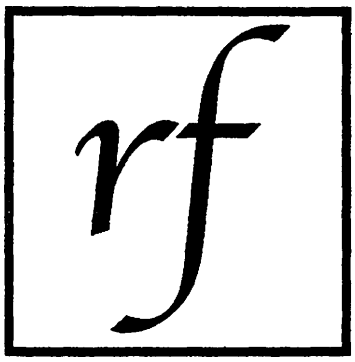


Town of Springfield, Colorado

Financial Statements

December 31, 2025

Town of Springfield, Colorado
Table of Contents
December 31, 2025

	Page
Table of Contents	i
Independent Auditor's Report	1
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	6
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	7
Statement of Revenues, Expenditures, and Changes in Fund Balances	8
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	9
Proprietary Funds:	
Statement of Net Position	10
Statement of Revenues, Expenses and Changes in Fund Net Position	11
Statement of Cash Flows	12
Notes to the Basic Financial Statements	14
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual (Budgetary Basis):	
General Fund	35
Pension Schedules:	
Schedule of the Town's Proportionate Share of the Net Pension Liability – SWDB	36
Schedule of Contributions – SWDB	37
Schedule of the Net Pension Liability – Volunteer Fire	38
Schedule of Contributions – Volunteer Fire	39
Schedule of Changes in Net Pension Liability and Related Rations – Volunteer Fire	40
Schedule of the Net Pension Liability – Old Hire Police	41
Schedule of Contributions – Old Hire Police	42
Schedule of Changes in Net Pension Liability and Related Rations – Old Hire Police	43

Town of Springfield, Colorado
Table of Contents
December 31, 2025
(continued...)

	Page
Other Supplementary Information	
Other Governmental Funds:	
Balance Sheet	44
Statement of Revenues, Expenditures, and Changes in Fund Balance	45
Budgetary Comparison Schedules:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual (Budgetary Basis):	
Water Fund	46
Sewer Fund	47
Electric Fund	48
Pool Fund	49
Baca County Fire Department	50
Conservation Trust	51
Meter Deposit Fund	52
Local Highway Finance Report	53

Independent Auditor's Report

Town Council
Town of Springfield
Springfield CO

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of Town of Springfield (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 present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of 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

rfarmer, llc a certified public accounting and consulting firm

po box 1173 122 north main street lamar, colorado 81052 719.336.7428 719.336.2982

going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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 required supplementary information on pages 35 through 43, 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.

Management has elected to omit the management's discussion and analysis. Although not a part of the basic financial statements, it 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. The omission of this information does not affect our opinion on the basic financial statements.

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 accompanying supplementary information on pages 44 through 54 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary 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. Such 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

rfarmer, llc

August 4, 2026

Basic Financial Statements

Town of Springfield
Statement of Net Position
December 31, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 2,437,054	$ 4,309,849	$ 6,746,903
Receivables	185,339	219,596	404,935
Internal balances	(17,737)	17,737	-
Inventories	12,772	394,957	407,729
Non-Current Assets:			
Capital asset, not being depreciated	398,754	459,029	857,783
Capital asset, net of accumulated depreciation	3,208,009	1,653,446	4,861,455
Construction in progress	-	228,331	228,331
Net pension assets	92,921	-	92,921
Total Non-Current Assets	3,699,684	2,340,806	6,040,490
Deferred outflow of resources:			
Pensions	82,000	-	82,000
Total Assets	6,399,112	7,282,945	13,682,057
LIABILITIES			
Accounts payable and accrued expenses	35,040	135,473	170,513
Loans payable	-	26,700	26,700
Compensated Absences	14,849	10,987	25,836
Customer Deposits	146,941	-	146,941
Due in more than one year:			
Loans payable	-	13,350	13,350
Compensated absences and landfill	163,315	10,987	174,302
Total liabilities	360,145	197,497	557,642
Deferred inflow of resources:			
Pensions	19,413	-	19,413
Deferred Property Taxes	158,405	-	158,405
Total deferred inflows	177,818	-	177,818
NET POSITION			
Net investment in capital assets	3,606,763	2,300,756	5,907,519
Restricted for:			
Pension net assets	92,921	-	92,921
TABOR	51,000	-	51,000
Unrestricted	2,110,465	4,784,692	6,895,157
Total net position	$ 5,861,149	$ 7,085,448	$ 12,946,597

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

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

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total
Primary government							
Governmental Activities							
General Government	$ 569,091	$ 440,379	$ 8,000	$ 1,313,485	$ 1,192,773	$ -	$ 1,192,773
Public Safety	490,919	-	17,500	-	(473,419)	-	(473,419)
Public Works	779,038	-	-	-	(779,038)	-	(779,038)
Health & Welfare	1,647	-	-	-	(1,647)	-	(1,647)
Culture and Recreation	207,656	-	7,734	-	(199,922)	-	(199,922)
Total governmental activities	2,048,351	440,379	33,234	1,313,485	(261,253)	-	(261,253)
Business-type activities:							
Water	434,218	951,617	-	-	-	517,399	517,399
Sewer	272,721	231,748	-	-	-	(40,973)	(40,973)
Electric	1,786,080	1,896,579	-	-	-	110,499	110,499
Total business-type activities	2,493,019	3,079,944	-	-	-	586,925	586,925
Total primary government	4,541,370	3,520,323	33,234	1,313,485	(261,253)	586,925	325,672
General revenues:							
Taxes:							
Property taxes, including SO taxes					$ 172,287	$ -	$ 172,287
Sales taxes					678,763	-	678,763
Franchise fees					135,844	-	135,844
Unrestricted investment earnings					64,739	100,765	165,504
Miscellaneous					104,171	67,802	171,973
Special item - gain (loss) on sale of assets					4,200	-	4,200
Transfers					119,793	(119,793)	-
Total general revenues, special items, and transfers					1,279,797	48,774	1,328,571
Change in net position					1,018,544	635,699	1,654,243
Net position - beginning					4,842,605	6,449,749	11,292,354
Net position - ending					$ 5,861,149	$ 7,085,448	$ 12,946,597

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

Town of Springfield
Balance Sheet
Governmental Funds
December 31, 2025

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 2,095,169	$ 341,884	$ 2,437,053
Taxes receivable, net	158,405	-	158,405
Other receivables	26,935	-	26,935
Inventories	12,772	-	12,772
Total assets	2,293,281	341,884	2,635,165
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	35,040	-	35,040
Due to other funds	17,737	-	17,737
Customer deposits payable	-	146,941	146,941
Total liabilities	52,777	146,941	199,718
Deferred inflow of resources:			
Deferred property taxes	158,405	-	158,405
Fund balances:			
Non spendable inventories	12,772	-	12,772
Restricted - TABOR	51,000	-	51,000
Unassigned	2,018,327	-	2,018,327
Reported in non-major:			
Committed-Other purposes	-	194,943	194,943
Total fund balances	2,082,099	194,943	2,277,042
Total liabilities and fund balances	$ 2,293,281	$ 341,884	$ 2,635,165

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

Town of Springfield
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2025

Total fund balance, governmental funds	$	2,277,042
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.		3,606,763
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		(178,164)
Net of pension assets, deferred outflows, and deferred inflows		155,508
Net Position of Governmental Activities in the Statement of Net Position	$	5,861,149

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

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

	General Fund	Other Governmental Funds	Total Governmental Funds
REVENUES			
Property Taxes	$ 155,954	$ -	$ 155,954
Sales and miscellaneous taxes	830,941	-	830,941
Fees and fines	51,408	-	51,408
Licenses and permits	4,810	-	4,810
Intergovernmental	1,321,062	25,234	1,346,296
Charges for services	382,916	-	382,916
Investment earnings	58,767	5,971	64,738
Miscellaneous	21,724	84,116	105,840
Total revenues	2,827,582	115,321	2,942,903
EXPENDITURES			
General government	501,961	42	502,003
Public safety	397,253	33,084	430,337
Health and welfare	1,647	-	1,647
Culture and rec	82,185	5,812	87,997
Public works	626,961		626,961
Capital Outlay	1,445,458	79,000	1,524,458
Total Expenditures	3,055,465	117,938	3,173,403
Excess (deficiency) of revenues over expenditures	(227,883)	(2,617)	(230,500)
OTHER FINANCING SOURCES (USES)			
Transfers in	121,193	17,500	138,693
Transfers out	(17,500)	(1,400)	(18,900)
Total other financing sources and uses	103,693	16,100	119,793
SPECIAL ITEM			
Proceeds from sale of assets	4,200	-	4,200
Net change in fund balances	(119,990)	13,483	(106,507)
Fund balances - beginning	2,202,089	181,460	2,383,549
Fund balances - ending	$ 2,082,099	$ 194,943	$ 2,277,042

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

Town of Springfield
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:	$	(106,507)
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.		
This is the amount by which capital outlay of $1,524,458 was more than depreciation of $387,710 in the current period.		1,136,748
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Change in landfill costs		3,621
Change in Pension accounts including deferred inflows and outflows		(4,106)
Change in Compensated Absences--current and long term		(11,212)
Change in net position of governmental activities	$	1,018,544

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

Town of Springfield
Statement of Net Position
Proprietary Funds
December 31, 2025

	Water Fund	Sewer Fund	Electric Fund	Total
ASSETS				
Current assets:				
Cash and cash equivalents	$ 1,711,235	$ 514,179	$ 2,084,434	$ 4,309,848
Accounts receivable, net	40,172	21,029	158,394	219,595
Due from other funds	-	-	17,737	17,737
Inventories	28,854	3,178	362,925	394,957
Total current assets	1,780,261	538,386	2,623,490	4,942,137
Property, Plan and Equipment:				
Capital assets, not being depreciated	652,553	10,801	24,004	687,358
Capital assets, being depreciated	330,039	524,880	798,527	1,653,446
Total non-current assets	982,592	535,681	822,531	2,340,804
Total assets	2,762,853	1,074,067	3,446,021	7,282,941
LIABILITIES				
Current Liabilities:				
Accounts payable	16,245	22,110	97,118	135,473
Accrued vacation current	2,936	3,329	5,875	12,140
Loans payable, current portion	-	26,700	-	26,700
Total current liabilities	19,181	52,139	102,993	174,313
Non-current liabilities:				
Accrued vacation long-term	1,999	2,481	5,352	9,832
Loans payable	-	13,350	-	13,350
Total non-current liabilities	1,999	15,831	5,352	23,182
Total liabilities	21,180	67,970	108,345	197,495
NET POSITION				
Net investment in capital assets	982,594	495,631	822,531	2,300,756
Unrestricted	1,759,079	510,466	2,515,145	4,784,690
Total net position	$ 2,741,673	$ 1,006,097	$ 3,337,676	$ 7,085,446

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

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

	Water Fund	Sewer Fund	Electric Fund	Total
REVENUES				
Charges for services	$ 622,403	$ 231,748	$ 1,880,739	$ 2,734,890
Miscellaneous	326,814	2,758	80,884	410,456
Other operating revenues	2,400	-	-	2,400
Total operating revenues	951,617	234,506	1,961,623	3,147,746
OPERATING EXPENSES				
System Operations	168,928	93,172	296,954	559,054
Supplies	36,675	1,578	-	38,253
System Maintenance	73,708	27,762	67,673	169,143
Power purchased	-	-	1,183,273	1,183,273
Administrative and general	111,236	93,802	128,472	333,510
Depreciation	43,671	56,408	109,708	209,787
Total Operating Expenses	434,218	272,722	1,786,080	2,493,020
Operating income (loss)	517,399	(38,216)	175,543	654,726
NON-OPERATING REVENUES (EXPENSES)				
Interest	28,564	12,259	59,942	100,765
Total non-operating revenue (expenses)	28,564	12,259	59,942	100,765
Income (loss) before contributions and transfers	545,963	(25,957)	235,485	755,491
Transfers in	700	-	700	1,400
Transfers out	(22,386)	(11,525)	(87,282)	(121,193)
Change in net position	524,277	(37,482)	148,903	635,698
Total net position - beginning	2,217,396	1,043,579	3,188,773	6,449,748
Total net position - ending	$ 2,741,673	$ 1,006,097	$ 3,337,676	$ 7,085,446

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

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

	Water Fund	Sewer Fund	Electric Fund	Total
Cash flows from operating activities:				
Cash received from customers	$ 611,808	$ 231,025	$ 1,875,424	$ 2,718,257
Miscellaneous	326,814	2,758	80,884	410,456
Other operating revenues	2,400	-	-	2,400
Cash paid to suppliers	(295,406)	(91,567)	(1,418,938)	(1,805,911)
Cash paid for personnel costs	(114,648)	(105,818)	(268,105)	(488,571)
Net cash flows from Operating Activities	530,968	36,398	269,265	836,631
Cash flows from non-capital financing activities:				
Transfers from other funds	700	-	700	1,400
Transfers to other funds	(22,386)	(11,527)	(87,592)	(121,505)
Net cash flows from non-capital financing activities	(21,686)	(11,527)	(86,892)	(120,105)
Cash flows from capital and related financing activities:				
Bond principal (payments)	-	(26,700)	-	(26,700)
Capital assets acquired or constructed	(63,130)	-	-	(63,130)
Net cash flows from capital and financing activities	(63,130)	(26,700)	-	(89,830)
Cash flows from investing activities:				
Interest income	28,564	12,259	59,942	100,765
Net cash flows from investing activities	28,564	12,259	59,942	100,765
Net increase (decrease) in cash and cash equivalents	474,716	10,430	242,315	727,461
Beginning of year	1,236,519	503,749	1,842,119	3,582,387
End of year	$ 1,711,235	$ 514,179	$ 2,084,434	$ 4,309,848

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

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

	Water Fund	Sewer Fund	Electric Fund	Total
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	$ 517,399	$ (38,216)	$ 175,543	$ 654,726
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	43,671	56,408	109,708	209,787
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(10,595)	(723)	(5,315)	(16,633)
Increase (decrease) in:				
Accounts payable	(20,444)	18,082	(11,194)	(13,556)
Accrued liabilities	937	847	523	2,307
Net cash flows from operating activities	$ 530,968	$ 36,398	$ 269,265	$ 836,631

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

Note 1 Summary of Significant Accounting Policies

The Town of Springfield (the "Town") was incorporated in 1889. The Town operates under a Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highway and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. In addition, The Town owns and operates certain enterprise funds including electric, water, and sewer.

Reporting Entity

Governmental Accounting Standard Board (GASB) Statement No. 14 (as amended), "The Financial Reporting Entity" describes the financial reporting entity as it relates to governmental accounting. According to the Statement, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

The Town is not included in any other governmental "reporting entity" as defined in GASB No. 14 (as amended) and does not include any other component unit as part of its "reporting entity".

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information of the Town as a whole. The reporting information includes all of the non-fiduciary activities of the Town. The effect of inter-fund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues and are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. General revenues consist of taxes and other sources not described above.

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

The Town reports the following major governmental fund:

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

The Town reports the following major proprietary funds:

- The *Sewer Fund* accounts for the activities of the Town' wastewater disposal treatment system.

- The *Water Fund* accounts for the activities of the Town's water distribution and treatment system.

- The *Electric Fund* accounts for the Town's electrical generation and distribution system.

Additionally, the government reports the following fund types:

- The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions are payments-in-lieu of taxes and other charges between the Town's utility functions and various other functions of the government.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue in the fiscal year in which all eligible requirements imposed by the provider have been 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 to be available when they are collectible within the period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The Town has determined that expenditure-driven grants should be recognized as soon as all eligibility criteria have been met. For this purpose, the Town considers grants revenues to be available if they are anticipated to be collected within a year after the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating 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. The principal operating revenues of the utility enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Accounts Receivable

The Town writes off bad debts when accounts are deemed uncollectible. Receivables are reviewed annually to determine accounts that should be written off. As of December 31, 2025, the Town believes all receivables are collectible. As a result, these financial statements do not include an allowance for doubtful accounts.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the time of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Major outlays for capital assets and improvement are capitalized as projects are constructed.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings	10 – 30 years
Parks, recreational and other	5 – 30 years
Streets and improvements	20 years
Vehicles	10 years
Equipment	10 – 15 years

Budgets and Budgetary Accounting

The Town has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, a proposed operating budget for the fiscal year commencing in the following January 1 is developed. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain taxpayer comments.

3. Prior to December 31, the budget is legally enacted through passage of an ordinance or resolution.

The Town manager is authorized to transfer budgeted amounts between accounts within any fund; however, any revision that alters the total expenditures of any fund must be approved by the Board of Trustees.

Budgets for the General and Special Revenue Funds are adopted on a basis consistent with Generally Accepted Account Principles (GAAP). Enterprise Funds do not use the same basis of accounting in preparing its budget. Amounts expended for capital are included in budgeted expenses, while depreciation of capital assets is not. Payment of principal on debut is included as a budgeted expense.

Inventory

Inventory is valued at the lower cost (first-in, first-out) or market. The cost of inventories are recorded as expenditures when they are used.

Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts

Regular full-time employees earn up to 120 hours of vacation annually, depending on length of employment, upon reaching each anniversary date of employment. Employees can carryover no more than 160 hours of unused vacation annually. Unused vacation time is recorded as an accrued expense in the proprietary funds at year ended (using the accrual basis of accounting) and is also recorded as an accrued expenditure in the governmental fund types.

Accrued sick leave can be accumulated up to 60 days. Unused sick leave days are not paid to employees under any circumstances. Accordingly, there is no provision for accrued sick leave in these financial statements.

Property Taxes

Property taxes are levied by the Baca County Board of County Commissioners. The levy is based on assessed valuations determined by the Baca County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to put a tax lien on the individual properties as of January I of the following year. The Baca County Treasurer collects the Town's taxes during the ensuing calendar year. The taxes arc payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers arc notified in August and generally sales of the tax liens on delinquent properties arc held in November. Property taxes arc recorded initially as unearned revenue in the year they are levied and measurable. Property tax revenues are

recorded as revenue in the year for which they are levied, in most instances the year in which collection occurs.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expense during the reporting period. Actual results could differ from those estimates.

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair value, with the exception of the local government investment pool which is stated at the net asset value of the shares owned.

Due To/From Funds

Outstanding balances between funds created by lending/borrowing or cash allocation in common purchasing activities are reported as due to/from funds.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations arc reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

Net Position

Net position in the Government-wide Statement of Net Position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulators of other governments. The Town has a net position consisting of three components - net investment in capital assets, restricted, and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of capital leases, bonds or other debt that is attributable to the acquisition, construction, or improvement of those assets.

Fund Balance

Fund balance for the governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints

on the specific purposes for which amounts in those funds can be spent. Fund balances amounts are properly reported within one of the fund balance categories listed below.

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

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

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

The Assigned fund balance classification represents amounts that do not fall into any other category above. This is the residual classification for amounts in the general fund and represents fund balance· that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the general fund. In other governmental funds, only negative unassigned amounts are reported, if any and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances arc 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.

Note 2 Cash and Investments

Cash and investments as of December 31, 2025 consist of the following:

Cash on hand	$ 600
Deposits with financial institutions:	
Demand accounts	2,403,646
Certificates of deposits	922,269
Total deposits with financial institutions	3,325,915
Investments-COLOTRUST	3,420,388
Total cash and investments	$ 6,746,903

Deposits with Financial Institutions

Custodial credit risk deposits. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories.

Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is 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 equal to 102% of the uninsured deposits.

As of December 31, 2025, all of the Town's deposits were covered by the Federal Deposit Insurance Corporation (FDIC) or the PDPA.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

a. Obligations of the United States and certain U.S. government agencies' securities.
b. Certain international agencies' securities.
c. General obligation and revenue bonds of U.S. local government entities.
d. Bankers' acceptance of certain banks.
e. Commercial paper which holds the highest credit rating category and with a maturity within 180 days.
f. Local government investment pools.
g. Written repurchase agreements collateralized by certain authorized securities.
h. Certain money market funds.
i. Guaranteed investment contracts.

The Town does not have an investment policy and follows State of Colorado statutes.

Concentration of credit risk. The Town generally limits its concentration of investments to certificates of deposit and local government investment pools, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk.

Interest rate risk. The Town's policy for the investment of operating funds limits maturities to one year or less and government investment pools. In conformance with this policy, all of the certificates of deposits mature in one year.

As of December 31, 2025, the Town had the following investment:

	Weighted Average Maturity	Net Asset Value
COLOTRUST Prime	31 days to reset 57 days to maturity	$ 3,420,390

The Town invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST); an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Town invests in one of COLOTRUST's pools, COLOTRUST Prime. Prime Trust operates similarly to a money market fund and each share is equal in value to $1.00. COLOTRUST PRIME invests in securities that are permitted pursuant to Colorado Revised Statutes.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST Prime is rated AAAm by S&P Global Rating. COLOTRUST's Prime does not have any unfunded commitments, redemption restrictions or redemption notice periods.

Fair Value Hierarchy. The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As COLOTRUST is reported at net asset value (NAV) no reporting under the fair value hierarchy is required.

Note 3 Capital Assets

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

	Governmental Activities			
	Beginning Balance	**Additions**	**Deletions**	**Ending Balance**
Capital Assets not being Depreciated				
Land	$ 172,168	$ -	$ -	$ 172,168
Construction in Progress	226,586	-	-	226,586
Total	398,754	-	-	398,754
Capital Assets being Depreciated				
Buildings	961,518	-	-	961,518
Improvements	2,218,297	-	-	2,218,297
Vehicles	686,810	-	-	686,810
Equipment	1,823,798	129,080	-	1,952,878
Infrastructure	352,387	1,395,377	-	1,747,764
Total	6,042,810	1,524,457	-	7,567,267
Less: Accumulated Depreciated				
Buildings	(473,003)	(24,982)	-	(497,985)
Improvements	(1,558,973)	(62,584)	-	(1,621,557)
Vehicles	(549,678)	(22,693)	-	(572,371)
Equipment	(1,078,549)	(125,056)	-	(1,203,605)
Infrastructure	(311,346)	(152,395)	-	(463,741)
Total Accumulated Depreciation	(3,971,549)	(387,710)	-	(4,359,259)
Capital Assets being Depreciated, net	2,071,261	1,136,747	-	3,208,008
Total Capital Assets	$ 2,470,015	$ 1,136,747	$ -	$ 3,606,762

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

General Government	$ 59,013
Public Safety	60,582
Public Works	148,456
Culture and Recreation	119,659
Total Depreciation Expense	$ 387,710

Business-Type activity for the year ended December 31, 2025, was as follows:

	Business-Type Activities			
	Beginning Balance	**Additions**	**Deletions**	**Ending Balance**
Capital Assets not being Depreciated				
Land, water rights	$ 621,710	$ -	$ -	$ 621,710
Capital Assets being Depreciated				
Buildings & system	8,462,713	-	-	8,462,713
Equipment	873,857	-	-	873,857
Total	9,336,570	-	-	9,336,570
Less: Accumulated Depreciated				
Building, system & equipment	(7,473,337)	(209,787)	-	(7,683,124)
Total Accumulated Depreciation	(7,473,337)	(209,787)	-	(7,683,124)
Capital Assets being Depreciated, net	1,863,233	(209,787)	-	1,653,446
Total Capital Assets	$ 2,484,943	$ (209,787)	$ -	$ 2,275,156

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

Electric	$ 109,708
Water	43,671
Sewer	56,408
Total Depreciation Expense	$ 209,787

Note 4 Long-Term Debt

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

Governmental Activities	**Beginning Balance**	**Additions**	**Deletions**	**Ending Balance**	**Due Within One Year**
Landfill closure & post closure	$ 144,845	$ 3,621	$ -	$ 148,466	$ -
Compensated absences	18,486	11,212	-	29,698	14,849
Total	$ 163,331	$ 14,833	$ -	$ 178,164	$ 14,849

Landfill closure/post-closure costs. State and Federal laws and regulations require the Town to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the Town reports a portion of these closure and post-closure costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The amounts are based upon what it would cost to perform all closure and post-closure care in 2021. In 2019, the Town closed and covered the existing landfill and began to high pile new refuse. At that time, the Town reset the landfill capacity at 100%. State regulations require the Town prepare updated cost estimates every five years and cost estimates were last updated in July 2021 and have been adjusted for inflation for the current fiscal year. At December 31, 2025, the closure and 30-year post-closure costs are estimated to be $148,466 and the landfill was at 38% capacity. At the current rate of usage, the Town estimates the landfill will be at capacity in 2036.

Business-Type Activities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Notes Payable	$ 66,750	$ -	$ (26,700)	$ 40,050	$ 26,700
Compensated absences	19,665	2,309	-	21,974	10,987
Total	$ 86,415	$ 2,309	$ (26,700)	$ 62,024	$ 37,687

Sewer Fund

Note Payable On December 20, 2006, the Town entered into a loan agreement with the Water Pollution Control Revolving Fund, Disadvantaged Communities Loan Program, payable to Colorado Water Resources and Power Development Authority (Authority). The loan matures serial on May 1, 2027, bearing interest at a rate of 0.00%. The loan is secured by net revenues, which is gross revenues less operating and maintenance expenses.

Colorado Water Resources Power Development Authority Water and Sewer Loan agreements require that the Town maintain an operations and maintenance reserve in an amount equal to three months of operation and maintenance expenses, as defined in the loan document. In addition, the Town is required to meet a rate covenant. At December 31, 2024, the Town was in compliance with these covenants. The loan also requires the Town to provide the Authority with financial statements within 210 days of the end of the year.

The notes payable as of December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	$ 26,700	$ -	$ 26,700
2027	13,350	-	13,350
Total	$ 40,050	$ -	$ 40,050

Note 5 Interfund Receivables, Payables, and Transfers

Short-term loans between funds that are expected to be repaid during the next fiscal year, as well as amounts due for services provided are reported as Due to/Due from other funds. At year-end, the balances in these accounts are as follows:

	Interfund Receivables	Interfund Payables
General Fund	$ -	$ 17,837
Electric Fund	17,837	-
Total	$ 17,837	$ 17,837

Interfund transfers result from the transfer of assets without the expectation of repayment. Transfers are most commonly used to (1) by the Enterprise funds to reimburse the General Fund for overhead or indirect costs (2) by the General Fund to pay for its share of the Baca County Fire Department's costs, and (3) Interfund transfer balances for the year ended December 31, 2025 were as follows:

	Receiving Fund			
Contributing Fund:	**General Fund**	**Baca Co Fire Fund**	**Electric Fund**	**Water Fund**
General Fund	$ -	$ 17,500	$ -	$ -
Electric Fund	87,282	-	-	-
Water Fund	22,386	-	-	-
Sewer Fund	11,525	-	-	-
Meter Deposit Fund	-	-	700	700
Total	$ 121,193	$ 17,500	$ 700	$ 700

Note 6 Pension Plans

The Town maintains the following separately administered pension plans:

Plan Name:	Plan Type:
Volunteer Firefighters' Pension Plan	Agent multiple-employer defined benefit
Town of Springfield Old Hire Police Pension Fund	Agent multiple-employer defined benefit
Statewide Defined Benefit Plan	Cost-sharing multiple-employer defined benefit

These plans are administered by the Fire and Police Pension Association of Colorado ("FPPA"). It is reported in the FPPA comprehensive annual financial report (CAFR). The CAFR of the FPPA may be obtained by contacting FPPA at 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721.

Volunteer Firefighters Pension Plan

Plan Description - The has established the Volunteer Firefighters' Pension Plan (the "Volunteer Plan"), an agent multiple-employer defined benefit pension plan for volunteer firefighters as authorized by State of Colorado Statute.

Benefits Provided - Any firefighter who has both attained the age of fifty and completed twenty years of active service shall be eligible for a full benefit monthly pension of $95. Any firefighter who has completed ten to twenty years of active service shall be eligible for a benefit of $4.75 for each year served. The Volunteer Plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter.

Contributions - In addition to contributions from the Town, the Volunteer Plan received contributions from the State in an amount not to exceed one-half mill of property tax revenue. An actuary is used to determine the adequacy of contributions during odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2021 determines the contribution amounts for 2022 and 2023. The actuarial study as of January 1, 2021, indicated that the current level of contributions to the fund is adequate to support, on an actuarially sound basis, the prospective benefits for the present Volunteer Plan. For the year ended December 31, 2022 and 2021 there were no required contributions to the Volunteer Plan. The State contribution is included in the financial statements as an on-behalf payment in the current fiscal year.

Town of Springfield Old Hire Police

Plan Description - All Town police officers hired prior to April 8, 1978, could remain in the plan or transfer and become a participant in a defined contribution plan (new hire plan).

Plan Benefits - Police officers' benefits become vested after twenty years of service and age 55 or after twenty-five years of service. Vested employees who retire arc entitled to receive an annual retirement benefit, payable monthly for life, in an amount equal to one half of one month's salary at the time of retirement. Benefits vested after 1979 are limited to increases of 3 % per year for inflation, as determined by the state. The system also provides death and disability benefits. These benefit provisions and all other requirements are established by Colorado state statute and Town ordinance.

Contributions - Plan members and the Town arc required to contribute at a rate set by statute. The State of Colorado may also contribute to the plans in an amount set by statute. The contribution requirements of plan members and the Town arc established under Title 31, Article 30 of the CRS, as amended. The Town is not contributing to this fund.

State of Colorado Fire and Police Pension Association-Defined Benefit Plan

Plan Description – The statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The Plan became effective January 1, 1980. As of January 1, 2023, the Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan (SRP) and the

Statewide Defined Benefit Plan becomes the Defined Benefit Component of the Statewide Retirement Plan.

The SWDB assets are included in the Fire & Police Members' Benefit Investment Fund and assets. Assets from the Deferred Retirement Option Plan (DROP), Money Purchase Component, and Separate Retirement Account assets from eligible retired members are in the Fire & Police Members' Self-Directed Investment Fund.

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 www.FPPAco.org.

Plan Benefits – A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the members' combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2% of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under the Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from zero to the higher of 3% or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for 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. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% for each year of service thereafter.

Plan Contributions – Contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions will increase 0.5% annually beginning in 2021 through 2030 to a total of 13.0% of pensionable earnings. In 2022, members of the SWDB plan and their employers are contributing at the rate of 12.0% and 9.0%, respectively, of pensionable earnings for a total contribution rate of 21.0%.

The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 6.0% and 4.5%, respectively, of pensionable earnings for a total contribution rate of 10.5% in 2021. Per the 2014-member election, members of the affiliate social security group had their required contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6.0% of pensionable earnings. Employer contributions are 4.0% and 4.25% in 2020 and 2021, respectively. Employer contributions will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of pensionable earnings.

All Defined Benefit Plan

Employees Covered by Benefit Terms- Employee membership data related to the Volunteer Plan, as of December 31, 2023 was as follows:

	Volunteer Plan	Old Hire Police
Retirees and beneficiaries currently receiving benefits	2	1
Active members	16	-
Total	18	1

At December 31, 2024, the Town reported an asset of $-0- for its proportionate share of the of the SWDB net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022. The Town's proportion of the net pension liability 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. At December 31, 2024, the Town's proportion was 0.010094%, which includes an increase immaterial from its proportion measured as of December 31, 2023.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resource

Volunteer Fire:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 167	$ 3,721
Changes in assumptions	306	-
Net difference between projected and actual earnings on pension plan investments	14,690	12,226
Contributions subsequent to the measurement date	2,199	-
Total	$ 17,362	$ 15,947

Old Hire Police Plan:	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 24,539	$ 2,707

Statewide Defined Benefit Plan:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 24,555	$ 759
Changes in assumptions	8,681	-
Net difference between projected and actual earnings on pension plan investments	3,446	-
Contributions subsequent to the measurement date	3,717	-
Total	$ 40,099	$ 759

The Town's contributions subsequent to the measurement date, $2,911 for the volunteer plan and $3,717 for the SWDB plan will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended December 31:	Volunteer Fire	Old Hire Police	SWDB
2025	$ -	$ -	$ 9,920
2026	159	12,248	14,658
2027	3,910	9,557	1,037
2028	(3,205)	(438)	155
2029	(1,695)	465	3,379
2030	30	-	-
Thereafter	$ 17	$ -	$ 5,091

	Volunteer Fire	Old Hire Police	SWDB Plan	
			Total Pension Plan	Actuarial Determined Contribution
Measurement date	January 1, 2023	January 1, 2022	January 1, 2025	January 1, 2024
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level dollar, open	N/A	N/A	Level percent of payroll, open
Remaining amortization period	20 years *	N/A	N/A	30 years
Asset valuation method	5-year smoothed fair value	5-year smoothed fair value	N/A	N/A
Inflation	2.50%	2.50%	2.50%	2.50%
Salary increases	N/A	N/A	4.25%-11.25%	4.25%-11.25%
Investment rate of return	7.00%	4.50%	7.00%	7.00%
Retirement age	50% per year of eligibility until 100% at age 65	All members of the plan are retired.		
Cost of living adjustment	N/A	N/A	0.00%	0.00%

**Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants*

For the Volunteer Firefighters Plan: Mortality

Pre-retirement: Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale, 60% multiplier for off-duty mortality.

Post-retirement: Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale.

Disabled: Pub-2010 Public Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, set forward five years projected with the MP-2020 Ultimate projection scale, with minimum probability of 3.5% for males and 2.5% for females.

For the Old Hire Police Plan: Mortality

Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales and then projected prospectively using the ultimate rates of the scale for all years.

Disabled (pre-1980): Post-retirement rates set forward three years.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for the Volunteer are as follows:

Volunteer Firefighters Plan

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Liquidity	4.0%	4.2%
Fixed income – rates	7.0%	5.0%
Fixed income – credit	7.0%	6.5%
Diversifiers	6.0%	6.2%
Long Short	6.0%	6.2%
Global Equity	33.0%	7.0%
Private Markets	34.0%	8.8%
	97.0 %	

The target allocation and best estimates of arithmetic real rates of return for each major asset class for the Old Hire Police are as follows:

Old Hire Police Plan

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	10.00%	5.5%
Fixed income – rates	70.00%	5.4%
Fixed income – credit	10.00%	5.9%
Absolute return	0.00%	7.4%
Long Short	0.00%	7.0%
Global Equity	10.00%	8.3%
Private Markets	0.00%	10.2%
	100.00 %	

The target allocation and best estimates of arithmetic real rates of return for each major asset class for the SWDB arc as follows:

SWDB Plan

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Global Equity	35%	8.33%
Equity Long Short	6%	7.27%
Private Markets	34%	10.31%
Fixed Income – Rates	10%	5.35%
Fixed Income – Credit	5%	5.89%
Absolute Return	9%	6.39%
Cash	1%	4.32%
	100.00 %	

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that

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

As of the measurement period ending December 31, 2023, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Town's net pension liability (asset) calculated using the discount rate of 7.0% (3.5% for the Old Hire Police), as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.0% (4.5% for the Old Hire Police) or 1-percentage-point higher 8.0% (5.5% for the Old Hire Police) than the current rate:

	1% Decrease 6.0 % & 4.5%	Current Rate 7.0% & 3.5%	1% Increase 8.0% & 5.5%
Volunteer Firefighters	$ (196,766)	$ (204,190)	$ (210,291)
Old Hire Police	125,190	111,269	98,545
SWDB	$ 49,257	$ -	$ -

Note 7 Defined Contribution Plans

All Non-Fire or Non-Police Plan

The Town provides pension benefits for all non-fire or non-police full time employees through a defined contribution plan of the Colorado Retirement Association. All fire and police employees (full-time) that are not eligible for the defined benefit plan described in the preceding note are provided pension benefits through the Town's departmental money purchase pension plan (a defined contribution plan). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment in fire and police plan. One year of service is required prior to participation in the Plan. The Mayor and Town Board authorize the benefits and have the authority to amend the terms of the benefits. Employees contribute 3% of their salary to the plan with an equal amount contributed by the Town. Vesting occurs at the rate of 20% per year. Town contributions for, and earnings forfeited by, employees who leave employment before fully vesting are returned to the Town.

The following is a summary of the plan activity for 2025:

Salary for Contributions	$ 1,089,375
Town Contributions	$ 23,533
Employee Contributions	$ 23,533

Internal Revenue Code Section 457 Plan

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In 1997 the Town adopted an amendment to its Deferred Compensation Plan with the Plan. The adoption of the amendment was due to recent changes in the Internal Revenue Code. Specifically, the amendment states that all amounts deferred under this plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights shall, until made available to the participant or beneficiary, be held in the Plan Deferred Compensation Trust for the exclusive benefit of participants and their beneficiaries.

Note 8 Risk Management

The Town of Springfield is a member of the Colorado Risk Sharing Agency (CIRSA), an independent, legal entity that was formed by an intergovernmental agreement by member municipalities pursuant to state statutes. The purpose of CIRSA is to provide members defined liability and property coverages and to assist members in the prevention and reduction of losses and injuries to municipal property and employees, or to other persons or property, which might result in claims being made against members of CIRSA, their employees or officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer, and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The bylaws shall constitute the substance of the intergovernmental contract among the members.

The types of coverage include workers compensation, property, general liability, auto liability, law enforcement liability, public officials' errors and omissions liability, excess liability, crime coverage, and supplemental defense coverage.

Note 9 Contingencies

Grants - The Town participates in various grant programs. Accordingly, the government's compliance with applicable grant requirements may be established at a future date. The amount of expenditures which may be disallowed by the granting

agencies cannot be determined at this time, although the Town anticipates such amounts, if any, will not have a material effect on its financial condition.

Note 10 Tax Abatements

The Town has entered into an economic development agreement for the construction of certain commercial real property. Under the terms of the agreement the Town will waive fees, the cost of building permits, and sewer and water taps, along with tipping fees at the landfill. The Town will pay the annual cost for streetlights, which the Town will own. The Town will rebate the following percentage of sales tax collected by the business based on the full calendar year after the business' opening day:

Years	Percent of Sales Tax Collected to be Rebated
1-3	80%
4	50%
5	30%

In addition, the Town will rebate its portion of the Property Tax Increment. The property tax increment is the amount above the property tax rate as of January 1, 2020 that is not already committed to debt service. The Town will rebate the following percentage of the property tax increment revenues based on the full calendar year after the business' opening day:

Years	Property Tax
1-3	95%
4	80%
5	60%
6	40%
7	20%

Note 11 Contingencies – Tax, Spending and Debt Limitations

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

The initial base for local government spending and revenue limits is 1992 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases

with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending as defined in the amendment. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

TABOR requires, with certain exceptions, voters' approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments.

During 1995, the authorized voters of the Town of Springfield, Colorado voted to authorize the Town to collect, retain and expend all revenues and other funds collected beginning in 1995, from any source, notwithstanding the limitations of Article X, Section 20 of the Colorado constitution, effective January 1, 1995, provided that no local tax rate or mill levy shall be increase without further voter approval.

The Town's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits (and qualification as an Enterprise) will require judicial interpretation.

Note 12 Jointly Governed Organizations

Arkansas River Power Authority – The Town participates in the Arkansas River Power Authority (ARPA). ARPA provides all of the electric power to its members. It is comprised of six member governments each of whom has two seats on the Board of Directors. The Town's purchase of electricity was approximately 4% of ARPA's sales for the year ended December 31, 2025.

Note 13 Asset Acquisition Agreement

During September 2022, the Town entered into an agreement to acquire service rights from Southeast Colorado Power Association (SECPA) for services to property that is certified as SECPA service territory. The terms call for a percentage of gross power sales to the service property to be paid various periods of time. Due to the nature of the future payments to be made, it is not feasible to determine the cost. The annual payments will be recorded as lease payments until the term length is met.

Required Supplementary Information

Town of Springfield
Budget and Actual
General Fund
For the year ended December 31, 2025

	Budgeted Amounts		Actual Amounts,
	Original	Final	Budgetary Basis
REVENUES			
Property taxes	$ 154,891	$ 154,891	$ 155,954
Sales and miscellaneous taxes	794,293	794,293	830,941
Fees and fines	22,550	22,550	51,408
Licenses and permits	1,930	1,930	4,810
Intergovernmental	2,195,102	2,195,102	1,321,062
Charges for services	251,500	251,500	382,916
Investment earnings	-	-	58,767
Miscellaneous	5,800	5,800	21,724
Total revenues	3,426,066	3,426,066	2,827,582
EXPENDITURES			
Current:			
General government	718,371	718,371	501,961
Public safety	442,508	442,508	397,253
Health and welfare	2,850	2,850	1,647
Culture and rec	116,210	116,210	82,185
Public works	709,154	709,154	626,961
Capital outlay	2,247,924	2,247,924	1,445,458
Total Expenditures	4,237,017	4,237,017	3,055,465
Excess (deficiency) of revenues over expenditures	(810,951)	(810,951)	(227,883)
OTHER FINANCING SOURCES (USES)			
Transfers in	121,193	121,193	121,193
Transfers out	(17,500)	(17,500)	(17,500)
Total other financing sources and uses	103,693	103,693	103,693
SPECIAL ITEM			
Proceeds from sale capital assets	-	-	4,200
Net change in fund balances	(707,258)	(707,258)	(119,990)
Fund balances - beginning	707,258	707,258	2,202,089
Fund balances - ending	$ -	$ -	$ 2,082,099

Town of Springfield
Schedule of the Town's Proportionate Share of the Net Pension Liability
Statewide Defined Benefit Plan
For the Year December 31, 2025

	Measurement Periods Ended December 31,									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Town's proportion of the net pension liability	0.010094%	0.007965%	0.006000%	0.007168%	0.006947%	0.006441%	0.009545%	0.012068%	0.015055%	0.013032%
Town's proportionate share of the net pension liability	$ -	$ -	$ 5,326	$ 38,845	$ 15,082	$ 3,643	$ (12,068)	$ (17,361)	$ (5,440)	$ 230
Town's covered payroll	$ 91,717	$ 78,253	$ 53,622	$ 85,304	$ 52,518	$ 77,787	$ 63,937	$ 85,525	$ 90,063	$ 63,175
Town's proportionate share of the net pension liability as a percentage of covered payroll	0.00%	0.00%	9.93%	45.53%	28.72%	4.68%	(18.87%)	(20.30%)	(6.04%)	0.36%
Plan fiduciary net position as a percentage of the total pension liability	100.00%	100.00%	97.60%	116.20%	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%

Town of Springfield
Schedule of Contributions
Statewide Defined Benefit Plan
For the Year Ended December 31, 2025

	Measurement Periods Ended December 31,									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Contractually required contributions	$ 11,006	$ 7,434	$ 4,826	$ 4,905	$ 4,464	$ 6,223	$ 5,127	$ 6,842	$ 7,205	$ 8,173
Actual Contributions	(11,006)	(7,434)	(4,826)	(4,905)	(4,464)	(6,223)	(5,127)	(6,842)	(7,205)	(8,173)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	$ 91,717	$ 78,253	$ 53,622	$ 85,304	$ 52,518	$ 77,787	$ 63,937	$ 85,525	$ 90,063	$ 102,163
Contributions as a percentage of covered payroll	12.00%	9.50%	5.75%	5.75%	8.50%	8.00%	8.02%	12.68%	12.68%	12.68%

Town of Springfield
Schedule of the Net Pension Liability
Volunteer Fire Department Pension Fund
For the Year December 31, 2025

	Measurement Periods Ended December 31,									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Total pension liability	$ 59,765	$ 56,505	$ 53,546	$ 55,364	$ 52,667	$ 53,776	$ 51,087	$ 55,336	$ 53,389	$ 49,820
Plan fiduciary net position	263,955	242,483	223,934	244,839	210,666	190,763	167,819	171,947	152,816	144,775
Net pension (asset)	$ (204,190)	$ (185,978)	$ (170,388)	$ (189,475)	$ (157,999)	$ (136,987)	$ (116,732)	$ (116,611)	$ (99,427)	$ (94,955)
Plan fiduciary net position as a percentage of the total pension liability	441.65%	429.14%	418.21%	442.24%	400.00%	354.74%	328.50%	310.73%	286.23%	290.60%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of the covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Town of Springfield
Schedule of Contributions
Volunteer Fire Department Pension Fund
For the Year December 31, 2025

	Measurement Periods Ended December 31,									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Actuarially required contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Actual Contributions	4,178	4,178	4,178	4,398	-	-	2,199	2,199	2,199	2,199
Contribution deficiency (excess)	$ (4,178)	$ (4,178)	$ (4,178)	$ (4,398)	$ -	$ -	$ (2,199)	$ (2,199)	$ (2,199)	$ (2,199)
Town's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Actual Contribution as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Town of Springfield
Volunteer Fire Department Volunteer Pension Fund
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended December 31, 2025

	Measurement Periods Ended December 31,									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Total Pension Liability										
Service Cost	$ 1,517	$ 1,517	$ 1,323	$ 1,323	$ 1,422	$ 1,422	$ 1,156	$ 1,156	$ 1,025	$ 1,025
Interest on the Total Pension Liability	3,926	3,722	3,843	3,654	3,735	3,547	4,109	3,931	3,648	3,561
Difference between expected and actual experience of Total Pension Liability	197	-	(5,265)	-	(3,986)	-	(9,236)	-	33	-
Changes of Assumptions	-	-	561	-	-	-	2,002	-	2,283	-
Benefit Payments	(2,380)	(2,280)	(2,280)	(2,280)	(2,280)	(2,280)	(2,280)	(3,140)	(3,420)	(3,420)
Net change in Total Pension Liability	3,260	2,959	(1,818)	2,697	(1,109)	2,689	(4,249)	1,947	3,569	1,166
Total Pension Liability - Beginning	56,505	53,546	55,364	52,667	53,776	51,087	55,336	53,389	49,820	48,654
Total Pension Liability - Ending	59,765	56,505	53,546	55,364	52,667	53,776	51,087	55,336	53,389	49,820
Plan Fiduciary Net Position										
Contributions - Employer	2,199	2,199	2,199	4,398	-	-	-	2,199	2,199	2,199
Net Investment Income	23,468	21,605	(19,630)	31,602	24,771	23,987	45	22,114	7,791	2,555
Benefit Payments	(2,380)	(2,280)	(2,280)	(2,280)	(2,280)	(2,280)	(2,280)	(3,140)	(3,420)	(3,420)
Pension Plan Administrative Expense	(3,794)	(4,954)	(3,173)	(3,505)	(2,588)	(5,140)	(3,872)	(4,021)	(580)	(1,355)
State of Colorado Supplemental Discretionary Payment	1,979	1,979	1,979	3,958	-	1,979	1,979	1,979	1,979	1,979
Net Change in Plan Fiduciary Net Position	21,472	18,549	(20,905)	34,173	19,903	18,546	(4,128)	19,131	7,969	1,958
Plan Fiduciary Net Position - Beginning	242,483	223,934	244,839	210,666	190,763	167,819	171,947	152,816	144,775	142,817
Plan Fiduciary Net Position - Ending	263,955	242,483	223,934	244,839	210,666	186,365	167,819	171,947	152,744	144,775
Net Pension Liability / (Asset)	$ (204,190)	$ (185,978)	$ (170,388)	$ (189,475)	$ (157,999)	$ (132,589)	$ (116,732)	$ (116,611)	$ (99,355)	$ (94,955)
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	441.65%	429.14%	418.21%	442.24%	400.00%	354.74%	328.50%	310.73%	286.23%	290.60%
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability / (Asset) as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Town of Springfield
Schedule of the Net Pension Liability
Old Hire Police Pension Fund
For the Year December 31, 2025

	Measurement Periods Ended December 31,									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Total pension liability	$ 277,652	$ 308,738	$ 318,868	$ 348,179	$ 350,873	$ 378,806	$ 319,896	$ 340,015	$ 340,643	$ 359,315
Plan fiduciary net position	166,383	202,297	228,371	311,885	355,327	374,543	376,170	423,742	411,335	436,059
Net pension liability (asset)	$ 111,269	$ 106,441	$ 90,497	$ 36,294	$ (4,454)	$ 4,263	$ (56,274)	$ (83,727)	$ (70,692)	$ (76,744)
Plan fiduciary net position as a percentage of the total pension liability	59.93%	65.52%	71.62%	89.58%	101.27%	98.87%	117.59%	124.62%	120.75%	121.36%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of the covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Town of Springfield
Schedule of Contributions
Old Hire Police Pension Fund
For the Year December 31, 2025

	Measurement Periods Ended December 31,									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Actuarially required contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Actual Contributions	-	-	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Actual Contribution as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Town of Springfield
Old Hire Police Volunteer Pension Fund
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended December 31, 2025

	Measurement Periods Ended December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest on the Total Pension Liability	12,914	13,370	14,689	14,810	16,067	22,372	23,881	23,928	25,328	23,879
Difference between expected and actual experience of Total Pension Liability	-	29,553	-	26,496	-	21,671	-	19,444	-	18,173
Changes of Assumptions	-	(9,053)	-	-	-	58,867	-	-	-	21,270
Benefit Payments	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)
Net change in Total Pension Liability	(31,086)	(10,130)	(29,311)	(2,694)	(27,933)	58,910	(20,119)	(628)	(18,672)	19,322
Total Pension Liability - Beginning	308,738	318,868	348,179	350,873	378,806	319,896	340,015	340,643	359,315	339,993
Total Pension Liability - Ending	277,652	308,738	318,868	348,179	350,873	378,806	319,896	340,015	340,643	359,315
Plan Fiduciary Net Position										
Contributions - Employer	5,167	5,167	-	-	-	-	-	-	-	-
Net Investment Income	5,857	13,900	(36,982)	1,533	-	-	-	-	-	-
Benefit Payments	(44,000)	(44,000)	(44,000)	(44,000)	27,083	43,541	699	57,096	21,808	8,546
Pension Plan Administrative Expense	(2,938)	(1,141)	(2,532)	(975)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)
State of Colorado Supplemental Discretionary Payment	-	-	-	-	(2,299)	(1,168)	(4,271)	(689)	(2,532)	(1,015)
Net Change in Plan Fiduciary Net Position	(35,914)	(26,074)	(83,514)	(43,442)	(19,216)	(1,627)	(47,572)	12,407	(24,724)	(36,469)
Plan Fiduciary Net Position - Beginning	202,297	228,371	311,885	355,327	374,543	376,170	423,742	411,335	436,059	472,528
Plan Fiduciary Net Position - Ending	166,383	202,297	228,371	311,885	355,327	374,543	376,170	423,742	411,335	436,059
Net Pension Liability / (Asset)	$ 111,269	$ 106,441	$ 90,497	$ 36,294	$ (4,454)	$ 4,263	$ (56,274)	$ (83,727)	$ (70,692)	$ (76,744)
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	59.93%	65.52%	71.62%	89.58%	101.27%	98.87%	117.59%	124.62%	120.75%	121.36%
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability / (Asset) as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Supplementary Information

Town of Springfield
Balance Sheet
Other Governmental Funds
December 31, 2025

	Meter Deposit Fund	Pool Fund	Baca County Fire Department	Conservation Trust	Total Other Governmental Funds
ASSETS					
Cash and cash equivalents	$ 176,470	$ 23,833	$ 98,423	$ 43,158	$ 341,884
Total assets	176,470	23,833	98,423	43,158	341,884
LIABILITIES AND FUND BALANCES					
Liabilities:					
Deposits payables	146,941	-	-	-	146,941
Total liabilities	146,941	-	-	-	146,941
Fund balances:					
Committed for:					
Other purposes	29,529	23,833	98,423	43,158	194,943
Total fund balances	29,529	23,833	98,423	43,158	194,943
Total liabilities and fund balances	$ 176,470	$ 23,833	$ 98,423	$ 43,158	$ 341,884

Town of Springfield
Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended December 31, 2025

	Meter Deposit Fund	Pool Fund	Baca County Fire Department	Conservation Trust	Total Other Governmental Funds
REVENUES					
Intergovernmental	$ -	$ -	$ 17,500	$ 7,734	$ 25,234
Investment earnings	1,834	119	3,811	207	5,971
Miscellaneous	-	-	84,116	-	84,116
Total revenues	1,834	119	105,427	7,941	115,321
EXPENDITURES					
Current:					
General government	42	-	-	-	42
Public Safety	-	-	33,084	-	33,084
Culture and recreation	-	-	-	5,812	5,812
Capital Outlay	-	-	79,000	-	79,000
Total Expenditures	42	-	112,084	5,812	117,938
Excess (deficiency) of revenues over expenditures	1,792	119	(6,657)	2,129	(2,617)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	17,500	-	17,500
Transfers out	(1,400)	-	-	-	(1,400)
Total other financing sources and uses	(1,400)	-	17,500	-	16,100
Net change in fund balances	392	119	10,843	2,129	13,483
Fund balances - beginning	29,137	23,714	87,580	41,029	181,460
Fund balances - ending	$ 29,529	$ 23,833	$ 98,423	$ 43,158	$ 194,943

Town of Springfield
Budget and Actual
Water Fund
For the year ended December 31, 2025

	Budgeted Amounts		Actual Amounts,
	Original	Final	Budgetary Basis
REVENUES			
Charges for services	$ 529,300	$ 529,300	$ 622,403
Investment earnings	7,500	7,500	28,564
Miscellaneous income	6,600	6,600	326,814
Other operating income	7,411,660	7,411,660	2,400
Total revenues	7,955,060	7,955,060	980,181
EXPENDITURES			
Current:			
System operations	185,087	213,212	168,928
Supplies	36,000	36,000	36,675
System maintenance	73,834	73,834	73,708
Administration and general	7,895,629	7,895,629	111,236
Depreciation	-	-	43,671
Capital reserve	30,000	30,000	-
Capital Outlay	547,000	547,000	65,648
Total Expenditures	8,767,550	8,795,675	499,866
Excess (deficiency) of revenues over expenditures	(812,490)	(840,615)	480,315
OTHER FINANCING SOURCES (USES)			
Transfers in	700	700	700
Transfers out	(22,386)	(22,386)	(22,386)
Total other financing sources and uses	(21,686)	(21,686)	(21,686)
Net change in fund balances	(834,176)	(862,301)	458,629
Fund balances - beginning	-	-	2,217,396
Adjustment to GAAP capital outlay	-	-	65,648
Fund balances - ending	$ (834,176)	$ (862,301)	$ 2,741,673

Town of Springfield
Budget and Actual
Sewer Fund
For the year ended December 31, 2025

	Budgeted Amounts		Actual Amounts,
	Original	Final	Budgetary Basis
REVENUES			
Charges for services	$ 241,500	$ 241,500	$ 231,748
Investment earnings	7,000	7,000	12,259
Miscellaneous	3,050	3,050	2,758
Total revenues	251,550	251,550	246,765
EXPENDITURES			
Current:			
System operations	93,034	93,034	93,172
Supplies	6,700	6,700	1,578
System maintenance	82,000	82,000	27,762
Administration and general	145,643	145,643	93,802
Depreciation	-	-	56,408
Debt Service:			
Principal	26,700	26,700	26,700
Total Expenditures	354,077	354,077	299,422
Excess (deficiency) of revenues over expenditures	(102,527)	(102,527)	(52,657)
OTHER FINANCING SOURCES (USES)			
Transfers in	32,000	32,000	-
Transfers out	(11,525)	(11,525)	(11,525)
Total other financing sources and uses	20,475	20,475	(11,525)
Net change in fund balances	(82,052)	(82,052)	(64,182)
Fund balances - beginning	82,052	82,052	1,043,579
Reconciling to GAAP	-	-	26,700
Fund balances - ending	$ -	$ -	$ 1,006,097

Town of Springfield
Budget and Actual
Electric Fund
For the year ended December 31, 2025

	Budgeted Amounts		Actual Amounts,
	Original	Final	Budgetary Basis
REVENUES			
Charges for services	$ 1,873,400	$ 1,873,400	$ 1,880,739
Investment earnings	50,000	50,000	59,942
Miscellaneous	21,500	21,500	80,884
Total revenues	1,944,900	1,944,900	2,021,565
EXPENDITURES			
Current:			
System Operations	1,160,203	1,160,203	296,954
System Maintenance	151,000	151,000	67,673
Power purchased	1,370,000	1,370,000	1,183,273
Administrative and general	136,581	136,581	128,472
Depreciation	-	-	109,708
Capital reserve	100,000	100,000	-
Capital Outlay	30,000	30,000	-
Total Expenditures	2,947,784	2,947,784	1,786,080
Excess (deficiency) of revenues over expenditures	(1,002,884)	(1,002,884)	235,485
OTHER FINANCING SOURCES (USES)			
Transfers in	700	700	700
Transfers out	(87,282)	(87,282)	(87,282)
Total other financing sources and uses	(86,582)	(86,582)	(86,582)
Net change in fund balances	(1,089,466)	(1,089,466)	148,903
Fund balances - beginning	1,089,466	1,089,466	3,188,773
Fund balances - ending	$ -	$ -	$ 3,337,676

Town of Springfield
Budget and Actual
Pool Fund
For the year ended December 31, 2025

	Budgeted Amounts		Actual Amounts,
	Original	Final	Budgetary Basis
REVENUES			
Investment earnings	$ 30	$ 30	$ 119
Miscellaneous	250	250	-
Total revenues	280	280	119
EXPENDITURES			
Current:			
Health and sanitation	11,100	11,100	-
Total Expenditures	11,100	11,100	-
Excess (deficiency) of revenues over expenditures	(10,820)	(10,820)	119
Net change in fund balances	(10,820)	(10,820)	119
Fund balances - beginning	10,820	10,820	23,714
Fund balances - ending	$ -	$ -	$ 23,833

Town of Springfield
Budget and Actual
Baca County Fire Department
For the year ended December 31, 2025

	Budgeted Amounts		Actual Amounts,
	Original	Final	Budgetary Basis
REVENUES			
Intergovernmental	$ 17,500	$ 17,500	$ 17,500
Investment earnings	3,500	3,500	3,811
Miscellaneous	250	250	84,116
Total revenues	21,250	21,250	105,427
EXPENDITURES			
Current:			
Public Safety	65,100	65,100	33,084
Capital Outlay	200,000	200,000	79,000
Total Expenditures	265,100	265,100	112,084
Excess (deficiency) of revenues over expenditures	(243,850)	(243,850)	(6,657)
OTHER FINANCING SOURCES (USES)			
Transfers in	227,500	227,500	17,500
Total other financing sources and uses	227,500	227,500	17,500
Net change in fund balances	(16,350)	(16,350)	10,843
Fund balances - beginning	16,350	16,350	87,580
Fund balances - ending	$ -	$ -	$ 98,423

Town of Springfield
Budget and Actual
Conservation Trust
For the year ended December 31, 2025

	Budgeted Amounts		Actual Amounts,
	Original	Final	Budgetary Basis
REVENUES			
Intergovernmental	$ 7,600	$ 7,600	$ 7,734
Investment earnings	150	150	207
Total revenues	7,750	7,750	7,941
EXPENDITURES			
Current:			
Culture and recreation	5,905	5,905	5,812
Total Expenditures	5,905	5,905	5,812
Excess (deficiency) of revenues over expenditures	1,845	1,845	2,129
Net change in fund balances	1,845	1,845	2,129
Fund balances - beginning	(1,845)	(1,845)	41,029
Fund balances - ending	$ -	$ -	$ 43,158

Town of Springfield
Budget and Actual
Meter Deposit Fund
For the year ended December 31, 2025

	Budgeted Amounts		Actual Amounts,
	Original	Final	Budgetary Basis
REVENUES			
Investment earnings	$ 1,750	$ 1,750	$ 1,834
Total revenues	1,750	1,750	1,834
EXPENDITURES			
Current:			
General government	350	350	42
Total Expenditures	350	350	42
Excess (deficiency) of revenues over expenditures	1,400	1,400	1,792
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,400)	(1,400)	(1,400)
Total other financing sources and uses	(1,400)	(1,400)	(1,400)
Net change in fund balances	-	-	392
Fund balances - beginning	-	-	29,137
Fund balances - ending	$ -	$ -	$ 29,529

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT

STATE: COLORADO

YEAR ENDING (mm/yy): 12/25

This Information From The Records Of: Town of Springfield

Prepared By: Tammy Newman

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	$ 180,229.29
4. Miscellaneous local receipts (from page 2)	$ 80,281.55
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)	$ 260,510.84
B. Private Contributions	
C. Receipts from State government (from page 2)	$ 260,510.84
D. Receipts from Federal Government (from page 2)	$ -
E. Total receipts (A.7 + B + C + D)	$ 260,510.84

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	$ 234,411.98
2. Maintenance:	$ 26,098.86
3. Road and street services:	
a. Traffic control operations	$ -
b. Snow and ice removal	
c. Other	
d. Total (a. through c.)	$ -
4. General administration & miscellaneous	$ -
5. Highway law enforcement and safety	$ -
6. Total (1 through 5)	$ 260,510.84
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
3. Total (1.c + 2.c)	$ -
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A.6 + B.3 + C + D)	$ 260,510.84

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				$ -
1. Bonds (Refunding Portion)				$ -
B. Notes (Total)				$ -

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

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	$ 260,510.84	$ 260,510.84		$ -

Notes and Comments:

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assesments	$ 155,953.60	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	$ 24,275.69	g. Other Misc. Receipts	
6. Total (1. through 5.)	$ 24,275.69	h. Other	
c. Total (a. + b.)	$ 180,229.29	i. Total (a. through h.)	$ -
(Carry forward to page 1)			

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes (from Item I.C.5.)	$ 80,281.55	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	$ -	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	$ -	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	$ 80,281.55	3. Total (1. + 2.g)	$ -
(Carry forward to page 1)		*(Carry forward to page 1)*	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments:

FORM FHWA-536