Town of Julesburg, Colorado

Financial Statements

For the Year ended December 31, 2025

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LAUER, SZABO & ASSOCIATES, PC
Certified Public Accountants
205 Main St. • P.O. Box 1886 • Sterling, CO 80751-7886
Phone 970-522-2218 • FAX 970-522-2220

Independent Auditors' Report

To the Honorable Mayor and Members of Town Council
Town of Julesburg
Julesburg, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Julesburg (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 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 as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town'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.

Auditors' 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 auditors' 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 the 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's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The other supplementary information and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling 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 supplementary information and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
June 2, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

This section of the Town of Julesburg, Colorado's annual financial report presents the discussion and analysis of the financial performance for the fiscal year that ended December 31, 2025.

FINANCIAL HIGHLIGHTS

- The Town of Julesburg remains in good financial condition.
- The assets and deferred outflows of resources of the Town of Julesburg exceeded its liabilities and deferred inflows of resources at the close of 2025 by $13,597,369 (net position).
- During the year, the Town's revenue from taxes and other revenues for governmental programs were more than the expenses by $522,021.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town of Julesburg's basic financial statements. The Town of Julesburg's basic financial statements are comprised of three components:

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

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies.

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

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

The government-wide financial statements of the Town are divided into two categories:

- **Governmental activities**. Most of the Town' basic services are included here, such as the fire, public works, parks, recreation, and general administration. Property tax, franchise tax, intergovernmental revenue, and charges for services finance most of these activities.
- **Business-type activities**. The Town charges fees to customers to recover most of the costs of certain services provided. The Town's electric, water, sewer, and sanitation systems are included here.

The government-wide financial statements can be found starting on page 12 of this report.

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. Some funds are required to be established by State law; however, the Board of Trustees has established other funds to help control and manage money for particular purposes or to show that it is properly using certain revenue (the Conservation Trust, Capital Improvement and Swimming Pool Funds). All of the funds of the Town of Julesburg can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end are available for spending. The funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statement provides a detailed, short-term view to cash, the governmental fund operations, and the basic services it provides. Governmental fund information helps you 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 statement is provided, or on the subsequent page, that explains the relationship (or differences) between them.

The basic governmental fund financial statements can be found starting on page 16 of this report.

Proprietary funds. When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The basic proprietary fund financial statements can be found starting on page 20 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

The basic fiduciary fund financial statements can be found starting on page 30 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 starting on page 32 of this report.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Julesburg, assets and deferred outflows exceed liabilities and deferred inflows by $13,597,369 at the close of 2025.

Net Position

Combined net position of the Town of Julesburg as of December 31, 2025 and 2024 are shown in Table 1 below.

Table 1
NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 1,235,841	$ 808,091	$ 3,133,528	$ 2,990,776	$ 4,369,369	$ 3,798,867
Capital assets	7,381,897	7,543,284	5,250,529	5,414,400	12,632,426	12,957,684
Total assets	8,617,738	8,351,375	8,384,057	8,405,176	17,001,795	16,756,551
Deferred outflows of resources	12,354	12,584	-	-	12,354	12,584
Total assets and deferred outflows of resources	$ 8,630,092	$ 8,363,959	$ 8,384,057	$ 8,405,176	$ 17,014,149	$ 16,769,135
Long-term liabilities	$ 2,216,710	$ 2,472,377	$ 446,571	$ 467,998	$ 2,663,281	$ 2,940,375
Other liabilities	41,431	54,169	246,259	321,296	287,690	375,465
Total liabilities	2,258,141	2,526,546	692,830	789,294	2,950,971	3,315,840
Deferred inflows of resources	465,809	377,947	-	-	465,809	377,947
Net position:						
Net investment in capital assets	5,301,897	5,210,864	4,848,529	4,993,400	10,150,426	10,204,264
Restricted	425,338	151,622	46,188	44,714	471,526	196,336
Unrestricted	178,907	96,980	2,796,510	2,577,768	2,975,417	2,674,748
Total net position	5,906,142	5,459,466	7,691,227	7,615,882	13,597,369	13,075,348
Total liabilities, deferred inflows resources and net position	$ 8,630,092	$ 8,363,959	$ 8,384,057	$ 8,405,176	$ 17,014,149	$ 16,769,135

The largest portion of the Town of Julesburg's net position, 75%, reflects its investment in capital assets (land, buildings, and equipment). The Town of Julesburg uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. In addition, a portion of the Town of Julesburg's net position, 3%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, 22%, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of 2025, the Town of Julesburg is able to report positive balances in all of the three categories of net position, both for the government as a whole, as well as its separate governmental and business-type activities.

Changes in net position

The Town's total revenue of $3,935,907 was more than program expenses of $3,413,886 for an increase in net position of $522,021.

Table 2 shows the summarized revenues and expenses for 2025 and 2024.

Table 2
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Program revenues						
Charges for services	$ 53,580	$ 42,398	$ 2,426,533	$ 2,443,778	$ 2,480,113	$ 2,486,176
Operating grants and contributions	308,468	292,034	-	-	308,468	292,034
Capital grants and contributions	-	14,500	75,808	51,285	75,808	65,785
General revenues						
Property taxes	330,331	340,468	-	-	330,331	340,468
Sales and use taxes	481,968	499,851	-	-	481,968	499,851
Specific ownership taxes	40,371	42,035	-	-	40,371	42,035
Franchise taxes	12,508	12,586	-	-	12,508	12,586
Other taxes	4,016	6,993	-	-	4,016	6,993
Interest earnings	38,307	47,154	73,401	72,804	111,708	119,958
Unrestricted grants	-	-	-	50,000	-	50,000
Miscellaneous	50,622	38,568	25,994	26,154	76,616	64,722
Sale of assets	14,000	-	-	-	14,000	-
Transfers	200,000	165,000	(200,000)	(165,000)	-	-
Total revenues	1,534,171	1,501,587	2,401,736	2,479,021	3,935,907	3,980,608
Program expenses						
General government	163,979	181,919	-	-	163,979	181,919
Public safety	93,446	82,461	-	-	93,446	82,461
Public works	367,529	235,328	-	-	367,529	235,328
Culture and recreation	410,244	417,637	-	-	410,244	417,637
Interest and fiscal charges	52,297	60,236	-	-	52,297	60,236
Electric services	-	-	1,369,512	1,261,422	1,369,512	1,261,422
Water services	-	-	386,120	439,505	386,120	439,505
Sewer services	-	-	286,217	300,429	286,217	300,429
Sanitation services	-	-	284,542	223,204	284,542	223,204
Total expenses	1,087,495	977,581	2,326,391	2,224,560	3,413,886	3,202,141
Change in net position	446,676	524,006	75,345	254,461	522,021	778,467
Net position at beginning of year	5,459,466	4,935,460	7,615,882	7,361,421	13,075,348	12,296,881
Net position at end of year	$ 5,906,142	$ 5,459,466	$ 7,691,227	$ 7,615,882	$13,597,369	$ 13,075,348

Governmental Activities

Revenue for the Town's governmental activities totaled $1,534,171 for 2025. Tax revenue produced 57% of these revenues. Tax revenue includes property taxes, sales and use taxes, specific ownership taxes, franchise taxes, and other taxes.

Table 3
GOVERNMENTAL ACTIVITIES

	Total cost of services		Net cost of services	
	2025	2024	2025	2024
General government	$ 163,979	$ 181,919	$ 50,859	$ (4,427)
Public safety	93,446	82,461	90,946	82,461
Public works	367,529	235,328	153,315	110,173
Culture and recreation	410,244	417,637	378,030	380,206

Table 3 presents the cost and revenue of each of the Town's four largest programs – general government, public safety, public works, and culture recreation – as well as each program's *net* cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

Business-type Activities

Net position in business-type activities increased by $75,345 in 2025. Business-type activities include electric, water, sewer, and sanitation services.

Table 4
BUSINESS-TYPE ACTIVITIES

	Total cost of services		Net cost of services	
	2025	2024	2025	2024
Electric services	$ 1,369,512	$ 1,261,422	$ 105,867	$ (16,315)
Water services	386,120	439,505	(179,230)	(137,563)
Sewer services	286,217	300,429	(115,947)	(87,612)
Sanitation services	284,542	223,204	13,360	(29,013)

Table 4, above, presents the cost and revenue of each of the Town's business-type activities – electric, water, sewer, and sanitation – as well as the program *net* cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

THE TOWN'S FUNDS

As the Town completed the year, its governmental funds (as presented in the balance sheet on pages 16-17) reported a combined fund balance of $766,191. The general fund, capital improvement fund, swimming pool fund, and other governmental funds reported fund balances of $376,853, $136,713, $187,442, and $65,183, respectively.

General Fund Budgetary Highlights

The Town owns the municipal airport and leases the main airport hangar to RACECO and their business of hosting drag races at the site. A portion of the asphalt on the drag strip / airport runway had failed and needed to be replaced. The Town secured a loan for the $ 201,300, secured a grant from a local foundation to reimburse the Town for the loan over a four-year term, and RACECO would pay the interest on the loan. The loan was paid off earlier than anticipated and closed this year.

Expenses and repairs were kept to a minimum to build monies in the accounts after completing several large projects in 2024 such as infrastructure near Cobblestone Inn & Suites, storm drainage in Campbell Subdivision and rebuilding the swimming pool.

CAPITAL ASSETS AND DEBT ADMINSTRATION

Capital Assets. The Town of Julesburg's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounts to $12,632,426 (net of accumulated depreciation). This amount includes a broad range of capital assets, including public works equipment, electric, water, sewer, sanitation, and other infrastructure.

The Town remains committed to the upkeep and maintenance of the Town's largest assets. More detailed information about the Town's capital assets is presented in Table 5.

Table 5
CAPITAL ASSETS

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land and land improvements	$ 6,486,360	$ 6,621,710	$ 23,250	$ 23,250	$ 6,509,610	$ 6,644,960
Buildings and improvements	804,385	836,245	166,636	164,831	971,021	1,001,076
Machinery and equipment	91,152	85,329	652,865	728,970	744,017	814,299
Furniture and fixtures	-	-	2,257	2,572	2,257	2,572
Systems	-	-	4,405,521	4,494,777	4,405,521	4,494,777
Total	$ 7,381,897	$ 7,543,284	$ 5,250,529	$ 5,414,400	$ 12,632,426	$ 12,957,684

Long-term debt. The Town had $2,537,955 in debt outstanding at year-end consisting of accrued compensated absences and outstanding notes payable. This debt incumbency was incurred by the Town in an effort to meet the State of Colorado's water and wastewater permit requirements and to construct a new swimming pool.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Town continues to address the upgrades needed at the water and wastewater facilities to comply with the State's regulations for treating the reverse osmosis brine. The Town received our monies from the American Rescue Plan Act and have designated this funding towards this upgrades project. The Town does anticipate securing a new loan when the upgrades begin to assist in the costs of the project. Rates and fees structures will be adjusted as dictated by the lenders and State for the remaining monies needed for the project and converting to a deep well injection system to treat the brine.

The Town did impose a 6% rate increase for electric to offset our costs to acquire "green energy" as State mandated. A 2% rate increase for water, wastewater and sanitation services effective January 1, 2026 was to offset the higher cost of materials.

In the second half of the year, we plan to make a transfer of $100,000 from the Swimming Pool Capital Improvement Fund to repay the Capital Improvement Fund for the $297,071 transfer in 2024 so the pool project could move forward and not sit idle once the old swimming pool and pool house were demolished.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds and assets it receives. If you have questions about this report, or should you need additional financial information, contact Town of Julesburg, 100 West Second Street, Julesburg, Colorado, 80737.

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Basic Financial Statements

The basic financial statements of the Town include the following:

Government-wide financial statements. The government-wide statements display information about the reporting government as a whole, except for its fiduciary activities.

Fund financial statements. The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental and proprietary funds.

Notes to the financial statements. The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

TOWN OF JULESBURG, COLORADO
Statement of Net Position
December 31, 2025

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	$ 595,697	$ 1,246,841	$ 1,842,538
Cash with county treasurer	2,770		2,770
Certificates of deposit	196,344	1,227,275	1,423,619
Receivables	528,682	270,946	799,628
Internal balances	(87,652)	87,652	-
Inventories		91,126	91,126
Prepaid items		163,500	163,500
Restricted cash		46,188	46,188
Capital assets, net of depreciation	7,381,897	5,250,529	12,632,426
Total assets	8,617,738	8,384,057	17,001,795
Deferred outflows of resources			
Pension deferrals	12,354		12,354
Total assets and deferred outflows of resources	$ 8,630,092	$ 8,384,057	$ 17,014,149
Liabilities			
Accounts payable	$ 28,903	$ 117,419	$ 146,322
Due to fiduciary fund	3,150		3,150
Unearned revenue	5,478	121,302	126,780
Accrued interest payable	3,900	7,538	11,438
Noncurrent liabilities			
Due within one year	110,000	19,500	129,500
Due in more than one year	1,981,384	427,071	2,408,455
Net pension liability	125,326		125,326
Total liabilities	2,258,141	692,830	2,950,971
Deferred inflows of resources			
Deferred property tax revenues	423,501		423,501
Pension deferrals	42,308		42,308
Total deferred inflows of resources	465,809	-	465,809
Net position			
Net investment in capital assets	5,301,897	4,848,529	10,150,426
Restricted for emergencies	36,000		36,000
Restricted for capital improvements	136,713		136,713
Restricted for debt service	187,442		187,442
Restricted for culture and recreation	65,183		65,183
Restricted for note reserve		46,188	46,188
Unrestricted	178,907	2,796,510	2,975,417
Total net position	5,906,142	7,691,227	13,597,369
Total liabilities, deferred inflows of resources and net position	$ 8,630,092	$ 8,384,057	$ 17,014,149

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

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TOWN OF JULESBURG, COLORADO
Statement of Activities
For the Year Ended December 31, 2025

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	$ 163,979	$ 12,368	$ 100,752	
Public safety	93,446		2,500	
Public works	367,529	29,009	185,205	
Culture and recreation	410,244	12,203	20,011	
Interest and fiscal charges	52,297			
Total governmental activities	1,087,495	53,580	308,468	$ -
Business-type activities				
Electric	1,369,512	1,263,645		
Water	386,120	517,228		48,122
Sewer	286,217	374,478		27,686
Sanitation	284,542	271,182		
Total business-type activities	2,326,391	2,426,533	-	75,808
Total	$ 3,413,886	$ 2,480,113	$ 308,468	$ 75,808

General revenues and transfers
Taxes
Property taxes, levied for general purposes
Sales and use taxes
Specific ownership taxes
Franchise taxes
Other taxes
Interest earnings
Miscellaneous
Gain on disposal of assets
Transfers

Total general revenues and transfers

Change in net position

Net position at beginning of year

Net position at end of year

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

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (50,859)		$ (50,859)
(90,946)		(90,946)
(153,315)		(153,315)
(378,030)		(378,030)
(52,297)		(52,297)
(725,447)		(725,447)
	$ (105,867)	(105,867)
	179,230	179,230
	115,947	115,947
	(13,360)	(13,360)
	175,950	175,950
(725,447)	175,950	(549,497)
330,331		330,331
481,968		481,968
40,371		40,371
12,508		12,508
4,016		4,016
38,307	73,401	111,708
50,622	25,994	76,616
14,000		14,000
200,000	(200,000)	-
1,172,123	(100,605)	1,071,518
446,676	75,345	522,021
5,459,466	7,615,882	13,075,348
$ 5,906,142	$ 7,691,227	$ 13,597,369

TOWN OF JULESBURG, COLORADO
Balance Sheet
Governmental Funds
December 31, 2025

	General Fund	Capital Improvement Fund	Swimming Pool Fund	Other Governmental Fund
Assets				
Cash	$ 182,684	$ 205,826	$ 142,004	$ 65,183
Cash with county treasurer	2,770			
Certificates of deposit	196,344			
Due from other funds	7,121			
Property taxes receivable	423,501			
Special assessments receivable	5,478			
Other taxes receivable	19,987	34,278	45,438	
Total assets	$ 837,885	$ 240,104	$ 187,442	$ 65,183
Liabilities				
Accounts payable	$ 28,903			
Due to other funds	3,150	$ 103,391		
Unearned revenues	5,478			
Total liabilities	37,531	103,391	$ -	$ -
Deferred inflows of resources				
Deferred property tax revenues	423,501			
Total deferred inflows of resources	423,501	-	-	-
Fund balance				
Restricted for:				
Emergencies	36,000			
Capital improvements		136,713		
Debt service			187,442	
Culture and recreation				65,183
Unassigned	340,853			
Total fund balance (deficit)	376,853	136,713	187,442	65,183
Total liabilities, deferred inflows of resources, and fund balance	$ 837,885	$ 240,104	$ 187,442	$ 65,183

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

Total Governmental Funds
$ 595,697
2,770
196,344
7,121
423,501
5,478
99,703
$ 1,330,614
$ 28,903
106,541
5,478
140,922
423,501
423,501
36,000
136,713
187,442
65,183
340,853
766,191
$ 1,330,614

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds	$ 766,191
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	7,381,897
Some amounts reported for governmental activities in the statement of net position are different because certain internal service fund assets and liabilities are included with governmental activities	8,618
Pension deferrals used in governmental activities are not financial resources and therefore are not reported as assets or liabilities in governmental funds.	(29,954)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(3,900)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(2,216,710)
Net position of governmental activities	$ 5,906,142

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

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

	General Fund	Capital Improvement Fund	Swimming Pool Fund	Other Governmental Fund
Revenues				
Taxes	$ 386,213	$ 213,959	$ 268,009	
Licenses and permits	5,113			
Intergovernmental	114,446			$ 15,011
Charges for services	43,182			
Fines and forfeitures	20			
Miscellaneous	266,965	5,101	358	1,794
Total revenues	815,939	219,060	268,367	16,805
Expenditures				
Current				
General government	150,152			
Public safety	94,052			
Public works	236,572			
Culture and recreation	333,409			
Capital outlay		71,486		
Debt service				
Principal retirement	147,421		105,000	
Interest and fiscal charges	9,864		49,169	
Total expenditures	971,470	71,486	154,169	-
Excess of revenues over (under) expenditures	(155,531)	147,574	114,198	16,805
Other financing sources				
Sale of assets	14,000			
Transfers in	200,000			
Total other financing sources	214,000	-	-	-
Net change in fund balance	58,469	147,574	114,198	16,805
Fund balance (deficit) at beginning of year	318,384	(10,861)	73,244	48,378
Fund balance at end of year	$ 376,853	$ 136,713	$ 187,442	$ 65,183

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

Total Governmental Funds
$ 868,181
5,113
129,457
43,182
20
274,218
1,320,171
150,152
94,052
236,572
333,409
71,486
252,421
59,033
1,197,125
123,046
14,000
200,000
214,000
337,046
429,145
$ 766,191

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - governmental funds	$ 337,046
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation exceeded capital outlays in the current period.	(161,387)
In the statement of activities, certain operating expenses related to the pension liabilities and deferred outflows and inflows of resources, compensated absences and accrued interest, are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	18,596
Repayment of principal on notes and financed purchases are expenditures in the governmental funds, but the repayment reduces the long-term debt liability in the statement of net position.	252,421
Change in net position of governmental activities	$ 446,676

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

TOWN OF JULESBURG, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2025

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Assets				
Current assets				
Cash	$ 150	$ 799,653	$ 201,649	$ 201,532
Certificate of deposits	628,419	130,485	468,371	
Due from other funds		484,838		
Accounts receivable	143,981	38,292	47,482	35,008
Accrued interest receivable	3,833		2,350	
Prepaid items				
Inventories	47,272	35,414	414	8,026
Total current assets	823,655	1,488,682	720,266	244,566
Noncurrent assets				
Land and improvements		23,250		
Buildings and improvements	260,826	136,868		24,377
Machinery and equipment	182,543	134,057	61,321	522,045
Furniture and fixtures	3,212			
Systems	2,059,431	4,160,128	3,406,070	
Accumulated depreciation	(1,632,850)	(2,467,061)	(1,627,663)	(261,490)
Restricted cash		46,188		
Total noncurrent assets	873,162	2,033,430	1,839,728	284,932
Total assets	$ 1,696,817	$ 3,522,112	$ 2,559,994	$ 529,498

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

Total	Governmental Activities - Internal Service Funds
$ 1,202,984	$ 43,857
1,227,275	
484,838	
264,763	
6,183	
-	163,500
91,126	
3,277,169	207,357
23,250	
422,071	
899,966	799,062
3,212	
9,625,629	
(5,989,064)	(533,597)
46,188	
5,031,252	265,465
$ 8,308,421	$ 472,822

(continued)

TOWN OF JULESBURG, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2025

(continued)

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Liabilities				
Current liabilities				
Accounts payable	$ 87,180	$ 12,522	$ 6,150	$ 11,567
Due to other funds	384,838			
Unearned revenue		23,483		
Unearned grant revenue			97,819	
Accrued interest payable		7,538		
Current portion of notes payable		19,500		
Total current liabilities	472,018	63,043	103,969	11,567
Noncurrent liabilities				
Accrued compensated absences	11,621	10,694	14,237	8,019
Notes payable		382,500		
Total noncurrent liabilities	11,621	393,194	14,237	8,019
Total liabilities	483,639	456,237	118,206	19,586
Net position				
Net investment in capital assets	873,162	1,585,242	1,839,728	284,932
Restricted for note reserve		46,188		
Unrestricted	340,016	1,434,445	602,060	224,980
Total net position	1,213,178	3,065,875	2,441,788	509,912
Total liabilities and net position	$ 1,696,817	$ 3,522,112	$ 2,559,994	$ 529,498

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

Total	Governmental Activities - Internal Service Funds
$ 117,419	
384,838	$ 3,730
23,483	
97,819	
7,538	
19,500	
650,597	3,730
44,571	
382,500	
427,071	-
1,077,668	3,730
4,583,064	265,465
46,188	
2,601,501	203,627
7,230,753	469,092
$ 8,308,421	$ 472,822

Total net position - enterprise funds	$ 7,230,753
Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.	460,474
Net position of business-type activities	$ 7,691,227

TOWN OF JULESBURG, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Operating revenues				
Charges for services	$ 1,263,645	$ 438,623	$ 374,478	$ 271,182
Operating expenses				
Systems operation	1,170,489	169,485	167,032	232,968
Administrative and general	169,291	120,360	50,256	36,632
Depreciation and amortization	39,330	79,100	70,129	19,740
Total operating expenses	1,379,110	368,945	287,417	289,340
Operating income (loss)	(115,465)	69,678	87,061	(18,158)
Nonoperating revenues (expenses)				
Interest on investments	22,305	29,903	16,587	
Grant revenues		48,122	27,686	
Water tower lease		78,605		
Miscellaneous revenue	24,043	1,851	100	
Interest and fiscal charges		(18,375)		
Total nonoperating revenues (expenses)	46,348	140,106	44,373	-
Income (loss) before transfers	(69,117)	209,784	131,434	(18,158)
Transfers in				50,000
Transfers out		(50,000)	(200,000)	
Change in net position	(69,117)	159,784	(68,566)	31,842
Net position at beginning of year	1,282,295	2,906,091	2,510,354	478,070
Net position at end of year	$ 1,213,178	$ 3,065,875	$ 2,441,788	$ 509,912

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

Total	Governmental Activities - Internal Service Funds
$ 2,347,928	$ 70,000
1,739,974	
376,539	20
208,299	53,184
2,324,812	53,204
23,116	16,796
68,795	4,606
75,808	
78,605	
25,994	
(18,375)	
230,827	4,606
253,943	21,402
50,000	
(250,000)	
53,943	21,402
7,176,810	447,690
$ 7,230,753	$ 469,092

Net change in net position - enterprise funds	$ 53,943
Some amounts reported for business-type activities in the statement of activities are different because the net revenue of the internal service fund is reported with business-type activities.	21,402
Change in net position of business-type activities	$ 75,345

TOWN OF JULESBURG, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Cash flows from operating activities				
Receipts from customers	$ 1,257,682	$ 439,153	$ 372,754	$ 268,563
Receipts from (payments to) other funds	109,284	(336,716)	227,432	
Payments to suppliers	(1,211,000)	(198,919)	(140,791)	(191,523)
Payments to employees	(127,707)	(95,291)	(78,211)	(73,922)
Net cash provided (used) by operating activities	28,259	(191,773)	381,184	3,118
Cash flows from noncapital financing activities				
Transfers from (to) other funds		(50,000)	(200,000)	50,000
Miscellaneous receipts	24,043	78,818	100	
Net cash provided (used) by noncapital financing activities	24,043	28,818	(199,900)	50,000
Cash flows from capital and related financing activities				
Purchase of capital assets	(52,302)	(17,628)	(27,686)	
Grant receipts				
Principal paid on capital debt		(19,000)		
Interest and fiscal charges		(18,731)		
Net cash used by capital and related financing activities	(52,302)	(55,359)	(27,686)	-
Cash flows from investing activities				
Earnings on investments		25,231		
Net cash provided by investing activities	-	25,231	-	-
Net increase (decrease) in cash	-	(193,083)	153,598	53,118
Cash at beginning of year	150	1,038,924	48,051	148,414
Cash at end of year	$ 150	$ 845,841	$ 201,649	$ 201,532

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

Total	Governmental Activities - Internal Service Funds
$ 2,338,152	$ 70,000
-	
(1,742,233)	(163,520)
(375,131)	
220,788	(93,520)
(200,000)	
102,961	
(97,039)	-
(97,616)	
-	
(19,000)	
(18,731)	
(135,347)	-
25,231	4,606
25,231	4,606
13,633	(88,914)
1,235,539	132,771
$ 1,249,172	$ 43,857

(continued)

TOWN OF JULESBURG, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

(continued)

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	$ (115,465)	$ 69,678	$ 87,061	$ (18,158)
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation and amortization	39,330	79,100	70,129	19,740
Changes in assets and liabilities				
Receivables	(5,963)	530	(1,724)	(2,619)
Interfund items	109,284	(336,716)	227,432	
Prepaid items				
Inventories	(2,821)	2,915	218	(1,503)
Accounts payable	4,600	(6,448)	(894)	5,509
Compensated absences	(706)	(832)	(1,038)	149
Net cash provided(used) by operating activities	$ 28,259	$ (191,773)	$ 381,184	$ 3,118
Cash consists of:				
Cash	$ 150	$ 799,653	$ 201,649	$ 201,532
Restricted cash		46,188		
Total	$ 150	$ 845,841	$ 201,649	$ 201,532

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

Total	Governmental Activities - Internal Service Funds
$ 23,116	$ 16,796
208,299	53,184
(9,776)	
-	
-	(163,500)
(1,191)	
2,767	
(2,427)	
$ 220,788	$ (93,520)
$ 1,202,984	$ 43,857
46,188	
$ 1,249,172	$ 43,857

TOWN OF JULESBURG, COLORADO
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2025

	Pension (and Other Employee Benefit) Trust Funds
Assets	
Cash	$ 24,211
Certificate of deposit	20,787
Due from other funds	3,150
Total assets	$ 48,148
Net position	
Restricted for pensions	$ 48,148
Total net position	$ 48,148

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

TOWN OF JULESBURG, COLORADO
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2025

	Pension (and Other Employee Benefit) Trust Funds
Additions	
Contributions	
Rural	$ 5,075
Town	3,500
State	3,150
Total contributions	11,725
Investment income	
Interest on investments	1,595
Total additions	13,320
Deductions	
Pension benefits	9,514
Total deductions	9,514
Change in net position	3,806
Net position at beginning of year	44,342
Net position at end of year	$ 48,148

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

Note A – Summary of significant accounting policies

This summary of the Town of Julesburg's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

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

A.1 – Reporting entity

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The reporting entity's financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The Town has examined other entities that could be included as defined in number 2 and 3 above. Based on these criteria, the Town has no component units.

A.2 – Fund accounting

The Town uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Note A – Summary of significant accounting policies (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), major capital projects (capital projects fund), and the servicing of general long-term debt (debt service fund). The following are the Town's major governmental funds:

General Fund – The General Fund is the operating fund of the Town. It is used to account for most of the day-to-day operations of the Town which are financed from sales and use taxes, property taxes and other general revenues. Activities financed by the general fund include those of line and staff departments within the Town, except for activities of the enterprise funds.

Capital Improvement Fund – This fund is a special revenue fund established to account for funds received from a Town imposed sales tax and capital expenditures made from those funds.

Swimming Pool Fund – This fund is a special revenue fund established to account for funds received from a voter approved sales tax, donations and long-term debt proceeds for the purpose of swimming pool improvements.

The following is the Town's nonmajor governmental fund:

Conservation Trust Fund – This fund is a special revenue fund established to account for state lottery proceeds and allowable expenditures.

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the Town's major proprietary funds:

Electric Fund – This fund was established to account for all operations of the electric utility services provided by the Town.

Water Fund – This fund was established to account for all operations of the water utility services provided by the Town.

Sewer Fund – This fund was established to account for all operations of the sewer utility services provided by the Town.

Sanitation Fund – This fund was established to account for all operations of the sanitation utility services provided by the Town.

Note A – Summary of significant accounting policies (Continued)

Fiduciary funds focus on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the Town under a trust agreement for individuals, private organizations or other governments and are therefore not available to support the Town's own programs. The Town has one pension (and other employee benefit) trust fund.

Additionally, the Town reports the following fund type:

Internal Service Fund – This fund accounts for capital equipment management services provided to other departments or agencies of the Town on a cost-reimbursement basis.

Note A.3 – Basis of presentation

Government-wide financial statements – The statement of net position and the statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The statements distinguish between those activities of the Town that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Fund financial statements – Fund financial statements report detailed information about the Town. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

<u>Note A – Summary of significant accounting policies</u> (Continued)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balance, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how the Town finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds focus on net position and are reported using accounting principles similar to proprietary funds. The Town's fiduciary funds are presented in the fiduciary fund financial statements by fund type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address the activities or obligations of the Town, these funds are not incorporated into the government-wide financial statements.

A.4 – Basis of accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

<u>Revenues – exchange and non-exchange transactions</u> – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Town, available means expected to be received within sixty days of fiscal year-end, except for state and federal grant revenues, which are considered available if collection is expected within six months of year end.

Nonexchange transactions, in which the Town receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year

<u>Note A – Summary of significant accounting policies</u> (Continued)

in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Town must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Town on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

<u>Unearned revenue</u> – Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. 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 the revenue is recognized.

<u>Deferred outflows/inflows of resources</u> - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

<u>Expenses/expenditures</u> – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

A.5 – Encumbrances

Encumbrances outstanding at year-end are considered immaterial and thus are not reported as reservations of fund balance.

<u>Note A – Summary of significant accounting policies</u> (Continued)

A.6 – Cash and cash equivalents

For the purposes of the statement of cash flows, the Town considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

A.7 – Short-term interfund receivables/payables

During the course of operations, numerous 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 are classified as due from other funds or due to other funds on the balance sheet.

A.8 – Receivables

Monthly charges for water services are included with monthly utility billings. No allowance for doubtful accounts has been provided in the accompanying financial statements since substantially all accounts are deemed by management to be collectible.

A.9 – Inventories

Inventories consist of expendable supplies and are reported at cost or estimated cost.

A.10 – Capital assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund financial statements.

All capital assets with a unit cost greater than $5,000 are capitalized at cost (or estimated historical cost, if actual cost is not available) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value on the date received. Improvements to assets are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) are capitalized on a prospective basis beginning in 2004.

Note A – Summary of significant accounting policies (Continued)

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of borrowing until project completion with interest earned on invested proceeds over the same period. No interest was capitalized during the year.

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities	Business-type Activities
Land and improvements	10 – 50 years	10 – 50 years
Buildings and improvements	10 – 75 years	20 – 75 years
Machinery and equipment	10 – 20 years	3 – 20 years
Furniture and fixtures	7 – 10 years	7 – 10 years
Systems	n/a	5 – 75 years

A.11 – Compensated absences

The Town reports compensated absences in accordance with the provisions of GASB Statement No. 101, “Compensated Absences.” Leave benefits are accrued as a liability for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability is recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, or the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account “accrued compensated absences” in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

The amount recorded as liabilities for all applicable compensated absences include salary-related payments associated with the payment of compensated absences, using the rates in effect at the balance sheet date.

A.12 – Accrued liabilities and long-term obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

Note A – Summary of significant accounting policies **(Continued)**

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

A.13 – Net position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Town applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

A.14 – 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 service charges for electric, water, sewer and sanitation utility services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

A.15 – Interfund 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 interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements.

Note A – Summary of significant accounting policies (Continued)

A.16 – Fund balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different type of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

Nonspendable, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council (the Town's highest level of decision-making authority),

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

Unassigned fund balance is the residual classification for the Town's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the members of town council through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

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

Note B – Cash and deposits

Cash and deposits

Colorado State statutes govern the Town's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Custodial credit risk – deposits – Custodial risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of year-end, the Town had total deposits of $3,475,110 of which $261,466 was insured and $3,213,644 was collateralized with securities held by the pledging institution's trust department or agent in the Town's name.

Investments

Authorized investments – Investment policies are governed by Colorado State Statutes and the Town's own investment policies and procedures. Investments of the Town may include:

- Obligations of the United States Government such as treasury bills, notes and bonds
- Certain international agency securities
- General obligation and revenue bonds of United States local government entities
- Bankers acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

At year-end, the Town did not have any investments.

Note C – Interfund transactions

The following is a summary of interfund borrowings and transfers for the year as presented in the fund financial statements:

Interfund Receivable	Interfund Payable	Amount
General Fund	Capital Improvement Fund	$ 3,391
General Fund	Capital Replacement Fund	3,730
Water Fund	Capital Improvement Fund	100,000
Sewer Fund	Electric Fund	384,838
Fire Pension Fund	General Fund	3,150
Totals		$ 495,109

All balances resulted from the time lag between the dates that (1) interfund reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers in	Transfers out	Amount
General Fund	Sewer Fund	$ 200,000
Sanitation Fund	Water Fund	50,000
Totals		$ 250,000

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The Town transferred funds from the Sewer Fund $200,000 to provide support for various departments within the General Fund. Additionally, the Town transferred $50,000 from the Water Fund to the Sanitation Fund to provide funds for increased repair and maintenance costs.

Note D – Receivables

Receivables at year-end consist of the following:

	Governmental Activities	Business-type Activities	Total Receivables
Property taxes	$ 423,501	$ -	$ 423,501
Utility billings	-	264,763	264,763
Other taxes	99,703	-	99,703
Interest	-	6,183	6,183
Special assessments	5,478	-	5,478
Total	$ 528,682	$ 270,946	$ 799,628

Note D – Receivables (Continued)

Property taxes are levied on December 15th and attach as a lien on property the following January 1st. They are payable in full by April 30th or are due in two equal installments on February 28th and June 15th. Sedgwick County bills and collects property taxes for all taxing entities within the County. The tax receipts collected by the county are remitted to the Town in the subsequent month.

Note E – Capital assets

Capital asset activity for the year was as follows:

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Governmental activities				
Capital assets, not being depreciated:				
Land	$ 188,376	$ -	$ -	$ 188,376
Total capital assets, not being depreciated	188,376	-	-	188,376
Capital assets, being depreciated:				
Land improvements	7,433,339	21,250	-	7,454,589
Buildings and improvements	1,880,207	32,684	-	1,912,891
Equipment	645,248	18,752	(22,000)	642,000
Total capital assets, being depreciated	9,958,794	72,686	(22,000)	10,009,480
Total capital assets	10,147,170	72,686	(22,000)	10,197,856
Less accumulated depreciation for:				
Land improvements	(1,000,005)	(156,600)	-	(1,156,605)
Buildings and improvements	(1,043,962)	(64,544)	-	(1,108,506)
Equipment	(559,919)	(12,929)	22,000	(550,848)
Total accumulated depreciation	(2,603,886)	(234,073)	22,000	(2,815,959)
Governmental activities capital assets, net	$ 7,543,284	$ (161,387)	$ -	$ 7,381,897

Note E – Capital assets (Continued)

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Land	$ 23,250	$ -	$ -	$ 23,250
Total capital assets, not being depreciated	23,250	-	-	23,250
Capital assets, being depreciated				
Buildings and improvements	411,243	10,828	-	422,071
Machinery and equipment	1,692,210	6,818	-	1,699,028
Furniture and fixtures	3,212	-	-	3,212
Systems	9,545,659	79,970	-	9,625,629
Total capital assets, being depreciated	11,652,324	97,616	-	11,749,940
Total capital assets	11,675,574	97,616	-	11,773,190
Less accumulated depreciation for:				
Buildings and improvements	(246,412)	(9,023)	-	(255,435)
Machinery and equipment	(963,242)	(82,921)	-	(1,046,163)
Furniture and fixtures	(640)	(315)	-	(955)
Systems	(5,050,884)	(169,224)	-	(5,220,108)
Total accumulated depreciation	(6,261,178)	(261,483)	-	(6,522,661)
Business-type activities capital assets, net	$ 5,414,396	$ (163,867)	$ -	$ 5,250,529

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities	
General government	$ 14,123
Public safety	31,238
Public works	77,381
Culture and recreation	111,331
Total governmental activities	234,073

Note E – Capital assets (Continued)

Business-type activities	
Electric	39,330
Water	79,100
Sewer	70,129
Sanitation	19,740
In addition, depreciation on capital assets held by the Town's internal service fund is charged to the various functions based on the percentage of contribution to the fund.	53,184
Total business-type activities	261,483
Total depreciation expense	$ 495,556

Note F – Long-term debt

The following is a summary of the changes in long-term debt for the year:

	Beginning Balances	Additions	Reductions	Ending Balances	Due within one year
Governmental activities					
Compensated absences	$ 11,681	$ -	$ (297)*	$ 11,384	$ -
Notes payable	2,332,421	-	(252,421)	2,080,000	110,000
Total	$ 2,344,102	$ -	$ (252,718)	$ 2,091,384	$ 110,000

Payments on the notes are made in the General and Swimming Pool Funds.

	Beginning Balances	Additions	Reductions	Ending Balances	Due within one year
Business-type activities					
Compensated absences	$ 46,998	$ -	$ (2,427)*	$ 44,571	$ -
Notes payable	421,000	-	(19,000)	402,000	19,500
Total	$ 467,998	$ -	$ (21,427)	$ 446,571	$ 19,500

*The change in the compensated absences liabilities are presented as a net change.

Note F – Long-term debt (Continued)

Notes payable

Notes payable at year-end consist of the following individual issues:

$693,000 agreement with Rural Development to refinance an interim loan with the Colorado Water Resources and Power Development Authority, due in semi-annual installments ranging from $6,898 to $19,025, including interest, through 2040.	$ 402,000
$2,500,000 agreement with Bank of the San Juans, Division of Glacier Bank, to finance the construction of a community swimming pool, due in annual installments ranging from $105,000 to $155,000, including interest, through 2041. The interest rate for the agreement is 2.250%	2,080,000
Total	$ 2,482,000

The Town's outstanding note with Rural Development in the amount of $421,000 is secured by a lien on the net revenues of the enterprise. This outstanding note contains (1) a provision that in an event of default as defined in the loan agreement the lender shall have the option to declare the entire principal amount then outstanding and accrued interest immediately due and payable, (2) incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (3) take possession of the facility, repair, maintain, and operate or rent it.

The Town's outstanding note with Bank of the San Juans, Division of Glacier Bank in the amount of $2,185,000 is secured by the swimming pool facility. The outstanding note contains a provision that in an event of default as defined in the loan agreement, the bank may (a) recover from the Town the portion of rent for which a specific appropriation or supplemental appropriation has been effected by the Board for such purpose, which would otherwise have been payable hereunder, (i) during any period in which the Town continues to occupy, use or possess the property or (ii) after the Town vacates and surrenders possession of the property (b) take whatever action at law or in equity may appear necessary or desirable to collect the rent then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Town under this obligation. Notwithstanding the foregoing or any provision of this obligation, the maximum

Note F – Long-term debt (Continued)

amount of contractual payments or damages that the bank may recover from the Town under this obligation is limited to the amount duly budgeted and appropriated by the Town for the payment of rent or any other obligations of the Town under this obligation in the fiscal year in which the event of default occurs.

The following schedule represents the Town's debt service requirements to maturity for the outstanding notes payable at year-end:

	Governmental Activities		Business-type Activities	
	Notes Payable		Notes Payable	
Year Ending December 31,	Principal	Interest	Principal	Interest
2026	$ 110,000	$ 46,800	$ 19,500	$ 17,876
2027	110,000	44,325	20,500	16,988
2028	115,000	41,850	21,500	16,054
2029	115,000	39,263	22,500	15,075
2030	120,000	36,675	23,500	14,051
2031-2035	640,000	141,863	134,000	53,280
2036-2040	715,000	66,487	160,500	19,845
2041	155,000	3,487	-	-
Totals	$ 2,080,000	$ 420,750	$ 402,000	$ 153,1689

Note G – 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 affiliated with the Colorado Intergovernmental Risk Sharing Agency (CIRSA) to provide protection against losses incurred related to property, casualty, general liability and workers compensation claims. CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of the Colorado Revised Statutes and the Colorado Constitution. The purposes of CIRSA are to provide members defined liability, property and workers compensation 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 makes an annual contribution to CIRSA for its insurance coverage. For the year, the Town's financial contribution to CIRSA was $110,878. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the Town. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

Note H – Pension plans

Town of Julesburg Volunteer Fire Pension Plan

Summary of significant accounting policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town of Julesburg Volunteer Fire Pension Plan and additions to/deductions from Town of Julesburg Volunteer Fire Pension Plan's net position have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General information about the pension plan

Plan description. The Town's defined benefit pension plan, Town of Julesburg Volunteer Fire Pension Plan, provides retirement and death benefits to plan members and beneficiaries for volunteer firefighters. The plan is a single-employer pension plan administered by the Pension Board. The Pension Board has the authority to establish and amend the benefit provisions of the plan.

Management of the Town of Julesburg Volunteer Fire Pension Plan is vested in the local Pension Board, which consists of the Town Mayor, a rural fire department board member, and three representatives of the local fire department serving the Town.

Plan membership. At year-end, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	20
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	18
Total	38

Benefits provided. The Town of Julesburg Volunteer Fire Department Pension Plan provides retirement and death benefits. Any firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a quarterly pension (currently $147 per quarter). The plan also provides for a lump-sum burial benefit of $100 upon death of an active firefighter.

Contributions. Contribution requirements of the Town are established by the local Pension Board. The plan is noncontributory regarding participants. Contributions to the plan for the year ended December 31, 2025 included $3,500 from the Town, $5,075 from the Julesburg Fire Protection District, and $3,150 from the State of Colorado matching funds.

Note H – Pension plans (Continued)

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

At December 31, 2025 the Town reported a net pension liability of $125,326. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025.

For the year ended December 31, 2025, the Town recognized pension expense of $(4,913). At December 31, 2025, the Town reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	$ 1,412	$ -
Changes in assumptions and other inputs	-	15,360
Difference between expected and actual experience	7,442	26,948
Contributions subsequent to measurement date	3,500	-
Totals	$ 12,354	$ 42,308

$3,500 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2026	$ (7,548)
2027	(5,783)
2028	(1,328)
2029	(1,493)
2030	(1,514)
Thereafter	(15,788)
Totals	$ (33,454)

Note H – Pension plans (Continued)

Actuarial assumptions. The total pension liability in the January 1, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age actuarial
Amortization method	Level dollar, open
Remaining amortization period	40 years
Asset valuation method	Market value
Inflation	2.75%
Salary increases	N/A
Investment rate of return	1.75% (net of expenses paid from the fund)
Retirement age	Age 50 and 20 years of service

Mortality rates were based on the Modified 1994 Group Annuity Mortality table for males.

The long-term expected rate of return on pension plan investments was determined using a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense). These amounts are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the asset allocation percentage. Best estimates of arithmetic real rates of return for the Town's current holdings of cash and certificates of deposit included in the Plan's assets as of December 31, 2024 are summarized in the above table.

Discount rate. The discount rate used to measure the total pension liability was 4.50 percent. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current and inactive volunteers. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note H – Pension plans (Continued)

Changes in the net pension liability/(asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Position (b)	Net Pension Liability (a)-(b)
Balances at beginning of year	$ 168,950	$ 40,674	$ 128,276
Changes for the year			
Service cost	1,847	-	1,847
Interest on total pension liability	7,413	-	7,413
Benefit changes	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	1,166	-	1,166
Contributions – employer	-	3,500	(3,500)
Contributions – state of Colorado	-	3,150	(3,150)
Contributions – Volunteer Fire Protection District	-	5,075	(5,075)
Net investment income	-	1,651	(1,651)
Benefit payments	(9,708)	(9,708)	-
Administrative expenses	-	-	-
Net changes	718	3,668	(2,950)
Balances at end of year	$ 169,668	$ 44,342	$ 125,326

Sensitivity of the Town's net pension liability to changes in the discount rate. The following presents the Town's net pension liability calculated using the discount rate of 4.50 percent, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.50 percent) or 1-percentage point higher (5.50 percent) than the current rate:

	1% Decrease (3.50%)	Current Discount (4.50%)	1% Increase (5.50%)
Net pension liability	$ 145,063	$ 125,326	$ 108,934

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Town of Julesburg Fireman Pension Fund financial report.

Note H – Pension plans (Continued)

Payables to the pension plan

The Town did not report any payables to the pension plan at year-end.

Defined Contribution Plan

The Town contributes to the Colorado County Officials and Employees Retirement Plan (the Plan), a defined contribution plan administered by the Colorado County Officials and Employees Retirement Association (CCOERA).

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the Town Council. The Town's contribution is a minimum of 3 percent of covered salary, but may be increased beyond this amount. All eligible employees are required to contribute an amount equal to the contribution by the Town. For the year employee contributions totaled $40,293, and the Town recognized pension expense of $14,673.

Employees are immediately vested in their own contributions, Town contributions, and earnings on those contributions.

Note I – Deferred compensation plan

The Town has a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. This plan is administered and held in trust by an independent plan administrator through an administrative service agreement. Employees defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death or financial hardship.

Amendments to the laws governing Section 457 deferred compensation plans substantially became effective January 1, 1997 as the Town transferred the assets to the Colorado County Officials and Employees Retirement Association (CCOERA) Deferred Compensation Trust. These assets are held in trust for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted for any other purpose.

Note J – Commitments and contingencies

State and federal funding

The Town receives revenues from various state and federal grant programs which are subject to final review and approval by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

Note J – Commitments and contingencies (Continued)

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the Town under specified voting requirements by the entire electorate. In November 1996, the voters of the Town approved a ballot initiative permitting the Town to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of TABOR. However, the Town has made certain interpretations of TABOR's language in order to determine its compliance. The Town has reserved funds in the General Fund in the amount of $36,000 for the emergency reserve.

Colorado local government budget laws

Expenses in the Capital Replacement Funds exceeded their appropriations by $133,520, and may be in violation of local government budget laws.

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Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Changes in the Town's Net Pension Liability/(Asset) and Related Ratios – Town of Julesburg Volunteer Fire Pension Plan
- Schedule of Town Contributions – Town of Julesburg Volunteer Fire Pension Plan
- Schedule of Investment Return – Town of Julesburg Volunteer Fire Pension Plan
- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – Capital Improvement Fund
- Budgetary Comparison Schedule – Swimming Pool Fund

TOWN OF JULESBURG, COLORADO
Schedule of Changes in the Town's Net Pension Liability/(Asset) and Related Ratios
Town of Julesburg Volunteer Fire Pension Plan
Last 10 Fiscal Years

	2025	2024	2023	2022
Total pension liability				
Service cost	$ 1,847	$ 2,084	$ 2,137	$ 3,135
Interest on the total pension liability	7,413	7,464	8,107	8,696
Benefit changes	-	-	-	(4,446)
Differences between expected and actual experience	-	-	-	-
Assumption changes	1,166	(740)	(14,623)	(13,962)
Benefit payments	(9,708)	(9,708)	(10,102)	(9,700)
Net change in total pension liability	718	(900)	(14,481)	(16,277)
Total pension liability - beginning	168,950	169,850	184,331	200,608
Total pension liability - ending (a)	$ 169,668	$ 168,950	$ 169,850	$ 184,331
Plan fiduciary net position				
Employer contributions	$ 3,500	$ 3,500	$ 3,500	$ 3,500
Volunteer Fire Protection District contribution	5,075	5,075	5,075	5,075
Pension plan net investment income	1,651	803	123	115
Benefit payments	(9,708)	(9,708)	(10,102)	(9,700)
State of Colorado matching funds	3,150	3,150	3,150	3,150
Net change in plan fiduciary net position	3,668	2,820	1,746	2,140
Plan fiduciary net position - beginning	40,674	37,854	36,108	33,968
Plan fiduciary net position - ending (b)	$ 44,342	$ 40,674	$ 37,854	$ 36,108
Town's net pension liability/(asset) - ending (a) - (b)	$ 125,326	$ 128,276	$ 131,996	$ 148,223
Plan fiduciary net position as a percentage of the total pension liability	26.13%	24.07%	22.29%	19.59%
Covered payroll	N/A	N/A	N/A	N/A
Town's net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A

* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

2021	2020	2019	2018	2017	2016
$ 3,285	$ 3,499	$ 5,195	$ 5,529	$ 5,858	$ 6,019
8,411	8,530	4,993	5,000	4,931	4,888
-	-	-	-	-	-
-	-	-	(4,892)	2,556	6,056
8,790	(5,023)	(58,887)	-	-	-
(9,350)	(9,600)	(9,900)	(9,900)	(9,900)	(9,900)
11,136	(2,594)	(58,599)	(4,263)	3,445	7,063
189,472	192,066	250,665	254,928	251,483	244,420
$ 200,608	$ 189,472	$ 192,066	$ 250,665	$ 254,928	$ 251,483
$ 3,500	$ 3,500	$ 3,500	$ 3,500	$ 3,500	$ 3,500
5,075	5,075	3,500	5,075	3,500	3,500
330	(1,293)	224	154	113	103
(9,350)	(9,600)	(9,900)	(9,900)	(9,900)	(9,900)
3,150	3,150	4,800	3,150	3,150	3,150
2,705	832	2,124	1,979	363	353
31,263	30,431	28,307	26,328	25,965	25,612
$ 33,968	$ 31,263	$ 30,431	$ 28,307	$ 26,328	$ 25,965
$ 166,640	$ 158,209	$ 161,635	$ 222,358	$ 228,600	$ 225,518
16.93%	16.50%	15.84%	11.29%	10.33%	10.32%
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

TOWN OF JULESBURG, COLORADO
Schedule of Town Contributions
Town of Julesburg Volunteer Fire Pension Plan
Last 10 Fiscal Years

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution *	Contribution Deficiency (Excess)	Covered Payroll	Actuarial Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2025	$ 9,914	$ 11,725	$ (1,811)	N/A	N/A
2024	$ 9,383	$ 11,725	$ (2,342)	N/A	N/A
2023	$ 9,838	$ 11,725	$ (1,887)	N/A	N/A
2022	$ 10,845	$ 11,725	$ (880)	N/A	N/A
2021	$ 12,925	$ 11,725	$ 1,200	N/A	N/A
2020	$ 12,579	$ 11,725	$ 854	N/A	N/A
2019	$ 12,995	$ 11,725	$ 1,270	N/A	N/A
2018	$ 14,929	$ 11,800	$ 3,129	N/A	N/A
2017	$ 15,536	$ 11,725	$ 3,811	N/A	N/A
2016	$ 15,730	$ 10,650	$ 5,080	N/A	N/A

* Includes employer, district and State of Colorado matching funds.

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TOWN OF JULESBURG, COLORADO
Schedule of Investment Returns
Town of Julesburg Volunteer Fire Pension Plan
Last 10 Fiscal Years

	2025	2024	2023	2022
Annual money-weighted rate of return, net of investment expense	3.28%	4.23%	2.22%	0.36%

2021	2020	2019	2018	2017	2016
0.36%	1.11%	-4.49%	0.84%	0.63%	-1.63%

TOWN OF JULESBURG, COLORADO
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Taxes	$ 393,795	$ 393,795	$ 386,213	$ (7,582)
Licenses and permits	12,500	12,500	5,113	(7,387)
Intergovernmental revenue	216,400	216,400	114,446	(101,954)
Charges for services	34,000	34,000	43,182	9,182
Fines and forfeitures	500	500	20	(480)
Miscellaneous revenue	127,220	127,220	266,965	139,745
Total revenues	784,415	784,415	815,939	31,524
Expenditures				
General government	215,160	215,160	150,152	65,008
Public safety	84,584	84,584	94,052	(9,468)
Public works	295,000	295,000	236,572	58,428
Culture and recreation	477,400	477,400	333,409	143,991
Debt service				
Principal			147,421	(147,421)
Interest and fiscal charges			9,864	(9,864)
Total expenditures	1,072,144	1,072,144	971,470	100,674
Excess of revenues over (under) expenditures	(287,729)	(287,729)	(155,531)	132,198
Other financing sources				
Sale of assets			14,000	14,000
Transfers in	200,000	200,000	200,000	-
Total other financing sources	200,000	200,000	214,000	14,000
Net change in fund balance	$ (87,729)	$ (87,729)	58,469	$ 146,198
Fund balance at beginning of year			318,384	
Fund balance at end of year			$ 376,853	

TOWN OF JULESBURG, COLORADO
Capital Improvement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Taxes				
Sales taxes	$ 205,000	$ 205,000	$ 213,959	$ 8,959
Miscellaneous				
Interest on investments	10,000	10,000	5,101	(4,899)
Total revenues	215,000	215,000	219,060	4,060
Expenditures				
Capital outlay	341,000	341,000	71,486	269,514
Total expenditures	341,000	341,000	71,486	269,514
Excess of revenues over (under) expenditures	$ (126,000)	$ (126,000)	147,574	$ 273,574
Fund balance (deficit) at at beginning of year			(10,861)	
Fund balance at end of year			$ 136,713	

TOWN OF JULESBURG, COLORADO
Swimming Pool Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Taxes				
Sales taxes	$ 268,000	$ 268,000	$ 268,009	$ 9
Miscellaneous				
Interest on investments	2,000	2,000	358	(1,642)
Total revenues	270,000	270,000	268,367	(1,633)
Expenditures				
Debt service				
Principal retirement	105,000	105,000	105,000	-
Interest and fiscal charges	51,525	51,525	49,169	2,356
Total expenditures	156,525	156,525	154,169	2,356
Excess of revenues over (under) expenditures	$ 113,475	$ 113,475	114,198	$ (3,989)
Fund balance at beginning of year			73,244	
Fund balance at end of year			$ 187,442	

Note A – Budgetary data

Annual budgets are established for all funds of the Town as required by state budget laws. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for the enterprise and internal service funds in which capital and principal retirement expenses are treated as operating expenses and depreciation expense is not budgeted.

An appropriated budget for the entity as a whole is prepared on a detailed basis. Revenues are budgeted by source. Expenditures are budgeted by department and the major divisions thereof and by each independent office and agency and by the principal objects of expenditure. The legal level of control is considered to be the entity as a whole and expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review and approval by Town council. Within these control levels, management may transfer appropriations without Town council approval. Revisions to the budget were made during the year.

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

- On or before September 20th of each year, or in conformity with the general state law, the Town clerk submits to the Town council a budget which shall be a complete financial plan for the ensuing fiscal year.

- At the same time the budget is submitted, the Town manager shall also prepare an appropriation ordinance making a levy in mills upon all taxable property within the Town for the ensuing fiscal year.

- A public hearing on the budget shall be held by Town council two weeks after its submission. Notice of the time and place of said hearing shall be published within three days after the submission of the budget.

- Prior to December 15th, or in conformity with the general state law, the Town council shall adopt the budget and the tax levy ordinance.

- Any portion of any annual appropriation remaining unexpended and unencumbered at the close of the budget year shall be declared surplus and included in the budget for the ensuing year as those appropriations lapse at year-end.

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Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – General Fund Revenues and Expenditures
- Budgetary Comparison Schedule – Nonmajor Governmental Fund
- Budgetary Comparison Schedules – Proprietary Funds
- Budgetary Comparison Schedule – Internal Service Fund
- Budgetary Comparison Schedule – Fiduciary Fund

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Budgetary Comparison Schedules – General Fund

The General Fund accounts for all transactions of the Town not required to be accounted for in other funds. This fund represents an accounting of the Town's ordinary operations financed primarily from tax dollars and intergovernmental aid. It is the most significant fund in relation to the Town's overall operations. The budgetary comparison schedules of revenues and expenditures are included to provide a greater level of detail to the reader of the financial statements.

TOWN OF JULESBURG, COLORADO
General Fund
Budgetary Comparison Schedule - Revenues
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Taxes				
Local property taxes	$ 326,795	$ 326,795	$ 330,331	$ 3,536
Delinquent taxes and interest	1,000	1,000	327	(673)
Specific ownership taxes	43,000	43,000	40,371	(2,629)
Franchise taxes	15,000	15,000	12,508	(2,492)
Severance taxes	1,500	1,500	328	(1,172)
Lodging taxes	6,500	6,500	2,348	(4,152)
Total taxes	393,795	393,795	386,213	(7,582)
Licenses and permits	12,500	12,500	5,113	(7,387)
Intergovernmental				
Highway users tax	155,000	155,000	67,153	(87,847)
Motor vehicle assessment	6,000	6,000	5,205	(795)
Road and bridge tax	54,000	54,000	25,704	(28,296)
Cigarette tax	1,400	1,400	1,013	(387)
Grants			5,000	5,000
State backfill funds			10,371	10,371
Total intergovernmental	216,400	216,400	114,446	(101,954)
Charges for services				
General government			1,970	1,970
Airport	30,000	30,000	29,009	(991)
Recreation	4,000	4,000	12,203	8,203
Total charges for services	34,000	34,000	43,182	9,182
Fines and forfeitures	500	500	20	(480)
Miscellaneous revenues				
Interest on investments	15,000	15,000	31,054	16,054
Donations	100	100	800	700
Tower leases	6,120	6,120	5,285	(835)
Grants	70,000	70,000	179,224	109,224
Miscellaneous	36,000	36,000	50,602	14,602
Total miscellaneous revenues	127,220	127,220	266,965	139,745
Total revenues	$ 784,415	$ 784,415	$ 815,939	$ 31,524

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TOWN OF JULESBURG, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
General government				
Administrative salaries	$ 36,597	$ 36,597	$ 36,666	$ (69)
Legislative - town council	7,931	7,931	2,582	5,349
Employee benefits	13,360	13,360	15,984	(2,624)
Supplies	12,184	12,184	9,190	2,994
Professional services	32,000	32,000	17,279	14,721
Insurance and bonds	30,000	30,000	31,582	(1,582)
County treasurer's fees	9,430	9,430	7,222	2,208
Advertising and legal notices	6,000	6,000	2,853	3,147
Dues and subscriptions	1,910	1,910	2,323	(413)
Office cleaning	540	540	494	46
Repairs and maintenance	5,000	5,000	3,519	1,481
Public utilities	5,038	5,038	5,382	(344)
Economic development	32,670	32,670	7,609	25,061
Miscellaneous	22,500	22,500	7,467	15,033
Total general government	215,160	215,160	150,152	65,008
Public safety				
Police				
Salaries	3,600	3,600	1,400	2,200
Employee benefits	275	275	107	168
Miscellaneous	3,625	3,625	13,202	(9,577)
Law enforcement	10,000	10,000		10,000
Total police	17,500	17,500	14,709	2,791
Fire				
Salaries	2,400	2,400	2,600	(200)
Employee benefits	3,684	3,684	3,699	(15)
Supplies	5,400	5,400	6,753	(1,353)
Repairs and maintenance	6,500	6,500	13,220	(6,720)
Professional services	4,000	4,000	4,000	-
Public utilities	9,200	9,200	7,704	1,496
Fuel and oil	2,500	2,500	768	1,732
Miscellaneous	19,400	19,400	15,586	3,814
Capital outlay	14,000	14,000	25,013	(11,013)
Total fire	67,084	67,084	79,343	(12,259)
Total public safety	84,584	84,584	94,052	(9,468)

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Public works				
Streets and highways				
Salaries	51,000	51,000	55,373	(4,373)
Employee benefits	29,000	29,000	28,403	597
Supplies	9,800	9,800	21,068	(11,268)
Street maintenance	30,500	30,500	16,672	13,828
Crack filler	15,000	15,000	8,368	6,632
Public utilities	5,000	5,000	3,362	1,638
Equipment maintenance	21,000	21,000	17,464	3,536
Curb and gutter	30,000	30,000		30,000
Fuel and oil	12,800	12,800	3,533	9,267
Street lighting	32,000	32,000	31,432	568
Miscellaneous	12,900	12,900	468	12,432
Capital outlay	10,000	10,000	19,837	(9,837)
Total streets and highways	259,000	259,000	205,980	53,020
Sanitation				
Weed and pest control	10,000	10,000	11,738	(1,738)
Airport				
Repairs and maintenance	16,000	16,000	10,049	5,951
Insurance and bonds	5,000	5,000	4,793	207
Public utilities	5,000	5,000	4,012	988
Total airport	26,000	26,000	18,854	7,146
Total public works	295,000	295,000	236,572	58,428
Culture and recreation				
Library				
Salaries	45,840	45,840	45,373	467
Employee benefits	29,010	29,010	31,156	(2,146)
Supplies	6,000	6,000	11,626	(5,626)
Repairs and maintenance	6,000	6,000	1,610	4,390
Public utilities	10,060	10,060	7,900	2,160
Office cleaning	1,440	1,440	1,440	-
Insurance and bonds	500	500	500	-
Miscellaneous	5,000	5,000	4,766	234
Miscellaneous			12,404	(12,404)
Total library	103,850	103,850	116,775	(12,925)

(continued)

TOWN OF JULESBURG, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2025

(continued)

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Parks				
Salaries	52,000	52,000	44,906	7,094
Employee benefits	34,550	34,550	24,663	9,887
Supplies	12,300	12,300	6,566	5,734
Public utilities	4,200	4,200	2,702	1,498
Repairs and maintenance	15,000	15,000	22,241	(7,241)
Fuel and oil	4,000	4,000	2,654	1,346
Miscellaneous	6,500	6,500	859	5,641
Capital outlay	40,000	40,000		40,000
Total parks	168,550	168,550	104,591	63,959
Recreation				
Supplies	2,000	2,000	11	1,989
Insurance	500	500		500
Public utilities	1,500	1,500	577	923
Repairs and maintenance	6,000	6,000	100	5,900
Capital outlay	10,000	10,000		10,000
Total recreation	20,000	20,000	688	19,312
Swimming pool				
Salaries	54,000	54,000	52,146	1,854
Employee benefits	4,000	4,000	3,989	11
Supplies	10,000	10,000	4,674	5,326
Public utilities	8,000	8,000	5,481	2,519
Repairs and maintenance	25,000	25,000	17,237	7,763
Insurance and bonds	7,000	7,000	3,417	3,583
Miscellaneous	7,000	7,000	2,740	4,260
Capital outlay	70,000	70,000	21,671	48,329
Total swimming pool	185,000	185,000	111,355	73,645
Total culture and recreation	477,400	477,400	333,409	143,991
Debt service				
Principal			147,421	(147,421)
Interest and fiscal charges			9,864	(9,864)
Total debt service	-	-	157,285	(157,285)
Total expenditures	$ 1,072,144	$ 1,072,144	$ 971,470	$ 100,674

Budgetary Comparison Schedule – Nonmajor Governmental Fund

The Town reports the following nonmajor governmental fund:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- Conservation Trust Fund – This fund was established to account for the state lottery proceeds and allowable expenditures.

TOWN OF JULESBURG, COLORADO
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Intergovernmental revenue				
State lottery revenues	$ 15,000	$ 15,000	$ 15,011	$ 11
Miscellaneous				
Interest on investments	1,000	1,000	1,794	794
Total revenues	16,000	16,000	16,805	805
Expenditures				
Culture and recreation	15,000	15,000		15,000
Total expenditures	15,000	15,000	-	15,000
Excess of revenues over (under) expenditures	$ 1,000	$ 1,000	16,805	$ 15,805
Fund balance at beginning of year			48,378	
Fund balance at end of year			$ 65,183	

Budgetary Comparison Schedules – Proprietary Funds

The Town reports the following major proprietary funds:

Enterprise Funds – These funds are used to account for operations that provide services that are financed primarily by user charges, or activities where periodic measurement of income is appropriate for capital maintenance, public policy, management control or other purposes.

- Electric Fund – This fund was established to account for all operations of the electric utility services provided by the Town.
- Water Fund – This fund was established to account for all operations of the water utility services provided by the Town.
- Sewer Fund – This fund was established to account for all operations of the sewer utility services provided by the Town.
- Sanitation Fund – This fund was established to account for all operations of the sanitation utility services provided by the Town.

TOWN OF JULESBURG COLORADO
Electric Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Operating revenues				
Charges for services	$ 1,306,000	$ 1,306,000	$ 1,263,645	$ (42,355)
Operating expenses				
Systems operation				
Salaries	94,000	94,000	66,019	27,981
Employee benefits	58,893	58,893	36,762	22,131
Power purchases	830,000	830,000	887,552	(57,552)
Professional fees	1,622	1,622	1,320	302
Repairs and maintenance	65,000	65,000	62,652	2,348
Public utilities	18,685	18,685	23,477	(4,792)
Fuel and oil	10,000	10,000	6,099	3,901
Supplies	66,200	66,200	45,716	20,484
Miscellaneous	34,600	34,600	892	33,708
Equipment replacement	40,000	40,000	40,000	-
Capital purchases			52,302	(52,302)
Total systems operation	1,219,000	1,219,000	1,222,791	(3,791)
Administrative and general				
Salaries	60,714	60,714	60,982	(268)
Employee benefits	25,764	25,764	23,609	2,155
Professional fees	7,500	7,500	7,235	265
Office expense	864	864	792	72
Insurance and bonds	47,113	47,113	49,752	(2,639)
Repairs and maintenance	2,400	2,400		2,400
Public utilities	4,800	4,800	3,159	1,641
Fuel and oil	5,000	5,000	3,245	1,755
Supplies	14,045	14,045	12,644	1,401
Miscellaneous	31,800	31,800	7,873	23,927
Total administrative and general	200,000	200,000	169,291	30,709
Total operating expenses	1,419,000	1,419,000	1,392,082	26,918
Operating loss	(113,000)	(113,000)	(128,437)	(15,437)

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Nonoperating revenues				
Interest on investments	5,200	5,200	22,305	17,105
Miscellaneous revenue	16,800	16,800	24,043	7,243
Total nonoperating revenues	22,000	22,000	46,348	24,348
Change in net position	$ (91,000)	$ (91,000)	(82,089)	$ 8,911
Adjustments to GAAP Basis				
Add capital purchases			52,302	
Deduct depreciation			(39,330)	
Change in net position - GAAP Basis			(69,117)	
Net position at beginning of year			1,282,295	
Net position at end of year			$ 1,213,178	

TOWN OF JULESBURG COLORADO
Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Operating revenues				
Charges for services	$ 444,720	$ 444,720	$ 438,623	$ (6,097)
Operating expenses				
Systems operation				
Salaries	53,000	53,000	33,478	19,522
Employee benefits	18,061	18,061	12,534	5,527
Professional services	10,000	10,000	33,857	(23,857)
Supplies	50,000	50,000	8,470	41,530
Repairs and maintenance	88,000	88,000	27,273	60,727
Public utilities	62,000	62,000	44,881	17,119
Fuel and oil	2,500	2,500	1,012	1,488
Lab analysis	2,409	2,409	4,104	(1,695)
Miscellaneous	9,030	9,030	(1,124)	10,154
Equipment replacement	5,000	5,000	5,000	-
Capital purchases	120,000	120,000	17,628	102,372
Total systems operation	420,000	420,000	187,113	232,887
Administrative and general				
Salaries	60,714	60,714	60,981	(267)
Employee benefits	25,764	25,764	22,601	3,163
Professional fees	3,888	3,888	3,555	333
Office expense	420	420	386	34
Insurance and bonds	23,826	23,826	24,475	(649)
Public utilities	3,500	3,500	1,962	1,538
Supplies	6,938	6,938	6,080	858
Miscellaneous	500	500	320	180
Total administrative and general	125,550	125,550	120,360	5,190
Total operating expenses	545,550	545,550	307,473	238,077
Operating income (loss)	(100,830)	(100,830)	131,150	231,980

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Nonoperating revenues (expenses)				
Interest on investments	24,280	24,280	29,903	5,623
Grants			48,122	48,122
Water tower lease	77,000	77,000	78,605	1,605
Miscellaneous revenue	4,000	4,000	1,851	(2,149)
Principal paid on notes	(18,500)	(18,500)	(19,000)	(500)
Interest and fiscal charges	(19,093)	(19,093)	(18,375)	718
Total nonoperating revenues (expenses)	67,687	67,687	121,106	53,419
Net income (loss) before transfers	(33,143)	(33,143)	252,256	285,399
Transfers out		(50,000)	(50,000)	
Change in net position	$ (33,143)	$ (83,143)	202,256	$ 285,399
Adjustments to GAAP Basis				
Add principal paid on notes			19,000	
Add capital purchases			17,628	
Deduct depreciation			(79,100)	
Change in net position - GAAP Basis			159,784	
Net position at beginning of year			2,906,091	
Net position at end of year			$ 3,065,875	

TOWN OF JULESBURG, COLORADO
Sewer Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Operating revenues				
Charges for services	$ 360,500	$ 360,500	$ 374,478	$ 13,978
Operating expenses				
Systems operation				
Salaries	50,780	50,780	46,682	4,098
Employee benefits	29,553	29,553	29,640	(87)
Professional services	20,738	20,738	3,053	17,685
Supplies	25,000	25,000	9,276	15,724
Repairs and maintenance	50,000	50,000	18,794	31,206
Public utilities	28,000	28,000	27,173	827
Fuel and oil	12,000	12,000	3,076	8,924
Lab analysis	20,329	20,329	22,993	(2,664)
Miscellaneous	4,600	4,600	1,345	3,255
Equipment replacement	5,000	5,000	5,000	-
Capital purchases	60,000	60,000	27,686	32,314
Total systems operation	306,000	306,000	194,718	111,282
Administrative and general				
Salaries	30,357	30,357	30,491	(134)
Employee benefits	14,882	14,882	14,870	12
Supplies	1,100	1,100	670	430
Professional fees	411	411	410	1
Insurance and bonds	2,602	2,602	2,928	(326)
Public utilities	250	250	523	(273)
Miscellaneous	398	398	364	34
Total administrative and general	50,000	50,000	50,256	(256)
Total operating expenses	356,000	356,000	244,974	111,026
Operating income	4,500	4,500	129,504	125,004

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Nonoperating revenues				
Interest on investments	3,500	3,500	16,587	13,087
Grant revenue			27,686	27,686
Miscellaneous revenue			100	100
Total nonoperating revenues	3,500	3,500	44,373	40,873
Net income before transfers	8,000	8,000	173,877	165,877
Transfers out	(200,000)	(200,000)	(200,000)	-
Change in net position	$ (192,000)	$ (192,000)	(26,123)	$ 165,877
Adjustments to GAAP Basis				
Add capital purchases			27,686	
Deduct depreciation			(70,129)	
Change in net position - GAAP Basis			(68,566)	
Net position at beginning of year			2,510,354	
Net position at end of year			$ 2,441,788	

TOWN OF JULESBURG, COLORADO
Sanitation Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Operating revenues				
Charges for services	$ 220,000	$ 220,000	$ 271,182	$ 51,182
Operating expenses				
Systems operation				
Salaries	58,060	58,060	53,744	4,316
Employee benefits	18,676	18,676	24,596	(5,920)
Supplies	4,464	4,464	10,147	(5,683)
Repairs and maintenance	37,000	87,000	52,585	34,415
Fuel and oil	24,800	24,800	19,176	5,624
Landfill charges	46,000	46,000	48,722	(2,722)
Dumpster expense	10,000	10,000	3,442	6,558
Miscellaneous	1,000	1,000	556	444
Equipment replacement	20,000	20,000	20,000	-
Total systems operation	220,000	270,000	232,968	37,032
Administrative and general				
Salaries	20,238	20,238	20,327	(89)
Employee benefits	11,833	11,833	11,957	(124)
Office expense	1,079	1,079	784	295
Professional fees	500	500	410	90
Public utilities	600	600	226	374
Insurance and bonds	2,750	2,750	2,928	(178)
Total administrative and general	37,000	37,000	36,632	368
Total operating expenses	257,000	307,000	269,600	37,400
Net income (loss) before transfers	(37,000)	(87,000)	1,582	13,782

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Transfers in		50,000	50,000	-
Change in net position	$ (37,000)	$ (37,000)	51,582	$ 88,582
Adjustments to GAAP Basis				
Deduct depreciation			(19,740)	
Change in net position - GAAP Basis			31,842	
Net position at beginning of year			478,070	
Net position at end of year			$ 509,912	

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Budgetary Comparison Schedule – Internal Service Fund

Internal Service Funds – These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town on a cost reimbursement basis.

The Town reports the following internal service fund:

- Capital Replacement Fund – This fund accounts for equipment management services provided to other departments of the Town on a cost reimbursement basis.

TOWN OF JULESBURG, COLORADO
Capital Replacement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Charges for services	$ 70,000	$ 70,000	70,000	-
Total revenues	70,000	70,000	70,000	-
Expenses				
Miscellaneous			20	(20)
Capital outlay - prepaid items	30,000	30,000	163,500	(133,500)
Total expenses	30,000	30,000	163,520	(133,520)
Operating income	40,000	40,000	(93,520)	(133,520)
Nonoperating revenues				
Earnings on investments	2,000	2,000	4,606	2,606
Total nonoperating revenues	2,000	2,000	4,606	2,606
Change in net position	$ 42,000	$ 42,000	(88,914)	$ (130,914)
Adjustments to GAAP Basis				
Add prepaid items			163,500	
Deduct depreciation			(53,184)	
Change in net position - GAAP Basis			21,402	
Net position at beginning of year			447,690	
Net position at end of year			$ 469,092	

Budgetary Comparison Schedule – Fiduciary Fund

These funds focus on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds.

The Town reports the following fiduciary fund:

Pension (and other employee benefit) trust funds – These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations or other governments.

- Firemen's Pension Fund – This fund was established to account for contributions made to a single-employer defined benefit plan on behalf of the Town's volunteer fire fighters.

TOWN OF JULESBURG, COLORADO
Firemen's Pension Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Additions				
Contributions				
Rural	$ 5,075	$ 5,075	$ 5,075	$ -
Town	3,500	3,500	3,500	-
State	3,150	3,150	3,150	-
Total contributions	11,725	11,725	11,725	-
Investment income				
Interest on investments	975	975	1,595	620
Total investment income	975	975	1,595	620
Total additions	12,700	12,700	13,320	620
Deductions				
Pension benefits	11,172	11,172	9,514	1,658
Total deductions	11,172	11,172	9,514	1,658
Change in net position	$ 1,528	$ 1,528	3,806	$ 2,278
Net position restricted for pensions				
Beginning of year			44,342	
End of year			$ 48,148	

Colorado Department of Highways
Local Highway Finance Report

This calendar-year report of receipts and expenditures is required by the Colorado Department of Highways to maintain Statewide accountability for moneys used for highway and street purposes. To ensure data accuracy, House Bill 1008 mandates that this report be included in the Town's financial statements.

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO
THIS INFORMATION FROM THE RECORDS OF: Town of Julesburg	PREPARED BY: Carrie Hartwell jsbgclerk@gmail.com	REPORT YEAR ENDING DATE(mm/yyyy): 12/2025

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other Local Imposts:		**A.4. Miscellaneous Local Receipts:**	
a. Property Taxes and Assesments	25,695.38	a. Interest on investments	
b. Non-property Taxes and Assessments Imposts	314,030.00	b. Other Misc. Local Receipts	20.00
c. Total (a + b)	$ 339,725.38	**c. Total (a + b)**	$ 20.00

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	66,743.93	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	4,891.56		
c. Total (a + b)	$ 4,891.56		
4. Total (1 + 2 + 3c)	$ 71,635.49	**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	71,486.30
d. Total Capital Outlay (a+ b + c)	$ 71,486.30

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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	0.00
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 339,725.38
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ 20.00
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)	$ 339,745.38
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	$ 71,635.49
D. Receipts from Federal government (from page 1, Item II.D.3)	$ -
E. Total receipts (A.7 + B + C + D)	$ 411,380.87

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ 71,486.30
2. Maintenance:	308,462.49
3. Road and Street Services:	
a. Snow and Ice Removal	
b. Other & Traffic Control Operations	31,432.08
c. Total (a + b)	$ 31,432.08
4. General Administration & Miscellaneous	0.00
5. Highway Law Enforcement and Safety	
6. Total (1 through 5)	$ 411,380.87
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)	$ 411,380.87

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)		$ -	$ -	$ -