

***City of Holyoke, Colorado***

**Financial Statements**

**For the Year ended December 31, 2025**

## Table of Contents

	Page
Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-8
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	10
Statement of Activities	12-13
Fund Financial Statements	
Balance Sheet – Governmental Funds	14
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Net Position – Proprietary Funds	18
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	19
Statement of Cash Flows – Proprietary Funds	20-21
Notes to Financial Statements	22-51
Required Supplementary Information	
Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset) – Fire & Police Statewide Defined Benefit Plan	54-55
Schedule of City Contributions – Fire & Police Statewide Defined Benefit Plan	56-57
Schedule of Changes in the City's Net Pension Liability/(Asset) and Related Ratios – Holyoke Volunteer Fire Department Pension Fund	58-59
Schedule of City Contributions – Holyoke Volunteer Fire Department Pension Fund	60
General Fund – Budgetary Comparison Schedule	61
Notes to Required Supplementary Information	62
Other Supplementary Information	
General Fund	
Budgetary Comparison Schedule – Revenues	66-67
Budgetary Comparison Schedule – Expenditures	68

## Table of Contents

	<u>Page</u>
Combining Statements and Budgetary Comparison Schedules – Nonmajor Governmental Funds	
Combining Balance Sheet	70-71
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	72-73
Heginbotham Trust Fund – Budgetary Comparison Schedule	74
Library Land Fund – Budgetary Comparison Schedule	75
Spindler Library Fund – Budgetary Comparison Schedule	76
Cemetery Perpetual Care Fund – Budgetary Comparison Schedule	77
Conservation Trust Fund – Budgetary Comparison Schedule	78
Cemetery White Fund – Budgetary Comparison Schedule	79
Massman Memorial Fund – Budgetary Comparison Schedule	80
Firemen’s Pension Fund – Budgetary Comparison Schedule	81
LeBlanc Estate Fund – Budgetary Comparison Schedule	82
 Budgetary Comparison Schedules – Enterprise Fund	
Utility Fund – Budgetary Comparison Schedule	84-85
Utility Fund – Schedule of Revenues, Expenses and Changes in Net Position by Department	86-87
 Colorado Department of Highways Local Highway Finance Report	90-91

## **Independent Auditors' Report**

To the Honorable Mayor and Members of City Council  
City of Holyoke  
Holyoke, Colorado

### **Opinions**

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

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

### **Basis for Opinions**

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

### **Responsibilities of Management for the Financial Statements**

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and historical pension information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of

inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

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

*Lauer, Szabo & Associates, P.C.*

Sterling, Colorado  
April 14, 2026

# City of Holyoke, Colorado

## Management's Discussion and Analysis

December 31, 2025

As management of the City of Holyoke (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2025.

### Financial Highlights:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the 2025 fiscal year by \$27,571,560 (net position). Of this amount, \$16,569,861 may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased in the 2025 fiscal year by \$1,926,922 which was due to an increase in the governmental activities of \$1,317,654 and an increase in the business-type activities of \$609,268.
- At December 31, 2025, the unassigned fund balance of the General Fund was \$3,756,671, or approximately 85% of the total fiscal year 2025 General Fund expenditures.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other required supplementary information and supplementary information in addition to the basic financial statements themselves.

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

The Statement of Net Position presents information on all the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

## **Overview of the Financial Statements (continued)**

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the City include general government, public safety, streets, airport, culture, and recreation. The business-type activities of the City include electric distribution, water system, sewer system, and sanitation.

The government-wide financial statements can be found on pages 10 through 13 of this report.

**Fund Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The City's governmental funds include the General Fund and several Special Revenue Funds.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with their budget.

The basic governmental fund financial statements can be found on pages 14 through 17.

**Proprietary Funds:** The City maintains proprietary funds commonly known as enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric distribution operation, water system, sewer system, and sanitation service.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 18 through 21 of this report.

## Overview of the Financial Statements (continued)

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 22 through 51 of this report.

**Fire and Police Pension Funds:** Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. This information can be found on pages 54 through 60.

**Other Information:** The City adopts annual appropriated budgets for all its funds in accordance with the Colorado State Statues. The budgetary comparison schedules have been provided for all its funds to demonstrate compliance with the budget law and are found on pages 61 through 87.

### Government-wide Financial Analysis

Traditionally, the largest portion of any municipality's investments is in its capital assets. Land, building, equipment, machinery, and specialized tools are necessary in order to deliver and/or provide services to the City's residents and visitors. The City's capital assets account for approximately 39% of its total net position; these assets are not an available source for payment of future spending. Of the remaining \$11,001,699 in net position, \$107,000 or less than 1%, of the net position for governmental activities is restricted for use in the event of an emergency.

At the end of the 2025 fiscal year, the City is able to report positive balances in all categories of net position, first for the government as a whole, and then as separate governmental and business-type activities.

The City's net position increased \$1,926,922 during the current fiscal year. The increase is primarily due to the excess of revenues over expenses of the governmental activities of \$1,317,654, which includes the transfer from the Business-Type Activities of \$1,200,000.

**Governmental Activities:** Governmental activities after transfers left the City's change in net position at a positive \$1,317,654. Key elements of this increase are as follows:

- An increase in governmental fund's net position occurred after the transfer of \$1,200,000 from business-type activities.
- The governmental activities expenses this year were less than available revenues before transfers, which historically hasn't been the case. The City has traditionally subsidized the governmental activities with its business-type activities.
- The City continues to provide funding of highways and streets, culture and recreation, and airport improvements to enhance these services for the citizens.

Governmental activities revenues decreased by \$110,976 from 2024 levels primarily due to the following changes:

- Sales and use taxes decreased by \$21,651 due to a decrease in taxable sales within the City's boundaries.
- Property taxes decreased \$94,890.
- Other taxes increased by \$13,354.
- Capital grants and contributions increased by \$772,902.

Governmental activities expenses increased by \$482,883 from 2024 levels primarily due to the following changes:

- Public safety increased by \$148,512.
- Culture and recreation increased by \$51,300.
- Public works increased by \$92,236.

**Business-Type Activities:** Business-type activities after transfers of \$1,200,000 increased the City's net position by \$609,268. Key elements of this increase are as follows:

Business-type activities revenues increased by \$97,617 from 2024 levels primarily due to the following:

- Charges for services increased electric by \$4,551, water by \$20,130, sewer by \$30,081 and refuse by \$20,690.

Business-type activities expenses decreased by \$14,649 from 2024 levels primarily due to the following changes:

- Operating costs of the electric utility increased by \$101,910.
- Operating costs of the water utility decreased by \$114,092.
- Operating costs of the sewer utility decreased by \$66,517.
- Operating costs of the refuse utility increased by \$24,152.
- Operating costs of the utility administration decreased by \$39,898.

**Budget Variances in the General Fund:** The City was not required to amend the General Fund budget for the current fiscal year; the General Fund expenditures did not exceed the fund budget.

The General Fund Budget and Actual Schedules can be found on page 61.

### **Significant Variances**

**Capital Assets:** The City's capital assets increased government-wide by \$1,000,697. The 2025 depreciation expense was \$410,019. Additional information, as well as a detailed classification of the City's net position can be found in the Notes to the Financial Statements on pages 33-35 of this report.

**Long-term Liabilities:** As of the end of the current fiscal year, the City's long-term liabilities increased by \$9,105. Additional information as well as a detailed classification of the City's total long-term liabilities can be found in the Notes to the Financial Statements on page 35.

**Next Year's Budget and Rates:** The City's General Fund balance at the end of the fiscal year 2025 totaled \$3,863,671, an increase of \$276,592. The rates for the utility services (business-type activities) were increased as follows: electric 2%, water usage 4% residential and 60% commercial, sewer 10%, and refuse 4%. The City's 2026 budget anticipates transfers from the Utility Fund to help offset the operating costs of the City's General Fund.

### **Request for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Holyoke, City Clerk/Treasurer, 407 E. Denver St., Holyoke, Colorado 80734.

## **Basic Financial Statements**

The basic financial statements of the City include the following:

*Government-wide financial statements.* The government-wide statements display information about the reporting government as a whole.

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

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

**CITY OF HOLYOKE, COLORADO**  
**Statement of Net Position**  
**December 31, 2025**

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash	\$ 3,890,619	\$ 2,922,793	\$ 6,813,412
Cash with fiscal agent	4,061		4,061
Certificates of deposit	596,153	8,814,203	9,410,356
Receivables	840,571	583,821	1,424,392
Inventory		615,767	615,767
Net pension asset	192,524		192,524
Land and construction in progress	1,735,661	151,000	1,886,661
Capital assets, net of depreciation	7,512,900	1,369,894	8,882,794
<b>Total assets</b>	<b>14,772,489</b>	<b>14,457,478</b>	<b>29,229,967</b>
<b>Deferred outflows of resources</b>			
Pension deferrals	93,460		93,460
<b>Total assets and deferred outflows of resources</b>	<b>\$ 14,865,949</b>	<b>\$ 14,457,478</b>	<b>\$ 29,323,427</b>
<b>Liabilities</b>			
Accounts payable	\$ 238,925	\$ 251,241	\$ 490,166
Unearned revenues	7,788	547,464	555,252
Customer deposits		41,600	41,600
<b>Noncurrent liabilities</b>			
Due within one year	17,807	11,628	29,435
Due in more than one year	74,955	46,136	121,091
<b>Total liabilities</b>	<b>339,475</b>	<b>898,069</b>	<b>1,237,544</b>
<b>Deferred inflows of resources</b>			
Deferred property tax revenues	488,008		488,008
Pension deferrals	26,315		26,315
<b>Total deferred inflows of resources</b>	<b>514,323</b>	<b>-</b>	<b>514,323</b>
<b>Net position</b>			
Net investment in capital assets	9,248,561	1,520,894	10,769,455
Restricted for emergencies	107,000		107,000
Restricted for culture and recreation	83,720		83,720
Restricted for pensions	192,524		192,524
Unrestricted	4,380,346	12,038,515	16,418,861
<b>Total net position</b>	<b>14,012,151</b>	<b>13,559,409</b>	<b>27,571,560</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 14,865,949</b>	<b>\$ 14,457,478</b>	<b>\$ 29,323,427</b>

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

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**CITY OF HOLYOKE, COLORADO**  
**Statement of Activities**  
**For the Year Ended December 31, 2025**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 333,324	\$ 29,819		\$ 1,078,687
Public safety	915,845	323	\$ 17,244	20,000
Public works	1,164,360	257,412	162,297	126,127
Health and welfare	82,963	25,190	3,810	
Culture and recreation	960,103	51,668	95,618	114,750
Total governmental activities	3,456,595	364,412	278,969	1,339,564
Business-type activities				
Electric	1,674,722	2,880,398		
Water	197,165	561,935		
Sewer	107,628	391,688	7,516	
Refuse	339,916	394,891		
Administration	582,377			
Total business-type activities	2,901,808	4,228,912	7,516	-
Total	\$ 6,358,403	\$ 4,593,324	\$ 286,485	\$ 1,339,564

General revenues and transfers

Taxes

  Property taxes, levied for general purposes

  Specific ownership taxes

  Sales and use taxes

  Franchise taxes

  Lodging taxes

Unrestricted earnings on investments

Miscellaneous

Transfers

    Total general revenues and transfers

    Change in net position

    Net position at beginning of year

    Net position at end of year

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

Net (Expenses) Revenues and  
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ 775,182		\$ 775,182
(878,278)		(878,278)
(618,524)		(618,524)
(53,963)		(53,963)
(698,067)		(698,067)
(1,473,650)	\$ -	(1,473,650)
	1,205,676	1,205,676
	364,770	364,770
	291,576	291,576
	54,975	54,975
	(582,377)	(582,377)
-	1,334,620	1,334,620
(1,473,650)	1,334,620	(139,030)
405,066		405,066
48,245		48,245
778,576		778,576
42,436		42,436
34,241		34,241
51,937	422,050	473,987
230,803	52,598	283,401
1,200,000	(1,200,000)	-
2,791,304	(725,352)	2,065,952
1,317,654	609,268	1,926,922
12,694,497	12,950,141	25,644,638
<u>\$ 14,012,151</u>	<u>\$ 13,559,409</u>	<u>\$ 27,571,560</u>

**CITY OF HOLYOKE, COLORADO**  
**Balance Sheet**  
**Governmental Funds**  
**For the Year Ended December 31, 2025**

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash	\$ 3,691,174	\$ 199,445	\$ 3,890,619
Cash with fiscal agent	4,061		4,061
Due from other funds	12,707		12,707
Certificates of deposit	57,203	538,950	596,153
Property taxes receivable	474,585	13,423	488,008
Accounts receivable	344,462		344,462
Interest receivable	777	7,324	8,101
<b>Total assets</b>	<b>\$ 4,584,969</b>	<b>\$ 759,142</b>	<b>\$ 5,344,111</b>
<b>Liabilities</b>			
Accounts payable	\$ 238,925		\$ 238,925
Due to other funds		\$ 12,707	12,707
Unearned revenues	7,788		7,788
<b>Total liabilities</b>	<b>246,713</b>	<b>12,707</b>	<b>259,420</b>
<b>Deferred inflows of resources</b>			
Deferred property tax revenues	474,585	13,423	488,008
<b>Total deferred inflows of resources</b>	<b>474,585</b>	<b>13,423</b>	<b>488,008</b>
<b>Fund balance</b>			
Nonspendable permanent fund principal		216,647	216,647
Restricted to:			
Emergencies	107,000		107,000
Culture and recreation		83,720	83,720
Committed to:			
Culture and recreation		126,399	126,399
Health and welfare		306,246	306,246
Unassigned	3,756,671		3,756,671
<b>Total fund balance</b>	<b>3,863,671</b>	<b>733,012</b>	<b>4,596,683</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 4,584,969</b>	<b>\$ 759,142</b>	<b>\$ 5,344,111</b>

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

**CITY OF HOLYOKE, COLORADO**  
**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position**  
**December 31, 2025**

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

Total fund balance - governmental funds	\$ 4,596,683
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	9,248,561
Net pension assets and deferrals used in governmental activities are not financial resources and therefore are not reported as assets or liabilities in governmental funds.	259,669
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(92,762)</u>
Net position of the governmental activities	<u><u>\$ 14,012,151</u></u>

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

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

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ 1,297,415	\$ 11,149	\$ 1,308,564
Licenses and permits	14,421		14,421
Intergovernmental revenues	1,584,171	36,572	1,620,743
Charges for services	76,783		76,783
Fines and forfeitures	10,067		10,067
Earnings on investments	30,227	21,710	51,937
Miscellaneous revenues	486,234	5,500	491,734
Total revenues	3,499,318	74,931	3,574,249
Expenditures			
Current			
General government	1,399,386		1,399,386
Public safety	910,911	20,213	931,124
Public works	1,098,159		1,098,159
Health and welfare	106,330		106,330
Culture and recreation	921,411		921,411
Total expenditures	4,436,197	20,213	4,456,410
Excess of revenues over (under) expenditures	(936,879)	54,718	(882,161)
Other financing sources (uses)			
Transfers in	1,213,471		1,213,471
Transfers out		(13,471)	(13,471)
Total other financing sources (uses)	1,213,471	(13,471)	1,200,000
Net change in fund balance	276,592	41,247	317,839
Fund balance at beginning of year	3,587,079	691,765	4,278,844
Fund balance at end of year	<u>\$ 3,863,671</u>	<u>\$ 733,012</u>	<u>\$ 4,596,683</u>

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

**CITY OF HOLYOKE, COLORADO**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2025**

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

Net change in fund balances - governmental funds	\$ 317,839
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation in the current period.	1,000,697
In the statement of activities, certain expenses related to the pension liabilities and related deferred outflows and inflows of resources, and compensated absences, are measured by amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	<u>(882)</u>
Change in net position of governmental activities	<u><u>\$ 1,317,654</u></u>

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

**CITY OF HOLYOKE, COLORADO**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2025**

	<u>Enterprise Fund</u>
Assets	
Current assets	
Cash	\$ 2,922,793
Certificates of deposit	8,814,203
Receivables	583,821
Inventory	<u>615,767</u>
Total current assets	12,936,584
Noncurrent assets	
Land	151,000
Capital assets, net of depreciation	<u>1,369,894</u>
Total noncurrent assets	<u>1,520,894</u>
Total assets	<u><u>\$ 14,457,478</u></u>
Liabilities	
Current liabilities	
Accounts payable	\$ 251,241
Customer deposits	41,600
Unearned grant revenue	547,464
Current portion of accrued compensated absences	<u>11,628</u>
Total current liabilities	851,933
Long-term liabilities	
Accrued compensated absences	<u>46,136</u>
Total liabilities	898,069
Net position	
Net investment in capital assets	1,520,894
Unrestricted	<u>12,038,515</u>
Total net position	<u>13,559,409</u>
Total liabilities and net position	<u><u>\$ 14,457,478</u></u>

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

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

	Enterprise Fund
Operating revenues	
Charges for services	\$ 4,147,952
Operating expenses	
Salaries	751,210
Benefits	328,125
Supplies	92,433
Repairs and maintenance	101,115
Farm	11,025
Water pumping	60,146
Publications and legal notices	19
Membership and dues	1,646
Utilities	1,181,951
Legal and professional	74,443
Testing	5,887
Travel and meetings	5,237
Education and training	3,325
Landfill	56,164
Insurance	60,652
Website	2,400
Bad debts	1,132
Depreciation	164,898
Total operating expenses	<u>2,901,808</u>
Operating income	1,246,144
Nonoperating revenues	
Earnings on investments	422,050
Federal and state grants	7,516
Property rent	80,960
Miscellaneous	52,598
Total nonoperating revenues	<u>563,124</u>
Net income before transfers	1,809,268
Transfers out	<u>(1,200,000)</u>
Change in net position	609,268
Net position at beginning of year	<u>12,950,141</u>
Net position at end of year	<u><u>\$ 13,559,409</u></u>

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

**CITY OF HOLYOKE, COLORADO**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2025**

	<u>Enterprise Fund</u>
Cash flows from operating activities	
Receipts from customers	\$ 4,126,766
Payments to other funds	(178,694)
Payments to suppliers	(1,929,986)
Payments to employees	<u>(749,635)</u>
Net cash provided by operating activities	1,268,451
Cash flows from noncapital financing activities	
Transfers to other funds	(1,200,000)
Property rent	80,960
Miscellaneous receipts	<u>52,598</u>
Net cash used by noncapital financing activities	(1,066,442)
Cash flows from capital and related financing activities	
Purchase of capital assets	<u>(152,778)</u>
Net cash used by capital and related financing activities	(152,778)
Cash flows from investing activities	
Earnings on investments	<u>322,110</u>
Net provided by investing activities	<u>322,110</u>
Net increase in cash and cash equivalents	371,341
Cash and cash equivalents at beginning of year	<u>2,551,452</u>
Cash and cash equivalents at end of year	<u><u>\$ 2,922,793</u></u>

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

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	Enterprise Fund
	<u>                    </u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 1,246,144
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	164,898
Bad debts	1,132
Change in assets and liabilities	
Receivables	(25,436)
Inventory	(56,765)
Accounts payable	111,347
Due to other funds	(178,694)
Customer deposits	4,250
Accrued compensated absences	1,575
	<u>                    </u>
Net cash provided by operating activities	<u><u>\$ 1,268,451</u></u>

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note A – Summary of significant accounting policies**

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

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

The more significant of the City’s accounting policies are described below.

**A.1 – Reporting entity**

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

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

**A.2 – Fund accounting**

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

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.” The City does not have any fiduciary funds.

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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

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

The following are the City's nonmajor governmental funds:

Heginbotham Trust Fund – This fund is a special revenue fund established with funds from the sale of lots with the interest earned on the principal being transferred to the parks department in the General Fund on an annual basis.

Library Land Fund – This fund is a special revenue fund established through the sale of land with the interest earned on the principal being transferred to the library department in the General Fund on an annual basis.

Spindler Library Fund – This fund is a special revenue fund established with money bequeathed to the City for the library.

Cemetery Perpetual Care Fund – This fund is a special revenue fund established to help maintain the cemetery with the interest earned on the principal being transferred to the cemetery department in the General Fund on an annual basis.

Conservation Trust Fund – This fund is a special revenue fund established to accumulate lottery proceeds which can be used to fund recreational facilities and/or projects.

Cemetery White Fund – This fund is a special revenue fund established with money bequeathed to the City to be used for the cemetery with the interest earned on the principal being transferred to the cemetery department in the General Fund on an annual basis. The principal can be used for projects approved by the cemetery board.

Massman Memorial Fund – This fund is a special revenue fund established with money bequeathed to the City to be used for the parks with the interest earned on the principal being transferred to the parks department in the General Fund on an annual basis. The principal can be used for projects approved by city council.

Firemen's Pension Fund – This fund is a special revenue fund established to provide financial resources for the City's Volunteer Fire Pension Plan.

LeBlanc Estate Fund – This fund is a permanent fund established with money bequeathed to the City to be used for maintaining the cemetery with the interest earned on the principal being transferred to the cemetery department in the General Fund on an as needed basis to cover cemetery maintenance projects.

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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

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

Utility Fund – This fund was established to account for all operations of the electric, water, sewer, and refuse utility services provided by the City.

**Note A.3 – Basis of presentation**

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

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

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

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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

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

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

**A.4 – Basis of accounting**

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

Revenues – exchange and non-exchange transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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

Property taxes, sales taxes, 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.

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

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

Unearned revenue – Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

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

**A.5 – Encumbrances**

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

**A.6 – Cash and cash investments**

The City has pooled the cash resources of its funds in order to maximize investment opportunities. Short-term investments, including government securities and certificates of deposit, are purchased with pooled cash. Interest earned is allocated to individual funds based on their proportional equity in each investment purchased. Certain funds have made disbursements for investments in excess of the fund’s individual equity. The deficit balances of these funds are reported as a liability “due to other funds.”

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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

**A.7 – Cash and cash equivalents**

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

**A.8 – Short-term interfund receivables/payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position, and are classified as due from other funds or due to other funds on the balance sheet.

**A.9 – Receivables**

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

**A.10 – Inventories**

Inventories in the proprietary funds consist of supplies and are recorded at the lower of cost or market using the first-in, first-out method.

**A.11 – Capital assets**

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

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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

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

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

<u>Description</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Buildings	20-40 years	20-40 years
Equipment	3-10 years	3-10 years
Improvements other than buildings	10-40 years	10-40 years
Infrastructure	10-50 years	n/a

**A.12 – Compensated absences**

The City reports compensated absences in accordance with the provisions of GASB Statement No. 101, “Compensated Absences.” In recognition of the varying work schedules of city employees and each employee’s diverse needs for time away from work, the City provides a general leave policy of paid time off (PTO) for its employees. Paid time off shall be accrued by regular employees and is determined by the work period that each employee is scheduled.

Vacation leave – Full-time employees may accumulate up to 160 hours of vacation for the first 10 years of continuous service. After 10 years of continuous service an additional 8 hours per year may be accumulated up to a maximum of 200 hours of vacation after 15 years of continuous service. Accumulated vacation leave is paid upon separation from employment.

Sick leave – Full-time employees may accumulate up to 480 hours of sick leave. Accumulated sick leave is paid upon separation from employment at the rate of 1 day for each 4 days except in cases where employees are discharged or terminated for any reason within the first year of employment.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account “accrued compensated absences” in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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

of the liability is not reported. In proprietary funds, the entire amount of the compensated absences is reported as a fund liability.

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

**A.13– Accrued liabilities and long-term obligations**

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. Compensated absences are reported as accrued in the government-wide and proprietary fund financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

**A.14 – Net position**

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

**A.15 – Operating revenues and expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are service charges for electric, water, sanitation and sewer utility services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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

**A.16 – Interfund transactions**

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services that are provided and used are not eliminated in the process of consolidation.

**A.17 – Extraordinary and special items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the city council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the year.

**A.18 – Fund balance**

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

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

- *Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),
- *Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,
- *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the board of education (the City's highest level of decision-making authority),
- *Assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and
- *Unassigned* fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications.

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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

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

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

**Note B – Cash and investments**

**Cash and deposits**

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

Custodial credit risk – deposits – Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of year-end, the City had total deposits of \$16,760,267, of which \$500,000 was insured and \$16,260,267 was collateralized with securities held by the pledging institution's trust department or agent in the City's name.

**Investments**

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

- Obligations of the United States Government, such as treasury bills, notes and bonds
- Certain international agency securities
- General obligation and revenue bonds of United States local government entities
- Bankers acceptances of certain banks
- Commercial paper
- Local government investment pools

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note B – Cash and investments (Continued)**

- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

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

**Note C – Receivables**

Receivables at year-end consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Receivables</u>
Utility accounts	\$ -	\$ 445,692	\$ 445,692
Property taxes	488,008	-	488,008
Other accounts	344,462	-	344,462
Interest	<u>8,101</u>	<u>138,129</u>	<u>146,230</u>
Total	<u>\$ 840,571</u>	<u>\$ 583,821</u>	<u>\$ 1,424,392</u>

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

**Note D – Interfund transactions**

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

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<u>Governmental funds</u>		
General Fund	\$ 12,707	\$ -
Other Governmental Funds	<u>-</u>	<u>12,707</u>
Total	<u>\$ 12,707</u>	<u>\$ 12,707</u>

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

**Note D – Interfund transactions (Continued)**

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Utility Fund	\$ 1,200,000
General Fund	Other Governmental Funds	<u>13,471</u>
Total		<u>\$ 1,213,471</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The City annually transfers funds from the Utility Fund and Other Governmental Funds to provide support to various departments within the General Fund.

**Note E – Capital assets**

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Capital assets, not being depreciated:				
Land	\$ 129,481	\$ -	\$ -	\$ 129,481
Construction in progress	<u>347,706</u>	<u>1,271,215</u>	<u>(12,741)</u>	<u>1,606,180</u>
Total capital assets, not being depreciated	142,222	1,271,215	(12,741)	1,735,661
Capital assets, being depreciated:				
Land and improvements	11,357,895	18,800	-	11,376,695
Buildings and improvements	2,932,535	13,713	12,741	2,958,989
Office equipment	149,122	-	-	149,122
Machinery and equipment	<u>2,683,298</u>	<u>106,988</u>	<u>-</u>	<u>2,790,286</u>
Total capital assets, being depreciated	<u>17,122,850</u>	<u>139,501</u>	<u>12,741</u>	<u>17,275,092</u>
Total capital assets	17,600,037	1,410,716	-	19,010,753

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

**Note E – Capital assets (Continued)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Less accumulated depreciation for:				
Land and improvements	(5,907,893)	(229,347)	-	(6,137,240)
Buildings and improvements	(1,163,980)	(69,314)	-	(1,233,294)
Office equipment	(148,959)	(163)	-	(149,122)
Machinery and equipment	<u>(2,131,341)</u>	<u>(111,195)</u>	<u>-</u>	<u>(2,242,536)</u>
Total accumulated depreciation	<u>(9,352,173)</u>	<u>(410,019)</u>	<u>-</u>	<u>(9,762,192)</u>
Governmental activities capital assets, net	<u>\$ 8,247,864</u>	<u>\$ 1,000,697</u>	<u>\$ -</u>	<u>\$ 9,248,561</u>
<b>Business-type activities</b>				
Capital assets, not being depreciated:				
Land	\$ 151,000	\$ -	\$ -	\$ 151,000
Capital assets, being depreciated				
Distribution systems	4,581,471	60,000	-	4,641,471
Buildings and improvements	678,232	71,631	-	749,863
Office equipment	18,330	-	-	18,330
Machinery and equipment	<u>1,813,888</u>	<u>21,147</u>	<u>-</u>	<u>1,835,035</u>
Total capital assets, being depreciated	<u>7,091,921</u>	<u>152,778</u>	<u>-</u>	<u>7,244,699</u>
Total capital assets	7,242,921	152,778	-	7,395,699
Less accumulated depreciation for:				
Distribution systems	(3,795,653)	(86,043)	-	(3,881,696)
Buildings and improvements	(427,398)	(24,139)	-	(451,537)
Office equipment	(18,330)	-	-	(18,330)
Machinery and equipment	<u>(1,468,526)</u>	<u>(54,716)</u>	<u>-</u>	<u>(1,523,242)</u>
Total accumulated depreciation	<u>(5,709,907)</u>	<u>(164,898)</u>	<u>-</u>	<u>(5,874,805)</u>
Business-type activities capital assets, net	<u>\$ 1,533,014</u>	<u>\$ (12,120)</u>	<u>\$ -</u>	<u>\$ 1,520,894</u>

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note E – Capital assets (Continued)**

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

<b>Governmental activities</b>		
General government		\$ 5,095
Public safety		65,772
Public works		258,729
Health and welfare		6,725
Culture and recreation		<u>73,698</u>
Total governmental activities		<u>\$ 410,019</u>
<b>Business-type activities</b>		
Electric		\$ 20,265
Water		42,146
Sewer		53,118
Refuse		22,090
Administration		<u>27,279</u>
Total business-type activities		<u>\$ 164,898</u>

**Note F – Long-term debt**

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

	<u>Beginning</u> <u>Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balances</u>	<u>Due within</u> <u>one year</u>
<b>Governmental Activities</b>					
Compensated absences	<u>\$ 85,232</u>	<u>\$ 7,530*</u>	<u>\$ -</u>	<u>\$ 92,762</u>	<u>\$ 17,807</u>
<b>Business-type activities</b>					
Compensated absences	<u>\$ 56,189</u>	<u>\$ 1,575*</u>	<u>\$ -</u>	<u>\$ 57,764</u>	<u>\$ 11,628</u>

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note G - Risk management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has affiliated with the Colorado Intergovernmental Risk Sharing Agency (CIRSA) to provide protection against losses incurred related to property, casualty and general liability claims. CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of the Colorado Revised Statutes and the Colorado Constitution. The purposes of CIRSA are to provide members defined liability and property coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees, or officers. The City makes an annual contribution to CIRSA for its insurance coverage. For the year, the City's financial contribution to CIRSA was \$197,798. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the City. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

**Note H - Pension plans**

The City is covered under three separate pension plans. The City's General Fund has been used in prior years to liquidate any net pension obligation. The assets under these plans are not considered property of the City and are held by a third party administrator for the exclusive benefit of the plan participants and their beneficiaries. The City has little administrative involvement and does not perform the investing functions for the plans. Therefore, these assets are not included as part of the financial statements of the City.

Below is a summary of the deferred inflows/outflows, net pension assets and liabilities, and pension expense for the defined benefit plans.

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net Pension Liability</u>	<u>Net Pension Asset</u>	<u>Pension Expense</u>
Statewide	\$ 72,997	\$ 21,122	\$ -	\$ -	\$ 40,019
Volunteer Fire	<u>20,463</u>	<u>5,193</u>	<u>-</u>	<u>192,524</u>	<u>(5,731)</u>
Total	<u>\$ 93,460</u>	<u>\$ 26,315</u>	<u>\$ -</u>	<u>\$ 192,524</u>	<u>\$ 34,288</u>

The City's three retirement plans and related disclosures are as follows:

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

**Statewide Retirement Plan**

Summary of significant accounting policies

*Pensions.* For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fire & Police Statewide Retirement Plan and additions to/deductions from Fire & Police Statewide Retirement Plan's fiduciary net position have been determined on the same basis as they are reported by the Fire & Police Pension Association of Colorado. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General information about the pension plan

*Plan description.* The Plan is a cost-sharing multiple-employer defined benefit pension plan. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan currently has 229 participating employer fire and police departments.

The Defined Benefit Component and Social Security Component cover substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. Employers once had the option to withdraw from the Plan, but a change in state statutes eliminated this option effective January 1, 1998, unless the employer elects and is determined to be eligible to participate in the Statewide Money Purchase Plan.

In 2003, legislation was enacted that allows department who cover their firefighters and police officers in money purchase plans to elect coverage under the Plan. As of August 5, 2023, clerical and other personnel from fire districts whose services are auxiliary to fire protection may also participate in the Plan. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Plan.

The Plan assets are in the Fire & Police Members' Benefit Investment Fund Long-Term Pool and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Money Purchase Component assets). The Long-Term Pool is designed primarily for open plans with a longer time horizon, appropriate risk tolerance, and lower liquidity needs. The investment return assumption is 7.00 percent.

Members participating in DROP or in the Money Purchase Component choose among various investment options offered by an outside investment manager.

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

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

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

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

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

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

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

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023.

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

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

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

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

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

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

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 11.00 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2024, the total minimum combined member and employer contribution rate was 17.0 percent.

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

The Hybrid Defined Benefit Component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Corporation is set annually by the FPPA's Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2024 through June 30, 2025 is 14.56 percent. The Hybrid Defined Benefit Component contribution rate from July 1, 2023 through June 30, 2024 was 14.24 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase Component.

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

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

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

Contributions to the Plan from the City during the year ended December 31, 2025 were \$20,946.

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

At December 31, 2025 the City reported a liability of \$0 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025. The City's proportion of the net pension liability was based on a projection of the City'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 City's proportion was .0160 percent, which was an increase of .0033 percent from its proportion measured as of December 31, 2023.

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

For the year ended December 31, 2025, the City recognized pension expense of \$40,019. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings	\$ -	\$ 1,703
Changes in assumptions and other inputs	11,073	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	7,051	18,458
Difference between expected and actual experience	33,927	961
Contributions subsequent to measurement date	<u>20,946</u>	<u>-</u>
Totals	<u>\$ 72,997</u>	<u>\$ 21,122</u>

\$20,946 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2026	\$ 9,717
2027	15,485
2028	(230)
2029	303
2030	2,595
2031	2,453
2032	503
2033	<u>103</u>
Totals	<u>\$ 30,929</u>

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

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

	Total Pension Liability	Actuarial Determined Contributions
Actuarial valuation date	January 1, 2025	January 1, 2024
Actuarial method	Entry age normal	Entry age normal
Amortization method	N/A	Level % of payroll, open
Amortization period	N/A	30 years
Long-term investment rate of return, net*	7.0%	7.0%
Projected salary increases*	4.25% - 11.75%	4.25% - 11.75%
Cost of living adjustments (COLA)	0%	0%
* Includes inflation at	2.5%	2.5%

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

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund’s target asset allocation as of December 31, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global Equity	33%	7.00%
Equity Long/Short	6%	6.20%
Private Markets	34%	8.80%
Fixed Income – Rates	7%	5.00%
Fixed Income – Credit	7%	6.50%
Absolute Return	9%	5.70%
Cash	<u>4%</u>	4.20%
Total	<u><u>100%</u></u>	

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

The COLA assumption reflects the true nature of Board’s Benefit 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.

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.08 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

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

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)	\$ 78,240	\$ -	\$ -

*Pension plan fiduciary net position.* Detailed information about the pension plan’s fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Payables to the pension plan

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

**Holyoke Volunteer Fire Department Pension Fund**

Summary of significant accounting policies

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

General information about the pension plan

*Plan administration.* The City’s defined benefit pension plan for volunteers provides retirement and disability benefits and death benefits to plan members and beneficiaries. The plan is affiliated with the Fire and Police Member’s Benefit Fund, an agent multiple-employer pension plan administered by the Fire and Police Pension Association (FPPA) of Colorado. Title 31, Article 30 of the Colorado Revised Statutes assigns the authority to establish and amend the benefit provisions of the plans that participate in FPPA to the respective member entities. The FPPA issues a publicly available financial report that includes financial statements and required supplementary information for Public Employee Retirement System (PERS) Affiliated Local Plans that can be obtained at <http://www.FPPAco.org>.

Management of the Holyoke Volunteer Fire Department Pension Fund is vested in the local Pension Board, which consists of the City Mayor, Treasurer, two persons appointed by the governing body of the City, and three representatives of the local fire department serving the City.

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

Inactive plan members or beneficiaries currently receiving benefits	19
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>23</u>
Total	<u>46</u>

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

*Benefits provided.* The plan provides retirement and death benefits. Any firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a monthly pension (currently \$55 per month). Vesting for reduced monthly pension benefits begins at 10 years of service, with full pension after 20 years. The plan also provides for a lump-sum burial benefit of \$100 upon the death of an active or retired firefighter. The plan does not provide for disability or survivor benefits.

*Contributions.* Contribution requirements of the plan are established under Title 31, Article 30 of the Colorado Revised Statutes. The plan is noncontributory regarding participants. Contributions to the plan for the year ended December 31, 2025 included \$9,064 from the State of Colorado matching funds and \$10,926 from the City.

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

At December 31, 2025 the City reported a net pension asset of \$192,524. The net pension asset was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025.

For the year ended December 31, 2025, the City recognized pension expense of \$(5,731). At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings	\$ 4,175	\$ -
Changes in assumptions and other inputs	418	-
Difference between expected and actual experience	4,944	5,193
Contributions subsequent to measurement date	<u>10,926</u>	<u>-</u>
Totals	<u>\$ 20,463</u>	<u>\$ 5,193</u>

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

\$10,926 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Amount</u>
2026	\$ (361)
2027	8,694
2028	(2,417)
2029	<u>(1,572)</u>
Totals	<u>\$ 4,344</u>

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

Actuarial cost method	Entry age normal
Amortization method	Level dollar, open*
Remaining amortization period	20 years*
Asset valuation method	5-year smoothed fair value
Inflation	2.50%
Salary increases	N/A
Investment rate of return	7.00%
Retirement age	50% per year of eligibility until 100% at age 65.
Mortality	<b>Pre-retirement:</b> 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.
	<b>Post-retirement:</b> Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale.
	<b>Disabled:</b> 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.

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return</u>
Liquidity	4.0%	4.2%
Fixed Income - Rates	7.0%	5.0%
Fixed Income - Credit	7.0%	6.5%
Diversifiers	9.0%	5.7%
Long Short	6.0%	6.2%
Global Public Equity	33.0%	7.0%
Private Markets	<u>34.0%</u>	8.8%
Total	<u>100.00%</u>	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board’s funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the 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.

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

**Note H – Pension plans (Continued)**

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 4.08% (based on the weekly rate closest to but not later than the measurement date of the “state and local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

Changes in the net pension liability/(asset)

	<u>Increase (Decrease)</u>		
	Total Pension Liability <u>(a)</u>	Plan Fiduciary Position <u>(b)</u>	Net Pension Liability <u>(a)-(b)</u>
Balances at beginning of year	\$ 149,721	\$ 317,663	\$ (167,942)
Changes for the year			
Service cost	555	-	555
Interest on total pension liability	10,076	-	10,076
Benefit changes	-	-	-
Difference between expected and actual experience	7,063	-	7,063
Changes of assumptions	-	-	-
Contributions – employer	-	13,559	(13,559)
Contributions – state of Colorado	-	8,991	(8,991)
Net investment income	-	30,087	(30,087)
Benefit payments	(12,309)	(12,309)	-
Administrative expenses	-	(10,361)	10,361
Net changes	<u>5,385</u>	<u>29,967</u>	<u>(24,582)</u>
Balances at end of year	<u>\$ 155,106</u>	<u>\$ 347,630</u>	<u>\$ (192,524)</u>

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

	1% Decrease <u>(6.00%)</u>	Current Discount <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Net pension liability (asset)	<u>\$ (176,289)</u>	<u>\$ (192,524)</u>	<u>\$ (206,114)</u>

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note H – Pension plans (Continued)**

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued Holyoke Volunteer Fire Department Pension Fund financial report.

Payables to the pension plan

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

**Defined Contribution Plan**

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

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the City Council. The City's contribution is a minimum of 6 percent of covered salary, but may be increased beyond this amount. All eligible employees are required to contribute an amount equal to the contribution by the City. For the year employee contributions totaled \$69,321, and the City recognized pension expense of \$69,321.

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

**Note I – Deferred compensation plan**

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

Amendments to the laws governing Section 457 deferred compensation plans substantially became effective January 1, 1997. The City approved plan amendments such that plan assets are held in trust for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose.

**Note J – Commitments and contingencies**

Federal and state funding

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

**CITY OF HOLYOKE, COLORADO**  
**Notes to Financial Statements**

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**Note J – Commitments and contingencies (Continued)**

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer’s Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and “fiscal year spending” include allowable annual increases tied to inflation and local growth. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the “spending limit” must be refunded or approved to be retained by the City under specified voting requirements by the entire electorate. On November 7, 1995, the voters of the City approved a ballot initiative permitting the City to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of TABOR. However, the City has made certain interpretations of TABOR’s language in order to determine its compliance. The City has restricted funds in the General Fund in the amount of \$107,000 for the emergency reserve.

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### **Required Supplementary Information**

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

- Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset) – Fire & Police Statewide Defined Benefit Plan
- Schedule of City Contributions – Fire & Police Statewide Defined Benefit Plan
- Schedule of Changes in the City's Net Pension Liability/(Asset) and Related Ratios – Holyoke Volunteer Fire Department Pension Fund
- Schedule of City Contributions – Holyoke Volunteer Fire Department Pension Fund
- Budgetary Comparison Schedule – General Fund
- Notes to Required Supplementary Information

**CITY OF HOLYOKE, COLORADO**  
**Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset)**  
**Fire & Police Statewide Retirement Plan**  
**December 31, 2025**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
City's proportion of the net pension liability/(asset)	0.0160%	0.0127%	0.0118%	0.0128%
City's proportionate share of the net pension liability/(asset)	\$ -	\$ -	\$ 10,472	\$ (69,275)
City's covered payroll	\$ 174,820	\$ 125,011	\$ 102,644	\$ 94,741
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	0.0%	0.0%	10.2%	-73.1%
Plan fiduciary net position as a percentage of the total pension liability	100.00%	100.00%	97.60%	116.20%

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

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<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
0.0113%	0.0151%	0.0145%	0.0140%	0.0165%	0.0151%
\$ (24,613)	\$ (8,494)	\$ 18,317	\$ (20,153)	\$ 5,968	\$ (266)
\$ 126,117	\$ 145,510	\$ 98,813	\$ 81,938	\$ 84,525	\$ 73,175
-19.5%	-5.8%	18.5%	-24.6%	7.1%	0.4%
106.70%	101.90%	95.20%	106.30%	98.21%	100.10%

**CITY OF HOLYOKE, COLORADO**  
**Schedule of City Contributions**  
**Fire & Police Statewide Retirement Plan**  
**December 31, 2025**

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	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 20,946	\$ 17,482	\$ 11,876	\$ 9,238
Contributions in relation to the contractually required contribution	<u>(20,946)</u>	<u>(17,482)</u>	<u>(11,876)</u>	<u>(9,238)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 199,486	\$ 174,820	\$ 125,011	\$ 102,644
Contributions as a percentage of covered payroll	10.50%	10.00%	9.50%	9.00%

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<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 8,053	\$ 10,089	\$ 11,641	\$ 7,905	\$ 6,555	\$ 6,762
<u>(8,053)</u>	<u>(10,089)</u>	<u>(11,641)</u>	<u>(7,905)</u>	<u>(6,555)</u>	<u>(6,762)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 94,741	\$ 126,117	\$ 145,510	\$ 98,813	\$ 81,938	\$ 84,525
8.50%	8.00%	8.00%	8.00%	8.00%	8.00%

**CITY OF HOLYOKE, COLORADO**  
**Schedule of Changes in the City's Net Pension Liability/(Asset) and Related Ratios**  
**Holyoke Volunteer Fire Department Pension Fund**  
**Last 10 Fiscal Years**

	2025	2024	2023	2022
<b>Total pension liability</b>				
Service cost	\$ 555	\$ 555	\$ 838	\$ 838
Interest on the total pension liability	10,076	10,199	11,868	11,971
Differences between expected and actual experience	7,063	-	(25,097)	-
Changes of assumptions	-	-	2,022	-
Benefit payments	(12,309)	(12,694)	(13,971)	(14,564)
Net change in total pension liability	5,385	(1,940)	(24,340)	(1,755)
Total pension liability - beginning	149,721	151,661	176,001	177,756
Total pension liability - ending (a)	<u>\$ 155,106</u>	<u>\$ 149,721</u>	<u>\$ 151,661</u>	<u>\$ 176,001</u>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 13,559	\$ 10,613	\$ 10,850	\$ 10,215
Net investment income	30,087	28,152	(26,019)	41,287
Benefit payments	(12,309)	(12,694)	(13,971)	(14,564)
Pension plan administrative expenses	(10,361)	(10,711)	(8,999)	(9,477)
State of Colorado supplemental discretionary payment	8,991	9,138	8,660	8,658
Net change in plan fiduciary net position	29,967	24,498	(29,479)	36,119
Plan fiduciary net position - beginning	317,663	293,165	322,644	286,525
Plan fiduciary net position - ending (b)	<u>\$ 347,630</u>	<u>\$ 317,663</u>	<u>\$ 293,165</u>	<u>\$ 322,644</u>
<b>City's net pension liability/(asset) - ending (a) - (b)</b>	<u>\$ (192,524)</u>	<u>\$ (167,942)</u>	<u>\$ (141,504)</u>	<u>\$ (146,643)</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	224.12%	212.17%	193.30%	183.32%
<b>Covered payroll</b>	N/A	N/A	N/A	N/A
<b>City's net pension liability as a percentage of covered payroll</b>	N/A	N/A	N/A	N/A

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

2021	2020	2019	2018	2017	2016
\$ 703	\$ 703	\$ 762	\$ 762	\$ 964	\$ 964
12,629	12,771	13,833	13,928	14,045	14,107
-	-	-	-	-	-
(7,823)	-	(7,772)	-	(5,993)	-
-	-	7,045	-	5,574	-
(15,389)	(15,609)	(16,039)	(15,884)	(16,201)	(15,609)
(9,880)	(2,135)	(2,171)	(1,194)	(1,611)	(538)
187,636	189,771	191,942	193,136	194,747	195,285
<u>\$ 177,756</u>	<u>\$ 187,636</u>	<u>\$ 189,771</u>	<u>\$ 191,942</u>	<u>\$ 193,136</u>	<u>\$ 194,747</u>
\$ 10,253	\$ 10,003	\$ 9,668	\$ 9,934	\$ 9,820	\$ 9,324
32,080	32,369	257	30,916	10,829	3,689
(15,389)	(15,609)	(16,039)	(15,884)	(16,201)	(15,609)
(8,311)	(10,452)	(10,110)	(10,121)	(599)	(2,722)
16,559	8,346	-	8,331	7,931	7,382
35,192	24,657	(16,224)	23,176	11,780	2,064
251,333	226,676	242,900	219,724	207,944	205,880
<u>\$ 286,525</u>	<u>\$ 251,333</u>	<u>\$ 226,676</u>	<u>\$ 242,900</u>	<u>\$ 219,724</u>	<u>\$ 207,944</u>
<u>\$ (108,769)</u>	<u>\$ (63,697)</u>	<u>\$ (36,905)</u>	<u>\$ (50,958)</u>	<u>\$ (26,588)</u>	<u>\$ (13,197)</u>
161.19%	133.95%	119.45%	126.55%	113.77%	106.78%
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

**CITY OF HOLYOKE, COLORADO**  
**Schedule of City Contributions**  
**Holyoke Volunteer Fire Department Pension Fund**  
**Last 10 Fiscal Years**

Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution *	Contribution Deficiency (Excess)	Covered Payroll	Actuarial Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2025	\$ -	\$ 19,990	\$ (19,990)	N/A	N/A
2024	-	22,550	(22,550)	N/A	N/A
2023	-	19,751	(19,751)	N/A	N/A
2022	-	19,510	(19,510)	N/A	N/A
2021	6,166	18,873	(12,707)	N/A	N/A
2020	6,166	26,812	(20,646)	N/A	N/A
2019	-	18,349	(18,349)	N/A	N/A
2018	-	9,668	(9,668)	N/A	N/A
2017	-	18,265	(18,265)	N/A	N/A
2016	-	17,751	(17,751)	N/A	N/A

\* Includes both employer and State of Colorado Supplemental Discretionary Payment.

**CITY OF HOLYOKE, COLORADO**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$ 1,216,445	\$ 1,216,445	\$ 1,297,415	\$ 80,970
Licenses and permits	22,500	22,500	14,421	(8,079)
Intergovernmental revenues	8,790,870	8,790,870	1,584,171	(7,206,699)
Charges for services	108,600	108,600	76,783	(31,817)
Fines and forfeitures	7,500	7,500	10,067	2,567
Earnings on investments	21,720	21,720	30,227	8,507
Miscellaneous revenues	515,678	515,678	486,234	(29,444)
Total revenues	10,683,313	10,683,313	3,499,318	(7,183,995)
Expenditures				
General government	3,801,990	3,801,990	1,399,386	2,402,604
Public safety	905,750	905,750	910,911	(5,161)
Public works	5,990,050	5,990,050	1,098,159	4,891,891
Health and welfare	140,445	140,445	106,330	34,115
Culture and recreation	1,375,585	1,375,585	921,411	454,174
Total expenditures	12,213,820	12,213,820	4,436,197	7,777,623
Excess of revenues over (under) expenditures	(1,530,507)	(1,530,507)	(936,879)	593,628
Other financing sources				
Transfers in	1,446,217	1,446,217	1,213,471	(232,746)
Net change in fund balance	\$ (84,290)	\$ (84,290)	276,592	\$ 360,882
Fund balance at beginning of year			3,587,079	
Fund balance at end of year			\$ 3,863,671	

**CITY OF HOLYOKE, COLORADO**  
**Notes to Required Supplementary Information**

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**Note A – Budgets and budgetary accounting**

Annual budgets are established for all funds of the City. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for the Utility Fund in which capital purchases and principal retirement expenses are treated as operating expenses and depreciation expense is not budgeted.

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

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

- On or before October 15<sup>th</sup> of each year, or in conformity with the general state law, the city clerk submits to the city council a budget which shall be a complete financial plan for the ensuing fiscal year.
- At the same time the budget is submitted, the city clerk shall also prepare an appropriation ordinance making a levy in mills upon all taxable property within the City for the ensuing fiscal year. A public hearing on the budget shall be held by city council two weeks after its submission. Notice of the time and place of said hearing shall be published within three days after the submission of the budget.
- Prior to December 15<sup>th</sup>, or in conformity with the general state law, the city council shall adopt the budget and the tax levy ordinance.

**Note B – Factors affecting trends in amounts reported in the pension schedules**

Information about factors that significantly affect trends in the amounts reported in the pension schedules is available in FPPA's comprehensive annual financial report which can be obtained at [www.fppaco.org/annual-reports.html](http://www.fppaco.org/annual-reports.html).

### **Other Supplementary Information**

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

Such statements and schedules include:

- General Fund – Budgetary Comparison Schedules of Revenues and Expenditures
- Combining Statements and Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Fund

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## **Budgetary Comparison Schedules – General Fund**

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

**CITY OF HOLYOKE, COLORADO**  
**General Fund**  
**Budgetary Comparison Schedule - Revenues**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Taxes				
General property	\$ 392,545	\$ 392,545	\$ 393,917	\$ 1,372
Specific ownership	47,000	47,000	48,245	1,245
General sales and use	716,500	716,500	778,576	62,076
Franchise	30,400	30,400	42,436	12,036
Lodging tax	30,000	30,000	34,241	4,241
Total taxes	1,216,445	1,216,445	1,297,415	80,970
Licenses and permits	22,500	22,500	14,421	(8,079)
Intergovernmental revenues				
Highway users tax	68,090	68,090	111,952	43,862
Motor vehicle assessments	11,500	11,500	10,258	(1,242)
Road and bridge tax	35,000	35,000	34,653	(347)
Cigarette taxes	3,000	3,000	2,210	(790)
Airport fuel tax	6,000	6,000	5,434	(566)
Federal and state grants	8,667,280	8,667,280	1,419,664	(7,247,616)
Total intergovernmental revenues	8,790,870	8,790,870	1,584,171	(7,206,699)
Charges for services				
Cemeteries	33,600	33,600	25,190	(8,410)
Recreation	75,000	75,000	51,593	(23,407)
Total charges for services	108,600	108,600	76,783	(31,817)
Fines and forfeitures				
Court	7,500	7,500	10,067	2,567
Total fines and forfeitures	7,500	7,500	10,067	2,567

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Earnings on investments	21,720	21,720	30,227	8,507
Miscellaneous revenues				
Rents	26,170	26,170	22,758	(3,412)
Airport fuel sales	218,500	218,500	240,383	21,883
Reimbursements	190,208	190,208	150,959	(39,249)
Insurance claims	30,500	30,500	33,923	3,423
Miscellaneous	50,300	50,300	38,211	(12,089)
Total miscellaneous revenues	515,678	515,678	486,234	(29,444)
Total revenues	<u>\$ 10,683,313</u>	<u>\$ 10,683,313</u>	<u>\$ 3,499,318</u>	<u>\$ (7,183,995)</u>

**CITY OF HOLYOKE, COLORADO**  
**General Fund**  
**Budgetary Comparison Schedule - Expenditures**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
General government				
General administration	\$ 319,050	\$ 319,050	\$ 300,930	\$ 18,120
Building department	3,482,940	3,482,940	1,098,456	2,384,484
Total general government	3,801,990	3,801,990	1,399,386	2,402,604
Public safety				
Police	858,385	858,385	873,155	(14,770)
Fire	47,365	47,365	37,756	9,609
Total public safety	905,750	905,750	910,911	(5,161)
Public works				
Airport	4,979,510	4,979,510	330,861	4,648,649
Streets	1,010,540	1,010,540	767,298	243,242
Total public works	5,990,050	5,990,050	1,098,159	4,891,891
Health and welfare				
Cemetery	140,445	140,445	106,330	34,115
Culture and recreation				
Library	521,215	521,215	140,670	380,545
Parks	278,845	278,845	206,382	72,463
Pool	247,710	247,710	238,550	9,160
Golf	162,850	162,850	182,159	(19,309)
Recreation	164,965	164,965	153,650	11,315
Total culture and recreation	1,375,585	1,375,585	921,411	454,174
Total expenditures	<u>\$ 12,213,820</u>	<u>\$ 12,213,820</u>	<u>\$ 4,436,197</u>	<u>\$ 7,777,623</u>

**Combining Statements and Budgetary Comparison Schedules –  
Nonmajor Governmental Funds**

The City reports the following nonmajor governmental funds:

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

Heginbotham Trust Fund – This fund is a special revenue fund established with funds from the sale of lots with the interest earned on the principal being transferred to the parks department in the General Fund on an annual basis.

Library Land Fund – This fund is a special revenue fund established through the sale of land with the interest earned on the principal being transferred to the library department in the General Fund on an annual basis.

Spindler Library Fund – This fund is a special revenue fund established with money bequeathed to the City for the library.

Cemetery Perpetual Care Fund – This fund is a special revenue fund established to help maintain the cemetery with the interest earned on the principal being transferred to the cemetery department in the General Fund on an annual basis.

Conservation Trust Fund – This fund is a special revenue fund established to accumulate lottery proceeds which can be used to fund recreational facilities and/or projects.

Cemetery White Fund – This fund is a special revenue fund established with money bequeathed to the City to be used for the cemetery with the interest earned on the principal being transferred to the cemetery department in the General Fund on an annual basis. The principal can be used for projects approved by the cemetery board.

Massman Memorial Fund – This fund is a special revenue fund established with money bequeathed to the City to be used for the parks with the interest earned on the principal being transferred to the parks department in the General Fund on an annual basis. The principal can be used for projects approved by city council.

Firemen's Pension Fund – This fund is a special revenue fund established to provide financial resources for the City's Volunteer Fire Pension Plan.

Permanent Fund – This fund accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

LeBlanc Estate Fund – This fund is a permanent fund established with money bequeathed to the City to be used for maintaining the cemetery with the interest earned on the principal being transferred to the cemetery department in the General Fund on an as needed basis to cover cemetery maintenance projects.

**CITY OF HOLYOKE, COLORADO**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**For the Year Ended December 31, 2025**

	Special Revenue Funds			
	Heginbotham Trust Fund	Library Land Fund	Spindler Library Fund	Cemetery Perpetual Care Fund
<b>Assets</b>				
Cash	\$ 1,559	\$ 1,764	\$ 8,295	\$ 48,218
Certificates of deposit	36,601	47,461		231,452
Interest receivable	498	645		3,145
Property taxes receivable				
<b>Total assets</b>	<b>\$ 38,658</b>	<b>\$ 49,870</b>	<b>\$ 8,295</b>	<b>\$ 282,815</b>
<b>Liabilities</b>				
Due to other funds	\$ 863	\$ 1,119		\$ 5,457
<b>Total liabilities</b>	<b>863</b>	<b>1,119</b>	<b>\$ -</b>	<b>5,457</b>
<b>Deferred inflows of resources</b>				
Deferred property tax revenues				
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance</b>				
Nonspendable permanent fund principal				
Restricted to:				
Culture and recreation				
Committed to:				
Culture and recreation	37,795	48,751	8,295	
Health and welfare				277,358
<b>Total fund balance</b>	<b>37,795</b>	<b>48,751</b>	<b>8,295</b>	<b>277,358</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 38,658</b>	<b>\$ 49,870</b>	<b>\$ 8,295</b>	<b>\$ 282,815</b>

Special Revenue Funds				Permanent Fund	
Conservation Trust Fund	Cemetery White Fund	Massman Memorial Fund	Firemen's Pension Fund	LeBlanc Estate Fund	Total
\$ 83,720	\$ 16,025	\$ 31,558		\$ 8,306	\$ 199,445
				223,436	538,950
				3,036	7,324
			\$ 13,423		13,423
<u>\$ 83,720</u>	<u>\$ 16,025</u>	<u>\$ 31,558</u>	<u>\$ 13,423</u>	<u>\$ 234,778</u>	<u>\$ 759,142</u>
				\$ 5,268	\$ 12,707
\$ -	\$ -	\$ -	\$ -	5,268	12,707
			13,423		13,423
-	-	-	13,423	-	13,423
				216,647	216,647
83,720					83,720
	16,025	31,558			126,399
				12,863	306,246
<u>83,720</u>	<u>16,025</u>	<u>31,558</u>	<u>-</u>	<u>229,510</u>	<u>733,012</u>
<u>\$ 83,720</u>	<u>\$ 16,025</u>	<u>\$ 31,558</u>	<u>\$ 13,423</u>	<u>\$ 234,778</u>	<u>\$ 759,142</u>

**CITY OF HOLYOKE, COLORADO**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended December 31, 2025**

	Special Revenue Funds			
	Heginbotham Trust Fund	Library Land Fund	Spindler Library Fund	Cemetery Perpetual Care Fund
Revenues				
Taxes				
Intergovernmental revenue				
Earnings on investments	\$ 1,361	\$ 1,764	\$ 132	\$ 8,602
Miscellaneous				5,500
Total revenues	1,361	1,764	132	14,102
Expenditures				
Public safety				
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	1,361	1,764	132	14,102
Other financing uses				
Transfers out	(863)	(1,119)		(5,457)
Net change in fund balance	498	645	132	8,645
Fund balance at beginning of year	37,297	48,106	8,163	268,713
Fund balance at end of year	<u>\$ 37,795</u>	<u>\$ 48,751</u>	<u>\$ 8,295</u>	<u>\$ 277,358</u>

Special Revenue Funds				Permanent Fund	
Conservation Trust Fund	Cemetery White Fund	Massman Memorial Fund	Firemen's Pension Fund	LeBlanc Estate Fund	Total
			\$ 11,149		\$ 11,149
\$ 27,508			9,064		36,572
782	\$ 254	\$ 510		\$ 8,305	21,710
					5,500
28,290	254	510	20,213	8,305	74,931
			20,213		20,213
-	-	-	20,213	-	20,213
28,290	254	510	-	8,305	54,718
	(254)	(510)		(5,268)	(13,471)
28,290	-	-	-	3,037	41,247
55,430	16,025	31,558	-	226,473	691,765
\$ 83,720	\$ 16,025	\$ 31,558	\$ -	\$ 229,510	\$ 733,012

**CITY OF HOLYOKE, COLORADO**  
**Heginbotham Trust Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Earnings on investments	\$ 1,340	\$ 1,340	\$ 1,361	\$ 21
Total revenues	1,340	1,340	1,361	21
Expenditures				
Current				
Culture and recreation				-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	1,340	1,340	1,361	21
Other financing uses				
Transfers out	(1,340)	(1,340)	(863)	477
Net change in fund balance	\$ -	\$ -	498	\$ 498
Fund balance at beginning of year			37,297	
Fund balance at end of year			\$ 37,795	

**CITY OF HOLYOKE, COLORADO**  
**Library Land Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Earnings on investments	\$ 1,733	\$ 1,733	\$ 1,764	\$ 31
Total revenues	1,733	1,733	1,764	31
Expenditures				
Current				
Culture and recreation				-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	1,733	1,733	1,764	31
Other financing uses				
Transfers out	(49,194)	(49,194)	(1,119)	48,075
Net change in fund balance	<u>\$ (47,461)</u>	<u>\$ (47,461)</u>	645	<u>\$ 48,106</u>
Fund balance at beginning of year			48,106	
Fund balance at end of year			<u>\$ 48,751</u>	

**CITY OF HOLYOKE, COLORADO**  
**Spindler Library Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Earnings on investments	\$ 135	\$ 135	\$ 132	\$ (3)
Total revenues	135	135	132	(3)
Expenditures				
Current				
Culture and recreation				-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	135	135	132	(3)
Other financing uses				
Transfers out	(8,298)	(8,298)	-	8,298
Net change in fund balance	<u>\$ (8,163)</u>	<u>\$ (8,163)</u>	132	<u>\$ 8,295</u>
Fund balance at beginning of year			8,163	
Fund balance at end of year			<u>\$ 8,295</u>	

**CITY OF HOLYOKE, COLORADO**  
**Cemetery Perpetual Care Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Earnings on investments	\$ 8,450	\$ 8,450	\$ 8,602	\$ 152
Sale of cemetery plots	8,250	8,250	5,500	(2,750)
Total revenues	16,700	16,700	14,102	(2,598)
Expenditures				
Current				
Health and welfare				-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	16,700	16,700	14,102	(2,598)
Other financing uses				
Transfers out	(8,450)	(8,450)	(5,457)	2,993
Net change in fund balance	\$ 8,250	\$ 8,250	8,645	\$ 395
Fund balance at beginning of year			268,713	
Fund balance at end of year			\$ 277,358	

**CITY OF HOLYOKE, COLORADO**  
**Conservation Trust Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Lottery proceeds	\$ 30,000	\$ 30,000	\$ 27,508	\$ (2,492)
Earnings on investments	925	925	782	(143)
Total revenues	30,925	30,925	28,290	(2,635)
Expenditures				
Current				
Culture and recreation				-
Total expenditures	-	-	-	-
Net change in fund balance	\$ 30,925	\$ 30,925	28,290	\$ (2,635)
Fund balance at beginning of year			55,430	
Fund balance at end of year			\$ 83,720	

**CITY OF HOLYOKE, COLORADO**  
**Cemetery White Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Earnings on investments	\$ 260	\$ 260	\$ 254	\$ (6)
Total revenues	260	260	254	(6)
Expenditures				
Current				
Health and welfare				-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	260	260	254	(6)
Other financing uses				
Transfers out	(260)	(260)	(254)	6
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance at beginning of year			16,025	
Fund balance at end of year			\$ 16,025	

**CITY OF HOLYOKE, COLORADO**  
**Massman Memorial Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Earnings on investments	\$ 520	\$ 520	\$ 510	\$ (10)
Total revenues	520	520	510	(10)
Expenditures				
Current				
Culture and recreation				-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	520	520	510	(10)
Other financing uses				
Transfers out	(520)	(520)	(510)	10
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance at beginning of year			31,558	
Fund balance at end of year			\$ 31,558	

**CITY OF HOLYOKE, COLORADO**  
**Firemen's Pension Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property taxes	\$ 11,110	\$ 11,110	\$ 11,149	\$ 39
Total revenues	11,110	11,110	11,149	39
Expenditures				
Public safety				
Contributions to FPPA	13,635	13,635	10,926	2,709
County treasurer's fees	300	300	223	77
Total expenditures	13,935	13,935	11,149	2,786
Net change in fund balance	\$ (2,825)	\$ (2,825)	-	\$ 2,825
Adjustments to GAAP Basis				
State matching contribution			9,064	
Contributions to FPPA			(9,064)	
Net change in fund balance - GAAP Basis			-	
Fund balance at beginning of year			-	
Fund balance at end of year			\$ -	

**CITY OF HOLYOKE, COLORADO**  
**LeBlanc Estate Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Earnings on investments	\$ 8,155	\$ 8,155	\$ 8,305	\$ 150
Total revenues	8,155	8,155	8,305	150
Expenditures				
Current				
Health and welfare				-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	8,155	8,155	8,305	150
Other financing uses				
Transfers out	(8,155)	(8,155)	(5,268)	2,887
Net change in fund balance	\$ -	\$ -	3,037	\$ 3,037
Fund balance at beginning of year			226,473	
Fund balance at end of year			\$ 229,510	

## **Budgetary Comparison Schedules – Enterprise Fund**

The City reports the following major proprietary fund:

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

- Utility Fund - This fund was established to account for all operations of the electric, water, sewer and refuse utility services provided by the City.

**CITY OF HOLYOKE, COLORADO**  
**Utility Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Charges for services	\$ 4,258,030	\$ 4,258,030	\$ 4,147,952	\$ (110,078)
Total operating revenues	4,258,030	4,258,030	4,147,952	(110,078)
Operating expenses				
Salaries	890,405	890,405	751,210	139,195
Benefits	395,480	395,480	328,125	67,355
Supplies	100,500	100,500	92,433	8,067
Repairs and maintenance	314,500	314,500	101,115	213,385
Farm	23,500	23,500	11,025	12,475
Water pumping	76,000	76,000	60,146	15,854
Publications and legal notices	500	500	19	481
Membership and dues	3,500	3,500	1,646	1,854
Utilities	1,336,145	1,336,145	1,181,951	154,194
Legal and professional	76,000	76,000	74,443	1,557
Testing	13,500	13,500	5,887	7,613
Travel and meetings	11,000	11,000	5,237	5,763
Education and training	20,000	20,000	3,325	16,675
Landfill	57,000	57,000	56,164	836
Insurance	65,000	65,000	60,652	4,348
Website	2,500	2,500	2,400	100
Bad debts	3,000	3,000	1,132	1,868
Capital outlay	1,214,700	1,214,700	152,778	1,061,922
Total operating expenses	4,603,230	4,603,230	2,889,688	1,713,542
Operating income (loss)	(345,200)	(345,200)	1,258,264	1,603,464
Nonoperating revenues				
Earnings on investments	399,270	399,270	422,050	22,780
Federal and state grants	1,000,000	1,000,000	7,516	(992,484)
Property rent	86,660	86,660	80,960	(5,700)
Miscellaneous	49,150	49,150	52,598	3,448
Total nonoperating revenues	1,535,080	1,535,080	563,124	(971,956)
Net income before transfers	1,189,880	1,189,880	1,821,388	631,508

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Transfers in	567,180	567,180		(567,180)
Transfers out	(1,310,000)	(1,310,000)	(1,200,000)	110,000
Change in net position	<u>\$ 447,060</u>	<u>\$ 447,060</u>	621,388	<u>\$ 174,328</u>
Adjustments to GAAP Basis				
Add capital outlay			152,778	
Deduct depreciation			(164,898)	
Change in net position - GAAP Basis			609,268	
Net position at beginning of year			12,950,141	
Net position at end of year			<u>\$ 13,559,409</u>	

**CITY OF HOLYOKE, COLORADO**

**Utility Fund**

**Schedule of Revenues, Expenses and Changes in Net Position by Department**

**For the Year Ended December 31, 2025**

	Electric	Water	Sewer	Refuse
Operating revenues				
Charges for services	\$ 2,880,398	\$ 480,975	\$ 391,688	\$ 394,891
Total operating revenues	2,880,398	480,975	391,688	394,891
Operating expenses				
Salaries	285,228	17,961	12,752	150,423
Benefits	117,880	8,588	4,610	81,838
Supplies	19,656	19,215	10,476	17,321
Repairs and maintenance	37,745	31,311	7,917	11,091
Farm		11,025		
Water pumping		60,146		
Publications and legal notices				
Membership and dues		751		
Utilities	1,152,128	1,110	16,345	989
Legal and professional	38,030			
Testing		3,477	2,410	
Travel and meetings	1,808	860		
Education and training	850	575		
Landfill				56,164
Depreciation	20,265	42,146	53,118	22,090
Insurance				
Website				
Bad debts	1,132			
Total operating expenses	1,674,722	197,165	107,628	339,916
Operating income (loss)	1,205,676	283,810	284,060	54,975
Nonoperating revenues				
Earnings on investments	422,050			
Federal and state grants			7,516	
Property rent		80,960		
Miscellaneous	44,743	3,266	1,828	2,761
Total nonoperating revenues	466,793	84,226	9,344	2,761
Net income (loss) before transfers	1,672,469	368,036	293,404	57,736
Transfers out	(1,000,000)	(200,000)		
Change in net position	\$ 672,469	\$ 168,036	\$ 293,404	\$ 57,736

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<u>Administration</u>	<u>Total</u>
	\$ 4,147,952
\$ -	4,147,952
284,846	751,210
115,209	328,125
25,765	92,433
13,051	101,115
	11,025
	60,146
19	19
895	1,646
11,379	1,181,951
36,413	74,443
	5,887
2,569	5,237
1,900	3,325
	56,164
27,279	164,898
60,652	60,652
2,400	2,400
	1,132
<u>582,377</u>	<u>2,901,808</u>
(582,377)	1,246,144
	422,050
	7,516
	80,960
	52,598
<u>-</u>	<u>563,124</u>
(582,377)	1,809,268
	(1,200,000)
<u>\$ (582,377)</u>	<u>\$ 609,268</u>

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**Colorado Department of Highways  
Local Highway Finance Report**

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

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO		
THIS INFORMATION FROM THE RECORDS OF: City of Holyoke	PREPARED BY: Mikey Brown      cityclerk@cityofholyoke-co.gov	REPORT YEAR ENDING DATE(mm/yyyy): 12/2025		
<b>I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE</b>				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Total (1 - (2 through 4))				
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>				
ITEM	AMOUNT	ITEM	AMOUNT	
<b>A.3. Other Local Imposts:</b>		<b>A.4. Miscellaneous Local Receipts:</b>		
a. Property Taxes and Assessments	342,745.50	a. Interest on investments		
b. Non-property Taxes and Assessments Imposts	10,458.54	b. Other Misc. Local Receipts	8,623.00	
<b>c. Total (a + b)</b>	\$ 353,204.04	<b>c. Total (a + b)</b>	\$ 8,623.00	
ITEM	AMOUNT	ITEM	AMOUNT	
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>		
1. Highway-user Taxes (from Item I.C.5.)	111,123.46	1. FHWA (from Item I.D.5.)		
2. State General Funds		2. Other Federal Agencies:		
3. Other State funds:				
a. State Bond Proceeds				
b. Non-State Bond Proceeds				
<b>c. Total (a + b)</b>	\$ -			
<b>4. Total (1 + 2 + 3c)</b>	\$ 111,123.46	<b>3. Total (1 + 2)</b>	\$ -	
<b>III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL</b>				
ITEM	AMOUNT			
<b>A.1. Capital outlay:</b>				
a. Right-Of-Way Costs				
b. Engineering Costs				
c. Construction Costs	103,763.09			
<b>d. Total Capital Outlay (a+ b + c)</b>	\$ 103,763.09			
Form FHWA-536 (Rev. 02-2025) Page2				

**LOCAL HIGHWAY FINANCE REPORT**

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

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

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

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT
<b>A. Receipts from Local Sources:</b>	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
<b>c. Total (a + b)</b>	
2. General Fund Appropriations	336,407.65
3. Other Local Imposts (from page 1, Item II.A3.c)	353,204.04
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	8,623.00
5. Transfers from Toll Facilities	
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
<b>d. Total (a + b + c)</b>	\$ -
<b>7. Total (1 through 6)</b>	\$ 698,234.69
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	111,123.46
D. Receipts from Federal government (from page 1, Item II.D.3)	-
<b>E. Total receipts (A.7 + B + C + D)</b>	\$ 809,358.15

**III. EXPENDITURES FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT
<b>A. Local highway expenditures:</b>	
1. Capital Outlay (from page 1, Item III.A1.d)	\$ 103,763.09
2. Maintenance:	701,448.68
3. Road and Street Services:	
a. Snow and Ice Removal	
b. Other & Traffic Control Operations	
<b>c. Total (a + b)</b>	\$ -
4. General Administration & Miscellaneous	4,146.38
5. Highway Law Enforcement and Safety	
<b>6. Total (1 through 5)</b>	\$ 809,358.15
<b>B. Debt Service on Local Obligations:</b>	
1. Bonds:	
a. Interest	
b. Redemption	
<b>c. Total (a + b)</b>	\$ -
2. Notes:	
a. Interest	
b. Redemption	
<b>c. Total (a + b)</b>	\$ -
<b>3. Total (1c + 2c)</b>	\$ -
C. Payments to State for Highways	
D. Payments to Toll Facilities	
<b>E. Total Expenditures (A6 + B3 + C + D)</b>	\$ 809,358.15

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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