noncurrent liabilities increased $132,822.

The Town's combined net position was smaller on December 31, 2025 than it was at December 31, 2024, decreasing 4.39% to $5,272,284. The net position of governmental activities decreased $58,794 to $3,700,815. The net position of the Town's business type activities decreased $183,267 to $1,571,469.

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) on the Town's governmental and business-type activities.

TOWN OF DOVE CREEK, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
For the Year Ended December 31, 2025

Table 1
Comparative Summary Statement of Net Position
December 31, 2025 and 2024

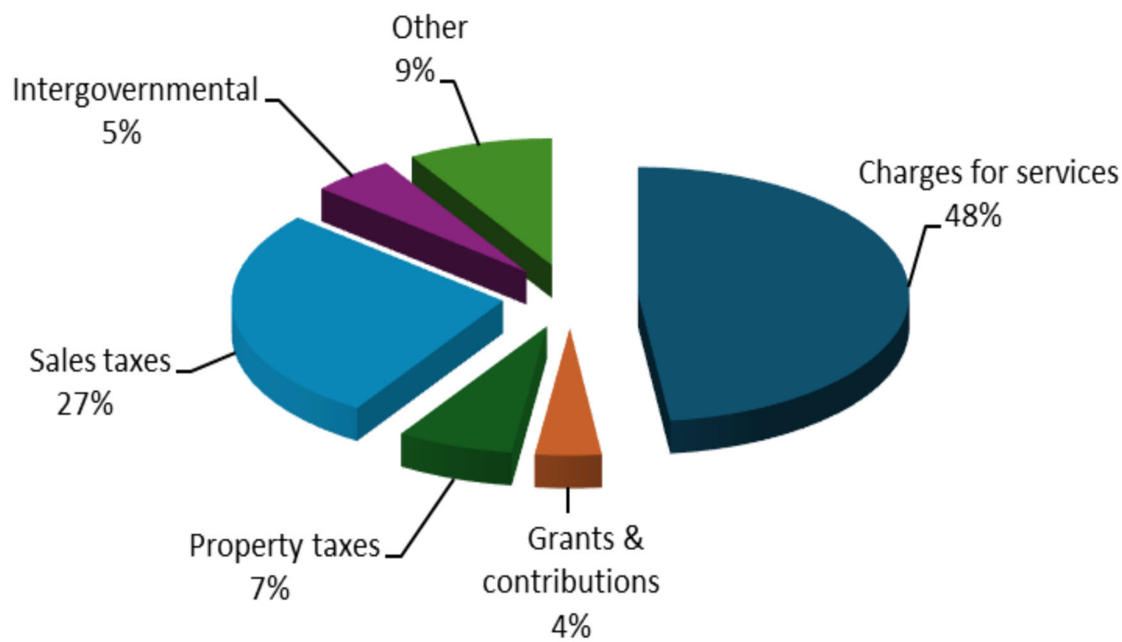
	Governmental Activities		Business-type Activities		Total Town	
	2025	2024	2025	2024	2025	2024
Assets						
Current assets	$ 2,834,450	$ 3,247,708	$ 690,974	$ 837,778	$ 3,525,424	$ 4,085,486
Noncurrent assets			3,917	3,917	3,917	3,917
Capital assets net of depr	1,185,876	629,997	1,251,753	1,206,281	2,437,629	1,836,278
Operating lease right of use asset			296,033	318,013	296,033	318,013
Total assets	4,020,326	3,877,705	2,242,677	2,365,989	6,263,003	6,243,694
Liabilities						
Current liabilities	72,665	17,881	175,505	104,525	248,170	122,406
Noncurrent liabilities	140,847		495,703	503,728	636,550	503,728
Total liabilities	213,512	17,881	671,208	608,253	884,720	626,134
Deferred Inflow of Resources	105,999	100,215			105,999	100,215
Net Position						
Net Invested in capital assets	1,045,029	629,997	1,251,753	1,009,899	2,296,782	1,639,896
Restricted	289,899	362,611	33,834	33,834	323,733	396,445
Unrestricted	2,365,887	2,767,001	285,882	711,003	2,651,769	3,478,004
Total net assets	$ 3,700,815	$ 3,759,609	$ 1,571,469	$ 1,754,736	$ 5,272,284	$ 5,514,345

Table 2
Comparative Summary Changes in Net Position
For the Year Ending December 31, 2025 and 2024

	Governmental Activities		Business-type Activities		Total Town	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues						
Charges for services	$ 85,966	$ 87,465	$ 646,247	$ 586,158	$ 732,213	$ 673,623
Operating grants & contributions	51,542	50,066		25,000	51,542	75,066
Capital grants & contributions			8,702	47,886	8,702	47,886
General revenues						
Property taxes	105,808	141,558			105,808	141,558
Sales taxes	415,902	411,620			415,902	411,620
Other	207,713	291,619			207,713	291,619
Total revenues	866,931	982,328	654,949	659,044	1,521,880	1,641,372
Expenses						
General government	448,519	305,319			448,519	305,319
Public safety	126,743	92,559			126,743	92,559
Public works	222,221	161,865			222,221	161,865
Culture and recreation	128,242	123,481			128,242	123,481
Water and Sewer			838,216	716,805	838,216	716,805
Total expenses	925,725	683,224	838,216	716,805	1,763,941	1,400,029
Increase (decrease) in net position	$ (58,794)	$ 299,104	$ (183,267)	$ (57,761)	$ (242,061)	$ 241,343

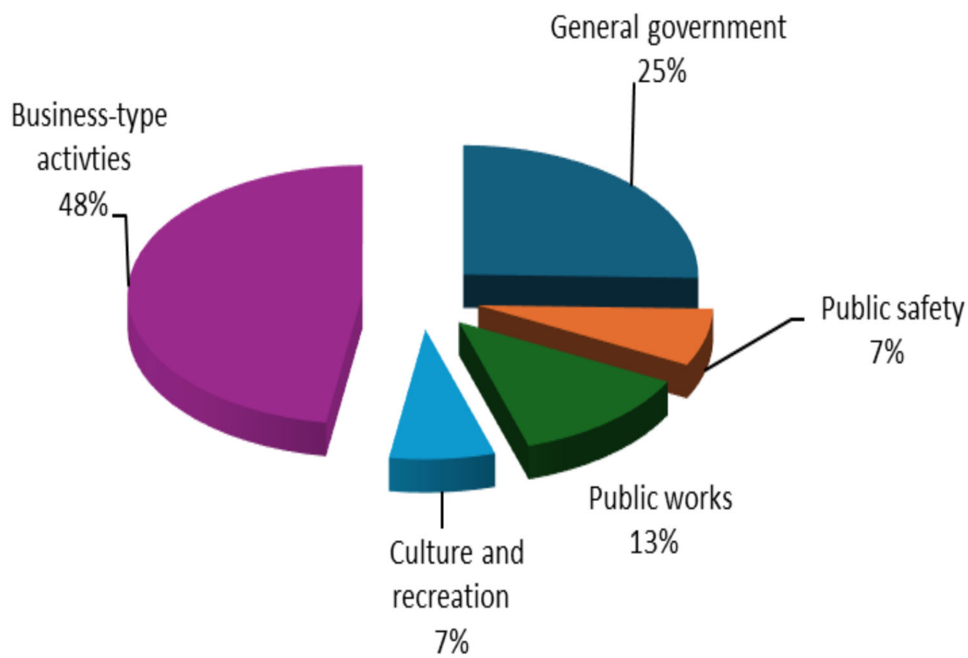
Intergovernmental revenues accounted for 5% of the Town's total revenues. Another 34% came from property and sales taxes; 48% from charges for services; and the remaining 13% came from operating and capital grants and other revenue.

Table 3
Sources of Revenue for Fiscal Year 2025



The Town's expenses are predominately related to business-type activities and general government which are 48% and 25%. Public works and public safety were 13% and 7%; the Town's culture and recreation activities accounted for the balance of 7%.

Table 4
Expenses for Fiscal Year 2025



GOVERNMENTAL ACTIVITIES

The primary sources of operating revenue for the Town governmental activities come from general property taxes, sales taxes and other revenues (primarily mineral leasing).

The statement of activities shows the cost of program services and the charges for services and grants offsetting those service costs. Table 5 shows, for governmental activities, the total cost of services and net cost of services. That is, it identifies the cost of these services supported by general revenues including general property taxes and sales taxes.

Table 5
Government Activities
For the Year Ending December 31, 2025 and 2024

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
General government	$ 448,519	$ 305,319	$ 378,678	$ 233,620
Public safety	126,743	92,559	126,743	92,559
Public works	222,221	161,865	180,374	126,133
Culture and recreation	128,242	123,481	102,422	93,381
Total	$ 925,725	$ 683,224	$ 788,217	$ 545,693

The cost of all governmental activities during the year was $925,725.

- $85,966 of the cost was financed by the users of the Town's programs.

- Federal and state government subsidized certain programs with grants and contributions of $51,542.

- However, $788,217 was financed by state and town taxpayers. The general revenues of $729,423 was not adequate to cover this. The general revenues consist of $39,425 in Mineral Leasing payments, $111,954 in property and specific ownership taxes, $415,902 in sales taxes and $162,142 in other general revenues.

BUSINESS-TYPE ACTIVITIES

Business-type activities are made up of the Water Fund and the Sanitation Fund. These programs had revenues of $654,949 and expenses of $838,216.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

Information about the Town's major governmental funds starts on page 16. The Town considers all the governmental funds major due to the size of the Town and their importance to operations. These funds are accounted for using the modified accrual basis of accounting. Total Government Funds had revenues of $866,931, Proceeds from Capital Lease of $157,110 and expenditures of $1,497,867.

General Fund Budgetary Highlights

The Town's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund.

- Actual expenditures (excluding transfers) were $306,256 more than budget in the General Fund, primarily because the Town did not budget for a Capital Lease.

SUMMARY OF LONG TERM DEBT

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025
General Fund				
John Deere		$ 157,110	$ 16,263	$ 140,847
Enterprise Fund				
Water Fund				
Water Fund Project				
CWCB	$ 196,381	3,289		199,670
Operating Lease	318,013	(21,980)		296,033
	$ 514,394	$ 138,419	$ 16,263	$ 636,550

Additional information on the Town's Long Term Debt can be found in the Notes to the Financial Statements on pages 35 to 38 of this report.

CAPITAL ASSET ADMINISTRATION

By the end of 2025, the Town has invested $5,142,231 in land, buildings, and equipment (including vehicles), of this total $1,510,838 was from governmental activities.

Table 6
Capital Assets at December 31, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total Town	
	2025	2024	2025	2024	2025	2024
Land	$ 182,989	$ 486,335	$ 32,652	$ 32,652	$ 215,641	$ 518,987
Buildings	405,334	439,429	519,547	519,547	924,881	958,976
Equipment/Facilities	364,894	585,074	3,636,815	3,740,143	4,001,709	4,325,217
Total	$ 953,217	$ 1,510,838	$ 4,189,014	$ 4,292,342	$ 5,142,231	$ 5,803,180

Additional information on the Town's capital assets can be found in the Notes to the Financial Statements on page 34 of this report.

FACTORS BEARING ON THE TOWN'S FUTURE

At the time these financial statements were prepared and audited, the Town is not aware of any existing circumstances that could significantly affect its financial health in the future.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Town's citizens, taxpayers, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town of Dove Creek Administration Office, PO Box 508 Dove Creek, Colorado 81324.

TOWN OF DOVE CREEK, COLORADO

Statement of Net Position

December 31, 2025

	Governmental Activities	Business-type Activities	Total
Assets			
Current assets			
Cash-unrestricted	$ 2,408,471	$ 906,286	$ 3,314,757
Property tax receivable	105,999		105,999
Other receivables		46,449	46,449
Intergovernmental receivable		10,201	10,201
Due from other funds	271,962	(271,962)	-
Due from other governments	48,018		48,018
Noncurrent assets			
Investments in water taps		3,917	3,917
Capital assets, net of depreciation	1,185,876	1,251,753	2,437,629
Operating lease right of use asset		296,033	296,033
Total Assets	4,020,326	2,242,677	6,263,003
Liabilities			
Current liabilities			
Accounts payable	54,164	175,505	229,669
Accrued payroll tax liabilities	18,501		18,501
Long-term liabilities			
Due within one year	26,509	11,313	37,822
Due in more than one year	114,338	484,390	598,728
Total Liabilities	213,512	671,208	884,720
Deferred Inflow of Resources			
Unearned tax revenue	105,999		105,999
Net Position			
Net investment in capital assets	1,045,029	1,251,753	2,296,782
Restricted			
TABOR	100,000		100,000
Debt Service expenditures		33,834	33,834
Street expenditures	169,781		169,781
Park and Recreation expenditures	20,118		20,118
Unrestricted	2,365,887	285,882	2,651,769
Total Net Position	$ 3,700,815	$ 1,571,469	$ 5,272,284

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Statement of Activities

For the Year Ended December 31, 2025

		Program Revenues			Net (Expenses) Revenue And Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	$ 448,519	$ 69,841			$ (378,678)		$ (378,678)
Public safety	126,743				(126,743)		(126,743)
Public works	222,221		$ 41,847		(180,374)		(180,374)
Culture and recreation	128,242	16,125	9,695		(102,422)		(102,422)
Total Governmental Activities	925,725	85,966	51,542		(788,217)		(788,217)
Business-Type Activities							
Water	434,634	396,066		$ 8,702		$ (29,866)	(29,866)
Sanitation	403,582	250,181				(153,401)	(153,401)
Total Business-Type Activities	838,216	646,247	-	8,702		(183,267)	(183,267)
Total Town	$ 1,763,941	$ 732,213	$ 51,542	$ 8,702	(788,217)	(183,267)	(971,484)

	Governmental Activities	Business-type Activities	Total
General Revenues			
Property tax	105,808		105,808
Specific Ownership tax	6,146		6,146
Sales and Use tax	415,902		415,902
Motor Vehicle License Fees	3,161		3,161
Franchise tax	52,372		52,372
Intergovernmental			
Mineral Leasing	39,425		39,425
Severance Tax	503		503
Tobacco Products tax	718		718
Net on Sale of Equipment	35,630		35,630
Earnings on investments	69,758		69,758
Total General Revenues	729,423	-	729,423
Change in Net Position	(58,794)	(183,267)	(242,061)
Net Position Beginning of the Year	3,759,609	1,754,736	5,514,345
Net Position End of the Year	$ 3,700,815	$ 1,571,469	$ 5,272,284

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Balance Sheet
Governmental Funds

December 31, 2025

	General Fund	Street Fund	Town Park and Recreation Fund	Total
Assets				
Cash-unrestricted	$ 2,134,193	$ 195,390	$ 78,888	$ 2,408,471
Property tax receivable	105,999			105,999
Due from other funds	423,618			423,618
Due from other governments	48,018			48,018
Total Assets	$ 2,711,828	$ 195,390	$ 78,888	$ 2,986,106
Liabilities				
Accounts payable	$ 48,705	$ 4,402	$ 1,057	$ 54,164
Accrued payroll tax liabilities	18,501			18,501
Due to other funds	72,736	21,207	57,713	151,656
Total Liabilities	139,942	25,609	58,770	224,321
Deferred Inflow of Resources				
Unearned revenue property tax	105,999			105,999
Fund Balance				
Restricted				
TABOR	100,000			100,000
Street expenditures		169,781		169,781
Park and Recreation expenditures			20,118	20,118
Assigned				
Subsequent year's expenditures	2,365,887			2,365,887
Total Fund Balance	2,465,887	169,781	20,118	2,655,786
Total Liabilities and Fund Balance	$ 2,711,828	$ 195,390	$ 78,888	$ 2,986,106

Reconciliation of the Governmental Fund Balance Sheet with the Statement of Net Position

Total Fund Balance Governmental Fund		$ 2,655,786
Amounts reported for governmental activities in the Statement of Net Position are different because		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The net effect of these differences in the treatment of capital assets is as follows:		
Capital assets	$ 1,510,838	
Accumulated depreciation	(324,962)	1,185,876
Governmental funds report debt issuance as an other financing source while repayment of debt principle is reported as an expenditure. However, in the Statement of Activities debt is reported and the repayment of debt is taken is taken against the debt. The net effect of these differences in the treatment of long-term debt is as follows:		
Due in year	(157,110)	
Due in more than one year	16,263	(140,847)
Total Net Position Governmental Activities		$ 3,700,815

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

For the Year Ended December 31, 2025

	General Fund	Street Fund	Town Park and Recreation Fund	Total
Revenues				
Taxes	$ 432,168	$ 144,352	$ 12,902	$ 589,422
Licenses and permits	1,119			1,119
Intergovernmental	40,646	35,825	9,695	86,166
Local	174,099		16,125	190,224
Total Revenues	648,032	180,177	38,722	866,931
Expenditures				
General government	441,432			441,432
Public safety	126,743			126,743
Public works	36,839	165,133		201,972
Culture and recreation			126,478	126,478
Capital outlay	601,242		-	601,242
Total Expenditures	1,206,256	165,133	126,478	1,497,867
Excess revenues over (under) expenditures	(558,224)	15,044	(87,756)	(630,936)
Other financing sources (uses)				
Proceeds from Capital Lease	157,110			157,110
Total other financing sources (uses)	157,110	-	-	157,110
Net Change in Fund Balances	(401,114)	15,044	(87,756)	(473,826)
Fund Balances beginning of the year	2,867,001	154,737	107,874	3,129,612
Fund Balances end of the year	$ 2,465,887	$ 169,781	$ 20,118	$ 2,655,786

Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities

Net Change in Fund Balances Governmental Fund		$ (473,826)
Amounts reported for governmental activities in the Statement of Activities are different because		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The net effect of these differences in the treatment is as follows:		
Capital outlay	$ 601,242	
Depreciation expense	(45,363)	555,879
Governmental funds report debt issuance as an other financing source while repayment of debt principle is reported as an expenditure. However, in the Statement of Activities the repayment of debt is taken against the debt. The net effect of these difference in the treatment of long-term debt is as follows:		
Principal payments on long-term debt	(157,110)	
Proceeds from leases	16,263	(140,847)
Change in Net Position of Governmental Activities		$ (58,794)

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Statement of Net Position
Proprietary Fund Types - Enterprise Funds

December 31, 2025

	Business-type Activities		
	Water	Sanitation	Total
Assets			
Current Assets			
Cash	$ 388,437	$ 517,849	$ 906,286
Receivables-net			
Accounts receivable	24,628	21,821	46,449
Due from other funds	72,736	69,292	142,028
Grants receivable	10,201		10,201
Noncurrent Assets			
Investments in Water Taps	3,917		3,917
Capital assets, net of depreciation	1,019,749	232,004	1,251,753
Operating lease right of use asset	296,033		296,033
Total Assets	1,815,701	840,966	2,656,667
Liabilities			
Current Liabilities			
Accounts payable	11,946	163,559	175,505
Due to other funds	242,714	171,276	413,990
Current portion of operating lease liability	11,313		11,313
Noncurrent Liabilities			
Operating lease liability	296,033		296,033
Note payable CWCB	188,357		188,357
Total Liabilities	750,363	334,835	1,085,198
Net Position			
Net investment in capital assets	1,019,749	232,004	1,251,753
Restricted for debt service	33,834		33,834
Unrestricted	11,755	274,127	285,882
Total Net Position	$ 1,065,338	$ 506,131	$ 1,571,469

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Statement of Revenues, Expenses and Changes in Net Position
Propietary Fund Types - Enterprse Funds

For the Year Ended December 31, 2025

	Business-type Activities		
	Water	Sanitation	Total
Operating revenues			
Water sales and sewer fees	$ 363,261	$ 250,181	$ 613,442
Water dock	30,270		30,270
Miscellaneous revenue	2,535		2,535
Total operating revenues	396,066	250,181	646,247
Operating expenses			
Administration	50,461	34,817	85,278
Source of supply	44,660		44,660
Water and sewer treatment	245,064	351,065	596,129
Transmission and distribution	54,260		54,260
Depreciation	40,156	17,700	57,856
Total operating expenses	434,601	403,582	838,183
Operating income (loss)	(38,535)	(153,401)	(191,936)
Non-operating revenues (expenses)			
Grants	8,702		8,702
Loan origination fees	(33)		(33)
Total non-operating revenues (expenses)	8,669	-	8,669
Change in net position	(29,866)	(153,401)	(183,267)
Net position beginning of the year	1,095,204	659,532	1,754,736
Net position end of the year	$ 1,065,338	$ 506,131	$ 1,571,469

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Statement of Cash Flows
Propietary Fund Type - Enteprise Funds

For the Year Ended December 31, 2025

	Business-type Activities		
	Water	Sanitation	Total
Cash Flows From Operating Activities			
Cash received from customers	$ 313,779	$ 249,749	$ 563,528
Cash received from miscellaneous income	2,535		2,535
Cash payments to employees for services	(50,591)	(139,865)	(190,456)
Cash payments to suppliers for goods and services	(302,998)	(52,817)	(355,815)
Net Cash Flows provided (used) by Operating Activities	(37,275)	57,067	19,792
Cash Flows From Capital and Related Financing Activities			
Capital grant received	19,386		19,386
Proceed from long-term debt net	3,255		3,255
Capital asset acquisitions	(96,986)	(6,342)	(103,328)
Net Cash Flows provided (used) by Capital and Financing Activities	(74,345)	(6,342)	(80,687)
Net Increase (Decrease) in Cash and Cash Equivalents	(111,620)	50,725	(60,895)
Cash and Cash Equivalents - Beginning	500,057	467,124	967,181
Cash and Cash Equivalents - Ending	$ 388,437	$ 517,849	$ 906,286
Reconciliation of operating income (loss) to Net Cash provided (used) by Operating Activities			
Operating income (loss)	$ (38,535)	$ (153,401)	$ (191,936)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	40,156	17,700	57,856
Changes in Assets and Liabilities			
(Increase) Decrease in			
Accounts receivable	(7,016)	(432)	(7,448)
Due to other funds	(72,736)	(46,975)	(119,711)
Increase (Decrease) in			
Accounts payable	(80,141)	161,788	81,647
Due to other funds	120,997	78,387	199,384
Net Cash provided (used) by Operating Activities	$ (37,275)	$ 57,067	$ 19,792
Supplemental Cash Flows Information			
Right of use assets obtained in exchange for lease obligations			
Operating lease			
Principal	$ 10,667		$ 10,667
Interest	19,281		19,281
Facilities purchased through issuance of long term debt	3,255		3,255
Total	$ 33,203	$ -	$ 33,203

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund

For the Year Ended December 31, 2025

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Revenues				
Taxes				
Property tax	$ 100,215	$ 100,215	$ 105,808	$ 5,593
General sales tax	280,000	280,000	258,046	(21,954)
Use tax	10,000	10,000	15,931	5,931
Franchise tax	50,000	50,000	52,372	2,372
Other			11	11
Total taxes	440,215	440,215	432,168	(8,047)
Licenses and permits				
Business licenses and permits	800	800	390	(410)
Nonbusiness licenses and permits	1,000	1,000	729	(271)
Total licenses and permits	1,800	1,800	1,119	(681)
Intergovernmental revenues				
Mineral leasing	75,000	75,000	39,425	(35,575)
Severance	20,000	20,000	503	(19,497)
Tobacco product	500	500	718	218
Grants				-
Total intergovernmental revenues	95,500	95,500	40,646	(54,854)
Local revenues				
Earnings on investments			69,758	69,758
Lease	11,600	11,600	10,890	(710)
Fines	45,000	45,000	38,518	(6,482)
Sale of equipment			35,630	35,630
Miscellaneous	5,000	5,000	19,303	14,303
Total local revenues	61,600	61,600	174,099	112,499
Total revenues	**599,115**	**599,115**	**648,032**	**48,917**

Continued

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund

For the Year Ended December 31, 2025

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Expenditures				
General government				
Legislative	$ 21,000	$ 21,000	$ 21,702	$ (702)
Judicial	10,000	10,000	8,800	1,200
Elections	17,500	17,500		17,500
Board	10,000	10,000	8,750	1,250
Administrative				
Salary and wages	93,166	93,166	97,625	(4,459)
Payroll taxes	5,500	5,500	7,497	(1,997)
Employee benefits	17,000	17,000	28,100	(11,100)
Office	50,000	50,000	55,081	(5,081)
Printing and publications	6,000	6,000	15,456	(9,456)
Utilities and telephone	29,000	29,000	23,798	5,202
Technology	15,000	15,000	7,663	7,337
Legal	37,500	37,500	38,047	(547)
Auditing	13,000	13,000	12,500	500
Outside services	5,200	5,200	30,545	(25,345)
Insurance	38,000	38,000	51,349	(13,349)
Security		-	24,954	(24,954)
Training and travel	3,000	3,000	2,970	30
Treasurer's fees	4,500	4,500	2,000	2,500
Miscellaneous	1,000	1,000	4,595	(3,595)
Total general government	376,366	376,366	441,432	(65,066)
Public safety				
Sherriff contract	100,818	100,818	102,390	(1,572)
Jail	3,000	3,000		3,000
Supplies	5,000	5,000	4,507	493
Animal control	15,000	15,000	1,925	13,075
Code enforcement	8,000	8,000		8,000
Abatements	50,000	50,000	15,910	34,090
Street Lights		-		-
Miscelleneous	2,500	2,500	2,011	489
Total public safety	184,318	184,318	126,743	57,575
Public Works				
Shop	24,000	24,000	10,585	13,415
Debt Service			26,254	(26,254)
Total Public Works	24,000	24,000	36,839	(12,839)
Capital Outlay	51,134	315,316	601,242	(285,926)
Total expenditures	**635,818**	**900,000**	**1,206,256**	**(306,256)**

Continued

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund

For the Year Ended December 31, 2025

	Budgeted Amounts			Variance Favorable
	Original	Final	Actual	(Unfavorable)
Excess (deficit) of revenues Over (under) expenditures	$ (36,703)	$ (300,885)	$ (558,224)	$ (257,339)
Other financing sources (uses)				
Proceeds from Capital Lease			157,110	157,110
Total other financing sources (uses)			**157,110**	**157,110**
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses	**(36,703)**	**(300,885)**	**(401,114)**	**(100,229)**
Fund balance, beginning of the year	2,377,565	2,377,565	2,867,001	489,436
Fund balance, end of the year	**$ 2,340,862**	**$ 2,076,680**	**$ 2,465,887**	**$ 389,207**

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Street Fund

For the Year Ended December 31, 2025

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Revenues				
Taxes				
Specific ownership	$ 4,000	$ 4,000	$ 6,146	$ 2,146
General sales	140,000	140,000	129,023	(10,977)
Motor vehicle registration	2,000	2,000	3,161	1,161
Road and Bridge Fee	4,000	4,000	6,022	2,022
Total taxes	150,000	150,000	144,352	(5,648)
Intergovernmental revenues				
Highway users	20,000	20,000	35,825	15,825
Total intergovernmental revenues	20,000	20,000	35,825	15,825
Local revenue		-		-
Total revenues	**170,000**	**170,000**	**180,177**	**10,177**
Expenditures				
Public works				
General labor	77,000	77,000	82,505	(5,505)
Payroll tax	6,500	6,500	6,476	24
Employee benefits	24,000	24,000	27,878	(3,878)
Maintenance of condition	32,000	32,000	-	32,000
Snow and ice removal	4,000	4,000		4,000
Highway equipment	16,365	16,365	8,416	7,949
Utilities			1,568	(1,568)
Office				-
Supplies	3,000	3,000	12,982	(9,982)
Repairs	4,135	4,135	7,531	(3,396)
Street lights		-	17,552	(17,552)
Miscellaneous	3,000	3,000	225	2,775
Total public works	170,000	170,000	165,133	4,867
Total expenditures	**170,000**	**170,000**	**165,133**	**4,867**
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses	**-**	**-**	**15,044**	**15,044**
Fund balance, beginning of the year	125,057	125,057	154,737	29,680
Fund balance, end of the year	**$ 125,057**	**$ 125,057**	**$ 169,781**	**$ 44,724**

The accompanying notes are an integral part of this statement.

TOWN OF DOVE CREEK, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Town Park and Recreation Fund

For the Year Ended December 31, 2025

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Revenues				
Taxes				
General sales	$ 14,000	$ 14,000	$ 12,902	$ (1,098)
Total taxes	14,000	14,000	12,902	(1,098)
Intergovernmental revenues				
Lottery funds	7,000	7,000	8,083	1,083
Grants	5,000	5,000	1,612	(3,388)
Total intergovernmental revenues	12,000	12,000	9,695	(2,305)
Local revenues				
Charges for services	13,000	13,000	13,735	735
Building rent	2,000	2,000	1,540	(460)
Donations	10,000	10,000	850	(9,150)
Miscellaneous	2,500	2,500		(2,500)
Total local revenues	27,500	27,500	16,125	(11,375)
Total revenues	**53,500**	**53,500**	**38,722**	**(14,778)**
Expenditures				
Culture and recreation				
Recreation director	38,000	38,000	36,927	1,073
Payroll tax	3,300	3,300	2,899	401
Employee benefits	28,599	28,599	30,616	(2,017)
Operating supplies	3,000	3,000	960	2,040
Park	15,000	15,000	15,263	(263)
Utilities and telephone	13,700	13,700	16,471	(2,771)
Office	1,078	1,078	884	194
Sports and education	5,000	5,000	17,343	(12,343)
Community Center	3,000	3,000		3,000
Janitorial	7,000	7,000	1,643	5,357
Repairs	5,000	32,323	3,472	28,851
Miscellaneous		-		-
Total Culture and recreation	122,677	150,000	126,478	23,522
Total expenditures	**122,677**	**150,000**	**126,478**	**23,522**
Excess (deficit) of revenues over (under) expenditures	(69,177)	(96,500)	(87,756)	8,744
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses	**(69,177)**	**(96,500)**	**(87,756)**	**8,744**
Fund balance, beginning of the year	71,177	98,500	107,874	9,374
Fund balance, end of the year	**$ 2,000**	**$ 2,000**	**$ 20,118**	**$ 18,118**

The accompanying notes are an integral part of this statement.

Summary of Significant Accounting Policies - The Town of Dove Creek, Colorado's (the Town) financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statement of Interpretations).

The following significant accounting policies were applied to the preparation of the accompanying financial statements.

Reporting Entity – Town of Dove Creek, Colorado is a statutory (non-home-rule) Town and serves as an administrative unit of the State of Colorado.

Town board members are elected by the citizens of the Town, not appointed by any other governing body. The Board selects the Town Manager. The Board is solely responsible for the Town's budget adoption process. The Town has the authority to levy taxes and issue debt. The Town meets the criteria of a primary government; its' board is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The Town is not included in any other government reporting entity. In addition, there are no component units based on criteria set forth in GASB Statement 61, the financial reporting entity omnibus an amendment of GASB Statement 14 and 34.

Government-wide and Fund Financial Statement Presentation

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) display information on all the non-fiduciary activities of the primary government. The effect of Interfund activities has been removed from these statements. These statements distinguish between the governmental and business-type activities of the Town. Governmental activities are supported by taxes and intergovernmental revenues. Business-type activities are financed, to a significant extent, by fees and charges.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) fees and 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. Revenues that are not classified as program revenues, including all taxes, are reported as general revenues.

The accounts of the Town are organized based on funds, each of which is considered a separate accounting entity. Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds represent the Towns most important funds and are reported as separate columns in the fund financial statements. All remaining funds are aggregated and reported as non-major funds. The Town has no non-major funds.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. On an accrual basis, property taxes are recognized as revenue in the year for which they become enforceable. Grants and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been met.

The effect of interfund activity has generally been eliminated from the governmental-wide financial statements. Exceptions to this are charges between the Town's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental Funds are used to account for the Town's general governmental activities. 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 available when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from long-term debt and capital leases are reported as other financing sources.

Those revenues subject to accrual are property taxes, charges for services and expended grants associated with the current fiscal period. All other revenue items are considered measurable and available only when cash is received by the government.

The accounts of the Town are organized and operated based on funds. A fund is an independent fiscal accounting entity, with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained by the Town is consistent with legal and managerial requirements. The following are the Town's governmental funds. All are considered major funds due to the small size of the Town and their importance to operations.

General Fund – is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include local property taxes, sales taxes and intergovernmental revenues.

Street Fund – was established with a sales tax ballot issue approved by the voters to begin in 2023. It accounts for all the Town's financial resources and expenditures for the operations of the street activities.

Town Park and Recreation Fund – was established with a sales tax ballot issue approved by the voters to begin in 2023. It accounts for all of the Town's financial resources and expenditures related to the Town Park, Community Center and recreational activities.

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods relating to a proprietary fund's principal ongoing operations. The principal revenues of the Town's enterprise funds are charges for services. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Town's major enterprise funds are:

Water Fund - is used to account for the financial transactions related to the water treatment and distribution operations of the Town.

Sanitation Fund - accounts for the sanitation services provided by the Town.

Cash and Cash Equivalents – for the purpose of the Statement of Cash Flows of the Enterprise Funds it is considered to be cash on hand, demand deposits, and the highly liquid investments with a maturity of six months or less.

Capital Assets, which include land, buildings and improvements, and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. The Town maintains a capitalization threshold of $10,000 for major outlays for buildings and improvements. As per GASB 34 the Town has elected to report infrastructure assets on a prospective basis. Therefore, infrastructure acquired before January 1, 2004 is not included in the financial statements.

The cost of normal maintenance and repairs that do not add to the value of an asset or materially extend the life of an asset are not capitalized.

All reported capital assets are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and Improvements	15-50 Years	N/A
Furniture and Equipment	10 Years	10-40 Years
Vehicles	5-8 Years	N/A

Deferred Outflows/Inflows of Resources- arises when potential revenue or expense does not meet both the “measurable” and “available” criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

Compensated absences - Compensated absences arise from policies concerning vacation and personal leave. Town employees receive two weeks of vacation per year. Personal leave is granted at the rate of one week per year. Vacation and sick leave do not vest or accumulate with employees; that is, the employees have no right to be paid for any of these if not taken in the time indicated, or if they terminate. Under generally accepted accounting principles there is, therefore, no expense or liability included in the financial statements.

Short-term Inter-Fund Receivables/Payables - During the course of operations, certain transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the Government - wide statement of net position and, classified as due from other funds or due to other funds on the balance sheet.

Operating Revenues and Expenses- Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Town, these revenues are sales related to water and sanitation services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activities of the fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Inter-fund Transactions - Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires the Town's management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows and inflows of resources, revenues, and expenditures (expenses). Actual results could differ from those estimates and assumptions used.

Property Tax Revenue Recognition - Property taxes are billed and collected on behalf of the Town by the Dolores County Treasurer. The property taxes are levied and certified in December of the year prior to the year the taxes are collected. Property taxes become an enforceable lien on January 1 of each year. Secured property taxes are due in two equal installments on February 28 and June 15 and are delinquent after February 28 and June 15, respectively. The entire balance can be paid by April 30 without penalty. Property taxes levied are recorded as deferred revenues in the year levied, as they are not due or enforceable until the following year.

Budgets and Budgetary Accounting – The Town is required by Colorado Statutes to adopt annual budgets for all funds. Each budget is prepared on the same basis (U.S. GAAP basis) as that used for accounting purposes, except for the Proprietary Funds, which are prepared essentially on the modified accrual basis of accounting. This basis of accounting is at variance with U.S. GAAP.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

> Prior to October 15, the Town Clerk submits to the Town Board 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 comment.

Prior to December 31, the budget is legally adopted through passage of adoption and appropriations resolutions.

Formal budgetary integration is employed as a management control device during the year.

The Town Clerk is authorized to transfer budget amounts within the department. However, the Town Board must approve any revisions that alter the total expenditures of any department.

Appropriations are adopted by resolution for each fund in total and lapse at the end of each year. Over-expenditures are not deemed to exist unless the fund as a total has expenditures in excess of appropriations.

Net Position - Net position represent the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net Position should be displayed in the following three components:

- Net investment in capital assets represents capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted consists of restricted assets that have limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- Unrestricted consists of the net amounts of assets, deferred outflows and inflows or resources and liabilities that are not included in the determination of net investment in capital assets or the restricted components of the net position.

When determining categories of net position, it is assumed that the type of expenditures determines the primary use of net position. When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the Town considers restricted funds to have been spent first.

Governmental Fund Balances – The fund balances of the governmental funds are reported in classifications based on the extent to which the Town is bound to honor constraints for the specific purposes on which amounts in the fund can be spent as follows:

- Nonspendable fund balance represents assets that cannot be spent because of their form or legally or contractually must be maintained intact.
- Restricted fund balance reflects resources that are subject to externally enforceable legal limitations.

- Committed fund balance is the portion that is limited to specific purposes determined by a formal action of the Town Board, the Town's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Town Board.
- Assigned fund balance displays the Town's intended use of these resources. The assigned fund balance amounts are assigned by the Town Board per the Town policy.
- Unassigned fund balance represents resources with residual net resources.

When determining categories of fund balance, it is assumed that the type of expenditure determines the primary use of fund balance. 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. Once the commitment or assignment is satisfied unassigned resources are used.

Cash and Investments **–** The Town maintains its cash in the form of deposits in local financial institutions.

Custodial Credit Risk – for deposits is the risk that, in the event of a bank failure, the Town's deposits might not be received. However, there is no custodial risk for public deposits because they are collateralized under the Colorado Public Deposit Protection Act (PDPA). PDPA specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets, to be maintained by another institution or held in trust for all of its local government depositors as a group, with a fair market value at least equal to 102% of the uninsured deposits. The State Regulatory Commissions for banks and savings and loan associations are required be statute to monitor the naming of eligible depositories and the reporting of uninsured deposits and assets maintained in collateral pools.

At December 31, 2025, the carrying amount of the Town's deposits was $3,314,757 and the bank balance was $3,531,567. The Town's bank balances at December 31, 2025 and during the year then ended were entirely covered by FDIC insurance or pledged collateral held by the Town's agent bank in the name of governmental accounts of which the Town is a part.

Investments - At December 31, 2025, the Town had no investments other than $3,917 invested in water taps within the Water Fund.

Capital Assets **–** Capital asset activity for the fiscal year ended December 31, 2025 Are as follows:

	Capital Assets Jan 1, 2025	Additions	Deletions	Capital Assets Dec 31, 2025
Governmental Activities				
Capital assets, not being depreciated				
Land	$ 182,989	$ 303,346		$ 486,335
Capital assets, being depreciated				
Buildings and improvements	405,334	34,095		439,429
Equipment and vehicles	364,894	263,801	$ (43,621)	585,074
Total capital assets being depreciated	770,228	297,896	(43,621)	1,024,503
Less accumulated depreciation	(323,220)	(45,363)	43,621	(324,962)
Total capital assets being depreciated, net	447,008	252,533	-	699,541
Total governmental activities, net	$ 629,997	$ 555,879	$ -	$ 1,185,876
Business Type Activities				
Capital assets, not being depreciated				
Land	$ 32,652			$ 32,652
Capital assets, being depreciated				
Buildings and improvements	519,547			519,547
Equipment and facilities	3,636,815	$ 103,328		3,740,143
Total capital assets being depreciated	4,156,362	103,328		4,259,690
Less accumulated depreciation	(2,982,733)	$ (57,856)		(3,040,589)
Total capital assets being depreciated, net	1,173,629	45,472		1,219,101
Total Business Type Activities, net	$1,206,281	$ 45,472	$ -	$1,251,753

Depreciation expense was charged as a direct expense to the following governmental programs:

Depreciation Expense	
General government	$ 7,087
Public works	36,512
Culture and recreation	1,764
Total depreciation governmental activities	$ 45,363

Enterprise Fund – Water Fund Project to design and construct reservoir – In 2022 the Town entered into contracts with the Colorado Water Conservation Board (CWCB). The purpose of the contracts was to fund a project to design and construct a new reservoir to meet the water demand of the Town's users during drought and during times when the Dove Creek canal is unable to convey water. With this project, the Town will be able to increase and improve the reliability of the water it has available and deliver it to the treatment facility and its customers. The cost of the project is estimated at $1,600,000, including design, engineering, legal, financing and administrative costs relating thereto, and any other costs incidental thereto. To fund this project, the Town received a grant with the CWCB with a maximum amount of $800,000. The grant required a matching expense that the Town funded with a loan from the CWCB for a maximum amount of $800,000. The loan includes a 1% loan origination fee of the actual amount received. The loan is to be repaid with an annual loan payment of $33,883.41 including interest at 1.55% over 30 years starting from the substantial completion date of the project or five (5) years from the projected performance beginning date of the project. For all loan funds disbursed by the CWCB prior to the contract project performance end date, interest shall accrue on the disbursed funds at the rate se by the CWCB for this loan (1.55%). The CWCB shall calculate the amount of the interest that accrued prior to the project's substantial completion (as determined by the CWCB) and notify the Town of such amount. The Town shall repay that amount to the CWCB either (1) within thirty (30) days of notification from the CWCB, (2) at the CWCB's discretion, said interest shall be deducted from the final disbursement of loans funds that the CWCB make to the Town, or (3) at the CWCB's discretion, said interest shall be rolled into the Town's total loan amount due. Due to the uncertainty of the outcome the Town has not accrued interest on this loan in the current financial statements. The Town pledges to the CWCB, for the purpose of repaying the total loan amount, pledged revenues, in such amount as is necessary to make each annual payment due under this contract. The Town has restricted the first annual payment of $33,833.41.

The following is the total water fund project cost to date including loan origination fees.

	Total Project	Grant	Loan
Totals per year			
2022	$ 226,617	$ 112,745	$ 113,872
2023	67,952	33,807	34,145
2024	96,250	47,886	48,364
2025	6,544	3,255	3,289
Total	$ 397,363	$ 197,693	$ 199,670

This entire loan is reported as noncurrent liabilities of the Enterprise Fund – Water Fund.

Enterprise Fund – Water Fund Water Contract - On February 23, 1988, in accordance with Article 7 of the contract 7-07-40-W0470 between the United States Department of Interior Bureau of Reclamation and the Dolores Water Conservancy District dated September 23, 1977, issuance of the Development Block Notice 3 for the Town of Dove Creek, Colorado to provide an annual average project water supply of 600 acre-feet within the Town's water delivery system with a repayment obligation of $898,998 with a project interest rate of 6.063 percent was signed. The first annual payment of $54,249 was due February 1, beginning in the year 1997 and continuing until they year 2046. On March 12, 1991 the Development Block Notice 3 was amended to allow for water deliveries and repayment to begin in the year 1991. On June 23, 1997 the Development Block Notice 3 was again amended to allocate 320 acre-feet back to the Dolores Water Conservancy District leaving the Town of Dove Creek with 280 acre-feet at a total obligation of $497,701 and changed the annual payment for 1997 to $25,317, then $30,426 annually through 2001, $29,948 annually through 2040 and then diminishing through the final payment of $1,015 in 2046.

This is an operating lease to purchase water during the contract with no transferring of the ownership rights. It is recorded as a right of use asset ($296,033) and liability ($296,033 and as an operating lease ($29,948) on the financial statements in the Enterprise Water Fund.

The annual payments are summarized below:

Year Ending December 31	Payment	Interest	Principal	Balance
2026	$ 29,948	$ 17,949	$ 11,999	$ 284,034
2027	29,948	17,221	12,727	271,307
2028	29,948	16,449	13,499	257,808
2029	29,948	15,631	14,317	243,491
2030	29,948	14,764	15,184	228,307
2031 - 2035	149,740	58,834	90,906	137,401
2035 - 2040	142,267	27,723	114,544	22,857
2041 - 2045	25,019	2,162	22,857	-

Capital Lease for John Deere Backhoe and Rail Forks – In 2025 the Town entered into a contract with John Deere for a John Deere backhoe and rail forks. The purchase price was $157,110 with 36 lease payments of $3,282 with an effective interest rate of 9.985% and a purchase price option of $71,667.89. The payments are made by the General Fund and lease is secured by the equipment.

The annual payments are summarized below:

Year Ending December 31	Payment	Interest	Principal	Balance
2026	$ 39,381	$ 12,872	$ 26,509	$ 114,338
2027	39,381	9,825	29,556	84,782
2028	16,406	3,312	13,094	71,688

Summary of Long Term Debt - consist of the following:

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025
General Fund				
John Deere		$ 157,110	$ 16,263	$ 140,847
Enterprise Fund				
Water Fund				
Water Fund Project				
CWCB	$ 196,381	3,289		199,670
Operating Lease	318,013	(21,980)		296,033
	$ 514,394	$ 138,419	$ 16,263	$ 636,550

Interfund Receivables and Payables **–** are when one fund either pays an expense of another fund or revenue is received into one fund and belongs to another fund and consist of the following:

	Due From	Due To
General Fund	$ 423,618	$ 72,736
Town Park and Recreation Fund		57,713
Street Fund		21,207
Water Fund	72,736	242,714
Sanitation Fund	69,292	171,276
Total	$ 565,646	$ 565,646

Operating Transfers - there were no operating transfers.

Fund Balance Restrictions and Assignments **–** Restricted indicates that a portion of the fund balance can only be spent for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors. Assigned indicates the amounts that are designated for a specific purpose by the Town Board but are not spendable until appropriated. If both restricted and unrestricted amounts of fund balance are available for use when an expenditure is incurred, it is the Town policy to use restricted amounts first. The Town uses the following restrictions and assignments.

Restricted – TABOR - indicates that a portion of the fund balance has been segregated for expenditures for declared emergencies only. Fund balance restricted for TABOR consists of $100,000 in the General Fund.

Restricted – Debt service – indicates the first annual payment $33,834 due on the CWCB note payable.

Restricted – Street expenditures – indicates fund balance that has been segregated for street and capital improvement expenditures. $169,781.

Restricted – Park and Recreation expenditures – indicates fund balance that has been segregated for Park, Community Center and recreation expenditures. $20,118.

Assigned - Designated for future expenditures- indicates anticipated fund balance available for appropriation in the next budget year. Fund balance designated for subsequent year's expenditures consists of $2,365,887 in the General Fund.

Retirement Plans – The Town has adopted a deferred compensation plan under Internal Revenue Code Section 401(a). The plan is a defined contribution plan and participation is mandatory for full time employees after 90 days on the job. An eligible employee will make a 3% contribution based on the employee's compensation each pay period and the Town will match the contribution. For the year ending December 31, 2025, the Town's matching contributions totaled $10,282. The Town also adopted a 457 plan that is optional to the employees and the Town does not contribute to this plan.

Commitments and Contingent Liabilities **–** There is a clean water enforcement unit active enforcement order brought by CDPHE for alleged violations of the Water Quality Control Act NOV/CDO Number MO-150825-1 that indicates there is a discharge specific variance in effect and that CDPHE is in the process of calculating a civil penalty in the case, and in doing so is looking into steps and plans of Dove Creek in meeting the terms of the discharge specific variance. The Town has responded to the CDPHE and worked toward minimizing fines and penalties and realizing a Compliance Order on Consent. The amount to be paid was determined to be $65,235, which amount may be broken into three installments under the CDPHE interest free installment options with the first payment due by December 31, 2026. The Town is working to implement recommended actions so that it is in compliance with the discharge specific variance. This is not included in the audit at this time.

Tax Spending, Revenue and Debt Limitations- Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments.

The people of the Town voted to authorize the spending of all monies in existing funds and to collect, retain, and expend the full revenues, including state grants and taxes, generated during 1998 and for each subsequent year regardless of any limitation contained in Article X, Section 20, of the Colorado Constitution. The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment. However, the Town has made certain interpretations of the amendment's language in order to determine its compliance.

Risk Management **–** The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The Town has purchased commercial insurance for such risks including worker's compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance in any of the past three years.

Compliance with Laws and Regulations **–** The Town may be in violation of State Statute. Expenditures exceeded appropriations in the General Fund.

Other supplementary information includes financial statements and schedules not required by the GASB, or a part of the basic financial statements, but are presented for purposes of additional analysis.

These statements and schedules include:

Budgetary Comparison Schedule - Enterprise Fund-Water Fund

Budgetary Comparison Schedule - Enterprise Fund-Sanitation Fund

Information Required by Oversight Authorities
  Local Highway Finance Report

TOWN OF DOVE CREEK, COLORADO
Statement of Revenues, Expenditures, and Changes in Net Position - Budget and Actual
Proprietary Fund Type - Enterprise Fund
Water Fund

For the Year Ended December 31, 2025

	Budgeted Amounts		(Non GAAP Basis) Actual	Variance Favorable
	Original	Final	Amounts	(Unfavorable)
Operating Revenues				
Water sales	$ 281,250	$ 281,250	$ 363,261	$ 82,011
Water dock	30,000	30,000	30,270	270
Miscellaneous revenue	10,000	10,000	2,535	(7,465)
Total operating revenues	321,250	321,250	396,066	74,816
Operating Expenses				
Administration				
Salaries	30,666	30,666	24,462	6,204
Payroll tax	2,500	2,500	1,854	646
Employee benefits	8,800	8,800	7,239	1,561
Office	4,000	4,000	5,535	(1,535)
Utilities	6,000	6,000	8,930	(2,930)
Miscellaneous	2,000	2,000	2,441	(441)
Total administration	53,966	53,966	50,461	3,505
Source of supply				
Fuel and power	3,000	3,000	-	3,000
Professional fees	8,000	8,000	11,695	(3,695)
Repairs and maintenance	5,000	5,000	549	4,451
Supplies	5,000	5,000	1,003	3,997
Water	5,052	5,052	1,334	3,718
Water lease	29,948	29,948	29,948	-
Water dock		-	131	(131)
Total source of supply	56,000	56,000	44,660	11,340
Water treatment				
Salaries	114,710	114,710	101,119	13,591
Payroll tax	6,500	6,500	7,938	(1,438)
Employee benefits	35,000	35,000	28,976	6,024
Professional fees	16,000	16,000	7,818	8,182
Operating supplies	12,000	62,000	61,008	992
Water plant duty	9,000	9,000	6,355	2,645
Repairs and maintenance	5,000	30,000	15,036	14,964
Miscellaneous		25,000	16,814	8,186
Total water treatment	198,210	298,210	245,064	53,146

Continued

TOWN OF DOVE CREEK, COLORADO
Statement of Revenues, Expenditures, and Changes in Net Position - Budget and Actual
Proprietary Fund Type - Enterprise Fund
Water Fund

For the Year Ended December 31, 2025

	Budgeted Amounts		(Non GAAP Basis) Actual	Variance Favorable
	Original	Final	Amounts	(Unfavorable)
Transmission and distribution				
Chemicals	$ 35,000	$ 35,000	$ 25,314	$ 9,686
Fuel and power	14,000	14,000	9,708	4,292
Outside services		76,498	9,108	67,390
Repairs and maintenance	5,000	5,000	4,234	766
Supplies	5,000	5,000	4,637	363
Water dock	2,500	2,500	1,259	1,241
Total transmission and distribution	61,500	137,998	54,260	83,738
Capital outlay		150,000	96,986	53,014
Total Operating Expenses	369,676	696,174	491,431	204,743
Operating income (loss)	(48,426)	(374,924)	(95,365)	279,559
Non-Operating Revenue (Expenses)				
Water tap fees	7,000	7,000	-	(7,000)
Grants			8,702	8,702
Loan origination fees			(33)	(33)
Total Non-Operating Revenue	7,000	7,000	8,669	1,669
Change in net position non GAAP basis	(41,426)	(367,924)	(86,696)	281,228
Add capital outlay - capitalized			96,986	96,986
Less depreciation expense			(40,156)	(40,156)
Change in net position	(41,426)	(367,924)	(29,866)	338,058
Net position beginning of the year	294,755	621,253	1,095,204	473,951
Net position end of the year	$ 253,329	$ 253,329	$ 1,065,338	$ 812,009

TOWN OF DOVE CREEK, COLORADO
Statement of Revenues, Expenditures, and Changes in Net Position - Budget and Actual
Proprietary Fund Type - Enterprise Fund
Sanitation Fund

For the Year Ended December 31, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	(Non GAAP Basis) Actual Amounts	Variance Favorable (Unfavorable)
Operating Revenues				
Sewer fees	$ 283,000	$ 283,000	$ 250,181	$ (32,819)
Sewer tap connection fees	7,000	7,000	-	(7,000)
Total operating revenues	290,000	290,000	250,181	(39,819)
Operating Expenses				
Administration				
Salaries	30,666	30,666	24,462	6,204
Payroll tax	2,500	2,500	1,854	646
Employee benefits	8,800	8,800	7,239	1,561
Office	2,000	2,000	1,262	738
Miscellaneous	500	500		500
Total administration	44,466	44,466	34,817	9,649
Sewer treatment				
Salaries	114,710	114,710	100,845	13,865
Payroll tax	6,600	6,600	7,917	(1,317)
Employee benefits	35,000	35,000	28,960	6,040
Fuel and power	16,000	16,000	14,907	1,093
Repairs and maintenance	2,500	152,946	152,383	563
Operating supplies	7,200	7,200	5,384	1,816
Chemicals	18,000	18,000	8,387	9,613
Lab	8,500	8,500	3,484	5,016
Outside services		-	28,294	(28,294)
Miscellaneous		-	504	(504)
Total sewer treatment	208,510	358,956	351,065	7,891
Capital outlay	37,024	37,024	6,342	30,682
Total Operating Expenses	290,000	440,446	392,224	48,222
Operating income (loss)	-	(150,446)	(142,043)	8,403
Change in net position non GAAP basis	-	(150,446)	(142,043)	8,403
Add capital outlay - capitalized			6,342	6,342
Less depreciation expense			(17,700)	(17,700)
Change in net position	-	(150,446)	(153,401)	(2,955)
Net position beginning of the year	509,086	659,532	659,532	-
Net position end of the year	$ 509,086	$ 509,086	$ 506,131	$ (2,955)

INFORMATION REQUIRED BY OVERSIGHT AUTHORITIES

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): 12/25
This Information From The Records Of: Town of Dove Creek Colorado	Prepared By: Majors and Haley PC - Lori H Haley CPA 970-565-9521

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	$ 135,169.00
4. Miscellaneous local receipts (from page 2)	$ 6,022.00
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	$ -
7. Total (1 through 6)	$ 141,191.00
B. Private Contributions	
C. Receipts from State government (from page 2)	$ 38,986.00
D. Receipts from Federal Government (from page 2)	$ -
E. Total receipts (A.7 + B + C + D)	$ 180,177.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	$ -
2. Maintenance:	$ 147,356.00
3. Road and street services:	
a. Traffic control operations	$ 17,552.00
b. Snow and ice removal	$ -
c. Other - Maintenance of Condition	$ -
d. Total (a. through c.)	$ 17,552.00
4. General administration & miscellaneous	$ 225.00
5. Highway law enforcement and safety	
6. Total (1 through 5)	$ 165,133.00
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
3. Total (1.c + 2.c)	$ -
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A.6 + B.3 + C + D)	$ 165,133.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				$ -
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
$ 154,737.00	$ 180,177.00	$ 165,133.00	$ 169,781.00	$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/25

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assesments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	$ 129,023.00	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	$ 6,146.00	g. Other Misc. Receipts	$ 6,022.00
6. Total (1. through 5.)	$ 135,169.00	h. Other	
c. Total (a. + b.)	$ 135,169.00	i. Total (a. through h.)	$ 6,022.00
(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.)	$ 35,825.00	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	$ 3,161.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other - USE tax		f. Other Federal	
f. Total (a. through e.)	$ 3,161.00	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	$ 38,986.00	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			$ -
(4). System Enhancement And Operation			$ -
(5). Total Construction (1)+(2)+(3)+(4)	$ -	$ -	$ -
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	$ -	$ -	$ -
(Carry forward to page 1)			

Notes and Comments:

FORM FHWA-536

page 2