TOWN OF SOUTH FORK, COLORADO

FINANCIAL STATEMENTS

December 31, 2025

Wall,
Smith,
Bateman Inc.
Certified Public Accountants

TOWN OF SOUTH FORK, COLORADO
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INDEPENDENT AUDITORS' REPORT

Wall,
Smith,
Bateman Inc.

To the Honorable Mayor
and the Board of Trustees
Town of South Fork, Colorado
South Fork, Colorado

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison and the pension information, as 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 proprietary fund budgetary comparison information and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the proprietary fund budgetary comparison information and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

July 07, 2026

TOWN OF SOUTH FORK, COLORADO

BASIC FINANCIAL STATEMENTS

TOWN OF SOUTH FORK, COLORADO
STATEMENT OF NET POSITION
December 31, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	TOTAL
ASSETS			
Current assets			
Cash, deposits, and investments	$ 1,316,907	$ 629,994	$ 1,946,901
Accounts receivable	5,584	6,515	12,099
Due from state	72,665	-	72,665
Due from other governments	106,449	-	106,449
Prepaid expenses	-	-	-
Total current assets	1,501,605	636,509	2,138,114
Noncurrent assets			
Land	655,701	-	655,701
Construction in progress	-	39,284	39,284
Water Augmentation Rights	-	440,000	440,000
Buildings and improvements	2,486,404	-	2,486,404
Equipment	1,324,513	-	1,324,513
Infrastructure	728,930	5,169,328	5,898,258
Land Improvements	177,380	-	177,380
Less: accumulated depreciation	(1,638,361)	(516,933)	(2,155,294)
Total noncurrent assets	3,734,567	5,131,679	8,866,246
TOTAL ASSETS	5,236,172	5,768,188	11,004,360
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	100,821	-	100,821
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	26,175	-	26,175
Unearned Revenue	-	-	-
Compensated absences	30,585	-	30,585
Notes payable	-	94,958	94,958
Total current liabilities	56,760	94,958	151,718
Noncurrent liabilities			
Compensated absences	33,579	-	33,579
Notes payable	-	2,650,650	2,650,650
Net Pension Liability	-	-	-
Total noncurrent liabilities	33,579	2,650,650	2,684,229
TOTAL LIABILITIES	90,339	2,745,608	2,835,947
DEFERRED INFLOWS OF RESOURCES			
Pensions	26,948	-	26,948

The accompanying notes are an integral part of this financial statement.

TOWN OF SOUTH FORK, COLORADO
STATEMENT OF NET POSITION
December 31, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	TOTAL
NET POSITION			
Net investment in capital assets	3,734,567	2,386,071	6,120,638
Restricted for:			
TABOR reserve	97,000	-	97,000
Conservation Trust Fund	92,309	-	92,309
Unrestricted	1,295,830	636,509	1,932,339
TOTAL NET POSITION	$ 5,219,706	$ 3,022,580	$ 8,242,286

The accompanying notes are an integral part of this financial statement.

TOWN OF SOUTH FORK, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants & Contributions**	**Capital Grants & Contributions**	**Governmental Activities**	**Business-Type Activities**	**TOTAL**
Primary Government:							
Governmental activities:							
General government	$ 1,253,409	$ 231,972	$ 38,325	$ 95,000	$ (888,112)	$ -	$ (888,112)
Public safety	574,257	168,944	-	66,650	(338,663)	-	(338,663)
Highways and streets	684,715	-	83,966	-	(600,749)	-	(600,749)
Marketing and economic	246,500	-	-	-	(246,500)	-	(246,500)
Culture and recreation	280,312	63,953	195,665	-	(20,694)	-	(20,694)
Total Governmental Activities	3,039,193	464,869	317,956	161,650	(2,094,718)	-	(2,094,718)
Business-Type Activities							
Water	431,832	316,370	-	17,100	-	(98,362)	(98,362)
Total Business-Type Activities	431,832	316,370	-	17,100	-	(98,362)	(98,362)
Total Primary Government	$ 3,471,025	$ 781,239	$ 317,956	$ 178,750	(2,094,718)	(98,362)	(2,193,080)
	General Revenues:						
	Taxes:						
	Sales taxes				2,194,242	-	2,194,242
	Other taxes				2,288	-	2,288
	Interest on investments				35,542	-	35,542
	Miscellaneous				28,081	2,357	30,438
	Transfers				-	-	-
	Total General Revenues and Transfers				2,260,153	2,357	2,262,510
	Change in Net Position				165,435	(96,005)	69,430
	Net Position at Beginning of Year				5,054,271	3,118,585	8,172,856
	Net Position at End of Year				$ 5,219,706	$ 3,022,580	$ 8,242,286

The accompanying notes are an integral part of this financial statement.

TOWN OF SOUTH FORK, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2025

	GENERAL FUND	CONSERVATION TRUST	VISITOR CENTER AND MARKETING FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash	$ 1,169,251	$ 74,759	$ 72,897	$ 1,316,907
Accounts Receivable	5,584	-	-	5,584
Due from State	72,665	-	-	72,665
Due from Other Governments	106,449	-	-	106,449
Internal Balances	(17,550)	17,550	-	-
Prepaid Expenses	-	-	-	-
TOTAL ASSETS	$ 1,336,399	$ 92,309	$ 72,897	$ 1,501,605
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable and Accrued Liabilities	$ 25,749	$ -	$ 426	$ 26,175
Unearned Revenue	-	-	-	-
TOTAL LIABILITIES	25,749	-	426	26,175
FUND BALANCE				
Nonspendable:				
Prepaid Expenses	-	-	-	-
Restricted:				
TABOR Reserve	97,000	-	-	97,000
Conservation Trust Fund	-	92,309	-	92,309
Committed:				
Culture and Recreation	-	-	72,471	72,471
Safeguard Reserve	272,430	-	-	272,430
Operating Reserve	650,011	-	-	650,011
Capital Improvement Projects	171,209	-	-	171,209
Police Surcharge	40,000	-	-	40,000
Workforce and Affordable Housing	80,000	-	-	80,000
Contingency Reserve	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCE	1,310,650	92,309	72,471	1,475,430
TOTAL LIABILITIES AND FUND BALANCE	$ 1,336,399	$ 92,309	$ 72,897	$ 1,501,605

The accompanying notes are an integral part of this financial statement.

TOWN OF SOUTH FORK, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
December 31, 2025

Total governmental fund balances	$ 1,475,430
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the funds.	3,734,567
Deferred results and contributions to pension plans made after the measurement date are recorded as expenditures in the governmental funds, but must be deferred in the statement of net position.	100,821
Net pension assets (liabilities) are not due and payable in the current period and are not reported in the funds.	-
Certain amounts related to the net pension liability are deferred and amortized over time. These are not reported in the funds.	(26,948)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(64,164)
Net position of governmental activities	$ 5,219,706

The accompanying notes are an integral part of this financial statement.

TOWN OF SOUTH FORK, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended December 31, 2025

	GENERAL FUND	CONSERVATION TRUST	VISITOR CENTER AND MARKETING FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Taxes	$ 2,196,530	$ -	$ -	$ 2,196,530
Licenses and permits	227,735	-	-	227,735
Intergovernmental revenue	245,616	6,170	185,059	436,845
Contributions	-	-	-	-
Charges for services	67,074	-	68,389	135,463
Fines and Forfeitures	105,257	-	-	105,257
Interest on accounts	35,433	97	12	35,542
Other	48,171	-	19,085	67,256
TOTAL REVENUES	2,925,816	6,267	272,545	3,204,628
EXPENDITURES				
General government	684,576	-	-	684,576
Public safety	531,171	-	-	531,171
Highways and streets	639,470	-	-	639,470
Marketing and economic	246,500	-	-	246,500
Culture and recreation	10,343	-	251,513	261,856
Capital outlay	987,021	-	-	987,021
TOTAL EXPENDITURES	3,099,081	-	251,513	3,350,594
Excess (deficiency) of revenues over expenditures	(173,265)	6,267	21,032	(145,966)
OTHER FINANCING SOURCES (USES)				
Transfers In	14,175	-	-	14,175
Transfers Out	-	(14,175)	-	(14,175)
TOTAL OTHER FINANCING SOURCES (USES)	14,175	(14,175)	-	-
Net change in fund balance	(159,090)	(7,908)	21,032	(145,966)
Fund Balance at Beginning of Year	1,469,740	100,217	51,439	1,621,396
Fund Balance at End of Year	$ 1,310,650	$ 92,309	$ 72,471	$ 1,475,430

The accompanying notes are an integral part of this financial statement.

TOWN OF SOUTH FORK, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

Net change in fund balances - Total governmental funds		$ (145,966)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the activity in capital assets in the current period.		
Capital asset additions	$ 908,954	
Depreciation expense	(580,206)	
		328,748
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences		(15,159)
Certain items reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. This item consists of the change in pension expense.		(2,188)
Change in net position of governmental activities		$ 165,435

The accompanying notes are an integral part of this financial statement.

TOWN OF SOUTH FORK, COLORADO
PROPRIETARY FUND
STATEMENT OF NET POSITION
December 31, 2025

	WATER ENTERPRISE FUND
ASSETS	
Current Assets	
Cash	$ 629,994
Accounts Receivable	6,515
Total Current Assets	636,509
Capital Assets	
Construction In Progress	39,284
Water Augmentation Rights	440,000
Infrastructure	5,169,328
Less: Accumulated Depreciation	(516,933)
Total Capital Assets	5,131,679
TOTAL ASSETS	5,768,188
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Current Liabilities	
Accounts payable and accrued liabilities	-
Due to Other Funds	-
Notes payable	94,958
Total Current Liabilities	94,958
Noncurrent Liabilities	
Notes payable	2,650,650
Total Noncurrent Liabilities	2,650,650
TOTAL LIABILITIES	2,745,608
NET POSITION	
Net Investment in Capital Assets	2,386,071
Unrestricted	636,509
TOTAL NET POSITION	$ 3,022,580

The accompanying notes are an integral part of this financial statement.

TOWN OF SOUTH FORK, COLORADO
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended December 31, 2025

	WATER ENTERPRISE FUND
OPERATING REVENUES	
Service Charges	$ 316,370
Miscellaneous	2,357
TOTAL OPERATING REVENUES	318,727
OPERATING EXPENSES	
Salaries	23,457
Supplies	4,547
Professional Services	51,904
Utilities, Gas and Oil	21,941
Repairs and Maintenance	132,007
Insurance	-
Miscellaneous	5,615
Depreciation Expense	172,311
TOTAL OPERATING EXPENSES	411,782
Operating Income (Loss)	(93,055)
NONOPERATING REVENUES (EXPENSES)	
Interest Expense	(20,050)
Grant Income	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(20,050)
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	(113,105)
CAPITAL CONTRIBUTIONS	
Donated Capital	-
Tap Fees	17,100
TOTAL CAPITAL CONTRIBUTIONS	17,100
OTHER FINANCING SOURCES (USES)	
Transfer In	-
TOTAL OTHER FINANCING SOURCES (USES)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	17,100
Net Income (Loss)	(96,005)
Net Position at Beginning of Year	3,118,585
Net Position at End of Year	$ 3,022,580

The accompanying notes are an integral part of this financial statement.

TOWN OF SOUTH FORK, COLORADO
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2025

	WATER ENTERPRISE FUND
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 318,727
Cash Payments to Suppliers for Goods and Services	(220,723)
Cash Payments to Employees	(23,457)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	74,547
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers to Other Funds	-
NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Capital Assets	(39,284)
Capital Contributions	17,100
Grant Proceeds	-
Principal Paid on Notes Payable	(94,316)
Interest Paid on Notes Payable	(20,050)
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(136,550)
CASH FLOWS FROM INVESTING ACTIVITIES	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	(62,003)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	691,997
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 629,994
OPERATING INCOME (LOSS)	$ (93,055)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation Expense	172,311
Change in Assets and Liabilities	
(Increase) Decrease in Accounts Receivable	-
(Increase) Decrease in Prepaid Expenses	-
Increase (Decrease) in Accounts Payable	(4,709)
Increase (Decrease) in Due to Other Funds	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 74,547
SUPPLEMENTAL DISCLOSURES	
Noncash Capital	
Donated Capital	$ -

The accompanying notes are an integral part of this financial statement.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Town of South Fork (the Town) reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards.*

REPORTING ENTITY

Primary Government

The Town was incorporated on May 19, 1992, and became a statutory town under State Statute (C.R.S. 31-1-101). The Town operates under a Town Council form of government and provides the following services as authorized by its charter: public safety, highways and streets, culture and recreation, planning and zoning, water, and general administrative services.

Component Units

The Town's combined financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The Town holds the corporate powers of the organization
- The Town appoints a voting majority of the organization's board
- The Town is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the Town
- There is fiscal dependency by the organization on the Town
- The organization is financially accountable to the Town
- The organization receives or holds funds that are for the benefit of the Town; and the Town has access to a majority of the funds held; and the funds that are accessible are also significant to the Town

Based on the aforementioned criteria, the Town of South Fork has no component units.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the Town, except for fiduciary activity. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from services, or privileges provided by a given function or segment and
- Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. The emphasis of fund financial statements is on major governmental funds and enterprise funds, each reported as a separate column. All of the Town's funds at December 31, 2025 are considered to be major funds.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

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

The Town reports the following major governmental funds:

- The ***General Fund*** is the general operating fund of the Town. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The ***Conservation Trust Fund*** is used to account for the Town's share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks and other public recreational facilities.
- The ***Visitor Center and Marketing Fund*** is used to account for the Town's interpretive center. The monies may be expended for advertising, events, and other tourism projects.

The Town reports the following major proprietary funds:

- The ***Water Enterprise Fund*** is used to account for user charges and expenses for operating, financing, and maintaining the Town's water system.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

ASSETS, LIABILITIES, AND NET POSITION/FUND BALANCE

Cash and cash equivalents

The Town's cash and cash equivalents are considered to be cash in bank, certificates of deposit, and liquid investments with an initial maturity of three months or less.

Investments

All investments, if any, are recorded at fair market value.

Receivables/payables from other funds

Balances that originate from current lending/borrowing arrangements between funds are referred to as "Due To/From Other Funds".

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure, are reported in the applicable governmental and business-type activities columns in the government-wide financial statements. The Town defines capital assets as assets with an initial, individual cost of more than $5,000 and a life of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	10-30
Equipment	5-20
Infrastructure	20

Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town.

Compensated Absences

The Town of South Fork has adopted a policy to pay all regular employees their annual allotment of accrued vacation upon termination under favorable conditions. Vacation accrued during the first year of employment is not payable at time of termination if the termination date is less than one year from the employee's date of employment. Regular employees that are terminated or leave after the one-year time frame qualify and will be paid for their unused balance of vacation time accrued up through the last day worked. Employees will accrue vacation at the rate of 6 to 10 hours per month with a maximum of 144 to 240 hours based on years of service. The employee is compensated for hours in excess of the maximum at a rate of 20% straight pay and paid at the end of the calendar year. Sick leave may accumulate up to 90 days or 720 hours, but will not be paid upon termination. A liability for accrued compensated absences is included in the government-wide financial statements.

Unearned Revenue

The Town may receive short-term rental permit fees during 2026. Those fees will be recognized as revenue based on the year of assessment.

Long-Term Obligations

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as an other financing source and debt payments are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This represents a consumption of net position that applied to a future period(s) and will not be recognized as an outflow of resources (as either an expense or expenditure) until that period.

In addition to liabilities, the balance sheet reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

Certain amounts related to pensions must be deferred.

Pensions

The Town participates in the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire and Police Pension Association of Colorado ("FPPA"). The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in the following three components:

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

Fund Balance

Fund balances are reported by classification based on the extent to which the Town is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. Fund balances are classified in one of the following five categories:

- *Nonspendable Fund Balance* – amounts that cannot be spent because they are not in spendable form – such as inventory and prepaid expenditures.
- *Restricted Fund Balance* – amounts restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed Fund Balance* – amounts that can only be used for specific purposes as a result of constraints imposed through adopted resolution by the Board of Trustees, the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- *Assigned Fund Balance* – amounts a government intends to use for a specific purpose; intent can be expressed by the Board of Trustees or by an official or body to which the governing body delegates the authority.
- *Unassigned Fund Balance* – amounts that are available for any purpose; these amounts are reported only in the General Fund.

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

Encumbrances

The Town does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are re-budgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as designated fund balance.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The Town follows the procedures set forth in the Colorado Local Government Budget Law when preparing the annual budget for each fund. Budget procedures include:

- Preparation of budget documents by administrative staff shall be submitted to the Board no later than October 15 of each year.
- Publication of a notice stating that the budget is available for public inspection.

- Discussion of the budget in a meeting open to the public.
- Adoption of the budget in a public meeting by appropriate resolution, no later than December 31.

Formal budgetary integration is employed as a management control device for all funds of the Town. All fund budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP). All budget amounts presented reflect the original budget and the final budget, if applicable.

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Town did adopt supplemental appropriations during 2025. All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

NOTE 3 CASH, DEPOSITS AND INVESTMENTS

A summary of Cash, Deposits, and Investments are as follows:

Cash on Hand and Deposited with Banks	$ 1,066,973
Investments - C-SAFE	879,928
Total Cash, Deposits, and Investments on Statement of Net Position	$ 1,946,901

CASH AND DEPOSITS

Colorado state statutes govern the Town's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories, determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least 102% of the aggregate uninsured deposits. All deposits in 2025 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. At December 31, 2025, $764,272 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

INVESTMENTS

The types of investments which are authorized to be made with Town funds are controlled by state statute and the investment policies of the Town. Colorado state statutes and the Town's investment policies specify investment instruments meeting defined rating and risk criteria in which the Town may invest:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Repurchase agreements
- Money market funds
- Guaranteed investment contracts
- Corporate or bank debt issued by eligible corporations or banks

Custodial Credit Risk - Investments

The Town's investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. The Town's investment policy allows for the Town to invest in local government investment pools.

Interest Rate Risk

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates. The Town has no investments with maturities past five years.

The Town has $879,928 invested in the Colorado Surplus Asset Fund Trust (CSAFE). CSAFE Core Fund investments are valued using the net asset value (NAV) per share provided by the pool. The NAV is calculated daily and participant transactions may occur daily. The investments do not have any unfunded commitments, redemption restrictions, redemption notice periods, or withdrawal restrictions. CSAFE investments conform to Colorado Statues CRS 24-75-601 et. seq. and therefore invests primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the Public Deposit Protection Act. CSAFE measures all of its investments at amortized cost. CSAFE is rated AAAf/S1 by Fitch Ratings, reflecting the highest underlying credit quality of the portfolio and very low sensitivity to market risk.

Investments in local government investment pools or money market funds are not categorized as to risk because they are not evidenced by securities that exist in physical or book entry form.

NOTE 4 DUE FROM OTHER GOVERNMENTS

Intergovernmental receivables include amounts due from grantors for specific program grants and sales tax collected by other government agencies. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

As of December 31, 2025, the Town had $72,665 due from state and $106,449 from local governments, reflected as intergovernmental receivables in the accompanying basic financial statements.

NOTE 5 INTERFUND TRANSFERS, RECEIVABLES, AND PAYABLES

The Town reports transfers balances between its funds. The transfers in the current year included amounts transferred from the General Fund to the Water Enterprise Fund for projects.

Interfund transfers for the year ended December 31, 2025, were as follows:

Transfers In	Transfers Out	Amount
General Fund	Conservation Trust Fund	$ 14,175
	TOTALS	$ 14,175

A transfer was made from the Conservation Trust Fund to the General Fund to fund the Rickle Park expenses.

Interfund receivable and payable balances at December 31, 2025, were as follows:

Conservation Trust Fund	General Fund	$ 17,550
	TOTALS	$ 17,550

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025 was as follows:

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Governmental Activities:				
Capital assets not being depreciated				
Land	$ 630,233	$ 25,468	$ -	$ 655,701
Construction in Progress	1,955,000	95,000	2,050,000	-
Total capital assets not being depreciated	2,585,233	120,468	2,050,000	655,701
Capital assets being depreciated				
Buildings and improvements	436,404	2,050,000	-	2,486,404
Equipment	1,143,933	180,580	-	1,324,513
Infrastructure	135,200	593,730	-	728,930
Land Improvements	163,204	14,176	-	177,380
Total capital assets being depreciated	1,878,741	2,838,486	-	4,717,227
Less accumulated depreciation for:				
Buildings and improvements	353,575	423,290	-	776,865
Equipment	528,714	117,378	-	646,092
Infrastructure	121,120	21,551	-	142,671
Land Improvments	54,746	17,987	-	72,733
Total accumulated depreciation	1,058,155	580,206	-	1,638,361
Total capital assets being depreciated, net	820,586	2,258,280	-	3,078,866
Governmental Activities Capital Assets, net	$ 3,405,819	$ 2,378,748	$ 2,050,000	$ 3,734,567

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Business-type Activities:				
Capital assets not being depreciated				
Construction in progress	$ -	$ 39,284	$ -	$ 39,284
Water Augmentation Rights	440,000	-	-	440,000
Total capital assets not being depreciated	440,000	39,284	-	479,284
Capital assets being depreciated				
Infrastructure	5,169,328	-	-	5,169,328
Total capital assets being depreciated	5,169,328	-	-	5,169,328
Less accumulated depreciation for:				
Infrastructure	344,622	172,311	-	516,933
Total capital assets being depreciated, net	344,622	172,311	-	516,933
Business-type Activities Capital Assets, net	$ 5,264,706	$ (133,027)	$ -	$ 5,131,679

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

Governmental activities:	
General government	$ 475,607
Public safety	40,898
Highway and streets	45,245
Culture and recreation	18,456
Total depreciation expense - governmental activities	$ 580,206
Business-Type Activities:	
Water System	$ 172,311
Total depreciation expense - Business-Type Activities	$ 172,311

NOTE 7 LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2025, was as follows:

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025	Due Within One Year
Governmental Activities					
Compensated absences	$ 49,005	$ 15,159	$ -	$ 64,164	$ 30,585
Governmental Activities Total	$ 49,005	$ 15,159	$ -	$ 64,164	$ 30,585
Business-type Activities					
CWRPDA Loan	$ 2,429,295	$ -	$ (82,617)	$ 2,346,678	$ 83,031
CWCB Loan	410,629	-	(11,699)	398,930	11,927
Business-Type Activities Total	$ 2,839,924	$ -	$ (94,316)	$ 2,745,608	$ 94,958

* The change in the compensated absences liability is presented as a net change.

Business-type Activities

On July 8, 2020, the Colorado Water Resources and Power Development Authority loaned the Town $3,000,000 at an interest rate of 0.500% annually. $400,000 was forgiven at closing. This loan was obtained for the first stage of construction of a new municipal water system. The note is to be repaid in semi-annual installments of $47,330 for a period of 30 years. During 2021 the Town received a one year extension on the loan since the project was not complete. The initial payment is due November 1, 2022, and the final payment is due May 1, 2052. The loan is secured with "net revenue" from the Water Enterprise Fund pledged to repay the loan.

The annual debt service for the note payable is as follows:

	Principal	Interest	Total
2026	83,031	11,630	94,661
2027	83,447	11,214	94,661
2028	83,864	10,796	94,660
2029	84,284	10,376	94,660
2030	84,706	9,954	94,660
2031-2035	429,933	43,370	473,303
2036-2040	440,804	32,499	473,303
2041-2045	451,949	21,355	473,304
2046-2050	463,376	9,927	473,303
2051-2052	141,284	707	141,991
	$ 2,346,678	$ 161,828	$ 2,508,506

On March 12, 2021, the Colorado Water Conservation Board loaned the Town $444,400 at an interest rate of 1.95% annually. This loan was obtained for the purchase of 27.804 acre-feet per year of water. The note is to be repaid in annual installments of $19,706 for a period of 30 years. The initial payment is due March 1, 2022, and the final payment is due March 1, 2051. The loan is secured with "net revenue" from the Water Enterprise Fund pledged to repay the loan.

The annual debt service for the note payable is as follows:

	Principal	Interest	Total
2026	11,927	7,779	19,706
2027	12,160	7,547	19,707
2028	12,397	7,309	19,706
2029	12,639	7,068	19,707
2030	12,885	6,821	19,706
2031-2035	68,294	30,238	98,532
2036-2040	75,217	23,314	98,531
2041-2045	82,842	15,690	98,532
2046-2050	91,240	7,291	98,531
2051	19,329	377	19,706
	$ 398,930	$ 113,434	$ 512,364

NOTE 8 POLICE PENSION

Plan description. The Statewide Retirement Plan is a cost-sharing multiple-employer defined benefit pension plan. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at http://www.FPPAco.org.

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

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

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

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

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

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

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

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

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

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

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

Contributions to the Plan from the Town were $27,869 for the year ended December 31, 2025.

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

At December 31, 2025, the Town reported a liability (asset) of $0 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2025. The Town's proportion of the net pension liability (asset) was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined as of December 31, 2024, based upon the January 1, 2024 actuarial valuation. At December 31, 2024, the Town's proportion was 0.0163 percent, which was an increase of 0.028 from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Town increased pension expense by $2,188. At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 39,067	$ 1,222
Net difference between projected and actual earnings on pension plan investments	5,550	-
Changes in assumption	13,982	-
Changes in proportion	15,160	25,726
Contributions subsequent to the measurement date	27,869	-
Total	$ 101,628	$ 26,948

$27,869 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a decrease (increase) of the net pension liability (asset) in the year ended December 31, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	
2026	$ 14,924
2027	22,174
2028	195
2029	933
2030	4,280
Thereafter	4,305
	$ 46,811

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

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2025	January 1, 2024
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25% - 11.75%	4.25 - 11.75%
Cost of Living Adjustments (COLA)	0.0%	0.0%
* Includes Inflation at	2.5%	2.5%

For determining the total pension liability and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, and projected with the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses Pub2010 Safety health Employee Mortality Tables for males and females, amount-weighted, and then projected with MP-2020 Ultimate projection scale. The pre-retirement mortality tables are adjusted to 60%. The on-duty mortality rate is 0.00015.

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

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	33.0%	7.0%
Equity Long/Short	6.0%	6.2%
Private Markets	34.0%	8.8%
Fixed Income Rates	7.0%	5.0%
Fixed Income - Credit	7.0%	6.5%
Diversifiers	9.0%	5.7%
Cash	4.0%	4.2%
Total	100.0%	

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

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

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

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

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

1% Decrease (6.00%)	Single Discount Rate Assumption (7.00%)	1% Increase (8.00%)
$ 79,336	$ -	$ -

NOTE 9 DEFINED CONTRIBUTION PLAN

CCOERA DEFINED CONTRIBUTION PLAN

All eligible employees participate in the Colorado County Officials and Employees Retirement Association (CCOERA) (the Plan), a defined contribution plan, authorized by state statute. The Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Employees are eligible after completing twelve months of service with the Town, and participation is mandatory after one year of employment. Employee and employer contributions are 100% vested immediately upon employee participation in the plan.

The Town must contribute 3% of the compensation of each participant. Each participant contributes a minimum amount equal to the Town's contribution, and is permitted to make additional contributions not to exceed 10% of their compensation. For the year ended December 31, 2025, employee contributions totaled $14,279 and the Town recognized pension expense of $14,284. The Town recognized $0 of forfeitures in retirement expense during 2025.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. The Plan may be amended by resolution of the Board of Trustees but it may not be amended beyond the limits established by state statute.

ICMA DEFINED CONTRIBUTION PLAN

ICMA Compensation Plan is available to the Town Manager. The purpose of this plan is to provide retirement income and other deferred benefits to certain employees of the Town in accordance with the provisions of section 457 of the Internal Revenue Code. The plan is a defined contribution plan and employees are fully vested from the start of services. The Town contributes 12% of covered payroll and the employee contributes 12% to the plan. For the year ended December 31, 2025, employee contributions totaled $13,842 and the Town recognized pension expense of $13,842.

The financial report can be obtained by writing to ICMA Retirement Corporation, 777 North Capital Street NE, Washington DC, 2002-4240 or by calling 1-800-669-7400.

NOTE 10 TABOR AMENDMENT RESERVE

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment.

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

On November 7, 1995, voters approved a ballot question which stated that the Town shall be allowed to increase sales tax revenues by whatever additional amounts are raised annually from the sales tax at the existing rate and to be authorized to apply for, collect, receive, retain, accept and spend any and all nonfederal grants, license or any other state authorized fees or other revenue sources, not with standing the limitations of Article X, Section 20 of the Colorado Constitution, effective January 1, 1996, provided that no municipal tax rate shall be increased without further voter approval.

The amendment also requires that Emergency Reserves be established. These reserves must be at least three percent of fiscal year spending. This Emergency Reserve has been presented as a restricted fund balance in the General Fund and a restricted net position in the government-wide Statement of Net Position. The Town is not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

NOTE 11 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. These risks are covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the current year or the three prior years.

NOTE 12 COMMITMENTS AND CONTINGENCIES

Grant Programs – The Town participates in a number of state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount 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.

Litigation – The Town is a party to various legal actions normally associated with governmental activities, the aggregate effect which, in management's and legal counsel's opinion, would not be material to the financial statements.

TOWN OF SOUTH FORK, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund, and if applicable, each of the Town's major special revenue funds. In addition, pension plan contributions and the Town's proportionate share of the net pension liability are required to supplement the basic financial statements.

TOWN OF SOUTH FORK, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	$ 2,002,000	$ 2,828,809	$ 2,196,530	$ (632,279)
Licenses and permits	191,600	191,600	227,735	36,135
Intergovernmental revenue				
State grants	-	165,000	161,650	(3,350)
Shared revenues				
Highway users tax	42,000	42,000	50,868	8,868
County road and bridge fund	30,000	30,000	33,098	3,098
Motor vehicle fees	3,000	3,000	-	(3,000)
Contributions	-	-	-	-
Charges for services	22,910	22,910	67,074	44,164
Fines and Forfeitures	50,000	50,000	105,257	55,257
Interest on accounts	42,000	42,000	35,433	(6,567)
Other	5,000	5,000	48,171	43,171
TOTAL REVENUES	2,388,510	3,380,319	2,925,816	(454,503)
EXPENDITURES				
General government	648,470	648,470	684,576	(36,106)
Public safety	558,160	558,160	531,171	26,989
Highways and streets	529,679	529,679	639,470	(109,791)
Marketing and economic	260,382	260,382	246,500	13,882
Culture and recreation	39,500	39,500	10,343	29,157
Capital outlay	272,000	1,263,809	987,021	276,788
Debt Service	-	-	-	-
TOTAL EXPENDITURES	2,308,191	3,300,000	3,099,081	200,919
Excess (Deficiency) of Revenues over Expenditures	80,319	80,319	(173,265)	(253,584)
OTHER FINANCING SOURCES (USES)				
Transfer In	65,000	65,000	14,175	(50,825)
Transfer Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	65,000	65,000	14,175	(50,825)
Net Change in Fund Balance	145,319	145,319	(159,090)	(304,409)
Fund Balance at Beginning of Year	1,262,795	1,262,795	1,469,740	206,945
Fund Balance at End of Year	$ 1,408,114	$ 1,408,114	$ 1,310,650	$ (97,464)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

TOWN OF SOUTH FORK, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CONSERVATION TRUST FUND
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental revenue				
State lottery proceeds	$ 18,000	$ 18,000	$ 6,170	$ (11,830)
State grant income	-	-	-	-
Interest on accounts	50	50	97	47
TOTAL REVENUES	18,050	18,050	6,267	(11,783)
EXPENDITURES				
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	18,050	18,050	6,267	(11,783)
OTHER FINANCING SOURCES (USES)				
Transfer Out	(25,000)	(25,000)	(14,175)	10,825
TOTAL OTHER FINANCING SOURCES (USES)	(25,000)	(25,000)	(14,175)	10,825
Net Change in Fund Balance	(6,950)	(6,950)	(7,908)	(958)
Fund Balance at Beginning of Year	125,347	125,347	100,217	(25,130)
Fund Balance at End of Year	$ 118,397	$ 118,397	$ 92,309	$ (26,088)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

TOWN OF SOUTH FORK, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VISITOR CENTER AND MARKETING FUND
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental revenue				
County grants	$ 180,000	$ 180,000	$ 185,059	$ 5,059
Charges for services	56,500	56,500	68,389	11,889
Interest on accounts	10	10	12	2
Other	-	50,700	19,085	(31,615)
TOTAL REVENUES	236,510	287,210	272,545	(14,665)
EXPENDITURES				
Culture and Recreation				
Silver thread	219,300	270,000	251,513	18,487
TOTAL EXPENDITURES	219,300	270,000	251,513	18,487
Net Change in Fund Balance	17,210	17,210	21,032	3,822
Fund Balance at Beginning of Year	24,617	24,617	51,439	26,822
Fund Balance at End of Year	$ 41,827	$ 41,827	$ 72,471	$ 30,644

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

TOWN OF SOUTH FORK, COLORADO
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET) LIABILITY
FPPA SWDB PENSION PLAN
For the Years Ended December 31,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Town's proportion of the net pension liability (asset)	0.0162577038%	0.0122080266%	0.0151351371%	0.0120288952%	0.0152715580%	0.0143192410%	0.0132957427%	0.0144611423%	0.0131696564%	0.0169899296%
Town's proportionate share of the net pension liability (asset)	$ -	$ -	$ 13,434	$ (65,189)	$ (33,155)	$ (8,098)	$ 16,806	$ (20,805)	$ 4,759	$ (299)
Town's covered payroll	$ 265,418	$ 177,539	$ 119,933	$ 131,680	$ 96,838	$ 122,664	$ 105,535	$ 89,057	$ 84,585	$ 67,656
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.00%	0.00%	11.20%	-49.51%	-34.24%	-6.60%	15.92%	-23.36%	5.63%	-0.44%
Plan fiduciary net position as a percentage of the total pension liability	100.0%	100.0%	97.6%	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%

*The amounts presented were determined as of the previous calendar year-end.

TOWN OF SOUTH FORK, COLORADO
SCHEDULE OF TOWN CONTRIBUTIONS
FPPA SWDB PENSION PLAN
For the Years Ended December 31,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 27,869	$ 17,727	$ 11,394	$ 11,851	$ 8,231	$ 9,813	$ 8,443	$ 7,125	$ 6,767	$ 5,932
Contributions in relation to the contractually required contribution	(27,869)	(17,727)	(11,394)	(11,851)	(8,231)	(9,813)	(8,443)	(7,125)	(6,767)	(5,932)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	265,418	177,539	119,933	131,680	96,838	122,664	105,535	89,057	84,585	67,656
Contributions as a percentage of covered payroll	10.50%	9.98%	9.50%	9.00%	8.50%	8.00%	8.00%	8.00%	8.00%	8.00%

See Notes to the Required Supplementary Information.

TOWN OF SOUTH FORK, COLORADO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
CHANGES IN BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS
For the Year Ended December 31, 2025

NOTE 1 NET PENSION LIABILITY

Changes in assumptions or other inputs effective for the December 31st measurement period for the following years ended:

2024 There were no changes in assumptions of other inputs this measurement period compared to prior year.

2023
- Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan
- Decreased the municipal bond rate from 4.05% to 3.77%

2022 Post-retirement mortality assumptions were changed to the Pub-2010 Safely Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees.
- The municipal bond rate increased from 1.84 perecent ot 4.05 percent.

2021 There were no changes in assumptions or other inputs this measurement period compared to prior year.

2020 There were no changes in assumptions or other inputs this measurement period compared to prior year.

2019
- Reduced the real return rate from 5.0% to 4.50%, combined with an unchanged inflation rate of 2.50%, reduced the nominal investment assmption from 7.50% to 7.00%.
- Increased the productivity component of the salary scale assumption from 1.50% to 1.75%. Combined with the inflation rate of 2.50%, this creates an ultimate salary scale assumption of 4.25%.
- Removed the blue collar adjustment from the mortality tables being used and updated the mortality projection scale from Scale BB to the ultimate rates of the MP-2017 projection scale.
- Increased disability rates for members covered by a defined benefit program.
- Slightly modified retirement rates to reflect increased retirement utilization for low service members and slightly decreased the normal retirement rates after age 55.
- Limited the amortization period used to determine the Actuarially Determined Contribution Rate such that no negative amortization results (the payment always covers at least the interest on the unfunded liability).

2018
- The Long-Term Investment Rate of Return was lowered from 7.5% to 7.0%
- Projected Salary Increases changed from 4.0%-14.0% to 4.25%-11.25%
- Increase the expected incidence of Disability for members of FPPA's defined benefit plans.

2017 There were no changes in assumptions or other inputs this measurement period compared to prior year

2016 There were no changes in assumptions or other inputs this measurement period compared to prior year

2015
- The Inflation assumtion was reduced from 3.0% to 2.5%
- Added an explicit charge for administrative expenses in the actuarial contribution calculation.
- Revised the base mortality tables and the explicit assumtion for increasing longevity in the future to reflect current mortality studies.
- Increase the expected incidence of Total Disability for members of FPPA's definied benefit plans.

TOWN OF SOUTH FORK, COLORADO

SUPPLEMENTARY INFORMATION

TOWN OF SOUTH FORK, COLORADO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION- BUDGET AND ACTUAL (NON-GAAP)
WATER ENTERPRISE FUND
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	FINAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
OPERATING REVENUES				
Service Charges	$ 450,000	$ 450,000	$ 316,370	$ (133,630)
Miscellaneous	100,000	100,000	2,357	(97,643)
TOTAL OPERATING REVENUES	550,000	550,000	318,727	(231,273)
OPERATING EXPENSES				
Salaries	30,000	30,000	23,457	6,543
Supplies	8,000	8,000	4,547	3,453
Professional Services	216,600	216,600	51,904	164,696
Utilities, Gas and Oil	100,000	100,000	21,941	78,059
Equipment Repairs and Maintenance	35,100	35,100	132,007	(96,907)
Insurance	-	-	-	-
Miscellaneous	139,367	139,367	5,615	133,752
TOTAL OPERATING EXPENSES	529,067	529,067	239,471	289,596
Operating Income (Loss)	20,933	20,933	79,256	58,323
NONOPERATING REVENUES (EXPENSES)				
Grant Revenue	-	-	-	-
Loan Proceeds	-	-	-	-
Debt Payments	-	-	(114,366)	(114,366)
TOTAL NONOPERATING REVENUES (EXPENSES)	-	-	(114,366)	(114,366)
Income Before Contributions and Transfers	20,933	20,933	(35,110)	(56,043)
CAPITAL CONTRIBUTIONS				
Donated Capital	-	-	-	-
Tap Fees	-	-	17,100	17,100
TOTAL CAPITAL CONTRIBUTIONS	-	-	17,100	17,100
OTHER FINANCING SOURCES (USES)				
Transfer In	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	-	-	17,100	17,100
Net Income (Loss) - Budget Basis	20,933	20,933	(18,010)	$ (38,943)
Add: Principal Payments on Debt			94,316	
Less: Depreciation			(172,311)	
Change in Net Position - GAAP Basis			(96,005)	
Net Position at Beginning of Year	3,267,033	3,267,033	3,118,585	
Net Position at End of Year	$ 3,287,966	$ 3,287,966	$ 3,022,580	

TOWN OF SOUTH FORK, COLORADO

OTHER SCHEDULES AND REPORTS

LOCAL HIGHWAY FINANCE REPORT

THIS INFORMATION FROM THE RECORDS OF: Town of South Fork	**PREPARED BY:** Marcus Shawcroft financemanager@southfork.org	**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. 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	0.00	a. Interest on investments	0.00
b. Non-property Taxes and Assessments Imposts	415,616.57	b. Other Misc. Local Receipts	171,436.34
c. Total (a + b)	$ 415,616.57	**c. Total (a + b)**	$ 171,436.34

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	50,868.15	1. FHWA (from Item I.D.5.)	0.00
2. State General Funds		2. Other Federal Agencies:	0.00
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds	33,097.81		
c. Total (a + b)	$ 33,097.81		
4. Total (1 + 2 + 3c)	$ 83,965.96	**3. Total (1 + 2)**	$ -

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT
A.1. Capital outlay:	
a. Right-Of-Way Costs	0.00
b. Engineering Costs	0.00
c. Construction Costs	0.00
d. Total Capital Outlay (a+ b + c)	$ -

LOCAL HIGHWAY FINANCE REPORT

STATE: COLORADO

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

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from Local Sources:	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
c. Total (a + b)	
2. General Fund Appropriations	60,507.50
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 415,616.57
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ 171,436.34
5. Transfers from Toll Facilities	0.00
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	0.00
b. Bonds - Refunding Issues	0.00
c. Notes	0.00
d. Total (a + b + c)	$ –
7. Total (1 through 6)	$ 647,560.41
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	$ 83,965.96
D. Receipts from Federal government (from page 1, Item II.D.3)	$ –
E. Total receipts (A.7 + B + C + D)	$ 731,526.37

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ –
2. Maintenance:	229,683.05
3. Road and Street Services:	
a. Snow and Ice Removal	0.00
b. Other & Traffic Control Operations	0.00
c. Total (a + b)	$ –
4. General Administration & Miscellaneous	244,088.82
5. Highway Law Enforcement and Safety	257,754.50
6. Total (1 through 5)	$ 731,526.37
B. Debt Service on Local Obligations:	
1. Bonds:	
a. Interest	0.00
b. Redemption	0.00
c. Total (a + b)	$ –
2. Notes:	
a. Interest	0.00
b. Redemption	0.00
c. Total (a + b)	$ –
3. Total (1c + 2c)	$ –
C. Payments to State for Highways	0.00
D. Payments to Toll Facilities	0.00
E. Total Expenditures (A6 + B3 + C + D)	$ 731,526.37

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

ITEM	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	0	$ –	$ –	$ –
1. Bonds (Refunding Portion)		$ –		
B. Notes (Total)	0	$ –	$ –	$ –