CITY OF LA JUNTA, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2025

CITY OF LA JUNTA, COLORADO

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INDEPENDENT AUDITOR'S REPORT

To the City Council
La Junta, 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 La Junta, Colorado, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City of La Junta, Colorado'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 of La Junta, Colorado, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of La Junta, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 of La Junta, Colorado'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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of La Junta, Colorado'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 of La Junta, Colorado'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, pension schedules, other post-employment benefit schedules, and budgetary comparison information 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 of La Junta, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements, budget schedules, and local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, combining and individual nonmajor fund financial statements, budget schedules, and local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hancock Froese & Company LLC

Hancock Froese & Company LLC

Rocky Ford, Colorado
May 1, 2026

MANAGEMENT’S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of The City of La Junta, Colorado (the "City") offers readers of the City's annual financial report this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2025. Readers are encouraged to consider the information presented here in conjunction with the financial statement information.

FINANCIAL HIGHLIGHTS

1. Assets of the City exceed its liabilities by $69,800,194 in 2025 compared to $65,216,100 in 2024. Of these amounts, the City's Business-type Activities were $44,909,229 in 2025 compared to $40,758,989 in 2024 and the City's Governmental Activities were $24,890,965 in 2025 compared to $24,457,111 in 2024. Unrestricted net position total was $19,104,609 in 2025 compared to $13,256,339 in 2024 and may be used to meet the City's on-going obligations.

2. By far, the largest portion of the City's net position is its net investment in capital assets. Net investment in capital assets was $48,287,992 in 2025 compared to $49,522,019 in 2024. The infrastructure consists of streets, bridges, and storm sewers. Estimated historical cost was used to initially value the infrastructure.

3. The City's debt for the enterprise funds is for the construction of a waste-water treatment facility, the construction of a reverse osmosis water treatment plant with associated raw water mains and water main across the Arkansas River, equipment to monitor the water and waste water systems, and the construction of new water tanks. The City has outstanding loans with Colorado Water Resource and Power Development Authority of $12,465,194 and outstanding leases with Browns Hill Engineering & Controls, LLC of $673,551 as of December 31, 2025. Also included in enterprise fund debt are post closure costs on landfill and compensated absences for a total liability balance reported of $14,055,645 in 2025 compared to $15,033,299 in 2024. Otero County Landfill Inc. (OCLI) required the City to fund post closure costs for the Sanitation Fund of $419,400.

4. The Restricted Net Position includes 1) $336,000 required by TABOR, the emergency contingency required by Article X, Section 20 of the Colorado Constitution, 2) $445,122 restricted for endowments of the library and cemetery, 3) $181,945 restricted for capital projects, 4) $109,826 for conservation trust, and 5) $1,334,700 of cash restricted for operations and maintenance.

5. The City's ***governmental funds*** reported a combined ending fund balance of $8,057,071 in 2025 compared to $6,962,246 in 2024 including the General Fund with $5,387,573 in 2025 compared to $4,460,250 in 2024 and other non-major Governmental Funds with $2,669,498 in 2025 compared to $2,501,996 in 2024.

6. The ***governmental funds*** reported total assigned and unassigned fund balances of $6,747,292 in 2025 compared to $5,675,866 in 2024. The combined assigned and unassigned fund balance is made up of $4,811,813 in 2025 compared to $3,964,711 in 2024 from the General Fund and $1,935,479 in 2025 compared to $1,711,155 in 2024 from other non-major funds.

7. The City's ***proprietary funds*** reported a combined Total Net Position of $44,383,234 in 2025 compared to $40,310,116 in 2024 of which $11,167,566 in 2025 compared to $6,996,693 in 2024 is unrestricted.

8. The City's ***proprietary funds*** reported combined cash or equivalents and of $4,658,833 in 2025 compared to $3,118,950 in 2024.

* *

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management discussion and analysis (this section), the basic financial statements, required supplementary information, and a section that presents combining statements for nonmajor governmental funds, internal service funds and budget statements. This discussion and analysis serves as an introduction to La Junta's basic financial statements. The City's basic financial statements consist of three components:

1. City-wide financial statements that provide both short-term and long-term information about the City's overall financial status.

2. Fund financial statements that focus on individual parts of the City government, reporting in more detail than the City-wide statements.

3. Notes to the financial statements that explain some of the information in the financial statements and provide detailed data.

This report also contains required and other additional information in addition to the basic financial statements.

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 private-sector business. These statements use the accrual basis of accounting with the measurement focus on that of economic resources. All assets, deferred outflows of resources, liabilities and deferred inflows of resources, both financial and capital, short-term and long-term, are included. All revenues and expenses during the year, regardless of when cash is received, are reported. The government-wide financial statements consist of two statements:

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

2. The ***Statement of Activities*** presents information reporting how the City'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 result in cash flows in future fiscal periods. Earned but unused paid time off and accrued interest expense are examples of these types of items.

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities)*. The governmental activities of the City include General Government, Public Safety, Public Works, Health and Welfare, Culture and Recreation, Economic Development, and Interest on Long Term Debt. The business-type activities of the City include Electric, Water, Sewer, Sanitation, and Property Management.

Fund Financial Statements:

A *Fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All City funds can be divided into three categories:

- Governmental funds
- Proprietary funds
- Internal service funds

Governmental funds: Governmental funds account for essentially the same functions reported as governmental activities in the Government-wide financial statements. Unlike the Government-wide financial statements, however, governmental fund financial statements focus on how money flows into and out of those funds and the balances at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information provides a detailed *short-term* view of the City's general government operations and may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the City-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the City-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. To facilitate this comparison between governmental funds and governmental activities, reconciliations are provided for both the *governmental fund* Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance.

The City maintains 9 individual governmental funds. Information is presented separately in the *governmental fund* Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance for the Governmental Funds. Individual fund information is presented for the General, which is a major fund. Information for the remaining governmental funds are combined into a single “other governmental funds” column. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements presented in the Supplemental Information portion of the report. Data from other governmental funds are combined into a single aggregated presentation.

Proprietary funds: The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the Government-wide financial statements. These include activities that the City operates similar to a private business. Proprietary funds use the accrual basis of accounting and focus on the accumulation and use of economic resources. Proprietary fund financial statements include the Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. All assets and liabilities, both financial and capital, and short-term and long-term, are included with these statements. All revenues earned and expenses incurred during the year are also included regardless of when cash is received or paid. The City uses Enterprise Funds to account for the Electric, Water, Sewer, Sanitation, and Property Management activities.

Internal service funds: Internal service funds are used to accumulate and allocate costs internally among the City’s functions. The City uses an Internal Services Fund to account for the provision of equipment provided by the City for its various departments known as the City Service Fund. Departments utilize a rental charge reimbursement rate to provide the resources necessary to fund future acquisitions. In addition, an Employee Benefit Fund is utilized to provide health coverage for its employees. Because these two internal service funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the Government-wide financial statements.

All internal service funds are combined into a single aggregated column presentation. Individual fund data for the internal service funds is provided in the form of combining statements presented in the supplemental information portion of the report.

Notes to the Basic Financial Statements:
The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the City-wide and fund financial statements.

Required Supplementary Information:
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City. The City adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for all major funds to demonstrate compliance with the budget requirement.

Other Information:
The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

* *

Financial Analysis of the City as a Whole

Net Position

Net position may serve as a useful indicator of a government’s financial position. In the case of the City of La Junta, assets exceeded liabilities by $69,800,194 in 2025 compared to $65,216,100 in 2024. By far the largest portion of the City’s net position (69%) reflects the net investment in capital assets (e.g. land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Restricted net position is designed to reflect the net position that is subject to restrictions beyond the City’s control. Unrestricted net position may be used to meet the government’s ongoing obligations to the citizens and creditors. The City is able to report positive balances in all three categories of net positions, both for the government as a whole, as well as for its separate governmental and business-type activities.

The City's combined net position was:

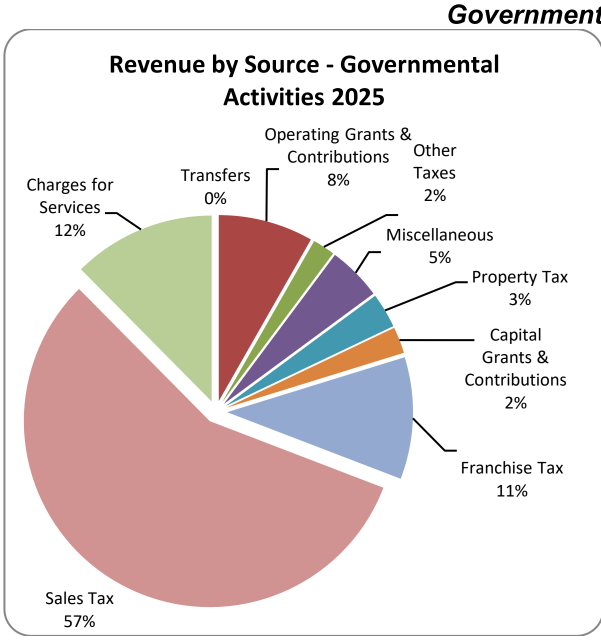
City of La Junta - Combined Net Position as of December 31,

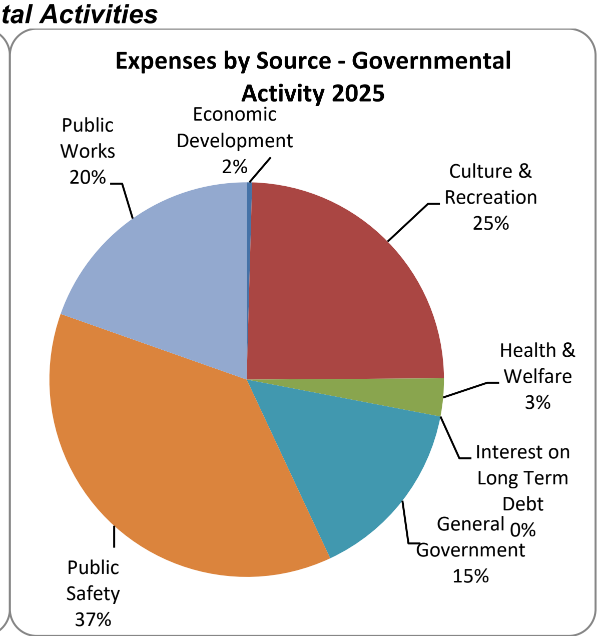
	GOVERNMENTAL ACTIVITIES		**BUSINESS-TYPE ACTIVITIES**		**TOTAL**	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Assets:						
Current and other	$11,154,273	$ 9,386,107	$20,012,016	$15,735,496	$31,166,289	$25,121,603
Capital assets	16,686,578	17,552,786	45,019,713	46,313,990	61,706,291	63,866,776
Total Assets	27,840,851	26,938,893	65,031,729	62,049,486	92,872,580	88,988,379
Deferred Outflows	259,480	300,866	-	-	259,480	300,866
Total Assets and Deferred Outflow	$28,100,331	$27,239,759	$65,031,729	$62,049,486	$93,132,060	$89,289,245
Liabilities:						
Other Liabilities	$ 388,077	$ 5,957	$ 2,276,902	$ 2,596,964	$ 2,664,979	$ 2,602,921
Long-term debt-current	55,512	28,822	1,069,800	1,050,932	1,125,312	1,079,754
Long-term debt	2,624,473	2,611,343	12,985,845	13,982,367	15,610,318	16,593,710
Total Liabilities	3,068,062	2,646,122	16,332,547	17,630,263	19,400,609	20,276,385
Deferred Inflows	141,304	136,526	3,789,953	3,660,234	3,931,257	3,796,760
Net Position:						
Net investment in capital assets	16,407,024	17,361,396	31,880,968	32,160,623	48,287,992	49,522,019
Restricted	1,072,893	1,284,942	1,334,700	1,152,800	2,407,593	2,437,742
Unrestricted	7,411,048	5,810,773	11,693,561	7,445,566	19,104,609	13,256,339
Total Net Position	24,890,965	24,457,111	44,909,229	40,758,989	69,800,194	65,216,100
Total Liabilities, Deferred Inflows and Net Position	$28,100,331	$27,239,759	$65,031,729	$62,049,486	$93,132,060	$89,289,245

Restrictions in the governmental activities include $336,000 for statutory reserves for emergencies by TABOR.

Changes in Net Position

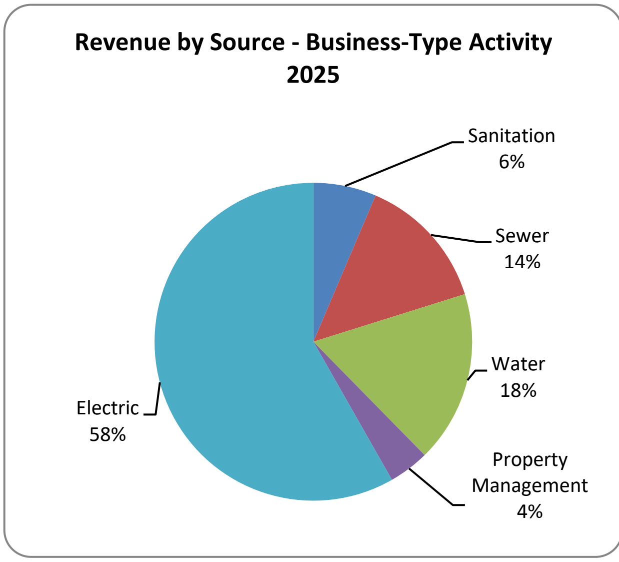
Governmental Activities

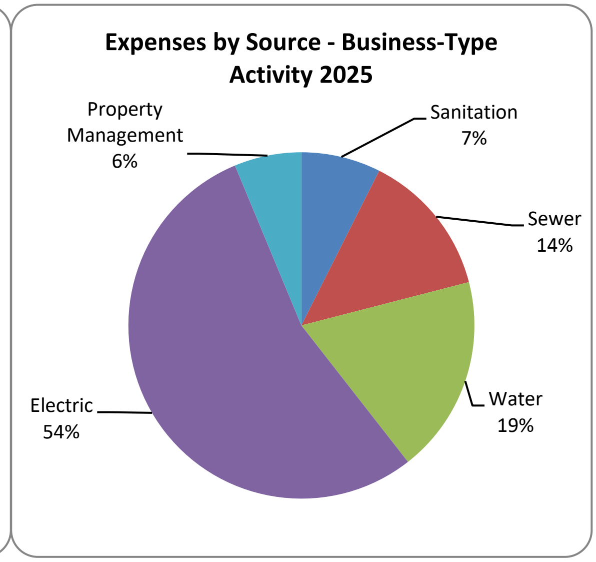




- Governmental activities increased the City of La Junta's net position by $433,854 in 2025 compared to an increase of $2,120,081 in 2024. This was due to a decrease in grant revenues, charges for services, and increase in public safety expenses.
- Tax revenues are comprised of property tax, sales and use tax, franchise tax, and other taxes. Sales tax totaled 78% of all taxes and 57% of all governmental activity revenue. The property tax rate is 3.104 mills. It has remained unchanged for over 35 years.

Business-type activities





- The business-type activities include the Electric, Water, Sewer, Sanitation, and Property Management Funds.
- In the business-type activities, the net position change after transfers and special items was $4,150,240 in 2025 compared to $837,956 in 2024.

Charges for services for the business-type activities for 2025 and 2024 are as follows:

	2025	2024
Electric	$ 12,163,414	$ 12,000,417
Water	3,635,046	3,535,966
Sewer	2,869,261	2,800,918
Sanitation	1,338,777	1,284,532
Property Management	860,269	1,268,616
Total Charges for Services	$ 20,866,767	$ 20,890,449

The following table reflects a condensed summary of activities and changes in net position:

City of La Junta - Changes in Net Position as of December 31,

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Program Revenues						
Charges for Services	$ 1,592,676	$ 2,107,200	$20,866,767	$20,890,449	$22,459,443	$22,997,649
Operating Grants & Contributions	1,058,911	1,113,493	-	-	1,058,911	1,113,493
Capital Grants & Contributions	294,704	600,504	18,546	42,689	313,250	643,193

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Revenues						
Property Tax	389,663	359,609	-	-	389,663	359,609
Sales Tax	7,282,132	7,145,505	-	-	7,282,132	7,145,505
Franchise Tax	1,360,820	1,336,814	-	-	1,360,820	1,336,814
Other Taxes	249,462	242,710	-	-	249,462	247,710
Interest	361,834	337,294	381,883	403,920	743,717	741,214
Miscellaneous	240,035	726,245	4,034,633	317,598	4,274,668	1,043,843
Total Revenues	$12,830,237	$13,969,374	$25,301,829	$21,654,656	$38,132,066	$35,624,030
Expenses						
General Government	$ 1,867,459	$ 1,860,023	$ -	$ -	$ 1,867,459	$ 1,860,023
Public Safety	4,638,275	4,061,188	-	-	4,638,275	4,061,188
Public Works	2,433,439	2,353,036	-	-	2,433,439	2,353,036
Health & Welfare	385,435	363,568	-	-	385,435	363,568
Culture & Recreation	3,035,900	2,870,087	-	-	3,035,900	2,870,087
Economic Development	54,875	344,754	-	-	54,875	344,754
Interest–Long Term Debt	-	437	-	-	-	437
Electric	-	-	11,442,067	12,139,048	11,442,067	12,139,048
Water	-	-	3,891,123	3,098,678	3,891,123	3,098,678
Sewer	-	-	2,855,815	2,824,840	2,855,815	2,824,840
Sanitation	-	-	1,565,202	1,320,316	1,565,202	1,320,316
Property Management	-	-	1,322,082	1,404,318	1,322,082	1,404,318
Total Expenses	12,415,383	11,853,093	21,076,289	20,787,200	33,491,672	32,640,293
Excess (Deficiency) Before Transfers and Special Items	414,854	2,116,281	4,225,540	867,456	4,640,394	2,983,737
Transfers In (Out)	19,000	3,800	(19,000)	(3,800)	-	-
Special Items	-	-	(56,300)	(25,700)	(56,300)	(25,700)
Change in Net Position	433,854	2,120,081	4,150,240	837,956	4,584,094	2,958,037
Net Position - Beginning	24,457,111	22,337,030	40,758,989	39,921,033	65,216,100	62,258,063
Net Position Ending	$24,890,965	$24,457,111	$44,909,229	$40,758,989	$69,800,194	$65,216,100

* *

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City of La Junta uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

GOVERNMENTAL FUNDS

The focus of the City of La Junta's governmental funds is to provide information on current year revenue, expenditures, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year. As of the end of the year, the City's governmental funds reported a combined fund balance of $8,057,071 in 2025 compared to $6,962,246 in 2024. This is an increase of $1,094,825. Of that fund balance, $4,811,813 in 2025 compared to $3,964,711 in 2024 constitutes unassigned fund balance, which is available for spending at the government's discretion. This is an increase of $847,102. Restricted and Nonspendable fund balances increased to $1,309,779 in 2025 from $1,286,380 in 2024.

A portion of the fund balance is restricted for permanent endowments in the amount of $445,122, for a state constitution mandated emergency reserve-TABOR of $336,000, conservation trust of $109,826 and capital projects of $181,945.

The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $4,811,813 in 2025 compared to $3,964,711 in 2024, while the total fund balance was $5,387,573 in 2025 compared to $4,460,250 in 2024. The General Fund had revenues over expenditures and other financing uses in the amount of $927,323 in 2025 compared to revenues over expenditures in 2024 in the amount of $1,739,156.

Individual fund data for each of the ***non-major*** governmental funds is provided in the form of ***combining statements*** elsewhere in the report. The non-major governmental funds include the Special Revenue and Permanent Funds. The Special Revenue Funds are the Conservation Trust, Economic Development Fund, Urban Renewal Authority, La Junta Capital Inc., Moving Violation Surcharge, and Lodging Tax Tourism Fund. The Permanent Funds are the Library and Cemetery Endowments.

PROPRIETARY FUNDS

The City's proprietary funds provide the same type of information found in the government-wide financial statements. All of the City's proprietary funds are major funds. The funds include Electric, Water, Sewer, Sanitation, and Property Management.

The unrestricted net position balances and the change in net positions of the City's proprietary funds are reflected in the following table:

Change in Net Position – Proprietary Funds

	Unrestricted Net Position		Change in Net Position	
	2025	**2024**	**2025**	**2024**
Major Enterprise Funds				
Electric	$ 7,474,932	$ 6,155,193	$ 925,247	$ (4,521)
Water	2,643,525	410,972	2,064,650	520,720
Sewer	(65,151)	(683,645)	1,620,581	(45,483)
Sanitation	775,118	945,106	(248,560)	41,325
Property Management	339,142	169,067	(288,800)	91,125
Total Enterprise Funds	$11,167,566	$ 6,996,693	$ 4,073,118	$ 603,166

INTERNAL SERVICES FUNDS

Internal services funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The City's internal service funds are used to account for a self-insured health benefit plan and a capital equipment acquisition program.

The **Employee Benefit Fund** is an internal service fund used to account for the City's health benefit program. Revenues to support the program originate from two primary sources:

1. Employee contributions toward the cost of the health benefit program premiums,
2. City contributions toward the cost of the health benefit program premiums.

Expenses include insurance premiums and plan administration for a health benefit program for employees and their families.

In 2025, operating revenues in the Employee Benefit Fund decreased by $499,906. Operating expenses for the Employee Benefit fund decreased $306,323 due to the decrease in claims.

The **City Services Fund** is used as a resource base to purchase requested equipment (over $5,000) for the various departments. Assets are purchased through the fund; amortized costs are then charged to each department as a "rental charge." When an item need replaced, adequate funds have been generated through the on-going rental fees to make a replacement purchase. Revenues totaled $1,492,201 in 2025 compared to $1,733,756 in 2024. Decreases are due to the adjustments in maintenance, fuel prices, and computer services that are paid by the city departments. The change in net position was $(54,716) in 2025 compared to $505,531 in 2024.

* *

BUDGETARY HIGHLIGHTS

The General Fund's final budget was $11,231,200 in Revenues (not including transfers in). Compared to actual revenues of $12,061,681, this was a positive variance of $830,481 from the final budget.

The General Fund's final budget was $11,241,200 in Expenditures. Compared to actual expenditures of $11,173,358, this was a positive variance of $67,842 from the final budget.

Supplemental Budget Appropriations were made for the following funds:

- City Services Fund
- Conservation Trust Fund
- Electric Utility Fund
- Water Utility Fund
- Waste Water Utility Fund
- Sanitation Utility Fund

* *

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2025, the City had invested $61,706,291 compared to $63,866,766 in 2024, in a broad range of capital assets, including land, equipment, buildings, electric, water, and sewer lines. See Note-4 for additional information. The change is due asset disposals in the Electric Fund.

Long-term Debt

The City has long-term debt for the water lines and treatment facility as well as sewer lagoons and sewer facility. More detailed information is presented in Note 8.

* *

ECONOMIC FACTORS
AFFECTING FUTURE FINANCIAL CONDITIONS

- Factors, which have the potential to significantly impact the City's 2026 budget, include a change in the economic conditions in both the local and state levels. Rising costs of health insurance, increasing fuel costs, subsequent reductions in funding, rising cost of purchasing electricity, wages increasing, and increasingly restrictive EPA regulations on water and wastewater. Also, the additional water loss from farms to the Front Range and the potential for drought conditions.
- Water conservation began in 2003 and shortage of water has been a factor. The City purchased 887.70 shares of Holbrook Canal. The City is currently working on converting these water rights for beneficial use.
- The Lamar Repowering project will have long term effect to our customers through the electric rates charged to ARPA member cities until 2042.
- The replacement of water mains that are nearing 100 years old in the edges of the Community and in key places that is affecting us.
- We continue to see growth with our industries and the housing market is booming as we see people from the Front Range relocating here.

* *

REQUESTS FOR INFORMATION

This financial report is designed to provide the City's citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report and requests for additional financial information can be obtained by contacting the City Manager at P.O. Box 489, 601 Colorado Avenue, La Junta, CO 81050.

BASIC FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

STATEMENT OF NET POSITION

DECEMBER 31, 2025

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
CASH OR EQUIVALENTS	$ 5,040,304	$ 4,658,833	$ 9,699,137
RESTRICTED CASH	181,945	-	181,945
CASH WITH TRUSTEE	229	-	229
INVESTMENTS	4,120,558	6,194,472	10,315,030
RECEIVABLES - NET			
ACCOUNTS	209,704	2,282,992	2,492,696
GRANTS	241,390	310,418	551,808
TAXES	1,336,107	-	1,336,107
NOTES	173,406	-	173,406
LEASES	-	3,721,967	3,721,967
OTHER	78,348	-	78,348
INTERNAL BALANCES	(371,751)	525,995	154,244
INVENTORIES	144,033	2,265,618	2,409,651
DEPOSITS	-	51,721	51,721
CAPITAL ASSETS			
LAND AND WATER RIGHTS	1,135,355	3,120,856	4,256,211
CONSTRUCTION IN PROGRESS	804,538	861,747	1,666,285
BUILDINGS	7,845,448	38,422,889	46,268,337
SYSTEMS	-	38,588,730	38,588,730
IMPROVEMENTS	9,834,618	-	9,834,618
EQUIPMENT	9,404,481	5,170,549	14,575,030
INFRASTRUCTURE	32,777,174	-	32,777,174
ACCUMULATED DEPRECIATION	(45,115,036)	(41,145,058)	(86,260,094)
TOTAL ASSETS	27,840,851	65,031,729	92,872,580
DEFERRED OUTFLOWS OF RESOURCES			
PENSION RELATED	259,480	-	259,480
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 28,100,331	$ 65,031,729	$ 93,132,060
LIABILITIES			
ACCOUNTS PAYABLE	$ 359,892	$ 1,012,136	$ 1,372,028
ACCRUED EXPENSES	-	116,416	116,416
CUSTOMERS DEPOSITS	-	182,863	182,863
UNEARNED REVENUES	28,185	965,487	993,672
NON CURRENT LIABILITIES:			
DUE WITHIN ONE YEAR	55,512	1,069,800	1,125,312
DUE IN MORE THAN ONE YEAR	2,624,473	12,985,845	15,610,318
TOTAL LIABILITIES	3,068,062	16,332,547	19,400,609
DEFERRED INFLOWS OF RESOURCES			
DEFERRED REVENUES - PENSION RELATED	14,204	-	14,204
DEFERRED REVENUES - LEASES	-	3,789,953	3,789,953
DEFERRED REVENUES - PROPERTY TAXES	127,100	-	127,100
TOTAL DEFERRED INFLOW OF RESOURCES	141,304	3,789,953	3,931,257
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	16,407,024	31,880,968	48,287,992
RESTRICTED FOR:			
EMERGENCIES - TABOR	336,000	-	336,000
CAPITAL PROJECTS	181,945	-	181,945
ENDOWMENTS - NONEXPENDABLE	445,122	-	445,122
CONSERVATION TRUST	109,826	-	109,826
OPERATIONS & MAINTENANCE	-	1,334,700	1,334,700
UNRESTRICTED	7,411,048	11,693,561	19,104,609
TOTAL NET POSITION	24,890,965	44,909,229	69,800,194
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 28,100,331	$ 65,031,729	$ 93,132,060

CITY OF LA JUNTA, COLORADO

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2025

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION — PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
GOVERNMENTAL ACTIVITIES:							
GENERAL GOVERNMENT	$ 1,867,459	$ 766,100	$ 87,907	$ -	$ (1,013,452)	$ -	$ (1,013,452)
PUBLIC SAFETY	4,638,275	119,711	108,751	-	(4,409,813)	-	(4,409,813)
PUBLIC WORKS	2,433,439	302,018	603,714	294,704	(1,233,003)	-	(1,233,003)
HEALTH AND WELFARE	385,435	65,150	-	-	(320,285)	-	(320,285)
CULTURE AND RECREATION	3,035,900	339,697	258,539	-	(2,437,664)	-	(2,437,664)
ECONOMIC DEVELOPMENT	54,875	-	-	-	(54,875)	-	(54,875)
INTEREST ON LONG TERM DEBT	-	-	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	12,415,383	1,592,676	1,058,911	294,704	(9,469,092)	-	(9,469,092)
BUSINESS-TYPE ACTIVITIES:							
ELECTRIC	11,442,067	12,163,414	-	-	-	721,347	721,347
WATER	3,891,123	3,635,046	-	16,500	-	(239,577)	(239,577)
SEWER	2,855,815	2,869,261	-	2,046	-	15,492	15,492
SANITATION	1,565,202	1,338,777	-	-	-	(226,425)	(226,425)
PROPERTY MANAGEMENT	1,322,082	860,269	-	-	-	(461,813)	(461,813)
TOTAL BUSINESS-TYPE ACTIVITIES	21,076,289	20,866,767	-	18,546	-	(190,976)	(190,976)
TOTAL PRIMARY GOVERNMENT	$ 33,491,672	$ 22,459,443	$ 1,058,911	$ 313,250	(9,469,092)	(190,976)	(9,660,068)
		GENERAL REVENUES:					
		PROPERTY TAXES			389,663	-	389,663
		SALES TAXES			7,282,132	-	7,282,132
		FRANCHISE TAXES			1,360,820	-	1,360,820
		OTHER TAXES			249,462	-	249,462
		INTEREST			361,834	381,883	743,717
		MISCELLANEOUS			240,035	4,034,633	4,274,668
		TOTAL GENERAL REVENUES			9,883,946	4,416,516	14,300,462
		TRANSFERS			19,000	(19,000)	-
		SPECIAL ITEM			-	(56,300)	(56,300)
		TOTAL GENERAL REVENUES, TRANSFERS, AND SPECIAL ITEM			9,902,946	4,341,216	14,244,162
		CHANGE IN NET POSITION			433,854	4,150,240	4,584,094
		NET POSITION JANUARY 1			24,457,111	40,758,989	65,216,100
		NET POSITION DECEMBER 31			$ 24,890,965	$ 44,909,229	$ 69,800,194

CITY OF LA JUNTA, COLORADO

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2025

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
CASH OR EQUIVALENTS	$ 2,533,450	$ 516,175	$ 3,049,625
CASH WITH TRUSTEE	229	-	229
RESTRICTED CASH	181,945	-	181,945
INVESTMENTS	1,264,895	2,018,669	3,283,564
RECEIVABLES:			
ACCOUNTS RECEIVABLE	155,061	-	155,061
GRANTS RECEIVABLE	241,390	-	241,390
TAXES RECEIVABLE	1,326,578	9,529	1,336,107
NOTES RECEIVABLE	-	173,406	173,406
OTHER RECEIVABLE	78,348	-	78,348
DUE FROM OTHER FUND	58,000	44,334	102,334
INVENTORY	57,815	5,665	63,480
TOTAL ASSETS	$ 5,897,711	$ 2,767,778	$ 8,665,489
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	$ 326,500	$ 24,299	$ 350,799
UNEARNED REVENUE	12,204	15,981	28,185
DUE TO OTHER FUND	44,334	58,000	102,334
TOTAL LIABILITIES	383,038	98,280	481,318
DEFERRED INFLOWS OF RESOURCES			
DEFERRED REVENUES - PROPERTY TAXES	127,100	-	127,100
FUND BALANCE			
NONSPENDABLE FOR			
NOTES	-	173,406	173,406
INVENTORY	57,815	5,665	63,480
RESTRICTED FOR			
EMERGENCIES - TABOR	336,000	-	336,000
CAPITAL PROJECTS	181,945	-	181,945
CONSERVATION TRUST	-	109,826	109,826
ENDOWMENTS - NONEXPENDABLE	-	445,122	445,122
ASSIGNED			
COMMUNITY AND ECONOMIC DEVELOPMENT	-	1,930,647	1,930,647
SURCHARGE	-	4,832	4,832
UNASSIGNED	4,811,813	-	4,811,813
TOTAL FUND BALANCES	5,387,573	2,669,498	8,057,071
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	$ 5,897,711	$ 2,767,778	$ 8,665,489

CITY OF LA JUNTA, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2025

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		$ 8,057,071
ASSETS NOT AVAILABLE FOR CURRENT PERIOD EXPENDITURES AND THEREFORE ARE NOT REPORTED IN FUNDS		
LONG TERM RECEIVABLES	$ 49,755	
DEFERRED OUTFLOWS - PENSION RELATED AMOUNTS	259,480	
		309,235
CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES AND THEREFORE ARE NOT REPORTED IN FUNDS.		
THE COST OF CAPITAL ASSETS IS	55,361,593	
ACCUMULATED DEPRECIATION IS	(40,060,949)	
		15,300,644
INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF CERTAIN INFORMATION SYSTEMS, OTHER EQUIPMENT AND MEDICAL BENEFIT COSTS TO INDIVIDUAL FUNDS. THE ASSETS AND LIABILITIES OF THE INTERNAL SERVICES FUNDS ARE INCLUDED IN GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION.		3,620,418
LONG-TERM LIABILITIES ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED IN THE FUNDS.		
COMPENSATED ABSENCES	(543,966)	
NET PENSION LIABILITIES	(1,838,230)	
DEFERRED INFLOWS - PENSION RELATED AMOUNTS	(14,207)	
		(2,396,403)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 24,890,965

SEE NOTES TO FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2025

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
TAXES	$ 8,801,754	$ 487,251	$ 9,289,005
LICENSES AND PERMITS	72,325	-	72,325
INTERGOVERNMENTAL	1,238,357	115,259	1,353,616
CHARGES FOR SERVICES	1,592,676	-	1,592,676
FINES	88,205	-	88,205
INTEREST	208,882	86,141	295,023
MISCELLANEOUS AND RENTALS	59,482	20,021	79,503
TOTAL REVENUES	12,061,681	708,672	12,770,353
EXPENDITURES			
GENERAL GOVERNMENT	1,670,634	120,956	1,791,590
PUBLIC SAFETY	4,547,618	-	4,547,618
PUBLIC WORKS	2,191,781	-	2,191,781
HEALTH AND WELFARE	374,143	-	374,143
CULTURE AND RECREATION	2,389,182	345,339	2,734,521
ECONOMIC DEVELOPMENT	-	54,875	54,875
TOTAL EXPENDITURES	11,173,358	521,170	11,694,528
REVENUES OVER (UNDER) EXPENDITURES	888,323	187,502	1,075,825
OTHER FINANCING SOURCES (USES)			
TRANSFERS IN	39,000	9,156	48,156
TRANSFERS OUT	-	(29,156)	(29,156)
TOTAL OTHER FINANCING SOURCES (USES)	39,000	(20,000)	19,000
NET CHANGE IN FUND BALANCE	927,323	167,502	1,094,825
FUND BALANCE JANUARY 1	4,460,250	2,501,996	6,962,246
FUND BALANCE DECEMBER 31	$ 5,387,573	$ 2,669,498	$ 8,057,071

SEE NOTES TO FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2025

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:

NET CHANGE IN FUND BALANCE		$ 1,094,825
REVENUES IN THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES THAT DO NOT PROVIDE CURRENT FINANCIAL RESOURCES ARE NOT REPORTED AS REVENUES IN THE FUNDS		
CHANGE IN RECEIVABLE FOR FRANCHISE TAX - NOT CURRENT		(6,927)
GOVERNMENTAL FUNDS REPORT CAPITAL OUTLAYS AS EXPENDITURES. HOWEVER, IN THE STATEMENT OF ACTIVITIES THE COST OF THOSE ASSETS IS ALLOCATED OVER THEIR ESTIMATED USEFUL LIVES AND REPORTED AS DEPRECIATION EXPENSE. THIS IS THE AMOUNT BY WHICH CAPITAL OUTLAYS DIFFER FROM DEPRECIATION IN THE CURRENT PERIOD.		
CAPITAL OUTLAY	751,783	
DEPRECIATION EXPENSE AND LOSS ON DISPOSITION	(1,356,870)	
		(605,087)
SOME EXPENSES REPORTED IN THE STATEMENT OF ACTIVITIES DO NOT REQUIRE THE USE OF CURRENT FINANCIAL RESOURCES AND THEREFORE, ARE NOT REPORTED AS EXPENDITURES IN THE GOVERNMENTAL FUNDS		
COMPENSATED ABSENCES	(4,329)	
PENSION RELATED AMOUNTS	27,657	
		23,328
INVENTORIES ARE EXPENSED AT ACQUISITION IN THE GOVERNMENTAL FUNDS AND REPORTED AS EXPENSES WHEN USED IN THE GOVERNMENT WIDE STATEMENTS		(26,776)
INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF CERTAIN INFORMATION SYSTEMS, OTHER EQUIPMENT AND MEDICAL BENEFIT COSTS TO INDIVIDUAL FUNDS.		
THE NET REVENUE OF CERTAIN ACTIVITIES OF THE INTERNAL SERVICE FUNDS IS REPORTED WITH THE GOVERNMENTAL ACTIVITIES.		(45,509)
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 433,854

SEE NOTES TO FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

DECEMBER 31, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT	TOTAL	INTERNAL SERVICE FUNDS
CURRENT ASSETS							
CASH OR EQUIVALENTS	$ 2,886,590	$ 1,024,371	$ 58,354	$ 151,326	$ 538,192	$ 4,658,833	$ 1,990,679
INVESTMENTS	2,549,168	1,553,293	195,111	956,948	939,952	6,194,472	836,994
ACCOUNTS RECEIVABLE	1,414,186	368,597	347,725	152,484	-	2,282,992	4,892
LEASE RECEIVABLES	-	-	-	-	524,418	524,418	-
GRANT RECEIVABLES	-	310,418	-	-	-	310,418	-
INVENTORIES	1,652,322	585,312	22,519	5,465	-	2,265,618	80,553
PREPAIDS AND ACCRUALS	8,062	35,615	8,044	-	-	51,721	-
TOTAL CURRENT ASSETS	8,510,328	3,877,606	631,753	1,266,223	2,002,562	16,288,472	2,913,118
NONCURRENT ASSETS							
LEASE RECEIVABLES	-	-	-	-	3,197,549	3,197,549	-
PROPERTY AND EQUIPMENT							
LAND, SYSTEMS, AND EQUIPMENT	12,627,135	24,096,217	28,737,102	1,173,611	19,530,706	86,164,771	6,440,021
ACCUMULATED DEPRECIATION	(8,825,917)	(12,241,293)	(7,942,015)	(700,392)	(11,435,441)	(41,145,058)	(5,054,088)
NET PROPERTY AND EQUIPMENT	3,801,218	11,854,924	20,795,087	473,219	8,095,265	45,019,713	1,385,933
TOTAL ASSETS	$ 12,311,546	$ 15,732,530	$ 21,426,840	$ 1,739,442	$ 13,295,376	$ 64,505,734	$ 4,299,051
CURRENT LIABILITIES							
ACCOUNTS PAYABLE	$ 644,955	$ 303,115	$ 20,113	$ 16,924	$ 27,029	$ 1,012,136	$ 9,093
ACCRUED EXPENSES	-	-	75,046	-	41,370	116,416	-
CUSTOMERS DEPOSITS	182,863	-	-	-	-	182,863	-
UNEARNED REVENUE	-	-	-	-	127,700	127,700	-
LANDFILL COSTS	-	-	-	41,940	-	41,940	-
LOANS/LEASE PAYABLES	-	173,230	854,630	-	-	1,027,860	67,680
TOTAL CURRENT LIABILITIES	827,818	476,345	949,789	58,864	196,099	2,508,915	76,773
NONCURRENT LIABILITIES							
ACCRUED PAID TIME OFF	207,578	111,266	86,745	54,781	37,130	497,500	18,235
UNEARNED REVENUE	-	-	-	-	837,787	837,787	-
LANDFILL COSTS	-	-	-	377,460	-	377,460	-
LOANS/LEASE PAYABLES	-	572,786	11,538,099	-	-	12,110,885	211,874
TOTAL NONCURRENT LIABILITIES	207,578	684,052	11,624,844	432,241	874,917	13,823,632	230,109
TOTAL LIABILITIES	1,035,396	1,160,397	12,574,633	491,105	1,071,016	16,332,547	306,882
DEFERRED INFLOW OF RESOURCES							
LEASES	-	-	-	-	3,789,953	3,789,953	-
NET POSITION							
NET INVESTMENT IN CAPITAL ASSETS	3,801,218	11,108,908	8,402,358	473,219	8,095,265	31,880,968	1,106,379
RESTRICTED FOR:							
OPERATIONS & MAINTENANCE	-	819,700	515,000	-	-	1,334,700	-
UNRESTRICTED	7,474,932	2,643,525	(65,151)	775,118	339,142	11,167,566	2,885,790
TOTAL NET POSITION	11,276,150	14,572,133	8,852,207	1,248,337	8,434,407	44,383,234	3,992,169
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 12,311,546	$ 15,732,530	$ 21,426,840	$ 1,739,442	$ 13,295,376	$ 64,505,734	$ 4,299,051

SEE NOTES TO FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED DECEMBER 31, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT	TOTAL	INTERNAL SERVICE FUNDS
OPERATING REVENUES							
CHARGES FOR SERVICES	$ 12,163,414	$ 3,467,665	$ 2,869,261	$ 1,206,044	$ 860,269	$ 20,566,653	$ 3,434,977
OTHER BILLINGS	-	167,381	-	132,733	-	300,114	-
TOTAL OPERATING REVENUES	12,163,414	3,635,046	2,869,261	1,338,777	860,269	20,866,767	3,434,977
OPERATING EXPENSES							
PERSONAL SERVICES, MATERIALS AND SUPPLIES	11,010,163	2,624,659	2,059,723	1,497,732	804,093	17,996,370	3,181,625
DEPRECIATION	475,004	596,632	601,918	78,571	518,955	2,271,080	408,804
TOTAL OPERATING EXPENSES	11,485,167	3,221,291	2,661,641	1,576,303	1,323,048	20,267,450	3,590,429
OPERATING INCOME (LOSS)	678,247	413,755	207,620	(237,526)	(462,779)	599,317	(155,452)
NONOPERATING REVENUES (EXPENSES)							
INTEREST INCOME	111,188	36,474	4,976	45,266	183,979	381,883	66,811
GAIN (LOSS) ON SALE OF ASSETS	-	2,954	-	-	-	2,954	-
GRANTS AND OTHER	135,812	2,280,674	1,615,193	-	-	4,031,679	-
INTEREST EXPENSE	-	(31,584)	(209,254)	-	-	(240,838)	(24,991)
GRANT EXPENSE	-	(654,123)	-	-	-	(654,123)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	247,000	1,634,395	1,410,915	45,266	183,979	3,521,555	41,820
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS, TRANSFERS AND SPECIAL ITEM	925,247	2,048,150	1,618,535	(192,260)	(278,800)	4,120,872	(113,632)
CAPITAL CONTRIBUTIONS	-	16,500	2,046	-	-	18,546	-
TRANSFERS IN (OUT)	-	-	-	-	(10,000)	(10,000)	(9,000)
SPECIAL ITEM	-	-	-	(56,300)	-	(56,300)	-
CHANGE IN NET POSITION	925,247	2,064,650	1,620,581	(248,560)	(288,800)	4,073,118	(122,632)
NET POSITION JANUARY 1	10,350,903	12,507,483	7,231,626	1,496,897	8,723,207	40,310,116	4,114,801
NET POSITION DECEMBER 31	$ 11,276,150	$ 14,572,133	$ 8,852,207	$ 1,248,337	$ 8,434,407	$ 44,383,234	$ 3,992,169

SEE NOTES TO FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

RECONCILIATION OF THE PROPRIETARY FUNDS NET POSITION
TO THE GOVERNMENT WIDE STATEMENT OF NET POSITION

DECEMBER 31, 2025

AMOUNTS REPORTED FOR BUSINESS-TYPE ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:

TOTAL NET POSITION - PROPRIETARY FUNDS	$ 44,383,234
ADJUSTMENT TO REFLECT CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUNDS	525,995
NET POSITION OF BUSINESS-TYPE ACTIVITIES	$ 44,909,229

RECONCILIATION OF THE STATEMENT OF REVENUES , EXPENSES AND CHANGE
IN NET POSITION OF PROPRIETARY FUNDS TO THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2025

AMOUNTS REPORTED FOR BUSINESS-TYPE ACTIVITIES IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:

CHANGE IN NET POSITION	$ 4,073,118
ADJUSTMENT TO REFLECT CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUNDS	77,122
CHANGES IN NET POSITION OF BUSINESS-TYPE ACTIVITIES	$ 4,150,240

CITY OF LA JUNTA, COLORADO

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT	TOTAL	INTERNAL SERVICE FUND
CASH FLOWS FROM OPERATING ACTIVITIES							
CASH RECEIVED FROM CUSTOMERS	$ 12,048,367	$ 3,423,446	$ 2,847,942	$ 1,199,833	$ 823,676	$ 20,343,264	$ 3,722,321
CASH PAYMENTS TO SUPPLIERS FOR GOODS & SERVICES	(9,849,088)	(1,393,961)	(1,255,376)	(751,228)	(558,639)	(13,808,292)	(2,913,476)
CASH PAYMENTS TO EMPLOYEES SERVICES	(1,222,658)	(945,377)	(849,107)	(737,317)	(296,798)	(4,051,257)	(285,058)
OTHER OPERATING REVENUES	-	167,381	-	132,733	-	300,114	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	976,621	1,251,489	743,459	(155,979)	(31,761)	2,783,829	523,787
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
RENTS RECEIVED AND OTHER	135,812	18,575	7,217	-	-	161,604	-
DUE TO (FROM) OTHER FUNDS	-	-	(285,100)	-	-	(285,100)	285,100
BORROWINGS FROM (TO) OTHER FUNDS	-	(539,056)	-	-	-	(539,056)	524,431
TRANSFERS IN (OUT)	-	-	-	-	(10,000)	(10,000)	(9,000)
GRANT PROCEEDS	-	370,495	-	-	-	370,495	-
GRANT PAYMENTS	-	(654,123)	-	-	-	(654,123)	-
CUSTOMER DEPOSITS	12,621	-	-	-	-	12,621	-
SETTLEMENT PROCEEDS	-	1,607,976	1,607,976	-	-	3,215,952	-
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	148,433	803,867	1,330,093	-	(10,000)	2,272,393	800,531
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
ACQUISITION OF CAPITAL ASSETS	(80,512)	(75,789)	(760,423)	-	(60,080)	(976,804)	(16,830)
CASH PROCEEDS FROM INSURANCE , SALE OF ASSETS AND OTHER	-	2,954	-	-	-	2,954	-
CAPITAL CONTRIBUTED	-	16,500	2,046	-	-	18,546	-
PRINCIPAL PAID ON LOANS PAYABLE	-	(177,565)	(853,026)	-	-	(1,030,591)	(42,688)
INTEREST PAID ON LOANS PAYABLE AND OTHER	-	(16,959)	(213,690)	-	-	(230,649)	(24,992)
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(80,512)	(250,859)	(1,825,093)	-	(60,080)	(2,216,544)	(84,510)
CASH FLOWS FROM INVESTING ACTIVITIES							
INTEREST ON INVESTMENTS AND LOANS	23,627	6,345	-	6,239	148,117	184,328	66,811
PURCHASE OF INVESTMENTS	(300,000)	(1,211,924)	(229,153)	(882,064)	-	(2,623,141)	(560,427)
CASH PROCEEDS FROM SALE OF INVESTMENTS	-	100,000	39,018	1,000,000	-	1,139,018	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(276,373)	(1,105,579)	(190,135)	124,175	148,117	(1,299,795)	(493,616)
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	768,169	698,918	58,324	(31,804)	46,276	1,539,883	746,192
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	2,118,421	325,453	30	183,130	491,916	3,118,950	1,244,487
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	$ 2,886,590	$ 1,024,371	$ 58,354	$ 151,326	$ 538,192	$ 4,658,833	$ 1,990,679
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
OPERATING INCOME (LOSS)	$ 678,247	$ 413,755	$ 207,620	$ (237,526)	$ (462,779)	$ 599,317	$ (155,452)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
DEPRECIATION AND OTHER	475,004	596,632	601,918	78,571	518,955	2,271,080	408,804
CHANGE IN ASSETS AND LIABILITIES							
(INCREASE) DECREASE IN ASSET ACCOUNTS	(147,765)	2,479	(20,622)	(6,211)	18,311	(153,808)	(405)
INCREASE (DECREASE) IN LIABILITY ACCOUNTS	(28,865)	238,623	(45,457)	9,187	(235,967)	(62,479)	270,840
INCREASE (DECREASE) IN DEFERRED INFLOW OF RESOURCES	-	-	-	-	129,719	129,719	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 976,621	$ 1,251,489	$ 743,459	$ (155,979)	$ (31,761)	$ 2,783,829	$523,787

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of La Junta (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental entities.

THE FINANCIAL REPORTING ENTITY

The City of La Junta is a Home Rule City governed by an elected seven-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of La Junta (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

Blended component units included within the reporting entity:
La Junta Urban Renewal Authority ("URA")
The La Junta Urban Renewal Authority Board is appointed by Council. Although it is legally separate from the City, the URA is reported as if it were part of the primary government because its main purpose is to apply for and administer State and Federal grants, which are in the name of the City. Separately issued financial statements may be obtained from the Finance Director at the City of La Junta.

La Junta Capital Inc.
La Junta Capital, Inc. is a nonprofit organization with a Council appointed board created to provide loan funds for businesses in exchange for a commitment to hire low- and moderate-income employees and for the creation of new primary jobs. It is reported as if it were part of the primary government because its main purpose is for the benefit of the City and all assets revert back to the City upon termination of the agreement between the City and La Junta Capital, Inc. Separately issued financial statements may be obtained from the Finance Director at the City of La Junta.

Joint Venture:
Otero County Landfill Inc. ("OCLI")
The City of La Junta is a participant along with six other entities within the County in a joint venture known as the Otero County Landfill Inc. As a participant, the City is responsible for a portion of closure and post closure costs of the landfill. As of December 31, 2025, the City's share of the cost is estimated at $419,400 or approximately 19% of the total. A complete financial report may be obtained from the administrative offices of Otero County.

Related organizations:
La Junta Housing Authority
The La Junta Housing Authority is governed by a five-member board appointed by the La Junta City Council. The Authority provides housing to certain qualified residents and is principally funded through Federal grants and rental charges. Because these appointments are administrative in nature and control over the organization is at the Federal Government level, the Authority is treated as a related organization of the City rather than a component unit.

Jointly Governed Organizations:
Arkansas River Power Authority ("ARPA")
ARPA was created by an intergovernmental agreement between the cities of La Junta, Lamar, Las Animas, Trinidad, Springfield and Holly to supply their wholesale electric power and energy requirements. Each of the participating municipalities has a residual interest in ARPA's assets upon dissolution that is proportional to total revenue received from each since ARPA was organized.

Based on electric revenues billed from inception to December 31, 2025, the City of La Junta has a residual equity interest in ARPA of approximately 30%. The governing Board of ARPA consists of two members from each municipality. Because it is felt that the City cannot significantly influence the operations of ARPA it is considered a jointly governed organization and not part of the City's reporting entity.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant awards are recorded as revenue when earned. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, interest revenues, and charges for services are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grant and entitlement awards are recorded as revenue when earned. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund - The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those which are required to be accounted for in another fund. Major revenue sources include sales taxes, property taxes, franchise and other taxes, charges for services, and intergovernmental revenue. Primary expenditures include general government, public safety (fire and police), public works, health and welfare, and culture and recreation.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major proprietary funds:

Electric Utility Fund - Accounts for the operations of the City's electric utility. Activities of the fund include administration, operation and maintenance, and distribution of the electric utility system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Water Utility Fund - Accounts for the operations of the City's water utility. Activities of the fund include administration, operation and maintenance, treatment, and distribution of the water system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Sewer Utility Fund - Accounts for the operations of the City's sewer utility. Activities of the fund include administration, operation and maintenance, treatment, and collection of the sewer system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Sanitation Utility Fund - Accounts for the operations of the City's sanitation utility. Activities of the fund include administration, operation and maintenance, and collection of trash related to the sanitation system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Property Management Fund - Accounts for rental activities related to City property, most of which is located within the Industrial Park. Activities of the fund include administration and the operation and maintenance of commercial rental units.

Additionally, the government reports the following fund types:

Internal Service Funds - Accounts for the financing of goods or services provided by one department or agency of the City to other departments or agencies of the City, generally on a cost reimbursement basis. The internal service funds of the City provide data processing and fleet management services as well as medical benefits to the other City departments and agencies.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

Cash, Cash Equivalents and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments held in banks.

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

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City may invest in, bonds or other interest-bearing obligations issued by or unconditionally guaranteed by the United States, bonds that are the direct obligation of the State of Colorado, or any county, city or school district in the State. The City may also invest in repurchase agreements of any marketable security otherwise authorized by law, where the market value of such security is at all times at least equal to the moneys involved and there is assignment of such security pursuant to current depository regulations.

In accordance with generally accepted accounting principles, the City, as well as its component units, record investments at fair value with any unrealized gain or loss recognized in interest revenue.

For purposes of the statement of cash flows, the City considers cash, cash equivalents, and cash with trustee to be cash on hand, demand deposits and, if any held, all highly liquid investments with original maturities of three months or less when acquired.

Restricted Cash

Governmental Funds – Restricted cash represents unspent revenues that were received from the State of Colorado and other entities for specific functions and projects that do not fall under normal operations.

Receivables/Payables

Outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles if required.

The City recognizes as receivable amounts due from utility customers as of year-end but not billed due to cycle billings. Recognition is based upon a direct ratio of days in the current period to the total days in each individual billing cycle.

Property Tax Receivable

Property taxes are not due and payable until after the assessment year has ended, and are not included in the budgets or statements of revenues, expenditures and fund balance of the assessment year. Property taxes levied are recorded in the governmental funds as taxes receivable and deferred revenues as of December 31, 2025 since the amounts are measurable but not available until 2026. Property tax abatements are recorded as an offset to property tax revenues when they are paid. An allowance for uncollectible property taxes is not provided as the uncollectible amounts were determined to be negligible based on an analysis of historical trends. Property taxes are levied before December 22nd each year and attach as an enforceable lien on the property as of January 1 of the following year. Taxes are payable in full on April 30th or in two installments due on February 28th and June 15th.

Inventories

Inventories are valued at average cost. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

Water Inventory

The water inventory is carried at the lower of cost or market, with cost determined using the expenses involved in acquiring water held in storage.

Capital Assets

Capital assets, which include property, plant, equipment, and current infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets have been capitalized on a prospective basis, from 2003. The City defines capital assets as assets with an estimated useful life in excess of two years and an initial, individual cost of more than $5,000. Such assets are recorded at estimated historical cost or historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The City has included its infrastructure in capital assets.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Building, improvements, utility systems, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	
Building and improvements	10-40
Utility systems	20-50
Public domain infrastructure	40-50
Equipment	3-10

Leased Assets – Lease Receivables

Leased assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

All leases were administered and compiled by the City Clerk. Leases entered into by the City had an agreement that conveyed the right to use the asset, whether it be a building, land, vehicle, or equipment. The lease agreements were analyzed to determine the recognition of GASB statement No. 87 “Leases”. Leases that met the guidelines of the lease standard were at least over a 12-month period and were over the City’s defined threshold of $5,000. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables.

The lease receivables balance was $3,721,967 for the year ended December 31, 2025. See Note 3 – Lease Receivables for further details. The deferred inflow of resources balance as of December 31, 2025 was $3,789,953. See Note 4 – Property Taxes Receivable and Deferred Revenues / Unearned Revenues for further details.

Deferred Outflows 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. The City has one item that qualifies for reporting in this category which is for pension related amounts.

Pension Related - Amounts reported as deferred outflows of resources include the following:

	Old Hire Fire	Old Hire Police	Total
Difference Between Expected and Actual Experience	$ -	$ -	$ -
Changes of Assumptions or Other Inputs	-	-	-
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	60,464	42,339	102,803
Contributions Made Subsequent to the Measurement Date	81,083	75,594	156,677
Total Pension Related Deferred Outflows	$ 141,547	$ 117,933	$ 259,480

More information on pension related items is included in Note 10.

Deferred Inflows of Resources

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. The City has three types of items that qualify for reporting in this category.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources (Continued)

Deferred Revenue - Property Taxes - The item, property taxes levied for subsequent years, arises only under a modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable, and are recognized as an inflow of resources in the period they are collected.

Pension Related - Amounts reported as deferred inflows of resources include the following:

	Old Hire Fire	Old Hire Police	Total
Difference Between Expected and Actual Experience	$ -	$ -	$ -
Changes of Assumptions or Other Inputs	-	-	-
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	8,398	5,806	14,204
Total Pension Related Deferred Outflows	$ 8,398	$ 5,806	$ 14,204

More information on pension related items is included in Note 10.

Deferred Revenue – Leases – Lease-related amounts are recognized at the inception of leases in which the City is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

Unearned Revenues

In proprietary funds, unearned revenues represent lease payments received, but not yet earned as the related services have not yet been provided.

Compensated Absences

It is the City's policy to permit full-time employees to accumulate earned but unused paid time off benefits. Paid time off leave shall be allowed to accrue to a ceiling not to exceed 1,200 hours. All paid time off pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types, long-term obligations are reported as liabilities in the applicable governmental activities, or business-type activities or proprietary fund type statement of net position.

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

Net pension liabilities, associated with the Old Hire Fire and Old Hire Police Pension Funds administered by FPPA, represent the City's total pension liabilities less the fiduciary net position. Amounts have been determined using the economic resources measurement focus and the accrual basis of accounting.

Fund Balance/Net Position

In the government-wide and proprietary financial statements, net position is classified in the following categories:

Net investment in capital assets – This amount consists of capital assets, net of accumulated depreciation, reduced by outstanding debt, if applicable, attributed to the acquisition, construction, or improvement of those assets.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position (Continued)

Restricted net position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted net position – This amount is all net position that do not meet the definition of "net investment in capital assets" or "restricted net position"

The City implemented GASB Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used:

Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or required to be maintained intact;

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. Assigned fund balance is established through the adoption or amendment of the budget as intended for specific purposes.

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

Interfund Transactions

Interfund transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

Prior to September 12, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments. Prior to November 1, the budget is legally enacted through passage of an ordinance.

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revisions that alter the total expenditures of any fund generally must be approved by City Council. Budgeted amounts in the accompanying financial statements include revisions to the original appropriation ordinance.

Appropriations lapse at year end and any open purchase items must be reappropriated in the following year.

Expenditures may not legally exceed appropriations at the fund level. For the year ended December 31, 2025, the Water Utility Fund and Sewer Utility Fund were in violation.

NOTE -2 DEPOSITS AND INVESTMENTS

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 December 31, 2025, $10,025,872 of the City's bank balance of $10,767,671 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

At December 31, 2025, the City's bank balance and corresponding carrying balance were as follows:

	Carrying Balance	Bank Balance
Insured (FDIC)	$ 741,799	$ 741,799
Uninsured, Collaterized under the Public Deposit Protection Act	8,957,338	10,025,872
Total	$ 9,699,137	$ 10,767,671

INVESTMENTS:

In accordance with generally accepted accounting principles, the City records certain investments at fair value with any unrealized gain or loss being included as part of investment earnings. As of December 31, 2025, the City held the following investments:

U.S. Treasuries	$ 2,898,711
ColoTrust	7,416,319
Total Investments	$ 10,315,030

Investments - U.S. Treasuries - The City categorizes its fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At December 31, 2025, the City had the following investments and maturities:

					Investment Maturities (in years)	
Investment Type	Level 1	Level 2	Level 3	Total	Less Than One Year	1-5 Years
U.S. Treasuries	$ -	$ 2,898,711	$ -	$ 2,898,711	$ 2,898,711	$ -

ColoTrust - During the year, the City invested in ColoTrust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The state Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies.

NOTE -2 DEPOSITS AND INVESTMENTS (Continued)

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as the safekeeping agent for the Trust's investment portfolios and provides services as the depositary in connection with direct investments and withdrawals. As of December 31, 2025, the City had invested $7,416,319 in COLOTRUST PRIME, an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of $1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments.

At year-end, the City had the following investments:

		Investment Maturities (in years)		
Investment Type	Fair Value	Less than 1	1 - 5	6-10
State investment pool	$ 7,416,319	$7,416,319	$ -	$ -

The City's investments in ColoTrust and money market funds are measured at net asset value. These investments are not subject to the fair value hierarchy. ColoTrust issues a publicly available annual financial report that includes the assets of the City of La Junta. That report may be obtained at the ColoTrust website www.colotrust.com.

Interest Rate Risk - The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates. The Colorado revised statute 24-75-601 limits investment maturities to five years or less without governing board approval. This law, among other things, outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government and agency securities, certain bonds of political subdivisions, bankers' acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, guaranteed insurance contracts and U.S. dollar-denominated corporate or bank debt.

Credit Risk - State law limits investments for local governments to U.S. treasury issues, other federally backed notes and credits, and other agency offerings (not based on derivatives) without limitation. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds that are organized according to the Federal Investment Company Act of 1940, as specified in rule 2a-7, as amended, as long as such rule does not increase remaining maturities beyond a maximum of three years. Investments in these funds require that the institution have assets in excess of $1 billion or the highest credit rating from one or more of a nationally recognized rating agency.

NOTE -3 LEASE RECEIVABLES

The City, as a lessor, has entered into long-term lease agreements for retail space, facilities, rental homes and cell sites, which expire at various dates through 2039. During the year ended December 31, 2025, the City recognized $666,188 and $139,824 in lease revenue and interest revenue, respectively, pursuant to these contracts. The future minimum lease receipts to be received from the aforementioned leases is as follows:

YEAR ENDING	PRINCIPAL / RECEIVABLE	INTEREST
2026	$ 524,417	$ 129,468
2027	336,798	114,305
2028	331,328	100,129
2029	325,952	86,031
2030	231,300	74,130
2031 - 2035	1,039,122	258,828
2036 - 2039	933,050	68,992
TOTAL	$ 3,721,967	$ 831,883

NOTE -4 PROPERTY TAXES RECEIVABLE AND DEFERRED REVENUES / UNEARNED REVENUES

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned.

Proprietary funds report unearned revenue in connection with payments received, but not yet earned as the related service has not yet been provided.

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the funds were as follows:

	DEFERRED	UNEARNED
Governmental Funds:		
General Fund	$ 127,100	$ 28,185
Proprietary Funds:		
Property Management Fund	$ 3,789,953	$ 965,487

NOTE -5 CAPITAL ASSETS

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

	BEGINNING BALANCE	TRANSFERS/ INCREASES	TRANSFERS/ DECREASES	ENDING BALANCE
Governmental Activities:				
Capital assets, not being depreciated				
Land	$ 1,135,355	$ -	$ -	$ 1,135,355
Construction in progress	166,809	637,729	-	804,538
	1,302,164	637,729	-	1,939,893
Capital assets being depreciated				
Buildings	7,840,448	5,000	-	7,845,448
Improvements	9,834,618	-	-	9,834,618
Infrastructure	32,699,401	77,773	-	32,777,174
Equipment	9,225,847	178,634	-	9,404,481
	59,600,314	261,407	-	59,861,721
Less accumulated depreciation for				
Buildings	(5,844,914)	(189,733)	-	(6,034,647)
Improvements	(4,893,006)	(403,915)	-	(5,296,921)
Infrastructure	(26,699,300)	(415,911)	-	(27,115,211)
Equipment	(5,912,472)	(755,785)	-	(6,668,257)
	(43,349,692)	(1,765,344)	-	(45,115,036)
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS - NET	$ 17,552,786	$ (866,208)	$ -	$ 16,686,578
Business-Type Activities:				
Capital assets, not being depreciated				
Land	$ 1,008,222	$ -	$ -	$ 1,008,222
Water rights	2,112,634	-	-	2,112,634
Construction in progress	264,044	861,747	(264,044)	861,747
	3,384,900	861,747	(264,044)	3,982,603
Capital assets being depreciated				
Buildings	38,166,657	256,232	-	38,422,889
Systems	38,520,838	67,892	-	38,588,730
Equipment	5,115,574	54,975	-	5,170,549
	81,803,069	379,099	-	82,182,168

NOTE -5 CAPITAL ASSETS (Continued)

	BEGINNING BALANCE	TRANSFERS/ INCREASES	TRANSFERS/ DECREASES	ENDING BALANCE
Business-Type Activities (Continued):				
Less accumulated depreciation for				
Buildings	(19,417,714)	(1,131,877)	-	(20,549,591)
Systems	(15,448,048)	(864,811)	-	(16,312,859)
Equipment	(4,008,216)	(274,392)	-	(4,282,608)
	(38,873,978)	(2,271,080)	-	(41,145,058)
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS - NET	$ 46,313,991	$(1,030,234)	$ (264,044)	$ 45,019,713

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General government	$ 58,601
Public safety	65,850
Public works	589,458
Public health and welfare	2,624
Culture and recreation	640,007
Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets	408,804
Total depreciation expense – governmental activities	$ 1,765,344
Business-Type Activities:	
Electric	$ 475,004
Water	596,632
Sewer	601,918
Sanitation	78,571
Property Management	518,955
Total depreciation expense – business-type activities	$ 2,271,080

NOTE -6 NOTES AND LOANS RECEIVABLE

	NOTES/LOAN RECEIVABLE
Governmental Activities	
As part of a grant, La Junta Urban Renewal has taken non-interest bearing, unsecured note receivables from downtown businesses, for store front improvements, due in monthly installments over 36 months.	$ 173,406

NOTE -7 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS

Interfund Receivables and Payables:
During the course of operations, numerous transactions occur between the City's funds for the reimbursement of expenditures. Related interfund receivables and payables are classified as "due from other funds" and "due to other funds" on the balance sheet and statement of net position and will be settled within one year. The composition of due to / from other funds as of December 31, 2025 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Lodging Tax Tourism Fund	$ 48,000
Lodging Tax Tourism Fund	General Fund	(44,334)
		$ 3,666

NOTE -7 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS (Continued)

Interfund Receivables and Payables (Continued):

Receivable Fund	Payable Fund	Amount
General Fund	Urban Renewal Authority	$ 10,000

Interfund Transfers:
Transfers are for the use of unrestricted revenues collected in the property management fund to finance various programs accounted for in other funds in accordance with council authorizations. The composition of interfund transfers as of December 31, 2025 is as follows:

Transfer To	Transfer From	Amount Transferred
General Fund	Urban Renewal Authority	$ 20,000
Economic Development	La Junta Capital Inc.	$ 9,156
General Fund	Property Management	$ 10,000
General Fund	City Services Fund	9,000
		$ 19,000

NOTE -8 LONG –TERM DEBT

GOVERNMENTAL ACTIVITIES
The Internal Services Fund entered into three Motor Vehicle Lease Agreements with Holman Fleet Leasing, LLC in a total amount of $191,390 with variable interest rates. The lease proceeds were used to finance the purchases of a 2024 GMC Sierra and two 2024 Ford Explorers. The leases are payable in monthly installments of $1,166, $1,528, and $1,461, respectively, that includes principal and interest beginning January 1, 2025 and maturing March 1, 2030. The leases are collateralized by the vehicles. As of December 31, 2025, $160,684 is outstanding and $48,800 is due within one year.

The Internal Services Fund entered into two Motor Vehicle Lease Agreements with Holman Fleet Leasing, LLC in a total amount of $130,853 with variable interest rates. The lease proceeds were used to finance the purchases of a 2025 Ford Explorer and 2024 Ford Expedition. The leases are payable in monthly installments of $1,479, and $1,359, respectively, that includes principal and interest beginning September 25, 2025 and May 25, 2025 and maturing August 31, 2023 April 30, 2030 respectively. The leases are collateralized by the vehicles. As of December 31, 2025, $118,870 is outstanding and $18,880 is due within one year.

BUSINESS-TYPE ACTIVITIES
The Water Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of $1,830,000, with a 0% interest rate. The loan proceeds were used to finance construction of water tanks. The loan is payable in semi-annual installments of $47,500, beginning November 1, 2010 and maturing May 1, 2030. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Water Utility Fund revenues. As of December 31, 2025, $411,750 is outstanding and $91,500 is due within one year.

The Water Utility Fund entered into SCADA Services Lease Agreement for equipment with Browns Hill Engineering & Controls, LLC in a total amount of $426,686 with an incremental borrowing rate of 4.50%. The lease proceeds were used to finance the purchase of equipment used for monitoring the water system. The lease is payable in monthly installments of $7,925 that includes principal and interest beginning November 1, 2024 and maturing October 1, 2029. The lease is collateralized by the equipment. As of December 31, 2025, $334,266 is outstanding and $81,730 is due within one year.

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of $13,348,899. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in varying semi-annual installments including interest at 2.17% per annum beginning August 1, 2015 and maturing August 1, 2037. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2025, $7,889,845 is outstanding and $598,401 is due within one year.

NOTE -8 LONG –TERM DEBT (Continued)

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of $3,000,000, with a 0% interest rate. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in semi-annual installments of $50,000, beginning May 1, 2019 and maturing November 1, 2048. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2025, $2,300,000 is outstanding and $100,000 is due within one year.

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of $3,000,000. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in semi-annual installments of $54,612, including interest at 4.5% per annum beginning May 1, 2020 and maturing November 1, 2049. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2025, $1,863,599 is outstanding and $73,272 is due within one year.

The Sewer Utility Fund entered into SCADA Services Lease Agreement for equipment with Browns Hill Engineering & Controls, LLC in a total amount of $433,093 with an incremental borrowing rate of 4.50%. The lease proceeds were used to finance the purchase of equipment used for monitoring the waste water system. The lease is payable in monthly installments of $8,044 that includes principal and interest beginning November 1, 2024 and maturing October 1, 2029. The lease is collateralized by the equipment. As of December 31, 2025, $339,285 is outstanding and $82,957 is due within one year.

In connection with the above loan payables, the City is subject to various covenants with the Colorado Water Resources and Power Development Authority. The City is also required to maintain an operating and maintenance reserve fund in an amount equal to three months of operation and maintenance expenses, excluding depreciation. Said reserve may be in the form of unobligated fund balances or other unobligated cash or securities. As of December 31, 2025, the City reported a restricted fund balance for operations and maintenance of $819,700 and $515,000 in the Water Utility Fund and Sewer Utility Fund, respectively. As of December 31, 2025, the City was in compliance with all loan covenants except the rate covenant in the Sewer Utility Fund.

The following is a summary of activity for long-term liabilities for the year ended December 31, 2025:

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE	DUE WITHIN ONE YEAR
Governmental activities:					
Vehicle leases	$ 191,390	$ 130,853	$ (42,689)	$ 279,554	$ 55,512
Compensated absences	555,323	6,878	-	562,201	-
Net pension liabilities	1,893,452	-	(55,222)	1,838,230	-
Governmental activity Long-term liabilities	$ 2,640,165	$ 137,731	$ (97,911)	$ 2,679,985	$ 55,512
Business-type activities:					
Loan payables	$13,322,362	$ -	$ (857,168)	$12,465,194	$ 863,173
Lease payables	831,005	-	(157,454)	673,551	164,687
Estimated closure and post-closure costs	363,100	56,300	-	419,400	41,940
Compensated absences	516,832	38,912	(58,244)	497,500	-
Business-type activities Long-term liabilities	$15,033,299	$ 95,212	$(1,072,866)	$14,055,645	$ 1,069,800

For the governmental activities, compensated absences are liquidated by the General Fund.

NOTE -8 LONG –TERM DEBT (Continued)

Annual debt service requirements to maturity are as follows:

YEAR ENDING	BUSINESS-TYPE ACTIVITIES PRINCIPAL	BUSINESS-TYPE ACTIVITIES INTEREST	GOVERNMENTAL ACTIVITIES PRINCIPAL	GOVERNMENTAL ACTIVITIES INTEREST
2026	$ 1,027,860	$ 212,551	$ 55,512	$ 28,852
2027	1,046,672	196,818	62,137	22,227
2028	1,060,279	182,836	69,554	14,810
2029	1,040,373	168,699	76,322	6,497
2030	848,330	159,613	16,029	530
2031 - 2035	4,212,566	592,368	-	-
2036 - 2040	2,377,517	89,304	-	-
2041 - 2045	898,833	13,662	-	-
2046 - 2049	626,315	3,682	-	-
TOTAL	$ 13,138,745	$ 1,619,533	$ 279,554	$ 72,916

ESTIMATED CLOSURE AND POSTCLOSURE CARE COSTS

In 1995 the City entered into an intergovernmental agreement with Otero County and other municipalities within the County to form the Otero County Landfill, Inc. (“OCLI”) to operate the landfill within the County. The agreement transfers the liability for closure and postclosure costs to the new organization. The City and all participating entities are responsible for a portion of the costs based on an average of the population and assessed valuation of each entity to the total of all entities.

Based on the current allocation the City’s share is approximately 19% of the estimated $2,137,000 in closure and postclosure costs amounting to $419,400. These amounts are based on estimates of what it would cost to perform all closure and post closure care in 2025. Actual costs may be higher due to inflation or deflation, changes in technology, or changes in applicable laws or regulations.

The estimated closure and post closure costs increased from 2024 to 2025, therefore, increasing the City’s allocation by $56,300 from the prior year which is reported as a special item on the statement of activities and statement of revenues, expenses and changes in net position in the Sanitation Utility Fund.

The City is required by state and federal laws and regulations to provide assurance that it can meet the cost of closure and postclosure care. The City has provided assurance by meeting the test requirements of the Colorado Department of Public Health and Environment. The City expects that future inflation costs may need to be covered by charges to future landfill users or other future revenues.

			OTERO #2		
	MANZANOLA	OTERO #1	MODULE #1	MODULE #2	MODULE #3
Percent of capacity	100%	100%	85%	84%	50%
Estimated closure date	2026	Closed	2028	2028	2035
Estimated final monitoring date	-	2049	-	-	-

NOTE -9 CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE -10 PENSION PLANS

City employees may be covered under one or two of five different pension plans, depending on department and date of hire. The different plans are the Old Hire Fire Defined Benefit Plan, Old Hire Police Defined Benefit Plan, Fire Defined Contribution Plan, Police Defined Contribution Plan and the City Retirement Defined Contribution Plan. A description of each plan and selected financial information follows:

OLD HIRE FIRE PENSION FUND – DEFINED BENEFIT PLAN

Summary of Significant Accounting Policies

Pensions – The City of La Junta participates in the Old Hire Fire Pension Fund, an agent multiple-employer defined benefit pension fund administered by the Colorado Fire and Police Pension Association ("FPPA").

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / deductions from the fiduciary net position of the Old Hire Fire Pension Fund has 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 - Investments are reported at fair value.

Plan Information

Plan Description - The City, on behalf of certain full-time paid Firefighters, contributes to the Old Hire Fire Pension Fund. FPPA administers the agent multiple-employer Public Employee Retirement System ("PERS"). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. The plan provides retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the City Council of the City of La Junta.

Plan Membership (Eligibility) – Plan membership consists of active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the City's current plan.

The following is a summary of the participants:

	Old Hire Fire
Retirees and Beneficiaries	3
Inactive, Nonretired Members	0
Active Members	0
Total	3

Benefits Provided - The plan provides retirement benefits for members and beneficiaries according to the plan provisions and is as follows:

The Old Hire Fire Pension Fund provides retirement benefits to Firefighters who have attained both 50 years of age and completed 20 years of service. Any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to one-half of his monthly salary received at his retirement date, plus an additional 4% of his monthly salary for each complete year served past the age of 50 to age 55 for a maximum monthly pension of 70% of the Firefighter's monthly salary at retirement. As of January 1, 2000, any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension increased by an additional 10% of his monthly salary.

NOTE -10 PENSION PLANS (Continued)

Upon death, the surviving spouse receive, until death or remarriage, a monthly pension equal to one-half of the monthly pension the Firefighter was entitled to receive prior to death. In addition, the plan calls for a 3% cost of living adjustment effective each January 1.

Title 31, Article 30 of the Colorado Revised Statues ("CRS"), as amended, establishes basic benefit provisions under the plan. FPPA issues a publicly available annual financial report that includes the assets of the City of La Junta Old Hire Fire Pension Fund. That report may be obtained by writing to: FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Plan members and the City of La Junta are required to contribute at a rate set by state statute. Employer contribution rates can only be amended by state statute.

Member contribution rates can be amended by state statute or by election of the membership. The contributions are based on an actuarially determined amount recommended by an independent actuary.

The contribution rate for members and the City for the Old Hire Fire Pension Fund is 0% of covered salaries. Contribution was determined as part of the January 1, 2024 actuarial valuation. Total contribution for the year ended December 31, 2025 was $81,083. The contribution of the City of La Junta Fire Department was equal to the required contribution for the year.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status - Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 4.50% on the actuarial value of assets), then the funded status of the plan is expected to approach 100% over time.

This funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2124. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Actuarial Assumptions – Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022, determines the contribution amounts for 2023 and 2024.

Methods and Assumptions Used to Determine Contribution Rates for the Fiscal Year Ending December 31, 2024:

Actuarial Cost Method – Entry Age Normal
Amortization Method – N/A
Remaining Amortization Period – N/A
Asset Valuation Method – 5-Year smoothed fair value
Inflation – 2.50%
Salary Increases – N/A
Investment Rate of Return – 4.50%
Retirement Age – Any remaining actives are assumed to retire immediately
Mortality Rates – Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
Disabled (pre-1980): Post-retirement rates set forward three years.

Long-Term Expected Return on Plan Assets

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.

NOTE -10 PENSION PLANS (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	10.0%	5.5%
Fixed Income – Rates	70.0%	5.4%
Fixed Income – Credit	10.0%	5.9%
Diversifiers	0.0%	7.4%
Long Short	0.0%	7.0%
Global Public Equity	10.0%	8.3%
Private Markets	0.0%	10.2%
Total	100.0%	

Single 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 long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 4.08% (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 4.50%.

Net Pension Liability

The net pension liability was measured at December 31, 2024, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated January 1, 2024, and the City's fiscal year ending date, or reporting date, is December 31, 2025.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at December 31, 2024	$ 1,718,911	$ 572,230	$ 1,146,681
Change for the year:			
Interest	74,544	-	74,544
Difference between Expected & Actual Experience of the Total Pension Liability	-	-	-
Changes of Assumptions	-	-	-
Contributions – Employer	-	81,083	(81,083)
Contributions – Member	-	-	-
Net Investment Income	-	17,157	(17,157)
Benefit payments	(126,136)	(126,136)	-
Administrative Expense	-	(3,563)	3,563
Net Changes	(51,592)	(31,459)	(20,133)
Balances at December 31, 2025	1,667,319	540,771	1,126,548

Timing of the Valuation - An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability/(asset) and pension expense/(income) should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date.

NOTE -10 PENSION PLANS (Continued)

If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2022 and a measurement date of December 31, 2024. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2025 and may be used for December 31, 2025 reporting purposes.

Expense and deferred outflow calculations are shown starting with the year ending December 31, 2024, but can be used for the plan sponsor's December 31, 2025 financial reporting. Each reported amount will have a one-year lag so that year end December 31, 2024 can be used for December 31, 2025 plan sponsor reporting.

Paragraph 34 of GASB Statement No. 68 indicates that contributions to the pension plan subsequent to the measurement date of the Net Pension Liability/(Asset) and prior to the end of the employer's reporting period should be reported by the employer as a deferred outflow of resources related to pensions. The information contained in this report does not incorporate any contributions made to the La Junta Old Hire Fire Pension Fund subsequent to December 31, 2024.

Sensitivity of the Net Pension Liability / (Asset) to the Single Discount Rate Assumption – Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 4.50%, 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 (3.50%)	Current Single Discount Rate Assumption (4.50%)	1% Increase (5.50%)
Net Pension Liability	$ 1,280,292	$ 1,126,548	$ 993,207

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2025; the City recognized pension expense of $77,249. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	60,464	8,398
Contributions subsequent to the measurement date	81,083	-
Total	$ 141,547	$ 8,398

$81,083 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2025:	
2026	$ 28,996
2027	22,864
2028	(1,298)
2029	1,504
2030	-
Thereafter	-
Total	52,066

NOTE -10 PENSION PLANS (Continued)

OLD HIRE POLICE PENSION FUND – DEFINED BENEFIT PLAN

Summary of Significant Accounting Policies

Pensions – The City of La Junta participates in the Old Hire Police Pension Fund, an agent multiple-employer defined benefit pension fund administered by the Colorado Fire and Police Pension Association ("FPPA").

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / deductions from the fiduciary net position of the Old Hire Police Pension Fund has 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 - Investments are reported at fair value.

Plan Information

Plan Description - The City, on behalf of certain full-time paid Police Officers, contributes to the Old Hire Police Pension Fund which is affiliated with the Colorado Fire and Police Pension Association (FPPA). FPPA administers the agent multiple-employer Public Employee Retirement System ("PERS"). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. The plan provides retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the City Council of the City of La Junta.

Plan Membership (Eligibility) – Plan membership consists of active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the City's current plan.

The following is a summary of the participants:

	Old Hire Police
Retirees and Beneficiaries	2
Inactive, Nonretired Members	0
Active Members	0
Total	2

Benefits Provided - The plan provides retirement benefits for members and beneficiaries according to the plan provisions and is as follows:

The Old Hire Police Pension Fund provides retirement benefits to police Officers who have attained both 55 years of age and completed 20 years of service or upon completion of 25 years of service, if earlier. Any Police Officer who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to 70% of his monthly salary at the date of his retirement.

Upon death, the surviving spouse receives a monthly pension equal to 100% of the monthly pension the Police Officer was entitled to receive prior to death. In addition, the plan calls for a 3% cost of living adjustment effective each January 1.

Title 31, Article 30 of the Colorado Revised Statues ("CRS"), as amended, establishes basic benefit provisions under the plan. FPPA issues a publicly available annual financial report that includes the assets of the City of La Junta Old Hire Police Pension Fund. That report may be obtained by writing to: FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Plan members and the City of La Junta are required to contribute at a rate set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or by election of the membership. The contributions are based on an actuarially determined amount recommended by an independent actuary.

NOTE -10 PENSION PLANS (Continued)

The contribution rate for members and the City for the Old Hire Police Pension Fund is 0% of covered salaries. Contribution was determined as part of the January 1, 2024 actuarial valuation. Total contribution for the year ended December 31, 2025 was $75,594. The contribution of the City of La Junta Police Department was equal to the required contribution for the year.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status - Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 4.50% on the actuarial value of assets), then the funded status of the plan is expected to approach 100% over time.

This funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2124. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Actuarial Assumptions – Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022, determines the contribution amounts for 2023 and 2024.

Methods and Assumptions Used to Determine Contribution Rates for the fiscal Year Ending December 31, 2024:

Actuarial Cost Method – Entry Age Normal
Amortization Method – N/A
Remaining Amortization Period – N/A
Asset Valuation Method – 5-Year smoothed fair value
Inflation – 2.50%
Salary Increases – N/A
Investment Rate of Return – 4.50%
Retirement Age – Any remaining actives are assumed to retire immediately
Mortality Rates – Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
Disabled (pre-1980): Post-retirement rates set forward three years.

Long-Term Expected Return on Plan Assets

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

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	10.0%	5.5%
Fixed Income – Rates	70.0%	5.4%
Fixed Income - Credit	10.0%	5.9%
Diversifiers	0.0%	7.4%
Long Short	0.0%	7.0%
Global Public Equity	10.0%	8.3%
Private Markets	0.0%	10.2%
Total	100.0%	

NOTE -10 PENSION PLANS (Continued)

Single 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 long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 4.08% (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 4.50%.

Net Pension Liability

The net pension liability was measured at December 31, 2024, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated January 1, 2024, and the City's fiscal year ending date, or reporting date, is December 31, 2025.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at December 31, 2024	$ 1,126,215	$ 379,444	$ 746,771
Change for the year:			
Interest	48,347	-	48,347
Difference between Expected & Actual Experience of the Total Pension Liability	-	-	-
Changes in Assumptions	-	-	-
Contributions – Employer	-	75,594	(75,594)
Contributions – Member	-	-	-
Net Investment Income	-	11,092	(11,092)
Benefit payments	(104,840)	(104,840)	-
Administrative Expense	-	(3,250)	3,250
Net Changes	(56,493)	(21,404)	(35,089)
Balances at December 31, 2025	1,069,722	358,040	711,682

Timing of the Valuation - An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability/(asset) and pension expense/(income) should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2022 and a measurement date of December 31, 2024. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2025 and may be used for December 31, 2025 reporting purposes.

Expense and deferred outflow calculations are shown starting with the year ending December 31, 2024, but can be used for the plan sponsor's December 31, 2025 financial reporting. Each reported amount will have a one-year lag so that year end December 31, 2024 can be used for December 31, 2025 plan sponsor reporting.

NOTE -10 PENSION PLANS (Continued)

Paragraph 34 of GASB Statement No. 68 indicates that contributions to the pension plan subsequent to the measurement date of the Net Pension Liability/(Asset) and prior to the end of the employer's reporting period should be reported by the employer as a deferred outflow of resources related to pensions. The information contained in this report does not incorporate any contributions made to the La Junta Old Hire Police Pension Fund subsequent to December 31, 2024.

Sensitivity of the Net Pension Liability / (Asset) to the Single Discount Rate Assumption – Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 4.50%, 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 % lower or one % higher:

	1% Decrease (3.50%)	Current Single Discount Rate Assumption (4.50%)	1% Increase (5.50%)
Net Pension Liability	$ 801,598	$ 711,682	$ 633,161

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2025; the City recognized pension revenue of $51,770. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	42,339	5,806
Contributions subsequent to the measurement date	75,594	-
Total	$ 117,933	$ 5,806

$75,594 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2025:	
2026	$ 20,427
2027	15,936
2028	(882)
2029	1,052
2030	-
Thereafter	-
Total	$ 36,533

FIRE DEFINED CONTRIBUTION PLAN AND POLICE DEFINED CONTRIBUTION PLAN

Plan Description - The City provides pension benefits for all of its full-time Fire and Police employees hired after April, 1978 and old hires that chose to switch to the new plan through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment.

NOTE -10 PENSION PLANS (Continued)

State legislation requires that both the employee and the City contribute an amount equal to 8 percent of the employee's base salary each month. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after ten years' continuous service. City contributions for, and interest forfeited by, employees who leave employment before ten years of service are used to reduce the City's current-period contribution requirement.

The City is the trustee of the Fire Defined Contribution Plan and the Police Defined Contribution Plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plans.

Funding Policy - The City's total Fire and Police payroll for 2025 was $1,147,159 and $920,185, respectively. The City's contributions were calculated using a base salary amount of $1,143,256 and $886,578. Both City and the covered employees made the required 8 percent contribution, amounting to $5,716 each for Firemen or a total of $91,460 and $4,433 each for Policemen or a total of $70,926. As of December 31, 2025, the market value of assets held by the plans was $1,899,303 for Fire and $1,500,298 for Police.

CITY RETIREMENT – DEFINED CONTRIBUTION PLAN

Plan Description - The City provides pension benefits for all its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after attaining age 21 and having been employed six months. The plan entrance dates are January 1 and July 1. The plan requires that the employees contribute a minimum of 1 percent and the City contributes an amount equal to 5.7 percent of the employee's base.

The City is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan.

Funding Policy - The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years' continuous service. City contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce the City's current-period contribution requirement.

The City's total payroll in fiscal year 2025 was $8,591,438. The City's contributions were calculated using the base salary amount of $7,205,097. Both the City and the covered employees made the required contributions amounting to $312,793 and $345,773, respectively, for a total of $658,566. As of December 31, 2025, the market value of assets held was $9,416,478.

NOTE -11 NET POSITION

Restricted net position represents net position whose users are subject to constraints that are either 1.) legally imposed by creditors (such as debt covenants), grantors, or laws or regulations of other governments, or 2.) imposed by law through constitutional provisions or enabling legislation. Restricted net position at December 31, 2025 is as follows:

	Governmental Activities	Business-Type Activities	Total
Emergencies - TABOR	$ 336,000	$ -	$ 336,000
Capital Projects	181,945	-	181,945
Endowments - Nonexpendable	445,122	-	445,122
Conservation Trust	109,826	-	109,826
Operations and Maintenance	-	1,334,700	1,334,700
	$ 1,072,893	$ 1,334,700	$ 2,407,593

NOTE -11 NET POSITION (Continued)

Restricted for Emergencies - TABOR – This represents approximately 3% of the City's 2025 fiscal year spending as that term is defined in the Colorado constitution. Under these provisions of the constitution, this portion of the City's net position can be used for declared emergencies only and the City must maintain 3% or more of its spending in this restricted account. The City does not believe this restriction meets the definition of a stabilization arrangement under generally accepted accounting principles.

Restricted for Capital Projects – This represents unspent cash received from the State of Colorado and other entities for specific functions and projects that do not fall under normal operations.

Restricted for Endowments - Nonexpendable – This represents donations received for the Library and Cemetery in which the corpus must remain intact while the investment income can be used for culture and community welfare.

Restricted for Conservation Trust – This represents money received from the Colorado state for parks and open space related projects.

Restricted for Operations and Maintenance – The City is required to maintain an operation and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation as set forth by the creditor.

NOTE -12 FUND BALANCES

At December 31, 2025, fund balances for governmental funds consist of the following:

	Restricted Fund Balance				
	Emergencies TABOR	Capital Projects	Conservation Trust	Endowments - Nonexpendable	Total
General Fund	$ 336,000	$ 181,945	$ -	$ -	$ 517,945
Conservation Trust	-	-	109,826	-	109,826
Library Endowment	-	-	-	112,650	112,650
Cemetery Endowment	-	-	-	332,472	332,472
Total	$ 336,000	$ 181,945	$ 109,826	$ 445,122	$ 1,072,893

	Assigned Fund Balance			
	Subsequent Years' Expenditures	Community and Economic Development	Surcharge	Total
General Fund	$ -	$ -	$ -	$ -
Economic Development	-	155,563	-	155,563
La Junta Urban Renewal Authority	-	447,687	-	447,687
La Junta Capital, Inc.	-	-	-	-
Moving Violation Surcharge	-	-	4,832	4,832
Lodging Tax Tourism	-	1,327,397	-	1,327,397
Total	$ -	$ 1,930,647	$ 4,832	$ 1,935,479

NOTE -12 FUND BALANCES (Continued)

	Nonspendable		
	Notes	Inventory	Total
General Fund	$ -	$ 57,815	$ 57,815
La Junta Urban Renewal Authority	173,406	-	173,406
Lodging Tax Tourism	-	5,665	5,665
Total	$ 173,406	$ 63,480	$ 236,886

NOTE -13 RELATED PARTY TRANSACTIONS

Lease Agreement - The City entered into a lease agreement with a related party and recognized $24,000 in rent revenue in the Property Management Fund.

Rehabilitation Grant/Loan Agreement - The City entered into a Rehabilitation Grant/Loan Agreement on December 18, 2025 with a related party in which the La Junta Urban Renewal Authority board approved a loan for $92,290. The first payment installment of this Loan, including all accrued interest, is due and payable on January 18, 2026. The Loan shall be due and payable in installments of $1,382 on am monthly basis for a period of 72 months to mature on December 18, 2031.

Rehabilitation Grant Agreement - The City entered into a Rehabilitation Grant Agreement in July 2024 with a related party for $25,000 that was eligible to be paid out and recognized as an expense in the Urban Renewal Fund in September 2025.

Intergovernmental Agreement - As indicated in Note -1, the City entered into an intergovernmental agreement with Otero County Landfill, Inc. (OCLI) regarding a landfill operation. For the year ended December 31, 2025, the City had paid OCLI $195,922 for its share of the costs of which $15,490 was due and recorded as accounts payable in the Sanitation Utility Fund. The City has recognized $419,400 for its share of estimated closure and post closure care costs.

Jointly Governed Entity - The City purchased $8,008,063 of power from ARPA (a jointly governed entity), of which $588,428 is recorded in accounts payable in the Electric Utility Fund, to be resold to its utility customers.

NOTE -14 UNEARNED LEASE REVENUES AND LEASES

Unearned Lease Revenue
The City's Property Management Fund has entered into lease agreements with entities for space in which the lessee paid advance amounts for improvements of $1,938,666, $65,000, and $114,120. The City would be required to refund a proportion of this based on the life of the lease if they terminate the lease early. It is being recognized over the terms of the lease agreements of 20 to 40 years, as applicable, with the unamortized balance included in unearned lease revenues. As of December 31, 2025, the balance remaining was $965,486 with $127,700 reported in unearned revenue – current.

Leases
The future minimum rentals on noncancellable leases as of December 31, 2025 are as follows:

2026	$ 846,276
2027	553,572
2028	534,426
2029	513,500
2030	408,964
Thereafter	3,564,045

NOTE -15 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 joined the Colorado Intergovernmental Risk Agency (CIRSA), a public entity risk pool formed to provide property and liability and worker's compensation coverage and related services for its member municipalities. The City pays an annual premium to CIRSA for property and liability insurance coverage and risk management services.

All Colorado municipalities, which are members of the Colorado Municipal League, are eligible to participate in CIRSA. As of the most recent annual report filed, December 31, 2025, there were approximately 285 members in the Property/Casualty/Liability Pool. CIRSA's general objectives are to provide member municipalities and special districts defined property and liability and workers' compensation coverage through joint self-insurance and excess insurance.

Death and disability insurance for police officers hired prior to January 1997 is provided by the Fire and Police Pension Association (FPPA) on behalf of the City of La Junta. The state made one payment to the FPPA in 1997 to fully fund this insurance for officers hired before 1997.

Death and disability insurance for police officers hired after December 1996 is purchased from the FPPA. In 1996 the Colorado state legislature elected to cease providing state funding for disability insurance for police officers beginning with officers hired after December 31, 1996. The amount of settlements did not exceed insurance coverage during the past three fiscal years.

The City has health insurance plan that is administered by an outside third-party vendor. Total premiums paid in 2025 was $2,009,062 and is reported in the Employee Benefit Claim Fund.

NOTE -16 TAX SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The City's management believes a significant portion of its operations qualify for this exclusion.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation.

Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an enterprise will require judicial interpretation. Accordingly, the possibility exists that the City's interpretation of certain TABOR provisions may subsequently be determined to be incorrect. This could result in a potential refund of revenue unless voters approve retention of such revenue. The ultimate outcome of these matters cannot presently be determined and no provision for any liability for a refund of revenue has been made in the financial statements.

NOTE -16 TAX SPENDING AND DEBT LIMITATIONS (Continued)

On November 2, 1993 the voters of the City approved an amendment to allow the collection, retention, and expenditure of the full proceeds of the City's sales and use tax and non-federal grants.

On November 3, 2020 the voters of the City approved an amendment to allow the City to retain and spend all revenues it receives from all sources, beginning in 2021 and thereafter, as a voter approved revenue change under Article X, Section 20 of the Colorado Constitution.

Emergency Reserves have been provided for as required by Article X, Section 20 of the constitution of the State of Colorado. $336,000 of the fund balance has been reserved in compliance with this requirement.

NOTE -17 SUBSEQUENT EVENTS

Subsequent events have been evaluated through the report date, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LA JUNTA, COLORADO

OLD HIRE FIRE PENSION FUND

SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS

YEAR ENDED DECEMBER 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
MEASUREMENT PERIOD ENDED	12/31/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
TOTAL PENSION LIABILITY										
SERVICE COST	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
INTEREST	74,544	78,272	80,584	79,973	82,039	102,107	103,396	101,662	102,500	95,494
CHANGES TO BENEFIT TERMS	-	-	-	-	-	-	-	-	-	-
DIFFERENCE BETWEEN EXPECTED AND ACTUAL EXPERIENCE OF THE TOTAL PENSION LIABILITY	-	(15,893)	-	65,392	-	45,580	-	38,548	-	32,911
ASSUMPTION CHANGES	-	(17,077)	-	-	-	438,644	-	-	-	75,370
BENEFIT PAYMENTS	(126,136)	(130,117)	(133,759)	(129,864)	(126,081)	(122,409)	(118,843)	(115,382)	(112,021)	(108,759)
NET CHANGE IN TOTAL PENSION LIABILITY	(51,592)	(84,815)	(53,175)	15,501	(44,042)	463,922	(15,447)	24,828	(9,521)	95,016
TOTAL PENSION LIABILITY - BEGINNING	1,718,911	1,803,726	1,856,901	1,841,400	1,885,442	1,421,520	1,436,967	1,412,139	1,421,660	1,326,644
TOTAL PENSION LIABILITY - ENDING (a)	$ 1,667,319	$ 1,718,911	$ 1,803,726	$ 1,856,901	$ 1,841,400	$ 1,885,442	$ 1,421,520	$ 1,436,967	$ 1,412,139	$ 1,421,660
PLAN FIDUCIARY NET POSITION										
CONTRIBUTIONS - EMPLOYER	$ 81,083	$ 81,083	$ 74,822	$ 74,822	$ 71,924	$ 71,924	$ 60,388	$ 60,388	$ 48,084	$ 48,084
CONTRIBUTIONS - EMPLOYEE	-	-	-	-	-	-	-	-	-	-
NET INVESTMENT INCOME (LOSS)	17,157	39,148	(89,089)	3,572	60,017	89,732	1,285	103,956	40,569	14,680
BENEFIT PAYMENTS	(126,136)	(130,117)	(133,759)	(129,864)	(126,081)	(122,409)	(118,843)	(115,382)	(112,021)	(108,759)
ADMINISTRATIVE EXPENSES	(3,563)	(2,122)	(3,345)	(1,679)	(2,935)	(1,794)	(3,616)	(1,253)	(3,084)	283
NET CHANGE IN PLAN FIDUCIARY NET POSITION	(31,459)	(12,008)	(151,371)	(53,149)	2,925	37,453	(60,786)	47,709	(26,452)	(45,712)
PLAN FIDUCIARY NET POSITION - BEGINNING	572,230	584,238	735,609	788,758	785,833	748,380	809,166	761,457	787,909	833,621
PLAN FIDUCIARY NET POSITION - ENDING (b)	$ 540,771	$ 572,230	$ 584,238	$ 735,609	$ 788,758	$ 785,833	$ 748,380	$ 809,166	$ 761,457	$ 787,909
PLAN'S NET PENSION LIABILITY - BEGINNING	1,146,681	1,219,488	1,121,292	1,052,642	1,099,609	673,140	627,801	650,682	633,751	493,023
PLAN'S NET PENSION LIABILITY - ENDING (a) - (b)	$ 1,126,548	$ 1,146,681	$ 1,219,488	$ 1,121,292	$ 1,052,642	$ 1,099,609	$ 673,140	$ 627,801	$ 650,682	$ 633,751
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY (b) / (a)	32.43%	33.29%	32.39%	39.61%	42.83%	41.68%	52.65%	56.31%	53.92%	55.42%
COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PLAN'S NET PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

CITY OF LA JUNTA, COLORADO

OLD HIRE POLICE PENSION FUND

SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS

YEAR ENDED DECEMBER 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
MEASUREMENT PERIOD ENDED	12/31/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
TOTAL PENSION LIABILITY										
SERVICE COST	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
INTEREST	48,347	50,990	54,042	52,442	55,660	71,342	74,726	80,293	82,572	75,714
CHANGES TO BENEFIT TERMS	-	-	-	-	-	-	-	-	-	-
DIFFERENCE BETWEEN EXPECTED AND ACTUAL EXPERIENCE OF THE TOTAL PENSION LIABILITY	-	(3,335)	-	114,079	-	85,518	-	(38,164)	-	61,291
ASSUMPTION CHANGES	-	1,352	-	-	-	252,682	-	-	-	64,117
BENEFIT PAYMENTS	(104,840)	(110,569)	(132,930)	(129,058)	(125,299)	(121,649)	(118,106)	(114,666)	(111,327)	(108,084)
NET CHANGE IN TOTAL PENSION LIABILITY	(56,493)	(61,562)	(78,888)	37,463	(69,639)	287,893	(43,380)	(72,537)	(28,755)	93,038
TOTAL PENSION LIABILITY - BEGINNING	1,126,215	1,187,777	1,266,665	1,229,202	1,298,841	1,010,948	1,054,328	1,126,865	1,155,620	1,062,582
TOTAL PENSION LIABILITY - ENDING (a)	$ 1,069,722	$ 1,126,215	$ 1,187,777	$ 1,266,665	$ 1,229,202	$ 1,298,841	$ 1,010,948	$ 1,054,328	$ 1,126,865	$ 1,155,620
PLAN FIDUCIARY NET POSITION										
CONTRIBUTIONS - EMPLOYER	$ 75,594	$ 75,594	$ 65,180	$ 65,180	$ 54,550	$ 55,128	$ 55,128	$ 55,128	$ 37,190	$ 37,190
CONTRIBUTIONS - EMPLOYEE	-	-	-	-	-	-	-	-	-	-
NET INVESTMENT INCOME (LOSS)	11,092	26,401	(62,151)	2,446	45,493	70,887	1,334	87,372	34,775	13,305
BENEFIT PAYMENTS	(104,840)	(110,569)	(132,930)	(129,058)	(125,299)	(121,649)	(118,106)	(114,666)	(111,327)	(108,084)
ADMINISTRATIVE EXPENSES	(3,250)	(1,795)	(3,074)	(1,445)	(2,723)	(1,585)	(3,401)	(1,065)	(2,918)	(1,302)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	(21,404)	(10,369)	(132,975)	(62,877)	(27,979)	2,781	(65,045)	26,769	(42,280)	(58,891)
PLAN FIDUCIARY NET POSITION - BEGINNING	379,444	389,813	522,788	585,665	613,644	610,863	675,908	649,139	691,419	750,310
PLAN FIDUCIARY NET POSITION - ENDING (b)	$ 358,040	$ 379,444	$ 389,813	$ 522,788	$ 585,665	$ 613,644	$ 610,863	$ 675,908	$ 649,139	$ 691,419
PLAN'S NET PENSION LIABILITY - BEGINNING	746,771	797,964	743,877	643,537	685,197	400,085	378,420	477,726	464,201	312,272
PLAN'S NET PENSION LIABILITY - ENDING (a) - (b)	$ 711,682	$ 746,771	$ 797,964	$ 743,877	$ 643,537	$ 685,197	$ 400,085	$ 378,420	$ 477,726	$ 464,201
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY (b) / (a)	33.47%	33.69%	32.82%	41.27%	47.65%	47.25%	60.42%	64.11%	57.61%	59.83%
COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PLAN'S NET PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

CITY OF LA JUNTA, COLORADO

OLD HIRE FIRE PENSION FUND

SCHEDULE OF PLAN CONTRIBUTIONS

LAST 10 FISCAL YEARS

FY ENDING DECEMBER 31,	ACTUARIALLY DETERMINED CONTRIBUTION	ACTUAL CONTRIBUTION*	CONTRIBUTION DEFICIENCY (EXCESS)	COVERED PAYROLL	ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2025	$ 81,083	$ 81,083	$ -	N/A	N/A
2024	$ 81,083	$ 81,083	$ -	N/A	N/A
2023	$ 81,083	$ 81,083	$ -	N/A	N/A
2022	$ 74,822	$ 74,822	$ -	N/A	N/A
2021	$ 74,822	$ 74,822	$ -	N/A	N/A
2020	$ 71,924	$ 71,924	$ -	N/A	N/A
2019	$ 71,924	$ 71,924	$ -	N/A	N/A
2018	$ 60,388	$ 60,388	$ -	N/A	N/A
2017	$ 60,388	$ 60,388	$ -	N/A	N/A
2016	$ 48,084	$ 48,084	$ -	N/A	N/A

** Actuarially Determined Contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.*

CITY OF LA JUNTA, COLORADO

OLD HIRE POLICE PENSION FUND

SCHEDULE OF PLAN CONTRIBUTIONS

LAST 10 FISCAL YEARS

FY ENDING DECEMBER 31,	ACTUARIALLY DETERMINED CONTRIBUTION	ACTUAL CONTRIBUTION*	CONTRIBUTION DEFICIENCY (EXCESS)	COVERED PAYROLL	ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2025	$ 75,594	$ 75,594	$ -	N/A	N/A
2024	$ 75,594	$ 75,594	$ -	N/A	N/A
2023	$ 75,594	$ 75,594	$ -	N/A	N/A
2022	$ 65,180	$ 65,180	$ -	N/A	N/A
2021	$ 65,180	$ 65,180	$ -	N/A	N/A
2020	$ 54,550	$ 54,550	$ -	N/A	N/A
2019	$ 54,550	$ 55,128	$ (578)	N/A	N/A
2018	$ 55,128	$ 55,128	$ -	N/A	N/A
2017	$ 55,128	$ 55,128	$ -	N/A	N/A
2016	$ 37,190	$ 37,190	$ -	N/A	N/A

** Actuarially Determined Contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.*

CITY OF LA JUNTA, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2025

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
TAXES	$ 7,562,400	$ 7,562,400	$ 8,801,754	$ 1,239,354
LICENSES AND PERMITS	57,000	57,000	72,325	15,325
INTERGOVERNMENTAL	1,007,400	1,007,400	1,238,357	230,957
CHARGES FOR SERVICES	2,342,900	2,342,900	1,592,676	(750,224)
FINES	68,000	68,000	88,205	20,205
INTEREST	80,000	80,000	208,882	128,882
MISCELLANEOUS AND RENTALS	113,500	113,500	59,482	(54,018)
TOTAL REVENUES	11,231,200	11,231,200	12,061,681	830,481
EXPENDITURES				
GENERAL GOVERNMENT	1,669,700	1,669,700	1,670,634	(934)
PUBLIC SAFETY	4,597,750	4,597,750	4,547,618	50,132
PUBLIC WORKS	2,144,100	2,144,100	2,191,781	(47,681)
HEALTH AND WELFARE	380,300	380,300	374,143	6,157
CULTURE AND RECREATION	2,449,350	2,449,350	2,389,182	60,168
TOTAL EXPENDITURES	11,241,200	11,241,200	11,173,358	67,842
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(10,000)	(10,000)	888,323	898,323
OTHER FINANCING SOURCES				
TRANSFERS IN	10,000	10,000	39,000	29,000
REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	-	-	927,323	927,323
FUND BALANCE JANUARY 1	4,460,250	4,460,250	4,460,250	-
FUND BALANCE DECEMBER 31	$ 4,460,250	$ 4,460,250	$ 5,387,573	$ 927,323

NOTE -1 SCHEDULES OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS

Measurement Period: January 1, 2024 - December 31, 2024 for the Fiscal Year Ending December 31, 2025 (December 31, 2024 measurement date). The City elected the one-year lookback for measurement date and measurement period purposes.

NOTE -2 SCHEDULES OF PLAN CONTRIBUTIONS

Actuarial Assumptions

Valuation Date: January 1, 2024

Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022, determines the contribution amounts for measurement dates 2023 and 2024 for the employer reporting dates of 2024 and 2025.

Significant actuarial methods and assumptions used to determine the contribution rates for the Old Hire Fire Pension Fund and Old Hire Police Pension Fund are as follows:

Actuarial Cost Method	-	Entry Age Normal
Amortization Method	-	N/A
Remaining Amortization Period	-	N/A
Asset Valuation Method	-	5-Year smoothed fair value
Inflation	-	2.50%
Salary Increase	-	N/A
Investment Rate of Return	-	4.50%
Retirement Age	-	Any remaining actives are assumed to retire immediately
Mortality Rates	-	Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. Disabled (pre-1980): Post-retirement rates set forward three years.

SUPPLEMENTARY INFORMATION

CITY OF LA JUNTA, COLORADO

GENERAL FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 2,533,450	$ 1,674,207
CASH WITH TRUSTEE	229	566
RESTRICTED CASH	181,945	162,539
INVESTMENTS	1,264,895	1,166,134
RECEIVABLES:		
ACCOUNTS RECEIVABLE	155,061	72,361
GRANTS RECEIVABLE	241,390	7,621
PROPERTY TAXES RECEIVABLE	127,100	108,500
SALES TAX RECEIVABLE	1,199,478	1,206,236
OTHER RECEIVABLE	78,348	425,123
DUE FROM OTHER FUND	58,000	-
INVENTORY	57,815	-
TOTAL ASSETS	$ 5,897,711	$ 4,823,287
LIABILITIES		
ACCOUNTS PAYABLE AND ACCRUED PAYROLL TAXES	$ 326,500	$ 246,103
UNEARNED REVENUE	12,204	8,434
DUE TO OTHER FUND	44,334	-
TOTAL LIABILITIES	383,038	254,537
DEFERRED INFLOWS OF RESOURCES		
DEFERRED REVENUES - PROPERTY TAXES	127,100	108,500
FUND BALANCE		
NONSPENDABLE - INVENTORY	57,815	-
RESTRICTED FOR EMERGENCIES - TABOR	336,000	333,000
RESTRICTED ASSETS	181,945	162,539
UNASSIGNED	4,811,813	3,964,711
TOTAL FUND BALANCE	5,387,573	4,460,250
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	$ 5,897,711	$ 4,823,287

CITY OF LA JUNTA, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
REVENUES		
TAXES	$ 8,801,754	$ 8,666,179
LICENSES AND PERMITS	72,325	61,072
INTERGOVERNMENTAL	1,238,357	1,542,510
CHARGES FOR SERVICES	1,592,676	2,107,200
FINES	88,205	80,384
INTEREST	208,882	182,678
MISCELLANEOUS AND RENTALS	59,482	165,319
TOTAL REVENUES	12,061,681	12,805,342
EXPENDITURES		
GENERAL GOVERNMENT	1,670,634	1,654,138
PUBLIC SAFETY	4,547,618	4,233,629
PUBLIC WORKS	2,191,781	1,892,800
HEALTH AND WELFARE	374,143	374,259
CULTURE AND RECREATION	2,389,182	2,921,360
TOTAL EXPENDITURES	11,173,358	11,076,186
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	888,323	1,729,156
OTHER FINANCING SOURCES		
TRANSFERS IN	39,000	10,000
REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	927,323	1,739,156
FUND BALANCE JANUARY 1	4,460,250	2,721,094
FUND BALANCE DECEMBER 31	$ 5,387,573	$ 4,460,250

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Conservation Trust Fund – This fund is used to account for the collection and disbursement of revenues received from the Colorado state lottery and are restricted for parks and open space related projects.

Economic Development Fund – This fund is used to account for the collection and disbursement of specified federal and state grant revenues for the use of promoting the attraction of and retention of businesses.

La Junta Urban Renewal Authority Fund - This fund accounts for tax increment financing that is available to reinvest in the urban renewal district for property enhancements or new development incentives.

La Junta Capital Inc. Fund – This fund is used to account for the collection and disbursement of revenues received from donations and contributions for capital related projects. Closed out in 2025.

Moving Violation Surcharge Fund – This fund accounts for the surcharge on certain fines and tickets to be used for the purchase of police department equipment and supplies.

Lodging Tax Tourism Fund – This fund is used for the collection and disbursement of lodging tax revenues to be used for the promotion and advertising of tourism for the City.

PERMANENT FUNDS

Library Endowment Fund – This fund accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes. Interest earnings are restricted for expenditures related to the library through a transfer to the General Fund.

Cemetery Endowment Fund - This fund accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes. Interest earnings are restricted for maintenance and operation of the cemetery through a transfer to the General Fund.

CITY OF LA JUNTA, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2025

	SPECIAL REVENUE FUNDS						PERMANENT FUNDS		TOTAL
	CONSERVATION TRUST	ECONOMIC DEVELOPMENT	URBAN RENEWAL AUTHORITY	LA JUNTA CAPITAL INC.	MOVING VIOLATION SURCHARGE	LODGING TAX TOURISM	LIBRARY ENDOWMENT	CEMETERY ENDOWMENT	NONMAJOR GOVERNMENTAL FUND
ASSETS									
CASH OR EQUIVALENTS	$ 109,826	$ 49,603	$ 57,128	$ -	$ 4,832	$ 76,072	$ -	$ 218,714	$ 516,175
INVESTMENTS	-	121,941	400,559	-	-	1,269,761	112,650	113,758	2,018,669
RECEIVABLES:									
LODGING TAX RECEIVABLE	-	-	-	-	-	9,529	-	-	9,529
NOTE RECEIVABLE	-	-	173,406	-	-	-	-	-	173,406
GRANTS RECEIVABLE	-	-	-	-	-	-	-	-	-
DUE FROM OTHER FUND	-	-	-	-	-	44,334	-	-	44,334
INVENTORY	-	-	-	-	-	5,665	-	-	5,665
TOTAL ASSETS	$ 109,826	$ 171,544	$ 631,093	$ -	$ 4,832	$ 1,405,361	$ 112,650	$ 332,472	$ 2,767,778
LIABILITIES									
ACCOUNTS PAYABLE	$ -	$ -	$ -	$ -	$ -	$ 24,299	$ -	$ -	$ 24,299
UNEARNED REVENUE	-	15,981	-	-	-	-	-	-	15,981
DUE TO OTHER FUND	-	-	10,000	-	-	48,000	-	-	58,000
TOTAL LIABILITIES	-	15,981	10,000	-	-	72,299	-	-	98,280
FUND BALANCE									
NONSPENDABLE FOR:									
NOTES	-	-	173,406	-	-	-	-	-	173,406
INVENTORY	-	-	-	-	-	5,665	-	-	5,665
RESTRICTED FOR:									
CONSERVATION TRUST	109,826	-	-	-	-	-	-	-	109,826
NONEXPENDABLE	-	-	-	-	-	-	112,650	332,472	445,122
ASSIGNED	-	155,563	447,687	-	4,832	1,327,397	-	-	1,935,479
TOTAL FUND BALANCE	109,826	155,563	621,093	-	4,832	1,333,062	112,650	332,472	2,669,498
TOTAL LIABILITIES AND FUND BALANCE	$ 109,826	$ 171,544	$ 631,093	$ -	$ 4,832	$ 1,405,361	$ 112,650	$ 332,472	$ 2,767,778

CITY OF LA JUNTA, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS BALANCE

YEAR ENDED DECEMBER 31, 2025

	SPECIAL REVENUE FUNDS						PERMANENT FUNDS		TOTAL
	CONSERVATION TRUST	ECONOMIC DEVELOPMENT	URBAN RENEWAL AUTHORITY	LA JUNTA CAPITAL INC.	MOVING VIOLATION SURCHARGE	LODGING TAX TOURISM	LIBRARY ENDOWMENT	CEMETERY ENDOWMENT	NONMAJOR GOVERNMENTAL FUNDS
REVENUES									
TAXES	$ -	$ -	$ 271,374	$ -	$ -	$ 215,877	$ -	$ -	$ 487,251
INTERGOVERNMENTAL	84,316	-	-	-	-	-	-	-	84,316
INTEREST	7,402	4,996	19,144	-	-	44,937	4,573	5,089	86,141
GRANTS	-	30,943	-	-	-	-	-	-	30,943
OTHER	-	2,398	-	-	3,263	4,856	-	9,504	20,021
TOTAL REVENUES	91,718	38,337	290,518	-	3,263	265,670	4,573	14,593	708,672
EXPENDITURES									
GENERAL GOVERNMENT	-	-	7,233	-	-	113,723	-	-	120,956
CULTURE AND RECREATION	345,339	-	-	-	-	-	-	-	345,339
ECONOMIC DEVELOPMENT	-	24,652	30,223	-	-	-	-	-	54,875
DEBT SERVICE	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	345,339	24,652	37,456	-	-	113,723	-	-	521,170
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(253,621)	13,685	253,062	-	3,263	151,947	4,573	14,593	187,502
OTHER FINANCING SOURCES (USES)									
TRANSFERS IN	-	9,156	-	-	-	-	-	-	9,156
TRANSFERS OUT	-	-	(20,000)	(9,156)	-	-	-	-	(29,156)
TOTAL OTHER FINANCING SOURCES	-	9,156	(20,000)	(9,156)	-	-	-	-	(20,000)
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(253,621)	22,841	233,062	(9,156)	3,263	151,947	4,573	14,593	167,502
FUND BALANCE JANUARY 1	363,447	132,722	388,031	9,156	1,569	1,181,115	108,077	317,879	2,501,996
FUND BALANCE DECEMBER 31	$ 109,826	$ 155,563	$ 621,093	$ -	$ 4,832	$ 1,333,062	$ 112,650	$ 332,472	$ 2,669,498

CITY OF LA JUNTA, COLORADO

CONSERVATION TRUST FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 109,826	$ 160,487
GRANT RECEIVABLE	-	118,949
OTHER RECEIVABLE	-	84,011
TOTAL ASSETS	$ 109,826	$ 363,447
LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
UNEARNED REVENUE	-	-
TOTAL LIABILITIES	-	-
FUND BALANCE		
RESTRICTED	109,826	363,447
TOTAL LIABILITIES AND FUND BALANCE	$ 109,826	$ 363,447

CITY OF LA JUNTA, COLORADO

CONSERVATION TRUST FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025		VARIANCE	
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
INTERGOVERNMENTAL	84,316	$ 96,000	(11,684)	$ 171,487
GRANTS	-	-	-	304,148
INTEREST	7,402	1,500	5,902	7,216
TOTAL REVENUES	91,718	97,500	(5,782)	482,851
EXPENDITURES				
CULTURE AND RECREATION	345,339	397,000	51,661	463,078
REVENUES OVER (UNDER) EXPENDITURES	(253,621)	(299,500)	45,879	19,773
FUND BALANCE JANUARY 1	363,447	363,447	-	343,674
FUND BALANCE DECEMBER 31	$ 109,826	$ 63,947	45,879	$ 363,447

CITY OF LA JUNTA, COLORADO

ECONOMIC DEVELOPMENT FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 49,603	$ 24,887
INVESTMENTS	121,941	107,835
TOTAL ASSETS	$ 171,544	$ 132,722
LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
UNEARNED REVENUE	15,981	-
TOTAL LIABILITIES	15,981	-
FUND BALANCE		
ASSIGNED	155,563	132,722
TOTAL LIABILITIES AND FUND BALANCE	$ 171,544	$ 132,722

CITY OF LA JUNTA, COLORADO

ECONOMIC DEVELOPMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025		VARIANCE	
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
INTEREST INCOME	$ 4,996	$ 1,000	$ 3,996	$ 5,376
GRANT	30,943	30,500	443	33,250
OTHER	2,398	-	2,398	-
TOTAL REVENUES	38,337	31,500	6,837	38,626
EXPENDITURES				
CONTRACT SERVICES	7,685	42,000	34,315	11,592
GRANT	16,089	16,500	411	27,500
MISCELLANEOUS	878	6,000	5,122	3,125
TOTAL EXPENDITURES	24,652	64,500	39,848	42,217
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	13,685	(33,000)	46,685	(3,591)
OTHER FINANCING SOURCES				
TRANSFERS IN	9,156	40,000	(30,844)	-
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	22,841	7,000	15,841	(3,591)
FUND BALANCE JANUARY 1	132,722	132,722	-	136,313
FUND BALANCE DECEMBER 31	$ 155,563	$ 139,722	$ 15,841	$ 132,722

CITY OF LA JUNTA, COLORADO

LA JUNTA URBAN RENEWAL AUTHORITY

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 57,128	$ 15,112
INVESTMENTS	400,559	371,481
RECEIVABLES:		
NOTES RECEIVABLE	173,406	1,438
TOTAL ASSETS	$ 631,093	$ 388,031
LIABILITIES		
DUE TO OTHER FUND	$ 10,000	$ -
TOTAL LIABILITIES	10,000	-
FUND BALANCE		
NONSPENDABLE - NOTES RECEIVABLE	173,406	1,438
ASSIGNED	447,687	386,593
TOTAL FUND BALANCE	621,093	388,031
TOTAL LIABILITIES AND FUND BALANCE	$ 631,093	$ 388,031

CITY OF LA JUNTA, COLORADO

LA JUNTA URBAN RENEWAL AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025 ACTUAL	2025 FINAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
PROPERTY TAXES	$ 271,374	$ 400,000	$ (128,626)	$ 214,556
INTEREST	19,144	18,000	1,144	20,632
TOTAL REVENUES	290,518	418,000	(127,482)	235,188
EXPENDITURES				
ECONOMIC DEVELOPMENT	30,223	200,000	169,777	302,537
GENERAL GOVERNMENT	7,233	12,000	4,767	3,743
DEBT SERVICE	-	35,000	35,000	34,730
TOTAL EXPENDITURES	37,456	247,000	209,544	341,010
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	253,062	171,000	82,062	(105,822)
OTHER FINANCING SOURCES				
TRANSFER OUT	(20,000)	(20,000)	-	(6,200)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	233,062	151,000	82,062	(112,022)
FUND BALANCE JANUARY 1	388,031	388,031	-	500,053
FUND BALANCE DECEMBER 31	$ 621,093	$ 539,031	$ 82,062	$ 388,031

CITY OF LA JUNTA, COLORADO

LA JUNTA CAPITAL, INC.

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ -	$ -
INVESTMENTS	-	9,156
TOTAL ASSETS	$ -	$ 9,156
LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
FUND BALANCE		
ASSIGNED	-	9,156
TOTAL LIABILITIES AND FUND BALANCE	$ -	$ 9,156

CITY OF LA JUNTA, COLORADO

LA JUNTA CAPITAL, INC.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025 ACTUAL	2025 FINAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
INTEREST	$ -	$ -	$ -	$ 453
OTHER	-	-	-	-
TOTAL REVENUES	-	-	-	453
EXPENDITURES				
ADMINISTRATION	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	-	-	-	453
OTHER FINANCING SOURCES				
TRANSFER OUT	(9,156)	-	(9,156)	-
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(9,156)	-	(9,156)	453
FUND BALANCE JANUARY 1	9,156	9,156	-	8,703
FUND BALANCE DECEMBER 31	$ -	$ 9,156	$ (9,156)	$ 9,156

CITY OF LA JUNTA, COLORADO

MOVING VIOLATION SURCHARGE

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 4,832	$ 1,569
LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
FUND BALANCE		
ASSIGNED	4,832	1,569
TOTAL LIABILITIES AND FUND BALANCE	$ 4,832	$ 1,569

CITY OF LA JUNTA, COLORADO

MOVING VIOLATION SURCHARGE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025 ACTUAL	2025 FINAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
SURCHARGE	$ 3,263	$ 1,000	$ 2,263	$ 2,267
EXPENDITURES				
GENERAL GOVERNMENT	-	-	-	2,900
REVENUES OVER EXPENDITURES	3,263	1,000	2,263	(633)
FUND BALANCE JANUARY 1	1,569	1,569	-	2,202
FUND BALANCE DECEMBER 31	$ 4,832	$ 2,569	$ 2,263	$ 1,569

CITY OF LA JUNTA, COLORADO

LODGING TAX TOURISM FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH OR EQUIVALENTS	$ 76,072	$ 12,755
INVESTMENTS	1,269,761	1,127,408
TAX RECEIVABLE	9,529	11,570
GRANT RECEIVABLE	-	40,000
DUE FROM OTHER FUND	44,334	-
INVENTORY	5,665	-
TOTAL ASSETS	$ 1,405,361	$ 1,191,733
LIABILITIES		
ACCOUNTS PAYABLE	$ 24,299	$ 10,618
UNEARNED REVENUE	-	-
DUE TO OTHER FUND	48,000	-
TOTAL LIABILITIES	72,299	10,618
FUND BALANCE		
NONSPENDABLE - NOTES RECEIVABLE	5,665	-
ASSIGNED	1,327,397	1,181,115
TOTAL FUND BALANCE	1,333,062	1,181,115
TOTAL LIABILITIES AND FUND BALANCE	$ 1,405,361	$ 1,191,733

CITY OF LA JUNTA, COLORADO

LODGING TAX TOURISM FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025		VARIANCE	
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
TOURISM TAX	$ 215,877	$ 216,000	$ (123)	$ 209,109
GRANTS	-	-	-	75,000
INTEREST	44,937	50,400	(5,463)	50,993
OTHER	4,856			
TOTAL REVENUES	265,670	266,400	(5,586)	335,102
EXPENDITURES				
ADVERTISING	23,100	50,000	26,900	51,131
SUPPLIES	914	10,000	9,086	4,450
EVENT COORDINATOR	48,000	48,000	-	48,000
MARKETING AND PROMOTION	33,601	95,000	61,399	20,904
ADMINISTRATIVE FEES	5,146	6,500	1,354	6,344
GRANTS	-	-	-	83,500
MISCELLANEOUS	2,962	11,000	8,038	2,528
TOTAL EXPENDITURES	113,723	220,500	106,777	216,857
REVENUES OVER (UNDER) EXPENDITURES	151,947	45,900	101,191	118,245
FUND BALANCE JANUARY 1	1,181,115	1,181,115	-	1,062,870
FUND BALANCE DECEMBER 31	$ 1,333,062	$ 1,227,015	$ 101,191	$ 1,181,115

CITY OF LA JUNTA, COLORADO

LIBRARY ENDOWMENT FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH IN SAVINGS	$ -	$ -
INVESTMENTS	112,650	108,077
TOTAL ASSETS	$ 112,650	$ 108,077
LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
FUND BALANCE		
RESTRICTED FOR ENDOWMENTS	112,650	108,077
TOTAL LIABILITIES AND FUND BALANCE	$ 112,650	$ 108,077

CITY OF LA JUNTA, COLORADO

LIBRARY ENDOWMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025		VARIANCE	
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
INTEREST INCOME	$ 4,573	$ 5,400	$ (827)	$ 5,342
EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	4,573	5,400	(827)	5,342
FUND BALANCE JANUARY 1	108,077	108,077	-	102,735
FUND BALANCE DECEMBER 31	$ 112,650	$ 113,477	$ (827)	$ 108,077

CITY OF LA JUNTA, COLORADO

CEMETERY ENDOWMENT FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CASH AND EQUIVALENTS	$ 218,714	$ 208,739
INVESTMENTS	113,758	109,140
TOTAL ASSETS	$ 332,472	$ 317,879
LIABILITIES		
ACCOUNTS PAYABLE	$ -	$ -
FUND BALANCE		
RESTRICTED FOR ENDOWMENTS	332,472	317,879
TOTAL LIABILITIES AND FUND BALANCE	$ 332,472	$ 317,879

CITY OF LA JUNTA

CEMETERY ENDOWMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025		VARIANCE	
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	2024 ACTUAL
REVENUES				
INTEREST INCOME	$ 5,089	$ 8,000	$ (2,911)	$ 9,945
OTHER	9,504	7,300	2,204	4,805
TOTAL REVENUES	14,593	15,300	(707)	14,750
EXPENDITURES				
GENERAL GOVERNMENT	-	-	-	-
NET CHANGE IN FUND BALANCE	14,593	15,300	(707)	14,750
FUND BALANCE JANUARY 1	317,879	317,879	-	303,129
FUND BALANCE DECEMBER 31	$ 332,472	$ 333,179	$ (707)	$ 317,879

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 2,886,590	$ 2,118,421
INVESTMENTS	2,549,168	2,163,340
ACCOUNTS RECEIVABLE BILLED CUSTOMERS - NET	767,086	650,439
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	647,100	648,700
INVENTORIES	1,652,322	1,618,866
PREPAID AND ACCRUALS	8,062	7,067
TOTAL CURRENT ASSETS	8,510,328	7,206,833
PROPERTY AND EQUIPMENT		
LAND, ELECTRIC SYSTEM, AND EQUIPMENT	12,627,135	12,546,624
ACCUMULATED DEPRECIATION	(8,825,917)	(8,350,914)
NET PROPERTY AND EQUIPMENT	3,801,218	4,195,710
TOTAL ASSETS	$ 12,311,546	$ 11,402,543
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 644,955	$ 683,669
CUSTOMER DEPOSITS	182,863	170,242
TOTAL CURRENT LIABILITIES	827,818	853,911
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	207,578	197,729
TOTAL LIABILITIES	1,035,396	1,051,640
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	3,801,218	4,195,710
UNRESTRICTED	7,474,932	6,155,193
TOTAL NET POSITION	11,276,150	10,350,903
TOTAL LIABILITIES AND NET POSITION	$ 12,311,546	$ 11,402,543

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES	$ 12,163,414	$ 12,000,417
OPERATING EXPENSES		
GENERATION	8,297,817	8,824,966
DISTRIBUTION	1,075,622	1,319,521
ACCOUNTING AND GENERAL ADMINISTRATION	1,636,724	1,632,745
DEPRECIATION	475,004	465,629
TOTAL OPERATING EXPENSES	11,485,167	12,242,861
OPERATING INCOME (LOSS)	678,247	(242,444)
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	111,188	113,158
GAIN (LOSS) ON SALE OF ASSET	-	53,000
GRANTS AND OTHER	135,812	71,765
TOTAL NONOPERATING REVENUES	247,000	237,923
CHANGE IN NET POSITION	925,247	(4,521)
NET POSITION JANUARY 1	10,350,903	10,355,424
NET POSITION DECEMBER 31	$ 11,276,150	$ 10,350,903

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 12,048,367	$ 12,054,148
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(9,849,088)	(10,410,268)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(1,222,658)	(1,223,214)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	976,621	420,666
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
OTHER REVENUES	135,812	71,765
CUSTOMER DEPOSITS	12,621	(16,379)
DUE TO OTHER FUND	-	100,000
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	148,433	155,386
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(80,512)	(320,115)
CASH PROCEEDS FROM SALE OF ASSET	-	53,000
NET CASH FLOWS PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(80,512)	(267,115)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND LOANS	23,627	29,800
PURCHASE OF INVESTMENTS	(300,000)	(1,580,331)
CASH PROCEEDS FROM SALE OF INVESTMENTS	-	880,332
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	(276,373)	(670,199)
NET CHANGE IN CASH AND CASH EQUIVALENTS	768,169	(361,262)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	2,118,421	2,479,683
CASH AND CASH EQUIVALENTS END OF YEAR	$ 2,886,590	$ 2,118,421
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ 678,247	$ (242,444)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	475,004	465,629
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE AND PREPAIDS	(114,309)	54,047
(INCREASE) DECREASE IN INVENTORIES	(33,456)	160,142
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(38,714)	(8,242)
INCREASE (DECREASE) IN ACCRUED BENEFITS	9,849	(8,466)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 976,621	$ 420,666

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2025

	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
CHARGES FOR SERVICES	$ 12,077,200	$ 12,077,200	$ 12,163,414	$ 86,214
INTEREST INCOME	40,000	40,000	111,188	71,188
OTHER	96,500	96,500	135,812	39,312
TOTAL REVENUES	12,213,700	12,213,700	12,410,414	196,714
EXPENDITURES				
GENERATION	8,583,600	8,583,600	8,297,817	285,783
DISTRIBUTION	1,252,500	1,252,500	1,075,622	176,878
GENERAL ADMINISTRATION	1,619,900	1,619,900	1,636,724	(16,824)
DEPRECIATION	487,200	487,200	475,004	12,196
CAPITAL OUTLAY	230,000	913,100	80,512	832,588
TOTAL EXPENDITURES	12,173,200	12,856,300	11,565,679	1,290,621
REVENUES OVER (UNDER) EXPENDITURES	$ 40,500	$ (642,600)	844,735	$ 1,487,335
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			80,512	
CHANGE IN NET POSITION			925,247	
TOTAL NET POSITION JANUARY 1			10,350,903	
TOTAL NET POSITION DECEMBER 31			$ 11,276,150	

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 1,024,371	$ 325,453
INVESTMENTS	1,553,293	411,240
ACCOUNTS RECEIVABLE - CUSTOMERS	234,597	205,878
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	134,000	118,500
GRANT RECEIVABLE	310,418	26,790
INVENTORIES	560,916	587,890
WATER INVENTORY	24,396	44,120
PREPAID AND ACCRUALS	35,615	27,690
TOTAL CURRENT ASSETS	3,877,606	1,747,561
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT	24,096,217	24,020,428
ACCUMULATED DEPRECIATION	(12,241,293)	(11,644,661)
NET PROPERTY AND EQUIPMENT	11,854,924	12,375,767
TOTAL ASSETS	$ 15,732,530	$ 14,123,328
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 303,115	$ 82,756
CURRENT PORTION - BORROWING TO OTHER FUND	-	78,600
CURRENT PORTION - LOAN PAYABLE	91,500	91,500
CURRENT PORTION - LEASE PAYABLE	81,730	78,140
TOTAL CURRENT LIABILITIES	476,345	330,996
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	111,266	93,002
BORROWINGS TO OTHER FUND	-	445,831
LOAN PAYABLE	320,250	411,750
LEASE PAYABLE	252,536	334,266
TOTAL NONCURRENT LIABILITIES	684,052	1,284,849
TOTAL LIABILITIES	1,160,397	1,615,845
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	11,108,908	11,460,111
RESTRICTED FOR OPERATIONS & MAINTENANCE	819,700	636,400
UNRESTRICTED	2,643,525	410,972
TOTAL NET POSITION	14,572,133	12,507,483
TOTAL LIABILITIES AND NET POSITION	$ 15,732,530	$ 14,123,328

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES	$ 3,467,665	$ 3,352,621
OTHER BILLINGS	167,381	183,345
TOTAL OPERATING REVENUES	3,635,046	3,535,966
OPERATING EXPENSES		
SOURCE OF SUPPLY	212,697	181,838
POWER AND PUMPING	265,818	298,986
HOLBROOK	60,647	54,756
PURIFICATION	757,682	747,870
TRANSMISSION AND STORAGE	57,911	47,462
DISTRIBUTION	461,954	394,872
ACCOUNTING AND GENERAL ADMINISTRATION	807,950	819,591
DEPRECIATION	596,632	581,973
TOTAL OPERATING EXPENSES	3,221,291	3,127,348
OPERATING INCOME (LOSS)	413,755	408,618
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	36,474	23,682
INTEREST EXPENSE	(31,584)	(19,661)
GAIN (LOSS) ON SALE OF ASSET	2,954	16,599
RENT AND OTHER	18,575	18,486
GRANT INCOME	654,123	35,806
GRANT EXPENSE	(654,123)	-
SETTLEMENT PROCEEDS	1,607,976	-
TOTAL NONOPERATING REVENUES (EXPENSES)	1,634,395	74,912
INCOME BEFORE CAPITAL CONTRIBUTIONS	2,048,150	483,530
CAPITAL CONTRIBUTIONS	16,500	37,190
CHANGE IN NET POSITION	2,064,650	520,720
NET POSITION JANUARY 1	12,507,483	11,986,763
NET POSITION DECEMBER 31	$ 14,572,133	$ 12,507,483

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 3,423,446	$ 3,311,885
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(1,393,961)	(1,670,689)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(945,377)	(1,069,037)
OTHER OPERATING REVENUES	167,381	183,345
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	1,251,489	755,504
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
RENTS RECEIVED AND OTHER	18,575	18,486
BORROWINGS TO OTHER FUNDS	(539,056)	(96,691)
GRANT PROCEEDS	370,495	11,245
GRANT PAYMENTS	(654,123)	-
SETTLEMENT PROCEEDS	1,607,976	-
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	803,867	(66,960)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(75,789)	(426,686)
CASH PROCEEDS FROM SALE OF ASSETS	2,954	16,599
CAPITAL CONTRIBUTED	16,500	37,190
PRINCIPAL PAID ON LOAN AND LEASE PAYABLES	(177,565)	(105,780)
INTEREST PAID ON LOAN AND LEASE PAYABLES	(16,959)	(1,570)
LEASE PROCEEDS	-	426,686
NET CASH FLOWS PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(250,859)	(53,561)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	6,345	7,423
PURCHASE OF INVESTMENTS	(1,211,924)	(378,879)
CASH PROCEEDS FROM SALE OF INVESTMENTS	100,000	-
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	(1,105,579)	(371,456)
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	698,918	263,527
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	325,453	61,926
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	$ 1,024,371	$ 325,453

	2025	2024
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ 413,755	$ 408,618
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	596,632	581,973
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE AND PREPAIDS	(44,219)	(48,787)
(INCREASE) DECREASE IN INVENTORIES	46,698	(120,123)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	220,359	24,598
INCREASE (DECREASE) IN ACCRUED EXPENSES	18,264	(90,775)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 1,251,489	$ 755,504

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2025

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
CHARGES FOR SERVICES	$ 3,417,000	$ 3,417,000	$ 3,467,665	$ 50,665
INTEREST INCOME	20,000	20,000	36,474	16,474
OTHER BILLINGS AND INCOME	164,000	164,000	188,910	24,910
GRANT INCOME	-	-	654,123	654,123
SETTLEMENT PROCEEDS	-	1,576,500	1,607,976	31,476
TOTAL REVENUES	3,601,000	5,177,500	5,955,148	777,648
EXPENDITURES				
SOURCE OF SUPPLY	213,500	213,500	212,697	803
POWER AND PUMPING	331,000	331,000	265,818	65,182
HOLBROOK	123,500	123,500	60,647	62,853
PURIFICATION	1,080,000	1,080,000	757,682	322,318
TRANSMISSION AND STORAGE	80,000	80,000	57,911	22,089
DISTRIBUTION	533,200	533,200	461,954	71,246
GENERAL ADMINISTRATION	896,700	896,700	807,950	88,750
DEPRECIATION AND AMORTIZATION	573,000	573,000	596,632	(23,632)
GRANT EXPENSES	-	-	654,123	(654,123)
INTEREST	-	-	31,584	(31,584)
CAPITAL OUTLAY	150,000	150,000	75,789	74,211
DEBT SERVICE	170,100	170,100	177,565	(7,465)
TOTAL EXPENDITURES	4,151,000	4,151,000	4,160,352	(9,352)
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(550,000)	1,026,500	1,794,796	768,296
OTHER FINANCING SOURCES (USES)				
CONTRIBUTIONS	10,000	10,000	16,500	6,500
	$ (540,000)	$ 1,036,500	1,811,296	$ 774,796
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			75,789	
PRINCIPAL PAID ON LOANS			177,565	
TOTAL ADJUSTMENTS TO BASIS			253,354	
CHANGE IN NET POSITION			2,064,650	
TOTAL NET POSITION JANUARY 1			12,507,483	
TOTAL NET POSITION DECEMBER 31			$ 14,572,133	

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 58,354	$ 30
INVESTMENTS	195,111	-
ACCOUNTS RECEIVABLE - CUSTOMERS	232,425	210,406
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	115,300	116,000
INVENTORIES	22,519	23,216
PREPAID AND ACCRUALS	8,044	-
TOTAL CURRENT ASSETS	631,753	349,652
PROPERTY AND EQUIPMENT		
LAND, SEWER SYSTEM, AND EQUIPMENT	28,737,102	27,976,680
ACCUMULATED DEPRECIATION	(7,942,015)	(7,340,098)
NET PROPERTY AND EQUIPMENT	20,795,087	20,636,582
TOTAL ASSETS	$ 21,426,840	$ 20,986,234
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 20,113	$ 54,041
ACCRUED INTEREST	75,046	79,482
DUE TO OTHER FUND	-	285,100
CURRENT PORTION - LOANS PAYABLE	771,673	765,668
CURRENT PORTION - LEASE PAYABLE	82,957	79,314
TOTAL CURRENT LIABILITIES	949,789	1,263,605
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	86,745	98,274
LOANS PAYABLE	11,281,771	12,053,444
LEASE PAYABLE	256,328	339,285
TOTAL NONCURRENT LIABILITIES	11,624,844	12,491,003
TOTAL LIABILITIES	12,574,633	13,754,608
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	8,402,358	7,398,871
RESTRICTED FOR OPERATIONS & MAINTENANCE	515,000	516,400
UNRESTRICTED	(65,151)	(683,645)
TOTAL NET POSITION	8,852,207	7,231,626
TOTAL LIABILITIES AND NET POSITION	$ 21,426,840	$ 20,986,234

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES	$ 2,869,261	$ 2,800,918
OPERATING EXPENSES		
COLLECTION SYSTEM	390,667	373,497
PUMPING STATIONS	78,945	70,860
TREATMENT PLANT	1,064,682	1,044,392
PRETREATMENT	119,169	139,714
ACCOUNTING AND GENERAL ADMINISTRATION	406,260	436,764
DEPRECIATION	601,918	601,388
TOTAL OPERATING EXPENSES	2,661,641	2,666,615
OPERATING INCOME (LOSS)	207,620	134,303
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	4,976	5,410
INTEREST EXPENSE	(209,254)	(204,133)
GRANTS AND OTHER	7,217	13,438
SETTLEMENT PROCEEDS	1,607,976	-
TOTAL NONOPERATING REVENUES (EXPENSES)	1,410,915	(185,285)
INCOME BEFORE CAPITAL CONTRIBUTIONS	1,618,535	(50,982)
CAPITAL CONTRIBUTIONS	2,046	5,499
CHANGE IN NET POSITION	1,620,581	(45,483)
NET POSITION JANUARY 1	7,231,626	7,277,109
NET POSITION DECEMBER 31	$ 8,852,207	$ 7,231,626

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 2,847,942	$ 2,808,105
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(1,255,376)	(1,314,784)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(849,107)	(742,564)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	743,459	750,757
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
DUE TO OTHER FUND	(285,100)	185,100
OTHER INCOME	7,217	13,438
SETTLEMENT PROCEEDS	1,607,976	-
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	1,330,093	198,538
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(760,423)	(433,093)
CAPITAL CONTRIBUTED	2,046	5,499
LEASE PROCEEDS	-	433,093
PRINCIPAL PAID ON LOAN AND LEASE PAYABLES	(853,026)	(768,562)
INTEREST PAID ON LOAN AND LEASE PAYABLES	(213,690)	(209,182)
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(1,825,093)	(972,245)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	-	3,772
PURCHASE OF INVESTMENTS	(229,153)	(150,279)
CASH PROCEEDS FROM SALE OF INVESTMENTS	39,018	169,487
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	(190,135)	22,980
NET CHANGE IN CASH AND CASH EQUIVALENTS	58,324	30
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	30	-
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 58,354	$ 30
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ 207,620	$ 134,303
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	601,918	601,388
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(21,319)	7,187
(INCREASE) DECREASE IN INVENTORIES	697	(759)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(33,928)	10,783
INCREASE (DECREASE) IN ACCRUED BENEFITS	(11,529)	(2,145)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 743,459	$ 750,757

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2025

	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
CHARGES FOR SERVICES	$ 3,052,400	$ 3,052,400	$ 2,869,261	$ (183,139)
INTEREST INCOME	2,400	2,400	4,976	2,576
GRANT INCOME	-	-	-	-
OTHER INCOME	8,000	8,000	7,217	(783)
SETTLEMENT PROCEEDS	-	1,576,500	1,607,976	31,476
TOTAL REVENUES	3,062,800	4,639,300	4,489,430	(149,870)
EXPENDITURES				
COLLECTION SYSTEM	377,000	377,000	390,667	(13,667)
PUMPING STATION	72,400	72,400	78,945	(6,545)
TREATMENT PLANT	995,400	995,400	1,064,682	(69,282)
PRETREATMENT	202,400	202,400	119,169	83,231
GENERAL ADMINISTRATION	688,500	688,500	406,260	282,240
DEPRECIATION	601,800	601,800	601,918	(118)
INTEREST	-	-	209,254	(209,254)
CAPITAL OUTLAY	-	756,300	760,423	(4,123)
DEBT SERVICE	686,100	686,100	853,026	(166,926)
TOTAL EXPENDITURES	3,623,600	4,379,900	4,484,344	(104,444)
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(560,800)	259,400	5,086	(254,314)
OTHER FINANCING SOURCES				
CONTRIBUTIONS	3,000	3,000	2,046	(954)
	$ (557,800)	$ 262,400	7,132	$ (255,268)
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			760,423	
PRINCIPAL PAID ON LOANS			853,026	
TOTAL ADJUSTMENTS TO BASIS			1,613,449	
CHANGE IN NET POSITION			1,620,581	
TOTAL NET POSITION JANUARY 1			7,231,626	
TOTAL NET POSITION DECEMBER 31			$ 8,852,207	

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 151,326	$ 183,130
INVESTMENTS	956,948	1,035,856
ACCOUNTS RECEIVABLE - CUSTOMERS	104,284	100,973
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	48,200	45,300
INVENTORIES	5,465	5,465
TOTAL CURRENT ASSETS	1,266,223	1,370,724
PROPERTY AND EQUIPMENT		
STRUCTURES AND EQUIPMENT	1,173,611	1,173,611
ACCUMULATED DEPRECIATION	(700,392)	(621,820)
NET PROPERTY AND EQUIPMENT	473,219	551,791
TOTAL ASSETS	$ 1,739,442	$ 1,922,515
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 16,924	$ 18,536
CURRENT PORTION - LANDFILL COSTS	41,940	36,310
TOTAL CURRENT LIABILITIES	58,864	54,846
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	54,781	43,982
ACCRUED CLOSURE AND POST CLOSURE COSTS	377,460	326,790
TOTAL NONCURRENT LIABILITIES	432,241	370,772
TOTAL LIABILITIES	491,105	425,618
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	473,219	551,791
UNRESTRICTED	775,118	945,106
TOTAL NET POSITION	1,248,337	1,496,897
TOTAL LIABILITIES AND NET POSITION	$ 1,739,442	$ 1,922,515

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES	$ 1,206,044	$ 1,167,370
OTHER BILLINGS	132,733	117,162
TOTAL OPERATING REVENUES	1,338,777	1,284,532
OPERATING EXPENSES		
SALARIES AND BENEFITS	748,116	658,145
SUPPLIES	252,511	85,540
MAINTENANCE	113,538	183,383
RECYCLING	51,482	37,838
LANDFILL AND POST CLOSURE COSTS	195,922	198,208
ACCOUNTING AND GENERAL ADMINISTRATION	136,163	130,001
DEPRECIATION	78,571	60,998
TOTAL OPERATING EXPENSES	1,576,303	1,354,113
OPERATING INCOME (LOSS)	(237,526)	(69,581)
NONOPERATING REVENUES		
INTEREST INCOME	45,266	62,842
GAIN (LOSS) ON SALE OF ASSET	-	73,764
TOTAL NONOPERATING REVENUES	45,266	136,606
INCOME BEFORE SPECIAL ITEM	(192,260)	67,025
SPECIAL ITEM		
CHANGE IN ACCOUNTING ESTIMATE	(56,300)	(25,700)
CHANGE IN NET POSITION	(248,560)	41,325
NET POSITION JANUARY 1	1,496,897	1,455,572
NET POSITION DECEMBER 31	$ 1,248,337	$ 1,496,897

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 1,199,833	$ 1,156,690
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(751,228)	(645,299)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(737,317)	(653,283)
OTHER OPERATING REVENUES	132,733	117,162
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(155,979)	(24,730)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	-	(497,761)
CASH PROCEEDS FROM SALE OF ASSET	-	170,000
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	-	(327,761)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	6,239	56,209
PURCHASE OF INVESTMENTS	(882,064)	(1,744,199)
CASH PROCEEDS FROM SALE OF INVESTMENTS	1,000,000	1,882,177
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	124,175	194,187
NET CHANGE IN CASH AND CASH EQUIVALENTS	(31,804)	(158,304)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	183,130	341,434
CASH AND CASH EQUIVALENTS END OF YEAR	$ 151,326	$ 183,130
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ (237,526)	$ (69,581)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	78,571	60,998
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(6,211)	(10,680)
(INCREASE) DECREASE IN INVENTORIES	-	(3,264)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(1,612)	(7,065)
INCREASE (DECREASE) IN ACCRUED BENEFITS	10,799	4,862
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (155,979)	$ (24,730)
SUPPLEMENTAL SCHEDULE OF NON-CASH ACTIVITIES		
EQUIPMENT ACQUISITIONS IN ACCOUNTS PAYABLE	$ -	$ -

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2025

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
CHARGES FOR SERVICES	$ 1,434,500	$ 1,434,500	$ 1,206,044	$ (228,456)
OTHER BILLINGS	50,000	50,000	$ 132,733	$ 82,733
INTEREST	60,000	60,000	45,266	(14,734)
OTHER	7,000	7,000	-	(7,000)
TOTAL REVENUES	1,551,500	1,551,500	1,384,043	(167,457)
EXPENDITURES				
SALARIES AND BENEFITS	757,500	757,500	748,116	9,384
SUPPLIES	88,000	88,000	252,511	(164,511)
MAINTENANCE	115,600	115,600	113,538	2,062
RECYCLING	43,100	43,100	51,482	(8,382)
LANDFILL AND POST CLOSURE COSTS	245,000	245,000	195,922	49,078
GENERAL ADMINISTRATION	142,400	142,400	136,163	6,237
DEPRECIATION	50,000	50,000	78,571	(28,571)
CAPITAL OUTLAY	50,000	178,300	-	178,300
TOTAL EXPENDITURES	1,491,600	1,619,900	1,576,303	43,597
REVENUE OVER (UNDER) EXPENDITURES	59,900	(68,400)	(192,260)	(123,860)
SPECIAL ITEM				
CHANGE IN ACCOUNTING ESTIMATE	(100)	(100)	(56,300)	(56,200)
	$ 59,800	$ (68,500)	(248,560)	$ (180,060)
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR: CAPITALIZATION OF FIXED ASSETS			-	
CHANGE IN NET POSITION			(248,560)	
TOTAL NET POSITION JANUARY 1			1,496,897	
TOTAL NET POSITION DECEMBER 31			$ 1,248,337	

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 538,192	$ 491,916
INVESTMENTS	939,952	904,090
LEASE RECEIVABLES	524,418	466,323
TOTAL CURRENT ASSETS	2,002,562	1,862,329
NONCURRENT ASSETS		
LEASE RECEIVABLES	3,197,549	3,273,955
PROPERTY AND EQUIPMENT		
STRUCTURES AND EQUIPMENT	19,530,706	19,470,626
ACCUMULATED DEPRECIATION	(11,435,441)	(10,916,486)
NET PROPERTY AND EQUIPMENT	8,095,265	8,554,140
TOTAL ASSETS	$ 13,295,376	$ 13,690,424
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 27,029	$ 33,170
ACCRUED PROPERTY TAXES	41,370	39,858
UNEARNED LEASE REVENUES - CURRENT	127,700	184,624
TOTAL CURRENT LIABILITIES	196,099	257,652
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	37,130	83,845
UNEARNED LEASE REVENUES	837,787	965,486
TOTAL NONCURRENT LIABILITIES	874,917	1,049,331
TOTAL LIABILITIES	1,071,016	1,306,983
DEFERRED INFLOW OF RESOURCES		
LEASES	3,789,953	3,660,234
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	8,095,265	8,554,140
UNRESTRICTED	339,142	169,067
TOTAL NET POSITION	8,434,407	8,723,207
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 13,295,376	$ 13,690,424

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
RENT	$ 860,269	$ 1,268,616
OPERATING EXPENSES		
SALARIES AND BENEFITS	250,083	324,543
SUPPLIES	7,649	12,572
UTILITIES	151,304	153,887
MAINTENANCE	118,294	159,416
PROPERTY TAXES	41,370	39,858
GENERAL ADMINISTRATION	235,393	208,422
DEPRECIATION	518,955	508,561
TOTAL OPERATING EXPENSES	1,323,048	1,407,259
OPERATING INCOME (LOSS)	(462,779)	(138,643)
NONOPERATING REVENUES (EXPENSES)		
INTEREST	183,979	198,828
GAIN (LOSS) ON SALE OF ASSET	-	4,859
GRANTS AND OTHER	-	29,881
TOTAL NONOPERATING REVENUES (EXPENSES)	183,979	233,568
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	(278,800)	94,925
OTHER FINANCING SOURCES (USES)		
TRANSFERS IN	-	6,200
TRANSFERS OUT	(10,000)	(10,000)
TOTAL OTHER FINANCING SOURCES (USES)	(10,000)	(3,800)
CHANGE IN NET POSITION	(288,800)	91,125
NET POSITION JANUARY 1	8,723,207	8,632,082
NET POSITION DECEMBER 31	$ 8,434,407	$ 8,723,207

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM RENT	$ 823,676	$ 1,035,453
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(558,639)	(549,502)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(296,798)	(333,985)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(31,761)	151,966
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS IN	-	6,200
TRANSFERS OUT	(10,000)	(10,000)
OTHER	-	29,881
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	(10,000)	26,081
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(60,080)	(1,431,564)
CASH PROCEEDS FROM SALE OF ASSET	-	7,259
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(60,080)	(1,424,305)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	148,117	172,559
PURCHASE OF INVESTMENTS	-	(927,483)
CASH PROCEEDS FROM SALE OF INVESTMENTS	-	2,054,167
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	148,117	1,299,243
NET CHANGE IN CASH AND CASH EQUIVALENTS	46,276	52,985
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	491,916	438,931
CASH AND CASH EQUIVALENTS END OF YEAR	$ 538,192	$ 491,916
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ (462,779)	$ (138,643)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	518,955	508,561
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN RECEIVABLES AND PREPAIDS	18,311	(1,496,973)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(6,141)	28,275
INCREASE (DECREASE) IN UNEARNED REVENUE	(184,623)	(201,584)
INCREASE (DECREASE) IN ACCRUED TAXES AND BENEFITS	(45,203)	(13,064)
INCREASE (DECREASE) IN DEFERRED INFLOW OF RESOURCES	129,719	1,465,394
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (31,761)	$ 151,966

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2025

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
RENT	$ 1,013,000	$ 1,013,000	$ 860,269	$ (152,731)
INTEREST	57,500	57,500	183,979	126,479
OTHER	12,000	12,000	-	(12,000)
TOTAL REVENUES	1,082,500	1,082,500	1,044,248	(38,252)
EXPENDITURES				
SALARIES AND BENEFITS	366,500	366,500	250,083	116,417
SUPPLIES	15,200	15,200	7,649	7,551
UTILITIES	127,500	127,500	151,304	(23,804)
MAINTENANCE	144,200	144,200	118,294	25,906
PROPERTY TAXES	45,000	45,000	41,370	3,630
GENERAL ADMINISTRATION	254,100	254,100	235,393	18,707
DEPRECIATION	444,000	444,000	518,955	(74,955)
CAPITAL OUTLAY	120,000	120,000	60,080	59,920
TOTAL EXPENDITURES	1,516,500	1,516,500	1,383,128	133,372
REVENUES OVER (UNDER) EXPENDITURES	(434,000)	(434,000)	(338,880)	95,120
OTHER FINANCING SOURCES (USES)				
TRANSFERS	(10,000)	(10,000)	(10,000)	-
	$ (444,000)	$ (444,000)	(348,880)	$ 95,120
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR CAPITALIZATION OF FIXED ASSETS			60,080	
CHANGE IN NET POSITION			(288,800)	
TOTAL NET POSITION JANUARY 1			8,723,207	
TOTAL NET POSITION DECEMBER 31			$ 8,434,407	

CITY OF LA JUNTA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS MEMORANDUM ONLY 2025	2024
CURRENT ASSETS				
CASH OR EQUIVALENTS	$ 1,722,383	$ 268,296	$ 1,990,679	$ 1,244,487
INVESTMENTS	836,994	-	836,994	561,667
ACCOUNTS RECEIVABLE	4,892	-	4,892	7,136
INVENTORIES	80,553	-	80,553	77,904
DUE FROM OTHER FUND	-	-	-	285,100
TOTAL CURRENT ASSETS	2,644,822	268,296	2,913,118	2,176,294
PROPERTY AND EQUIPMENT				
LAND, BUILDINGS AND EQUIPMENT	6,440,021	-	6,440,021	6,292,668
ACCUMULATED DEPRECIATION	(5,054,088)	-	(5,054,088)	(4,645,614)
NET PROPERTY AND EQUIPMENT	1,385,933	-	1,385,933	1,647,054
OTHER ASSETS				
BORROWINGS FROM OTHER FUND	-	-	-	524,431
TOTAL ASSETS	$ 4,030,755	$ 268,296	$ 4,299,051	$ 4,347,779
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	$ 9,093	$ -	$ 9,093	$ 25,902
CURRENT PORTION-LEASE PAYABLE	67,680	-	67,680	28,822
TOTAL CURRENT LIABILITIES	76,773	-	76,773	54,724
NONCURRENT LIABILITIES				
ACCRUED BENEFITS	18,235	-	18,235	15,686
LEASE PAYABLE	211,874	-	211,874	162,568
TOTAL NONCURRENT LIABILITIES	230,109	-	230,109	178,254
TOTAL LIABILITIES	306,882	-	306,882	232,978
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS	1,106,379	-	1,106,379	1,455,664
UNRESTRICTED	2,617,494	268,296	2,885,790	2,659,137
TOTAL NET POSITION	3,723,873	268,296	3,992,169	4,114,801
TOTAL LIABILITIES AND NET POSITION	$ 4,030,755	$ 268,296	$ 4,299,051	$ 4,347,779

CITY OF LA JUNTA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS MEMORANDUM ONLY 2025	2024
OPERATING REVENUES				
CHARGES FOR SERVICES	$ 1,492,201	$ 1,942,776	$ 3,434,977	$ 4,176,438
OPERATING EXPENSES				
PERSONAL SERVICES, MATERIALS AND SUPPLIES	1,170,740	2,010,885	3,181,625	3,309,576
DEPRECIATION	408,804	-	408,804	479,426
TOTAL OPERATING EXPENSES	1,579,544	2,010,885	3,590,429	3,789,002
OPERATING INCOME (LOSS)	(87,343)	(68,109)	(155,452)	387,436
NONOPERATING REVENUES (EXPENSES)				
INTEREST INCOME	66,618	193	66,811	54,659
INTEREST EXPENSE	(24,991)	-	(24,991)	-
RENT AND OTHER	-	-	-	189,303
TOTAL NONOPERATING REVENUES (EXPENSES)	41,627	193	41,820	243,962
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	(45,716)	(67,916)	(113,632)	631,398
OTHER FINANCING SOURCES (USES)				
TRANSFERS OUT	(9,000)	-	(9,000)	-
CHANGE IN NET POSITION	(54,716)	(67,916)	(122,632)	631,398
NET POSITION JANUARY 1	3,778,589	336,212	4,114,801	3,483,403
NET POSITION DECEMBER 31	$ 3,723,873	$ 268,296	$ 3,992,169	$ 4,114,801

CITY OF LA JUNTA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS MEMORANDUM ONLY 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES				
CASH RECEIVED FROM CUSTOMERS	$ 1,779,545	$ 1,942,776	$ 3,722,321	$ 4,175,566
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(902,591)	(2,010,885)	(2,913,476)	(3,464,569)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(285,058)	-	(285,058)	(252,732)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	591,896	(68,109)	523,787	458,265
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
TRANSFER OUT	(9,000)	-	(9,000)	-
DUE FROM OTHER FUND	285,100	-	285,100	(285,100)
BORROWINGS FROM OTHER FUNDS	524,431	-	524,431	78,600
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	800,531	-	800,531	(206,500)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
ACQUISITION OF CAPITAL ASSETS	(16,830)	-	(16,830)	(310,849)
PRINCIPAL PAID ON LEASE PAYABLE	(42,688)	-	(42,688)	-
INTEREST PAID ON LEASE PAYABLE	(24,992)	-	(24,992)	-
CASH PROCEEDS FROM SALE OF ASSETS	-	-	-	42,438
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(84,510)	-	(84,510)	(268,411)
CASH FLOWS FROM INVESTING ACTIVITIES				
INTEREST ON INVESTMENTS	66,618	193	66,811	53,787
PURCHASE OF INVESTMENTS	(560,427)	-	(560,427)	(561,667)
CASH PROCEEDS FROM SALE OF INVESTMENTS	-	-	-	101,707
NET CASH FLOWS FROM INVESTING ACTIVITIES	(493,809)	193	(493,616)	(406,173)
NET CHANGE IN CASH AND CASH EQUIVALENTS	814,108	(67,916)	746,192	(422,819)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	908,275	336,212	1,244,487	1,667,306
CASH AND CASH EQUIVALENTS END OF YEAR	$ 1,722,383	$ 268,296	$ 1,990,679	$ 1,244,487
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
OPERATING LOSS	$ (87,343)	$ (68,109)	$ (155,452)	$ 387,436
ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
DEPRECIATION	408,804	-	408,804	479,426
CHANGE IN ASSETS AND LIABILITIES				
(INCREASE) DECREASE IN RECEIVABLES	2,244	-	2,244	(872)
(INCREASE) DECREASE IN INVENTORIES	(2,649)	-	(2,649)	(50,976)
INCREASE (DECREASE) IN PAYABLES	(16,809)	-	(16,809)	(360,697)
INCREASE (DECREASE) IN ACCRUED BENEFITS	2,549	-	2,549	3,948
INCREASE (DECREASE) IN DUE TO/FROM	285,100	-	285,100	-
NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES	$ 591,896	$ (68,109)	$ 523,787	$ 458,265

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 1,722,383	$ 908,275
INVESTMENTS	836,994	561,667
ACCOUNTS RECEIVABLE	4,892	7,136
INVENTORIES	80,553	77,904
DUE FROM OTHER FUND	-	285,100
TOTAL CURRENT ASSETS	2,644,822	1,840,082
PROPERTY AND EQUIPMENT		
LAND, BUILDINGS AND EQUIPMENT	6,440,021	6,292,668
ACCUMULATED DEPRECIATION	(5,054,088)	(4,645,614)
NET PROPERTY AND EQUIPMENT	1,385,933	1,647,054
OTHER ASSETS		
BORROWINGS FROM OTHER FUND	-	524,431
TOTAL ASSETS	$ 4,030,755	$ 4,011,567
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 9,093	$ 25,902
CURRENT PORTION - LEASE PAYABLE	67,680	28,822
TOTAL CURRENT LIABILITIES	76,773	54,724
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	18,235	15,686
LEASE PAYABLE	211,874	162,568
TOTAL NONCURRENT LIABILITIES	230,109	178,254
TOTAL LIABILITIES	306,882	232,978
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	1,106,379	1,455,664
UNRESTRICTED	2,617,494	2,322,925
TOTAL NET POSITION	3,723,873	3,778,589
TOTAL LIABILITIES AND NET POSITION	$ 4,030,755	$ 4,011,567

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
MAINTENANCE SERVICES AND RENTALS	$ 1,144,898	$ 1,292,856
PURCHASING DEPARTMENT	269,058	268,900
COMPUTER SERVICES	78,245	172,000
TOTAL OPERATING REVENUES	1,492,201	1,733,756
OPERATING EXPENSES		
MOTOR POOL SERVICES	867,301	665,496
PURCHASING DEPARTMENT	241,290	260,941
COMPUTER SUPPLIES AND TRAINING	62,149	65,931
DEPRECIATION	408,804	479,426
TOTAL OPERATING EXPENSES	1,579,544	1,471,794
OPERATING INCOME (LOSS)	(87,343)	261,962
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	66,618	54,266
INTEREST EXPENSE	(24,991)	-
GAIN (LOSS) ON SALE OF ASSETS	-	189,303
TOTAL NONOPERATING REVENUES	41,627	243,569
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	(45,716)	243,569
OTHER FINANCING SOURCES (USES)		
TRANSFERS OUT	(9,000)	-
CHANGE IN NET POSITION	(54,716)	505,531
NET POSITION JANUARY 1	3,778,589	3,273,058
NET POSITION DECEMBER 31	$ 3,723,873	$ 3,778,589

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 1,779,545	$ 1,732,884
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(902,591)	(772,361)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(285,058)	(252,732)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	591,896	707,791
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFER OUT	(9,000)	-
DUE FROM OTHER FUND	285,100	(285,100)
BORROWINGS FROM OTHER FUNDS	524,431	78,600
NET CASH USED BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	800,531	(206,500)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(16,830)	(310,849)
PRINCIPAL PAID ON LEASE PAYABLE	(42,688)	-
INTEREST PAID ON LEASE PAYABLE	(24,992)	-
CASH PROCEEDS FROM SALE OF ASSETS	-	42,438
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(84,510)	(268,411)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	66,618	53,394
PURCHASE OF INVESTMENTS	(560,427)	(561,667)
CASH PROCEEDS FROM SALE OF INVESTMENTS	-	101,707
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	(493,809)	(406,566)
NET CHANGE IN CASH AND CASH EQUIVALENTS	814,108	(173,686)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	908,275	1,081,961
CASH AND CASH EQUIVALENTS END OF YEAR	$ 1,722,383	$ 908,275

	2025	2024
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	$ (87,343)	$ 261,962
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	408,804	479,426
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	2,244	(872)
(INCREASE) DECREASE IN INVENTORIES	(2,649)	(50,976)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(16,809)	14,303
INCREASE (DECREASE) IN ACCRUED BENEFITS	2,549	3,948
INCREASE (DECREASE) IN DUE TO/FROM	285,100	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 591,896	$ 707,791

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND BUDGET COMPARISON

YEAR ENDED DECEMBER 31, 2025

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
MAINTENANCE SERVICES	$ 1,465,300	$ 1,465,300	$ 1,144,898	$ (320,402)
PURCHASING DEPARTMENT	269,300	269,300	269,058	(242)
COMPUTER RENTAL	78,000	78,000	78,245	245
INTEREST	30,000	30,000	66,618	36,618
OTHER	15,000	15,000	-	(15,000)
TOTAL REVENUES	1,857,600	1,857,600	1,558,819	(298,781)
EXPENDITURES				
MOTOR POOL SERVICES	1,012,300	1,094,900	867,301	227,599
PURCHASING DEPARTMENT	269,300	269,300	241,290	28,010
COMPUTER SUPPLIES AND TRAINING	68,000	68,000	62,149	5,851
DEPRECIATION	498,000	498,000	408,804	89,196
INTEREST	-	-	24,991	(24,991)
CAPITAL OUTLAY	10,000	10,000	147,353	(137,353)
TOTAL EXPENDITURES	1,857,600	1,940,200	1,751,888	188,312
REVENUES OVER (UNDER) EXPENDITURES	-	(82,600)	(193,069)	(110,469)
OTHER FINANCING SOURCES (USES)				
TRANSFERS	-	-	(9,000)	(9,000)
	$ -	$ (82,600)	(202,069)	$ (119,469)
ADJUSTMENT TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR CAPITALIZATION OF FIXED ASSETS			147,353	
CHANGE IN NET POSITION			(54,716)	
TOTAL NET POSITION JANUARY 1			3,778,589	
TOTAL NET POSITION DECEMBER 31			$ 3,723,873	

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

BALANCE SHEET

DECEMBER 31, 2025 AND 2024

	2025	2024
CURRENT ASSETS		
CASH OR EQUIVALENTS	$ 268,296	$ 336,212
INVESTMENTS	-	-
ACCOUNTS RECEIVABLE	-	-
TOTAL CURRENT ASSETS	$ 268,296	$ 336,212
CURRENT LIABILITIES		
CLAIMS PAYABLE	$ -	$ -
NET POSITION		
UNRESTRICTED	268,296	336,212
TOTAL LIABILITIES AND NET POSITION	$ 268,296	$ 336,212

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
CHARGES FOR SERVICES-PREMIUMS	$ 1,942,776	$ 2,442,682
OPERATING EXPENSES		
INSURANCE	2,009,062	1,402,363
CLAIMS	-	882,810
ADMINISTRATION	1,823	32,035
TOTAL OPERATING EXPENSES	2,010,885	2,317,208
OPERATING INCOME (LOSS)	(68,109)	125,474
NONOPERATING REVENUES		
INTEREST	193	393
CHANGE IN NET POSITION	(67,916)	125,867
NET POSITION JANUARY 1	336,212	210,345
NET POSITION DECEMBER 31	$ 268,296	$ 336,212

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	$ 1,942,776	$ 2,442,682
CASH PAYMENTS FOR PREMIUMS AND CLAIMS	(2,010,885)	(2,692,208)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	(68,109)	(249,526)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	193	393
PURCHASE OF INVESTMENTS	-	-
CASH PROCEEDS FROM SALE OF INVESTMENTS	-	-
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	193	393
NET CHANGE IN CASH AND CASH EQUIVALENTS	(67,916)	(249,133)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	336,212	585,345
CASH AND CASH EQUIVALENTS END OF YEAR	$ 268,296	$ 336,212

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES

	2025	2024
OPERATING INCOME (LOSS)	$ (68,109)	$ 125,474
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
INCREASE (DECREASE) IN ACCOUNTS RECEIVABLE	-	-
INCREASE (DECREASE) IN CLAIMS PAYABLE	-	(375,000)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	$ (68,109)	$ (249,526)

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

SCHEDULE OF REVENUES, EXPENDITURES AND BUDGET COMPARISON

YEAR ENDED DECEMBER 31, 2025

	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
CHARGES FOR SERVICES-PREMIUMS	$ 2,054,600	$ 2,054,600	$ 1,942,776	$ (111,824)
INTEREST	300	300	193	(107)
TOTAL REVENUES	2,054,900	2,054,900	1,942,969	(111,931)
EXPENSES				
INSURANCE	2,052,100	2,052,100	2,009,062	43,038
ADMINISTRATION	2,800	2,800	1,823	977
TOTAL EXPENSES	2,054,900	2,054,900	2,010,885	44,015
CHANGE IN NET POSITION	-	-	(67,916)	(67,916)
NET POSITION JANUARY 1	336,212	336,212	336,212	-
NET POSITION DECEMBER 31	$ 336,212	$ 336,212	$ 268,296	$ (67,916)

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO
THIS INFORMATION FROM THE RECORDS OF: CITY OF LA JUNTA	PREPARED BY: ALIZA LIBBY aliza.libby@lajuntacolorado.org	REPORT YEAR ENDING DATE(mm/yyyy): 12/2025

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other Local Imposts:		**A.4. Miscellaneous Local Receipts:**	
a. Property Taxes and Assesments		a. Interest on investments	
b. Non-property Taxes and Assessments Imposts	98,391.00	b. Other Misc. Local Receipts	
c. Total (a + b)	$ 98,391.00	**c. Total (a + b)**	$ -

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	278,213.00	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	23,093.00		
c. Total (a + b)	$ 23,093.00		
4. Total (1 + 2 + 3c)	$ 301,306.00	**3. Total (1 + 2)**	$ -

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

LOCAL HIGHWAY FINANCE REPORT

STATE: COLORADO

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

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from Local Sources:	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
c. Total (a + b)	
2. General Fund Appropriations	799,318.00
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 98,391.00
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ -
5. Transfers from Toll Facilities	
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a + b + c)	$ -
7. Total (1 through 6)	$ 897,709.00
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	$ 301,306.00
D. Receipts from Federal government (from page 1, Item II.D.3)	$ -
E. Total receipts (A.7 + B + C + D)	$ 1,199,015.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ -
2. Maintenance:	444,644.00
3. Road and Street Services:	
a. Snow and Ice Removal	51,396.00
b. Other & Traffic Control Operations	189,136.00
c. Total (a + b)	$ 240,532.00
4. General Administration & Miscellaneous	104,404.00
5. Highway Law Enforcement and Safety	409,435.00
6. Total (1 through 5)	$ 1,199,015.00
B. Debt Service on Local Obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
3. Total (1c + 2c)	$ -
C. Payments to State for Highways	
D. Payments to Toll Facilities	
E. Total Expenditures (A6 + B3 + C + D)	$ 1,199,015.00

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)		$ -	$ -	$ -