FINANCIAL STATEMENTS

Year Ended December 31, 2025

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A Professional Corporation of
Certified Public Accountants

Independent Auditors' Report

The Mayor and Members
of the Board of Trustees
Town of Garden City
Garden City, Colorado

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Garden City, 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 Town's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for 12 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 opinion. 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 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, 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 Garden City'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 Garden City'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 management discussion and analysis, General Fund budgetary comparisons, and pension information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statement, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Local Highway Finance Report and non-major fund budgetary comparisons 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Anderson & Whitney, P.C.

July 7, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of The Town of Garden City (the Town) for the year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the Town's financial performance.

FINANCIAL HIGHLIGHTS

- The Town's assets exceeded liabilities and deferred inflows by $16.6 million at December 31, 2025.
- The General Fund balance was $8,439,497 as of December 31, 2025. Of this amount, $109,071 is restricted for emergencies.
- The December 31, 2025 General Fund balance is $91,728 less than the previous year-end. The total fund balance is 396% of 2025 General Fund operating expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements contain three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information.

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

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

The *statement of activities* presents information showing how the government's net position changed during the 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 the statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected fees).

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, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town are governmental 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 near-term financing requirements.

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. By doing so, readers may better understand the long-term impact of the government's near-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 maintains three 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 Conservation Trust Fund.

The basic governmental fund financial statements can be found on pages 12 to 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 can be found on pages 14 through 32 of this report.

Budgetary Comparisons. The Town adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund on pages 34 through 37 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2025, assets exceeded liabilities by $16,607,213.

The following table provides a summary of the Town's net position:

December 31	2025	2024
	Governmental Activities	Governmental Activities
Assets		
Current and other assets	$ 9,108,328	$ 8,750,812
Capital assets	8,054,197	6,924,475
Total Assets	17,162,525	15,675,287
Deferred Outflows		
Pensions	186,336	169,413
Liabilities		
Current and other liabilities	583,158	76,317
Long-term liabilities	71,843	49,153
Total Liabilities	655,001	125,470
Deferred Inflows		
Deferred property taxes	83,917	81,298
Pensions	2,730	2,745
Total deferred inflows	86,647	84,043
Net Position		
Investment in capital assets	8,054,197	6,924,475
Restricted	109,071	99,473
Parks and Recreation	55	--
Unrestricted	8,443,890	8,611,239
Total Net Position	$ 16,607,213	$ 15,635,187

A portion of The Town's net position represents unrestricted net position of $8,443,890 which may be used to meet the Town's ongoing obligations to citizens.

Another significant portion of the Town's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending.

An additional $109,071 of the Town's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the TABOR emergency reserve and the Conservation Trust Fund.

The Town has $55 as of year end restricted for parks and recreational use.

The following table indicates the changes in net position:

Years Ended December 31	2025	2024
Revenues:		
Program revenues:		
Charges for services	$ 184,776	$ 188,587
Operating contributions	22,074	39,882
General revenues:		
Property taxes	79,654	81,484
Sales taxes	2,876,214	2,451,674
Franchise and road taxes	45,791	52,524
Miscellaneous income	60,382	49,931
Investment earnings	372,238	451,700
Total revenues	3,641,129	3,315,782
Expenses:		
General government	762,246	602,743
Public safety	1,269,263	923,247
Public works/streets	499,222	467,805
Parks and recreation	37,631	47,724
Community programs	100,741	82,933
Total expenses	2,669,103	2,124,452
Increase in net position	$ 972,026	$ 1,191,330

Governmental Activities. Governmental activities increased the Town's net position by $972,026 in 2025. Key elements of this increase are as follows:

- Total revenues increased approximately 10%, due to increased sales tax earnings.

- Expenses increased approximately 25% from the previous year, from increased public safety and public works expenditures. A contributing factor was expansion of the police station still in process as of year end and additional salary expense for added positions.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

As of December 31, 2025, the total fund balances of the Town's governmental funds were $8.4 million. Approximately 99% of this consists of unrestricted fund balance, which is available as working capital and for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is restricted to indicate that it is not available for new spending because it is committed for the following purposes: a state-constitution mandated emergency reserve ($109,071).

The Town has two major governmental funds:

1. **General Fund**. This is the primary operating fund of the Town. It accounts for the Town's core governmental services. The General Fund balance was $8,439,497 as of December 31, 2025. The 2025 fund balance is $91,728 less than the previous year.
2. **Capital Improvement Fund.** The Capital Improvement Fund accounts for the 24% of sales taxes allocated to capital improvements. The fund balance at December 31, 2025 was $1,701.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

	Final Budget	Actual
Beginning Fund Balance	$ 8,531,225	$ 8,531,225
Revenue	2,565,352	2,912,721
Expenditures	(2,413,689)	(2,138,449)
Transfers	(2,397,000)	(866,000)
Ending Fund Balance	$ 6,285,888	$ 8,439,497

The transfers in the budget were ultimately not necessary to be used during the year.

CAPITAL ASSET ADMINISTRATION

Capital Assets. The Town's investment in capital assets for its governmental activities as of December 31, 2025 totals approximately $8 million (net of accumulated depreciation). This investment includes all land, water rights, buildings, and equipment and infrastructure. The total net increase in investment in capital assets for the current year was $1,129,722 or 16%, due to capital additions being more than depreciation expenses and disposals.

Major capital asset events during 2025 included construction on new police station still in progress as of yearend, completion of shop, community gardens and fence, and improvements to streetlights.

The Town implemented the straight-line depreciation method for its capital assets, except for land and land improvements which are not depreciated.

Additional information on the Town’s capital assets can be found in Note 3 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Garden City finances for all those with an interest in the Towns’ finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Town, 621 27th Street Road, Garden City, Colorado 80631.

TOWN OF GARDEN CITY, COLORADO

STATEMENT OF NET POSITION

December 31, 2025		Governmental Activities
ASSETS		
Cash	$	343,485
Investments		8,418,803
Receivables:		
Accounts Receivable		252,794
Property Taxes		83,917
Prepaid Expenses		9,329
Capital Assets:		
Nondepreciable		1,762,828
Depreciable, net of accumulated depreciation		6,291,369
Total Assets		17,162,525
DEFERRED OUTFLOWS OF RESOURCES		
Pensions		186,336
LIABILITIES		
Accounts Payable		553,994
Accrued Expenses		15,215
Unearned Revenue		13,949
Long-Term Liability:		
Compensated Absences		71,843
Total Liabilities		655,001
DEFERRED INFLOWS OF RESOURCES		
Deferred Property Taxes		83,917
Pensions		2,730
Total Deferred Inflows of Resources		86,647
NET POSITION		
Investment in Capital Assets		8,054,197
Restricted for:		
TABOR emergencies		109,071
Parks and recreation		55
Unrestricted		8,443,890
TOTAL NET POSITION	$	16,607,213

See Accompanying Notes to Financial Statements.

TOWN OF GARDEN CITY, COLORADO

STATEMENT OF ACTIVITIES

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Year Ended December 31, 2025	Expenses	Charges for Services	Operating Grants and Contributions	Capital Contributions	Governmental Activities
Functions/Programs:					
Governmental Activities:					
General government	$ 762,246	$ 89,672	$ 22,074	$ -	$ (650,500)
Public safety	1,269,263	95,104	-	-	(1,174,159)
Public works/streets	499,222		-	-	(499,222)
Parks and recreation	37,631	-	-	-	(37,631)
Community programs	100,741	-	-	-	(100,741)
Total Governmental Activities	2,669,103	184,776	22,074	-	(2,462,253)

General Revenue:	
Property taxes	79,654
Sales taxes	2,876,214
Franchise and other taxes	45,791
Investment earnings	372,238
Miscellaneous income	60,382
Total General Revenue	3,434,279
Change in Net Position	972,026
Net Position - Beginning	15,635,187
NET POSITION - Ending	$ 16,607,213

See Accompanying Notes to Financial Statements.

TOWN OF GARDEN CITY, COLORADO
GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2025	General Fund	Capital Improvement Fund	Conservation Trust Fund (nonmajor)	Total Governmental Funds
ASSETS				
Pooled Cash	$ -	$ 343,430	$ 55	$ 343,485
Investments	8,284,718	134,085	-	8,418,803
Accounts Receivable	199,612	53,182	-	252,794
Taxes Receivable	83,917	-	-	83,917
Prepaid expenses	9,329	-	-	9,329
Total Assets	8,577,576	530,697	55	9,108,328
LIABILITIES				
Accounts Payable	24,998	528,996	-	553,994
Accrued Expenses	15,215	-	-	15,215
Unearned Revenue	13,949	-	-	13,949
Total Liabilities	54,162	528,996	-	583,158
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Taxes	83,917	-	-	83,917
FUND BALANCES				
Restricted for:				
TABOR emergencies	109,071	-	-	109,071
Parks and recreation	-	-	55	55
Assigned: Capital improvements	-	1,701	-	1,701
Unassigned	8,330,426	-	-	8,330,426
Total Fund Balances	8,439,497	1,701	55	8,441,253
TOTAL LIABILITIES, DEFERRALS AND FUND BALANCES	$ 8,577,576	$ 530,697	$ 55	$ 9,108,328
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and are not reported in the funds				8,054,197
Long-term compsensated absences are not due and payable in the current period and therefore are not reported in the funds				(71,843)
Net pension asset (liability) and associated deferrals are not due and payable in current period				183,606
Net Position of Governmental Activities				$ 16,607,213

See Accompanying Notes to Financial Statements.

TOWN OF GARDEN CITY, COLORADO
GOVERNMENTAL FUNDS

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended December 31, 2025	General Fund	Capital Improvement Fund	Conservation Trust Fund (nonmajor)	Total Governmental Funds
Revenue:				
Taxes	$ 2,236,814	$ 719,054	$ -	$ 2,955,868
Intergovernmental	12,720	6,299	3,055	22,074
Franchise and other taxes	45,791	-	-	45,791
Fines and forfeitures	95,104	-	-	95,104
Service charges	89,672	-	-	89,672
Investment earnings	372,238	-	-	372,238
Miscellaneous	60,382	-	-	60,382
Total Revenue	2,912,721	725,353	3,055	3,641,129
Expenditures:				
General government	756,494	-	-	756,494
Public safety	1,032,552	25,488	-	1,058,040
Public works/streets	220,859	-	-	220,859
Parks and recreation	27,803	-	3,000	30,803
Capital outlay	-	1,626,136	-	1,626,136
Community programs	100,741	-	-	100,741
Total Expenditures	2,138,449	1,651,624	3,000	3,793,073
Revenue Over (Under) Expenditures	774,272	(926,271)	55	(151,944)
Other Financing Sources (Uses):				
Operating transfers in (out)	(866,000)	866,000	-	-
Net Change in Fund Balances	(91,728)	(60,271)	55	(151,944)
Fund Balances, January 1	8,531,225	61,972	-	8,593,197
Fund Balances, December 31	$ 8,439,497	$ 1,701	$ 55	$ 8,441,253

Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	$ (151,944)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions exceeded depreciation in the year net of disposals.	1,129,722
The issuance of pension and compensated absences obligations provides current finanical resources to governmental funds, while the repayment of the pension liabilities and compensated absences consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences.	(5,752)
Change in Net Position of Governmental Activities	$ 972,026

See Accompanying Notes to Financial Statements.

NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the Town of Garden City, Colorado conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the Town's financial statements.

Reporting Entity:

The financial report of the Town includes all of the integral parts of the Town's operations. The Town has determined that it has no financial accountability for any other agency which would require it to be in the reporting entity.

Proceeds from the seizure of contraband, if any, are included in the 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. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Government-wide and Fund Financial Statements – Continued:

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Capital Improvement Fund* is a capital projects fund that accounts for 24% of sales taxes that are allocated to capital improvements.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a 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:

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

Cigarette taxes, sales taxes, use taxes, taxpayer-assessed taxes, interest revenue, and charges for services are all considered to be susceptible to accrual and so 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 government.

Compensated Absences:

In 2024, the Town of Garden City implemented Governmental Accounting Standards Board (GASB) Statement No. 101 *Compensated Absences*. GASB 101 establishes standards for recognizing and measuring liabilities and expenses related to compensated absences, including vacation leave, sick leave, and other paid time off. The impact of the adoption was not material to the financial statements and no restatement of beginning net position was made.

GASB 101 requires the recognition of a liability for compensated absences that are attributable to services already rendered, based on established policies and applicable laws. The liability is measured using the pay or salary rates in effect at the financial reporting date. Liabilities are recognized only for compensated absences that are expected to result in payments to employees (e.g., cash payouts, leave used during employment, or other settlements).

Paid time off is available to all regular full-time non-Public Safety employees. The number of hours accrued and the maximum hours accrued are based on the length of service of each employee. Public Safety employees receive vacation starting at one week for the first year of employment, two weeks on their first anniversary through year five, three weeks per year between year five and ten and four weeks per year after ten years of employment. Sick leave accrues at four hours per paycheck and is not paid when someone separates from the Town. The estimated liability for sick leave attributable to services already rendered that accumulates and carries forward to a future year has been estimated based on the amount of sick time used during the year ending December 31, 2025.

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Compensated Absences – Continued:

Vacation and sick leave accumulated by an employee are recorded as a liability and current operating expense of the Town at the employee's current rate of pay. Accrued compensated absences totaled $71,843 at December 31, 2025.

Capital Assets:

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., streets and roads, bridges, stormwater drainage, traffic signals, 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, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities.

Estimated useful lives for asset types are as follows:

Buildings and Improvements	10 – 50 years
Equipment and Vehicles	3 – 10 years
Infrastructure	10 – 30 years

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Deferred Outflows and Inflows of Resources:

In addition to assets, the statement of net 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 (expenditure) until then. The Town has one item the qualifies for reporting in this category: changes in the net pension asset not included in pension expense reported in the government-wide statement of net position

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources, which 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 qualifies for reporting in this category: changes in the net pension asset not included in pension expense reported in the government-wide statement of net position, and deferred property taxes.

Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Restrictions for the Town are recorded up to the maximum equity available in the fund balance and consist of:

Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR restrictions at December 31, 2025 are $109,071.

Assigned fund balances, if any, are amounts the Town intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by an official to which the Board delegates authority. Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

Property Taxes:

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable in two installments on March 1 and June 15, or in full on April 30. The Town uses the Weld County Treasurer to bill and collect its property taxes. Taxes levied in December 2025 are recorded as taxes receivable and deferred revenue as of December 31, 2025. The original January 1, 2025 levy for the General Fund of the Town was 6.44 mills or approximately $81,286.

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Budget:

An annual budget and appropriation ordinance is adopted by the Town Board in accordance with the Local Government Budget Law. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States for all funds, except for modifications in the enterprise funds which are discussed below. The fund level of classification is the level at which expenditures may not legally exceed appropriations. All annual appropriations lapse at year end.

The Town Administrator is authorized to transfer budgeted amounts within departments of each fund. Any revisions that alter the total appropriation for each department must be approved by the Town Board through a supplemental appropriation ordinance.

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (GAAP). There was no supplemental budget in 2025.

Pooled Cash:

Most cash resources of the Town are combined and deposited in an interest bearing bank account. Interest income earned on the pooled account is allocated to the General Fund. If a fund's share of the pooled cash is a deficit, a Due to Other Funds account is established.

Pensions:

The Town contributes to the Statewide Retirement Plan (SWRP), a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments at FPPA are reported at fair value.

NOTE 2 – Cash and Investments:

The Town's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Town's custodial banks under provisions of the Colorado Public Deposit Protection Act. The Town's bank accounts are insured $500,000 by the FDIC and $4,324,870 is covered by PDPA.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school district, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

Investments held as of December 31, 2025 are as follows:

	Cost	Fair Value
Bank C.D.'s, due from 2026-2030, 3.15% - 4.85%	$ 4,267,000	$ 4,297,890
Cash and cash equivalents	167,346	167,346
Total	$ 4,434,346	$ 4,465,236

NOTE 2 – Cash and Investments – Continued:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

	Fair Value Measurements at Reporting Date Using		
Description	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2025			
Bank C.D.'s	$ --	$ 4,465,236	$ --

At December 31, 2025, the Town held $3,953,567 in COLOTRUST plus, a 2a-7 like local government investment pool. The investment pool is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments are valued at the net asset value (NAV) with each share valued at $1.00. The investment is rated AAAm by Standard & Poor's. The District's interest is valued at NAV. At December 31, 2025, COLOTRUST Plus was weighted average maturity was 48 days and the weighted average life was 78 days as of year end, COLOTRUST does not have any unfunded commitments, redemptions, restrictions or redemption notice periods

NOTE 3 – Capital Assets:

Governmental Activities	Balance, 1/1/25	Additions	Transfer	Deletions	Balance, 12/31/25
Not Depreciable:					
Land	$ 242,563	$ --	$ --	$ --	$ 242,563
Construction in Process	60,599	1,581,269	(121,603)	--	1,520,265
Depreciable:					
Buildings and improvements	2,104,485	31,098	121,603	(127,997)	2,129,189
Streets and improvements	7,299,941	13,769	--		7,313,710
Equipment	85,973	--	--	(6,898)	79,075
Vehicles	468,494	--	--	(26,491)	442,003
Total Cost	10,262,055	1,626,136	--	(161,386)	11,726,805
Less Accumulated Depreciation:					
Buildings	527,911	61,652	--	36,279	553,284
Streets and improvements	2,572,795	266,835	--	--	2,839,630
Equipment	39,164	14,137	--	6,898	46,403
Vehicles	197,710	59,549	--	23,968	233,291
Total Accumulated Depreciation	3,337,580	402,173	--	67,145	3,672,608
Capital Assets, Net	$6,924,475	$1,223,963	$ --	$ 94,241	$ 8,054,197

Depreciation expense is allocated as follows:

Governmental activities	$ 116,983
Public works	278,363
Culture, parks, and recreation	6,827
	$ 402,173

NOTE 4 - Colorado Intergovernmental Risk Sharing Agency (CIRSA):

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution. In February, 1986, the Town Board authorized participation in the agency. The Town has participated each year since then.

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

The Town recognizes an expenditure for the amount paid to CIRSA annually for these coverages. The Town paid $78,334 to CIRSA in 2025, which includes $27,059 for workers compensation coverage. Settled claims have not exceeded this coverage in any of the past three fiscal years.

NOTE 5 – Commitments and Contingencies:

In 1992, Colorado voters approved "Amendment One", or the Taxpayer's Bill of Rights (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase, or new debt. Voter approval is also required to increase annual property taxes, revenue, or spending by more than inflation plus a local growth factor. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards, or property sales.

In November 1995, the electors of the Town of Garden City voted to supersede TABOR and to collect, retain, and expend the full proceeds of all taxes, fees, and other revenue without increasing or adding taxes of any kind.

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the applicable requirements of the Amendment. Included in the accompanying financial statements are emergency reserves required by TABOR, of at least 3% of fiscal year spending, recorded in the General Fund.

A lawsuit was filed against the Town and the settlement offer was rejected. The final outcome and estimate of the settlement amount are unknown.

NOTE 6 – Statewide Retirement Plan:

The Town participates in the Statewide Retirement Plan (SWRP), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire and Police Pension Association of Colorado (FPPA). The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plan 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.

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

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

A member is eligible for retirement after attainment of age 55 with at least five years of credited service. A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

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

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

NOTE 6 – Statewide Retirement Plan - Continued:

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 2024, the total combined member and employer contribution rate was 22.0 percent.

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

NOTE 6 – Statewide Retirement Plan - Continued:

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 11 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2024, the total minimum combined member and employer contribution rate was 17 percent.

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

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

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

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

Employer contributions are recognized by the SWRP Plan in the period in which the compensation becomes payable to the member and the Town is statutorily committed to pay the contributions to the SWRP Plan. Employer contributions recognized by the SWRP Plan from the Town were $38,123 for the year ended December 31, 2025.

NOTE 6 – Statewide Retirement Plan - Continued:

At December 31, 2025, the Town reported a liability of $0 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2025. The Town proportion of the net pension asset was based on Town contributions to the SWRP for the calendar year 2023 relative to the total contributions of participating employers to the SWRP Plan.

At December 31, 2025, the Town proportion was .03 percent, which was approximately the same as its proportion measured as of December 31, 2024.

Actuarial Valuation Dates: The collective total pension liability as of December 31, 2025 is based upon the January 1, 2025 actuarial valuation. The actuarially determined contributions as of December 31, 2025 are based upon the January 1, 2025 actuarial valuation.

For the year ended December 31, 2025, the Town recognized pension expense of $16,938. At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

December 31, 2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 87,289	$ 2,730
Net difference between projected and actual earnings on pension plan investments	12,400	--
Changes in assumptions	31,240	--
Contributions subsequent to the measurement date	55,407	--
Total	$ 186,336	$ 2,730

Deferred outflows of resources related to pensions of $55,407, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Amount
2026	$ 35,701
2027	52,750
2028	3,731
2029	5,533
2030	12,161
Thereafter	18,323
	$ 128,199

NOTE 6 – Statewide Retirement Plan - Continued:

Average Reaming Expected Service Life: The average of the expected remaining service lives of all members in the plan, including active and inactive members, is 8.3 years determined as of the beginning of the December 31, 2024 measurement period.

Basis of Presentation: The underlying financial information used to prepare the Schedule of Employer Contributions and Schedule of Collective Pension Amounts is based on FPPA's financial statements. FPPA follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA.

As reported in FPPA's Other Supplementary Schedule of Fiduciary Net Position by Participating Employer in the December 31, 2024 Annual Report, employer contributions to the Statewide Retirement Plan were $109,033,068 compared to total employer contributions of $109,037,538 on the Schedule of Employer Contributions. Adjustments were made to annualize employer contributions related to employers newly contributing to the plan, including employer departments completing reentry, and for known significant adjustments of non-recurring amounts.

The Schedule of Collective Pension Amounts represents total pension amounts for the Statewide Retirement Plan. This schedule excludes employer-specific deferral amounts that may need to be recognized to comply with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions. Specifically, this schedule excludes deferral amounts arising from the changes in employer proportion, differences between employer contributions and proportionate share of contributions, and employer contributions subsequent to the measurement date.

Collective Net Pension Liability/Asset: The components of the calculation of the net pension liability/(asset) of the Statewide Retirement Plan for participating departments as of December 31, 2024 are shown in the following table:

	Measurement Date December 31, 2024
Total Pension Liability (A)	$ 4,716,284,644
Plan Fiduciary Net Position (B)	4,716,284,644
Employers' Net Pension Liability/(Asset) (A-B)	-0-
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (B/A)	100.0%

NOTE 6 – Statewide Retirement Plan - Continued:

Actuarial Assumptions: The actuarial valuations for the Statewide Retirement Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2025. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2025	January 1, 2024
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return, net*	7.0%	7.0%
Projected Salary Increases*	4.25% - 11.75%	4.25% - 11.75%
Cost of Living Adjustments (COLA)	0%	0%
*Includes Inflation at	2.5%	2.5%

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

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2023 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2024. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

NOTE 6 – Statewide Retirement Plan - 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 (assumed at 2.5 percent).

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real 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%
Total	**100%**	

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

As of the measurement period ending December 31, 2024, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

NOTE 6 – Statewide Retirement Plan - Continued:

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 3.77 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

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

1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
$177,263	$-0-	$-0-

The net pension liability of $-0- reflects a reserve for cost of living adjustments and to manage adverse experience of $52,220 at a 7.00 percent discount rate and $242,254 at a 8.00 percent discount rate.

Pension plan fiduciary net position: Detailed information about the SWRP's fiduciary net position is available in FPPA's publicly available annual comprehensive financial report that can be obtained on FPPA's website at http://www.FPPAco.org.

NOTE 7 – Deferred Compensation Plan:

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administrated by Mission Square. The Town has the authority to establish and amend the plan provisions. The plan, available to all full-time District employees, permits them to defer a portion of their salaries until future years. All amounts of compensation deferred; all property and rights purchased; and all income, property or rights are (until paid or made available to the employee or other beneficiary) held in trust for the exclusive benefit of the participants and their beneficiaries. The District also contributes to the Section 457 deferred compensation plan. Employees contributed $6,415 and $5,774 for the years ended December 31, 2025 and 2024, respectively, and the Town contributed $82,618 and $70,973 for the years ended December 31, 2025 and 2024, respectively.

NOTE 8 – Long Term Debt:

A summary of the changes in debt for the year ended December 31, 2025, is as follows:

	Balance 1/1/25	Net Additions	Balance 12/31/25	Due Within One Year
Accrued Compensated Absences	$ 49,153	$ 22,690	$ 71,843	$ --
Total	$ 49,153	$ 22,690	$ 71,843	$ --

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF GARDEN CITY, COLORADO
GENERAL FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2025	Actual	Original Budget	Final Budget	Variance
Taxes:				
General property	$ 79,654	$ 81,298	$ 81,298	$ (1,644)
Sales	2,157,160	1,950,000	1,950,000	207,160
Total Taxes	2,236,814	2,031,298	2,031,298	205,516
Licenses and Permits:				
Building permits	4,890	2,000	2,000	2,890
Liquor licenses	1,454	1,504	1,504	(50)
Business licenses	33,470	34,850	34,850	(1,380)
Total Licenses and Permits	39,814	38,354	38,354	1,460
Intergovernmental:				
Contributions and grants	12,720	43,000	43,000	(30,280)
Total Intergovernmental	12,720	43,000	43,000	(30,280)
Franchise and Other Taxes:				
Cigarette tax	2,145	2,000	2,000	145
Road & vehicle taxes	16,112	15,200	15,200	912
Other taxes	25,377	23,500	23,500	1,877
Mineral and severance taxes	2,157	10,000	10,000	(7,843)
Total Franchise and Other Taxes	45,791	50,700	50,700	(4,909)
Charges for Services:				
Court fees	45,908	37,250	37,250	8,658
Community center rental income	3,950	4,000	4,000	(50)
Total Charges for Services	49,858	41,250	41,250	8,608
Fines and Forfeitures:				
Fines - traffic	95,104	80,750	80,750	14,354
Total Fines and Forfeitures	95,104	80,750	80,750	14,354
Investment Earnings				
Investment income	372,238	260,000	260,000	112,238
Total Investment Earnings	372,238	260,000	260,000	112,238
Miscellaneous:				
Wholesale fees	37,551	20,000	20,000	17,551
Other	22,831	-	-	22,831
Total Miscellaneous	60,382	20,000	20,000	40,382
Total Revenue	$ 2,912,721	$ 2,565,352	$ 2,565,352	$ 347,369

TOWN OF GARDEN CITY, COLORADO
GENERAL FUND

Schedule of Expenditures Compared with Budget

Year Ended December 31, 2025	Actual	Original Budget	Final Budget	Variance From Final Budget
General Government:				
Current operating:				
Mayor and Board of Trustees	$ 27,375	32,000	$ 32,000	$ 4,625
Administrative salaries	322,672	389,415	389,415	66,743
Municipal judge	7,200	8,605	8,605	1,405
Court clerk	-	-	-	-
Employee benefits	44,615	43,762	43,762	(853)
Utilities	8,543	11,150	11,150	2,607
Office supplies	5,610	10,550	10,550	4,940
Telephone	2,904	3,200	3,200	296
Office expenses	117,197	127,135	127,135	9,938
Publications	2,785	4,000	4,000	1,215
Insurance	54,077	57,126	57,126	3,049
Professional services	78,438	52,000	52,000	(26,438)
Legal fees	46,727	77,500	77,500	30,773
Office equipment	1,895	7,500	7,500	5,605
Repairs and maintenance	27,381	20,500	20,500	(6,881)
Software	9,075	2,250	2,250	(6,825)
Total General Government	756,494	846,693	846,693	90,199
Public Safety:				
Current operating:				
Police Department salaries	633,257	602,000	602,000	(31,257)
Employee benefits	110,998	110,070	110,070	(928)
Utilities	-	-	-	-
Office supplies	13,840	19,352	19,352	5,512
Telephone	-	-	-	-
Operating expenses	54,362	73,154	73,154	18,792
Automotive services	9,743	15,000	15,000	5,257
Insurance	111,311	108,413	108,413	(2,898)
Office expenses	43,536	28,950	28,950	(14,586)
Other	26,899	28,779	28,779	1,880
Professional services	-	-	-	-
Legal fees	-	-	-	-
Publications	611	-	-	(611)
Repairs and maintenance	23,032	39,000	39,000	15,968
Training and education	4,963	7,500	7,500	2,537
Total Public Safety	1,032,552	1,032,218	1,032,218	(334)

Continued on next page.

TOWN OF GARDEN CITY, COLORADO
GENERAL FUND

Schedule of Expenditures Compared with Budget - Continued

Year Ended December 31, 2025	Actual	Original Budget	Final Budget	Variance From Final Budget
Culture, Parks and Recreation:				
Current operating:				
Maintenance labor	15,774	35,000	35,000	19,226
Operating supplies	2,668	8,300	8,300	5,632
Utilities	-	3,000	3,000	3,000
Repairs and maintenance	3,500	17,455	17,455	13,955
Employee benefits	1,072	3,500	3,500	2,428
Insurance	3,072	2,003	2,003	(1,069)
Office expenses	1,717	2,678	2,678	961
Total Culture, Parks and Recreation	27,803	71,936	71,936	44,133
Public Works:				
Current operating:				
Custodial salary	80,213	84,736	84,736	4,523
Employee benefits	3,378	12,974	12,974	9,596
Repairs and maintenance	46,565	65,200	65,200	18,635
Insurance	8,844	4,558	4,558	(4,286)
Professional fees	17,558	12,000	12,000	(5,558)
Office expenses	6,252	6,495	6,495	243
Operating expenses	36,731	61,440	61,440	24,709
Utilities	21,318	20,000	20,000	(1,318)
Total Public Works	220,859	267,403	267,403	46,544
Miscellaneous:				
Community programs	93,658	182,200	182,200	88,542
Operating supplies	6,261	4,000	4,000	(2,261)
Capital outlay	-	4,500	4,500	4,500
Other	822	4,739	4,739	3,917
Total Miscellaneous	100,741	195,439	195,439	94,698
Total Expenditures	$ 2,138,449	$ 2,413,689	$ 2,413,689	$ 275,240

Continued on next page.

TOWN OF GARDEN CITY, COLORADO
GENERAL FUND

Schedule of Other Financing Sources (Uses) Compared to Budget

Year Ended December 31, 2025	Actual	Original Budget	Final Budget	Variance
Other Financing Sources and Uses:				
Transfer to Capital Improvement Fund	$ (866,000)	$ (2,400,000)	$ (2,400,000)	$ 1,534,000
Transfer from Conservation Trust Fund	-	3,000	3,000	(3,000)
Total Other Financing Sources and Uses	$ (866,000)	$ (2,397,000)	$ (2,397,000)	$ 1,531,000

TOWN OF GARDEN CITY, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF NET PENSION ASSET - STATEWIDE RETIREMENT PLAN

Year Ended December 31	Cumulative Proportion of Net Pension Asset	Cumulative Proportionate Share (Liability)	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Total Pension Asset
2025	0.04%	$ -	$ 554,070	0.0%	100%
2024	0.03%	-	381,230	0.0%	100%
2023	0.03%	(26,629)	390,875	-6.8%	98%
2022	0.03%	171,251	342,788	50.0%	107%
2021	0.03%	60,788	272,663	22.3%	102%
2020	0.03%	15,836	204,753	7.7%	95%

Until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

TOWN OF GARDEN CITY, COLORADO

SCHEDULE OF EMPLOYER CONTRIBUTIONS - STATEWIDE RETIREMENT PLAN

Year Ended December 31	Statutorily Required Contributions	Contributions Made	Covered Payroll	% of Covered Payroll
2025	$ 53,313	$ 53,313	$ 508,503	10.5%
2024	38,123	38,123	381,230	10.0%
2023	31,270	31,270	390,875	9.5%
2022	27,423	27,423	342,788	9.0%
2021	21,813	21,813	272,663	8.0%
2020	19,003	19,003	204,753	8.0%

Until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

OTHER SUPPLEMENTARY INFORMATION

TOWN OF GARDEN CITY, COLORADO
CAPITAL PROJECTS FUND
CAPITAL IMPROVEMENT FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2025	Actual	Original Budget	Final Budget	Variance
Sales taxes	$ 719,054	$ 650,000	$ 650,000	$ 69,054
Contributions and grants	6,299	161,247	161,247	(154,948)
Total Revenue	$ 725,353	$ 811,247	$ 811,247	$ (85,894)

Schedule of Expenditures Compared with Budget

Year Ended December 31, 2025	Actual	Original Budget	Final Budget	Variance from Final Budget
Expenditures:				
Capital outlay	$ 1,626,136	$ 3,185,347	$ 3,185,347	$ 1,559,211
Noncapital equipment	25,488	-	-	-
Total Expenditures	$ 1,651,624	$ 3,185,347	$ 3,185,347	$ 1,559,211
Other Financing Sources and Uses:				
Transfer from General Fund	$ 866,000	$ 2,400,000	$ 2,400,000	$ 1,534,000
Total Other Financing Sources and Uses	$ 866,000	$ 2,400,000	$ 2,400,000	$ 1,534,000

TOWN OF GARDEN CITY, COLORADO
SPECIAL REVENUE FUND
CONSERVATION TRUST FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2025	Actual	Original Budget	Final Budget	Variance
Intergovernmental	$ 3,055	$ 3,000	$ 3,000	$ 55
Total Revenue	$ 3,055	$ 3,000	$ 3,000	$ 55

Schedule of Expenditures and Transfers Compared with Budget

Year Ended December 31, 2025	Actual	Original Budget	Final Budget	Variance from Final Budget
Parks:				
Current operating:				
Culture and Recreation	$ 3,000	$ -	$ -	$ (3,000)
Transfers to General Fund	-	3,000	3,000	3,000
Total Expenditures and Transfers	$ 3,000	$ 3,000	$ 3,000	$ -

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

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from Local Sources:	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
c. Total (a + b)	
2. General Fund Appropriations	$ 194,748
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 4,446
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ -
5. Transfers from Toll Facilities	$ -
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	0
b. Bonds - Refunding Issues	0
c. Notes	0
d. Total (a + b + c)	0
7. Total (1 through 6)	$ 199,194
B. Private Contributions	$ -
C. Receipts from State government (from page 1, Item II.C.4)	$ 10,050
D. Receipts from Federal government (from page 1, Item II.D.3)	$ -
E. Total receipts (A.7 + B + C + D)	$ 209,244

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ -
2. Maintenance:	$ 45,192
3. Road and Street Services:	
a. Snow and Ice Removal	$ 460
b. Other & Traffic Control Operations	$ 7,696
c. Total (a + b)	$ 8,156
4. General Administration & Miscellaneous	
5. Highway Law Enforcement and Safety	$ 155,896
6. Total (1 through 5)	$ 209,244
B. Debt Service on Local Obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
3. Total (1c + 2c)	$ -
C. Payments to State for Highways	
D. Payments to Toll Facilities	
E. Total Expenditures (A6 + B3 + C + D)	$ 209,244

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO
THIS INFORMATION FROM THE RECORDS OF: TOWN OF GARDEN CITY, COLORADO	**PREPARED BY:** DAVID GREEN	**REPORT YEAR ENDING** 12/2025

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other Local Imposts:		**A.4. Miscellaneous Local Receipts:**	
a. Property Taxes and Assesments	$ -	a. Interest on investments	$ -
b. Non-property Taxes and Assessments Imposts	$ 4,446	b. Other Misc. Local Receipts	
c. Total (a + b)	$ 4,446	**c. Total (a + b)**	$ -

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	$ 10,050	1. FHWA (from Item I.D.5.)	
2. State General Funds		2. Other Federal Agencies:	
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds			
c. Total (a + b)	$ -		
4. Total (1 + 2 + 3c)	$ 10,050	**3. Total (1 + 2)**	$ -

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

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