BLUE RIVER BOARD OF TRUSTEES MEETING

Tuesday, September 15, 2026

5:00 PM

0110 Whispering Pines Circle, Blue River, CO

Agenda

The public is welcome to attend the meeting either in person or via Zoom. Please note, however, that public comments will not be taken virtually, but will only be accepted in-person during public comment periods.
The Zoom link is available on the Town website:
https://townofblueriver.colorado.gov/board-of-trustees
Please note that seating at Town Hall is limited.

Call to Order – Roll Call

Approval of Agenda/Consent Agenda

1. Approval of Minutes
   a. Regular Meeting of August 18, 2026
   b. Special Meeting of August 25, 2026

2. Approval of Financial Report
   a. Period Ending August 31, 2026

Communications to the Board of Trustees

Citizens are welcome to provide in-person comments on non-Agenda items. Comments are limited to 5-minutes per speaker. Written communications for any non-Agenda items will be distributed separately to the Board of Trustees.

Work Session

1. Presentation from Summit School District on a proposed Mill Levy Override

2. Presentation from G&G Services regarding current roadwork progress and capital improvements

New Business

1. Resolution No. 2026-12

   a. Approval of Resolution No. 2026-12 – a Resolution Approving a Policy for the Setting of Agendas for Meetings of the Board of Trustees

Old Business

Reports

1. Mayor & Trustee Reports
2. Town Attorney Reports
3. Staff Reports
   a. Town Manager
   b. Chief of Police

Other Matters to be Brought Before the Board of Trustees

None

Executive Session

1. An executive session pursuant to C.R.S. Section 24-6-402(4)(b) to receive legal advice concerning questions of short-term license term and expiration, providing exceptions to a cap on licenses for owner's claimed hardship; and methods to impose fees for administrative cost of program management.

2. An executive session pursuant to C. R. S. 24– 6–402 (4) (e) concerning a personnel matter involving an employee who consented to the conduct of the executive session.

Adjourn

BLUE RIVER BOARD OF TRUSTEES

REGULAR MEETING

August 18, 2026

5:00 PM

0110 Whispering Pines Circle, Blue River, CO

Minutes

Call to Order – Roll Call

Mayor Pro Tem Jodie Willey called the meeting to order at 5:01 PM.

PRESENT: Mayor Pro Tem Jodie Willey (departure at 7:54 PM)
Trustee Jonathon Heckman
Trustee Ben Stuckey (arrived 5:03 PM)
Trustee Heather Democvic
Trustee Ted Slaughter

Absent: Mayor Nick Decicco
Trustee Barrie Stimson

Also present: Town Manager Chad Hull, Deputy Town Clerk John DeBee, Police Chief David Close, and Town Attorney Robert Widner.

Approval of Agenda/Consent Agenda

1. Approval of Minutes
    a. Regular Meeting of July 21, 2026
    b. Special Meeting of July 27, 2026
    c. Subcommittee Meeting of July 31, 2026
    d. Special Meeting of August 12, 2026

2. Approval of Financial Report
    a. Period Ending July 31, 2026

Trustee Slaughter moved to approve the Consent Agenda and Financial Report. Trustee Democvic provided a second. All ayes – motion passed.

Communications to the Board of Trustees

Written comments were received from George DiCarlo and Nancy Wile.

In-person public comments were made by Jim Schwalls, Jane Hardy, Cindi Pilling, Nancy Wile, Nate Counley, and Chris Fillingham.

Commenters addressed a variety of issues affecting the Town. Comments included concerns regarding building inspection practices, drainage and sediment impacts associated with neighboring construction projects, and clarification of property access and easement matters. Residents also discussed aging septic systems and environmental concerns along Blue River Road, as well as requesting Town assistance in exploring grants, financing mechanisms, and partnerships for future sewer infrastructure improvements.

Several comments related to short-term rental regulations and enforcement. Commenters expressed support for recently adopted licensing and density cap measures while offering suggestions regarding annual rental day limits, creation of citizen advisory or enforcement support groups, enhanced good-neighbor requirements, use of private enforcement resources, and prioritization of enforcement of existing regulations before consideration of additional restrictions. Residents also discussed property values, quality-of-life impacts, investor-owned short-term rentals, and the need for transparency and community engagement as implementation of the Town's short-term rental program continues.

Additional comment included concerns regarding speeding on Indiana Creek Road and requests for consideration of traffic-calming measures.

Public comment was closed by Mayor Pro Tem Willey.

Work Session

1. Board Discussion of a Draft Policy on Agenda Item Placement

    a. The Board discussed a proposed bylaw policy addressing agenda item placement and future agenda setting procedures.

       Discussion focused on establishing a clear process for bringing items before the Board while maintaining efficient meeting management. The Board reviewed the draft language and supported moving the policy for future formal consideration.

New Business

1. Resolution No. 2026-10
    a. Approval of Resolution No. 2026-10 – a Resolution Repealing Resolution No. 13-05, A Resolution Adopting Rules and Regulations for the Use of Boat Docks Licensed at the Tarn

       The Town Attorney provided background regarding an existing resolution that authorized permits for private boat docks at Goose Pasture Tarn. Discussion focused on preserving public access and eliminating outdated provisions relating to dock permits through the repeal of Resolution 13-05.

Trustee Slaughter moved to adopt Resolution No. 2026-10. Trustee Stuckey seconded the motion. All ayes. Motion passed.

2. Resolution No. 2026-11
    a. Approval of Resolution No. 2026-11 – a Resolution of the Board of Trustees of the Town of Blue River, Colorado, Authorizing the Town Manager to Make Transfers to and from Town Accounts at the Colorado Local Government Liquid Asset Trust (COLOTRUST)

       The Town Manager presented the resolution, explaining that it would streamline transfers between Town accounts and authorized interest-bearing municipal investment accounts. The Town Attorney noted municipalities are limited under Colorado law regarding acceptable investment vehicles.

       Trustee Stuckey moved to adopt Resolution No. 2026-11. Trustee Demovic seconded the motion. All ayes. Motion passed.

3. Ordinance No. 2026-06
    a. Public Hearing

       Public comment was received from Nancy Wile regarding setback requirements.

       The Town Attorney reviewed the proposed ordinance amending the Transition District (TD) to establish a minimum lot size, minimum lot width, setbacks, and building height standards. Discussion focused on consistency with existing R-1 zoning standards, development constraints associated with wetlands and topography, and maintaining flexibility for future development.

    b. Approval of Ordinance No. 2026-06 – an Ordinance of the Board of Trustees of Blue River, Colorado, Amending the Transition Zone District (TD) to set a Minimum Lot Size, Minimum Lot Width, and Amending Setbacks

       The Board reached consensus on a minimum lot size of four acres, a minimum lot width of 100 feet, front, rear, and side setbacks of 25 feet, and a maximum building height of 35 feet.

       Trustee Slaughter moved to adopt Ordinance No. 2026-06. Trustee Stuckey seconded the motion. All ayes. Motion passed.

4. Ordinance No. 2026-07
    a. Public Hearing

       Public comment was received from Nancy Wile regarding existing subdivision standards and minimum lot sizes.
       The Town Attorney reviewed the history of the Town's subdivision moratorium and explained that the ordinance would repeal the moratorium following adoption of minimum lot size requirements within the Transition District.

b. Approval of Ordinance No. 2026-07 – an Ordinance of the Board of Trustees of Blue River, Colorado, Repealing Section 17-1-30.1 of the Blue River Land Development Code Effective October 1, 2026, Subject to Condition that Ordinance No. 26-06 is in Full Force and Effect on October 1, 2026

   Trustee Slaughter moved to adopt Ordinance No. 2026-07. Trustee Stuckey seconded the motion. All ayes. Motion passed.

Old Business

None

Reports

1. Mayor & Trustee Reports

   Trustees discussed upcoming transportation-related meetings and continuing discussions regarding potential park-and-ride limitations in Town limits.

   The Board also discussed concerns regarding building inspection services and the interaction between development review, planning functions, and building inspection activities. The Board expressed interest in discussing the matter at a future meeting.

   Additional discussion occurred regarding recently adopted state wildfire-related building code requirements and associated construction costs. Board members expressed concerns regarding cost impacts and requested additional information regarding potential opportunities to communicate concerns through municipal organizations and state legislative channels.

2. Town Attorney Report

   The Town Attorney reported that he would contact the Colorado Municipal League to determine whether concerns regarding recent building code requirements were being discussed at the statewide level.

3. Staff Reports
   a. Town Manager

      The Town Manager presented the July financial report and noted that Town revenues remain generally stable and are trending slightly above budget projections. Lodging tax revenues were notably higher than anticipated; however, staff cautioned that monthly fluctuations continue to be influenced by changes in accounting and reporting practices, as well as periodic bulk processing of lodging tax remittances. Overall expenditures remain generally in line with budget expectations, and the Town's financial position continues to be favorable through the current reporting period.

      The Town Manager reported that Stage 2 fire restrictions remain in effect throughout the area. While recent monsoonal moisture has provided some relief from the extreme conditions experienced earlier in the summer, fire danger remains elevated. Residents were encouraged to continue wildfire mitigation efforts on their properties.

An update was provided regarding Goose Pasture Tarn operations. Boat permit applications remain available. The Town has emphasized that Tarn access is limited to eligible users, including Town residents and other authorized categories, and that short-term rental guests are not permitted to use the facility.

The Town Manager also reported on road maintenance and public works activities completed during the summer construction season. Routine grading, drainage maintenance, and road improvement projects have continued throughout Town. Staff has initiated testing of Durablend on selected roadway segments as a potential alternative to traditional applications.

Significant drainage and infrastructure improvements have also been completed during the season. Public works crews have undertaken ditch cleanouts, culvert cleanings, drainage stabilization, and the installation of new cross-culverts in several locations. In addition, staff is conducting an inventory of older culverts throughout Town that were installed before modern mapping and recordkeeping systems were established. Upcoming projects include investigation and cleaning of a potential blocked culvert on Coronet Drive and installation of driveway culverts on Royal Drive and Regal Circle. Property owners affected by those projects have been notified, and the improvements are intended to enhance drainage, reduce standing water, and improve driveway access.

The Town Manager reported that development of the 2027 budget has begun. Staff is currently assembling preliminary budget information and identifying priorities for the upcoming fiscal year. Board members were encouraged to provide feedback.

An update was also provided regarding the Town's 2025 financial audit. Preliminary results from McMahan and Associates have been received and indicate that the Town's financial statements fairly present the financial position of the Town in all material respects in accordance with generally accepted accounting principles. The preliminary audit report was included in the packet for Board review, and a final version will be presented once completed by the auditors. The Town Manager noted that several recommendations from the auditors have also been incorporated into staff planning and administrative procedures.

Finally, the Town Manager informed the Board that Quikrete has requested a letter of support from the Town regarding renewal of its conditional use permit in Summit County. Staff explained that the facility provides a local source of construction materials and that Frisco and Breckenridge have already submitted letters supporting renewal while encouraging continued environmental mitigation measures. Board members expressed support for staff preparing a letter consistent with those previously submitted by neighboring municipalities.

b. Chief of Police

The Police Chief reported increased call volumes related primarily to compliance activities, parking issues, and code enforcement matters. The Chief also provided an update regarding a sewage release associated with a Blue River Road lift station. The spill was contained, cleanup measures were completed, and applicable agencies were notified.

The Board discussed recently installed signage at Goose Pasture Tarn and ongoing efforts to improve compliance with Tarn regulations. Additional discussion occurred regarding Town-maintained culverts and drainage infrastructure responsibilities.

Other Matters to be Brought Before the Board of Trustees

Executive Session

Trustee Democic moved to enter Executive Session. Second received from Trustee Slaughter. All ayes. Motion passed.

The Board entered executive session at 6:08 PM for the following purposes:

1. An executive session pursuant to C.R.S. Section 24-6-402(4)(b) to receive legal advice and answers to specific questions concerning potential changes in federal and state government decision-making processes involving highway rights-of-way.

2. An executive session pursuant to C.R.S. Section 24-6-402(4)(b) and (e) to receive legal advice on means and methods to create trails within the Town and to devise negotiation strategy and instruct negotiators regarding trail creation alternatives.

3. An executive session pursuant to C.R.S. Section 24-6-402(4)(b) and (e) to receive legal advice concerning interpretation of contract terms and to devise negotiation strategy and instruct negotiators concerning a services agreement.

No action was taken following Executive Session.

Adjourn

Trustee Heckman, serving as the Chair, adjourned the executive sessions and closed the meeting.

Meeting adjourned at 8:08 PM.

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Chad Hull
Town Manager

BLUE RIVER BOARD OF TRUSTEES

SPECIAL MEETING

August 25, 2026

5:00 PM

0110 Whispering Pines Circle, Blue River, CO

Minutes

Call to Order – Roll Call

Mayor Pro Tem Jodie Willey called the meeting to order at 5:01 PM.

PRESENT: Mayor Pro Tem Jodie Willey
Trustee Jonathon Heckman
Trustee Ben Stuckey
Trustee Heather Democvic
Trustee Ted Slaughter
Trustee Barrie Stimson

Absent: Mayor Nick Decicco

Also present: Town Manager Chad Hull, Deputy Town Clerk John DeBee, Police Chief David Close, and Town Attorney Robert Widner.

Approval of Agenda/Consent Agenda

1. None

Communications to the Board of Trustees

In-person public comments were made by Mike Costello, Travis Wardlaw, Laura Wardlaw, Michael Soby, Jon Vadla, Thomas Schmidt, Ron Iazzetti, Louisa Davis, Cindi Pilling, Chris Fillingham, and Scot Babcock**.**

Public commenters primarily encouraged the Board to focus on enforcement of existing short-term rental regulations before adopting additional restrictions. Multiple speakers expressed concern that the Town has spent considerable time discussing policy changes while unlicensed operators and repeat violators continue to operate. Commenters generally supported stronger compliance efforts.

Several commenters expressed support for grandfathering existing license holders and providing consideration for property owners impacted by the moratorium. Concerns were raised regarding property owners who purchased homes with the expectation of obtaining a license, applicants who made good-faith efforts to comply, and the financial impacts that reduced license availability may have. Commenters noted that many licensed operators rent only periodically to offset costs rather than operate full-time vacation rental businesses.

Public comments also included suggestions that the Town consider regulating rental intensity. Ideas discussed included limiting annual rental nights, limiting the number of bookings, increasing minimum stay requirements, creating limited-use license categories, and distinguishing between occasional rentals and high-intensity investment properties. Several commenters stated that many current license holders have operated without complaints.

Residents shared differing perspectives regarding neighborhood impacts. Some commenters described concerns involving and quality-of-life impacts associated with neighboring short-term rentals while other stated that they have experienced little to no impact from short-term rentals in their neighborhoods. Additional comments addressed environmental considerations, including water consumption, wastewater capacity, and long-term impacts on community infrastructure. Commenters encouraged the Town to evaluate successful enforcement and compliance programs used elsewhere. Several speakers emphasized that short-term rentals should remain a privilege subject to strict compliance requirements, meaningful penalties, and consistent enforcement.

Mayor Pro Tem Willey closed public comment at 5:46 PM.

Work Session

1. A work session to discuss short-term rental (STR) policy as a basis for focusing the Board's ongoing work concerning potential amendments to the Town's Short-Term Rental Program and Ordinance.

    a. STR Policy Overview and Remaining Policy Issues

    Town Attorney Widner and Town Manager Hull explained that the purpose of the work session was to identify remaining policy items requiring Board direction before preparation of draft ordinance language. Staff reviewed comparative information from Colorado resort and mountain communities regarding licensing structures, caps, occupancy standards, grandfathering provisions, enforcement mechanisms, allocation systems, and penalties. Staff explained that future ordinance drafting would require direction from the Board on caps, grandfathering, license allocation methods, occupancy standards, rental-night limitations, minimum stay requirements, and enforcement procedures.

    b. Discussion of Zone Structure

    The Board revisited previous discussions concerning use of geographic zones for administration of future STR caps. Trustees discussed prior consensus supporting a six-zone model and the role zones would play in distributing future licensing opportunities throughout the community.

The Board reaffirmed consensus in support of the six-zone framework discussed during earlier work sessions.

c. Discussion of Cap Percentages

The Board continued discussion regarding future STR caps and the relationship between caps, enforcement capabilities, neighborhood impacts, infrastructure limitations, and administrative resources.

Discussion focused on whether the Town should establish a cap near existing licensure levels or adopt a lower percentage that would gradually reduce STR concentrations through attrition over time. Trustees discussed balancing neighborhood character, resident concerns, enforcement capacity, emergency response considerations, water resources, and the Town's limited staffing and administrative resources.

The Board considered whether existing regulations and enhanced enforcement efforts should be evaluated before significant reductions in license availability are implemented. Discussion also included the distinction between regulating the total number of licenses and regulating rental intensity through limitations on annual rental nights or bookings.

Trustees acknowledged that any future cap would largely function as a long-term policy objective as existing licensed properties are expected to be grandfathered and remain eligible for renewal provided they continue to meet program requirements. The Board discussed that future attrition, nonrenewal, property transfers, and enforcement actions would gradually move licensing levels toward any adopted cap.

Trustees also discussed the importance of obtaining better compliance and operational data through the Town's software platform and future enforcement efforts before considering additional policy changes.

Following discussion, the Board generally supported utilizing a 20% cap on all zones as the framework for ordinance drafting and further evaluation.

d. Grandfathering of Existing Licenses

The Board discussed treatment of currently licensed short-term rental properties under a future cap system. Trustees agreed that existing licensed operators should continue to be eligible for renewal provided all application requirements are met and properties remain in compliance with applicable regulations. The Board discussed ensuring that grandfathered properties would remain subject to future operational and enforcement requirements.

Board consensus supported grandfathering of existing licensed STR properties into the 2027 renewal window, provided all renewal documentation and operational requirements are met.

e. Allocation of Future Licenses

The Board discussed procedures for issuance of future licenses should properties fall below the adopted cap through attrition. Discussion included first-come, first-served systems, waiting lists, lottery systems, and combinations of those approaches. Trustees discussed the importance of maintaining fairness while minimizing administrative complexity.

The Board generally favored creating an initial lottery process followed by administration of a waiting list for future license opportunities.

f. Duration of License Eligibility

The Board discussed whether future policies should address indefinite renewal of licenses and whether opportunities should periodically be created for future property owners to obtain licenses. Trustees discussed the challenges associated with license transfers, long-term ownership, and generational transfer of family properties.

No formal direction was provided, although Board members expressed interest in revisiting the topic during future policy discussions.

g. Annual Rental Activity Limitations

The Board discussed possible limitations on rental intensity through either annual rental-night restrictions or limits on the number of bookings per year. Staff provided available data regarding reported rental activity from existing license holders and reviewed limitations used by other jurisdictions. Discussion focused on whether reducing rental intensity may address neighborhood concerns while preserving opportunities for occasional rental activity. Trustees also discussed concerns regarding frequent guest turnover associated with short-duration bookings.

Staff was directed to consult with the Town's software vendor regarding administration of annual rental-night limitations versus annual booking limitations.

h. Minimum Length of Stay

The Board discussed minimum stay requirements and whether increasing the minimum length of individual rentals would reduce neighborhood impacts associated with frequent guest turnover. Trustees discussed two-night, three-night, and four-night minimum stay options, with multiple Trustees expressing concern regarding weekend rentals associated with shorter stays.

After discussion, the Board reached consensus supporting a three-night minimum stay requirement for ordinance drafting purposes.

i. Occupancy Standards

The Board reviewed the Town's existing occupancy standards. Discussion focused on environmental considerations, water consumption, wastewater impacts, legal bedroom verification, and consistency with occupancy assumptions of utility providers. The Board discussed modifying the current occupancy formula of two occupants per bedroom plus two additional occupants.

After discussion, the Board reached consensus supporting an occupancy standard of two occupants per legal bedroom without the existing additional two-person allowance.

j. Enforcement Framework

Town Attorney Widner outlined a potential future enforcement framework consisting of ordinance provisions, administrative procedures, and educational materials for license holders. Topics included revocation of licenses for severe violations, suspension provisions for significant violations, revision of existing monetary penalties and fines, escalating classes of violations, administrative appeals procedures, penalties for operation without a license, and the potential use of Board-appointed hearing panels or third-party hearing officers.

Trustees generally supported stronger enforcement mechanisms and agreed that compliance and enforcement would be critical components of any future STR program.

k. Administrative Improvements

The Board discussed possible improvements to administration of the licensing program. Discussion included expanded renewal windows, two-year license cycles, streamlined application procedures, methods to reduce administrative burden on staff, and the migration of the STR program to the new compliance software platform as it becomes available.

k. Future Draft Ordinance and Public Process

Town Attorney Widner explained that staff and legal counsel would begin preparation of draft ordinance language utilizing Board direction received during prior and current work sessions. Attorney Widner advised that draft language would be distributed to Trustees for review prior to the next work session and requested that comments be provided directly to legal counsel and staff.
Staff indicated that future materials would include draft ordinance language, proposed administrative enforcement procedures, and educational guidance materials for license holders.

l. Consideration of an Upcoming Special Meeting

The Board agreed that additional discussion is necessary regarding enforcement procedures and final ordinance language before scheduling a public hearing on subsequent legislative decisions. The Trustees scheduled a special work session for Tuesday, September 22, 2026, at 5:00 p.m. to continue discussion of ordinance provisions and enforcement mechanisms.

New Business

1. None

Executive Session

1. None

Adjourn

Trustee Heckman motioned to adjourn the work session and the meeting. Trustee Stimson provided a second. All ayes – motion passed.

Meeting adjourned at 7:41 PM.

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Chad Hull
Town Manager

Financial Report

Town of Blue River
For the period ended August 31, 2026

Prepared by
Marchetti & Weaver, LLC

Prepared on
September 14, 2026

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TOWN OF BLUE RIVER
Statement of Financial Position

	Preliminary - Subject to Change		
	Combined Funds	**Combined Funds**	**Combined Funds**
	12/31/2024	12/31/2025	8/31/2026
Assets:			
Operating - Alpine Bank	1,017,599	602,848	1,489,113
Petty Cash	250	250	250
American Rescue Plan Funds 3090	185,716	63,786	65,260
Credit Card - Alpine	-	-	-
Reserve1 - Alpine Bank	256,348	266,868	273,032
Reserve2 - Alpine Bank	1,222,126	1,271,780	1,301,157
CD's - Citywide Banks	-	-	-
Alpine Bank CTF 4100 CTF	161,618	178,390	182,957
FirstBank - Reserves	-	-	-
ColoTrust - Capital	3,180,264	2,622,880	2,689,680
ColoTrust Broadband	214,588	326,786	335,109
ColoTrust General		996,989	1,022,381
CSAFE	133	125	128
Illiquid Trust Funds	1,187	-	-
Cash with the County Treasurer	-	-	-
Total Cash in Bank	6,239,829	6,330,703	7,359,066
AR:Sales Tax	102,093	111,067	-
AR:Lodging Tax	82,769	86,098	-
AR:Use Tax	4,517	4,862	-
AR:Specific Ownership Tax	4,029	4,031	-
AR:Defensible Space - Prior Years Grant	-	-	-
Property Taxes Receivable	870,812	930,583	27,536
Prepaid expenses CEBT	-	-	-
Prepaid Expenses	11,960	-	-
QuickBooks Tax Holding Account		5,774	-
Total Assets	**7,316,010**	**7,473,118**	**7,386,602**
Liabilities			
Accounts Payable	9,776	35,306	156,665
Payroll Liabilities	857	857	857
Payroll Liabilities:CEBT	-	-	(18,419)
Payroll Liabilities:CO Income Tax	7,702	5,774	(4,245)
Payroll Liabilities:CRA 457	2,298	-	-
Payroll Liabilities:Federal Tax	15,322	-	-
Wages Payable	19,574	22,486	22,486
Total Liabilities	**55,529**	**64,422**	**157,343**
Deferred Inflows			
Deferred Revenue - Property Tax	870,812	930,583	27,536
Deferred Revenue - ARP	40,800	200,335	-
Total Deferred Inflows	**911,612**	**1,130,918**	**27,536**
Equity:			
Fund Balance - Capital	2,363,025	1,509,458	1,550,296
Fund Balance - Amendment 1	-	-	-
Fund Balance - Conservation Trs	161,619	173,634	182,957
General Fund Balance	3,424,021	4,325,652	5,282,676
Reserves-Land Acquisition	-	-	-
Reserves-Road Improvements	-	-	-
Reserves-Town Hall Renovations	-	-	-
Fund Balance Broadband	214,588	215,738	185,795
Fund Balance American Rescue	185,616	53,296	(0)
Ending Fund Balance	**6,348,869**	**6,277,778**	**7,201,724**
Total Liabilities, Deferred Inflows & Fund Balance	**7,316,009**	**7,473,118**	**7,386,603**
	=	=	=

No assurance provided on these financial statements; substantially all disclosures required by GAAP omitted.

TOWN OF BLUE RIVER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE — MODIFIED ACCRUAL BASIS — Preliminary - Subject to Change
ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED — Printed: 9/14/2026

	2022 Cal Yr Actual	2023 Cal Yr Actual	2024 Cal Yr Actual	2025 Cal Yr Preliminary	2026 Annual: 2026 Adopted Budget	2026 Annual: Projected Variances Fav(Unfav)	2026 Annual: 2026 Current Forecast	2026 PRELIMINARY YTD: 8 Months Ended 8/31/2026 Actual	2026 PRELIMINARY YTD: 8 Months Ended 8/31/2026 Budget	2026 PRELIMINARY YTD: Variance Favorable (Unfavor)	Preliminary Current Month: 8/31/2026 Actual	Preliminary Current Month: 8/31/2026 Budget	Preliminary Current Month: Variance Favorable (Unfavor)
GENERAL FUND													
Assessed Value					88,971,290		88,971,290						
Mill Levy Rate					12.290		12.290						
Temporary mill levy credit					(1.831)		(1.831)						
Mill Levy Rate					10.459		10.459						
Operations													
Tax Revenue													
General Property Tax	691,557	677,351	853,782	869,833	930,583	-	930,583	903,047	918,474	(15,426)	25,812	23,249	2,563
Delinquent Taxes	-	10	(55)	328		-		-	-	-	-	-	-
Lodging Tax	380,938	372,100	466,481	460,205	350,000	-	350,000	259,778	200,746	59,032	25,429	18,299	7,130
Specific Ownership Tax	33,207	34,022	33,145	36,576	26,000	-	26,000	19,559	15,167	4,392	3,202	2,167	1,036
Exempt Personal Property	5,778	5,692	16,293	5,067	8,000	-	8,000	4,582	8,000	(3,418)	-	-	-
Motor Vehicle License Fees	9,784	12,368	15,616	19,931	13,000	9,055	22,055	22,055	8,667	13,389	13,303	1,083	12,219
Sales Tax (Booked in Arrears)	1,002,256	1,099,846	1,166,748	1,065,919	1,000,000	-	1,000,000	682,425	583,333	99,091	77,602	83,333	(5,731)
Cigarette Tax	1,184	1,670	1,329	1,269	1,050	-	1,050	618	700	(82)	84	88	(3)
Highway User's Tax	48,777	48,136	55,181	55,602	55,630	-	55,630	26,608	37,087	(10,479)	-	4,636	(4,636)
Road & Bridge	23,025	22,876	15,606	27,188	20,000	5,500	25,500	25,269	13,333	11,936	-	1,667	(1,667)
	2,196,507	**2,274,071**	**2,624,126**	**2,541,918**	**2,404,263**	**14,555**	**2,418,818**	**1,943,942**	**1,785,507**	**158,435**	**145,433**	**134,521**	**10,911**
Building Department													
Building Inspection Dept	95,061	130,348	109,295	115,430	85,000	59,566	144,566	144,566	56,667	87,899	17,663	7,083	10,579
Architectural Review Fees	1,000	100	-	50		124	124	124	-	124	124	-	124
Development Fees	-	-	-	-		-		-	-	-	-	-	-
	96,061	**130,448**	**109,295**	**115,480**	**85,000**	**59,690**	**144,690**	**144,690**	**56,667**	**88,023**	**17,787**	**7,083**	**10,703**
Municipal Court Revenue													
Municipal Court Fines	13,956	21,968	34,528	25,890	35,000	-	35,000	16,745	23,333	(6,588)	3,401	2,917	484
Code Enforcement Surcharge	3,095	3,151	1,145	1,619	1,200	2,478	3,678	3,678	800	2,878	1,184	100	1,084
Marshal Office Revenue	251	299	1,721	115	100	-	100	60	67	(7)	-	8	(8)
	17,302	**25,418**	**37,394**	**27,624**	**36,300**	**2,478**	**38,778**	**20,483**	**24,200**	**(3,717)**	**4,585**	**3,025**	**1,560**
Tarn Revenue													
Boat Permits	-	20	7,903	4,860	5,000	1,680	6,680	6,680	3,333	3,347	620	417	203
	-	**20**	**7,903**	**4,860**	**5,000**	**1,680**	**6,680**	**6,680**	**3,333**	**3,347**	**620**	**417**	**203**
Grants													
Defensible Space Grants	84,790	65,126	45,348	18,495	25,000	-	25,000	-	16,667	(16,667)	-	2,083	(2,083)
CO State Forest Service Grants		-	-	-	-	-	-	-	-	-	-	-	-
Police Department Grants	15,707	8,594	4,075	9,468	10,000	-	10,000	9,304	6,667	2,637	736	833	(98)
	100,497	**73,720**	**49,423**	**27,963**	**35,000**	**-**	**35,000**	**9,304**	**23,333**	**(14,029)**	**736**	**2,917**	**(2,181)**
Other Income													
Interest on Investments	15,168	65,633	85,934	67,681	58,000	17,000	75,000	60,936	38,667	22,269	7,550	4,833	2,717
Interest on Taxes	1,151	1,086	1,393	2,354	1,000	20	1,020	1,020	667	353	664	83	581
Natural Gas Franchise	71,711	88,102	80,244	88,851	85,000	-	85,000	69,475	56,667	12,808	4,024	7,083	(3,059)
1041 Process Payments			-	-	-		-	-	-	-	-	-	-
DOLA Grant - Admin Salary	-	-	-	-		-		-	-	-	-	-	-
DOLA Town Hall Expansion	-	-	-	-		-		-	-	-	-	-	-
Credit Card Fees	585	965	809	302	-	450	450	430	-	430	99	-	99
Lodging Tax Registration	34,856	70,700	70,277	56,845	133,000	140,000	273,000	257,773	88,667	169,106	(1,900)	11,083	(12,983)
Business Licenses	11,700	12,105	10,506	10,888	10,000	-	10,000	7,000	6,667	333	925	833	92
Admin Miscellaneous Income	129,156	8,780	172,349	1,408	10,000	-	10,000	1,751	6,667	(4,916)	1,331	833	498
Lease Proceeds	16,011		-	-				-			-		
	280,339	**247,371**	**421,512**	**228,329**	**297,000**	**157,470**	**454,470**	**398,385**	**198,000**	**200,385**	**12,693**	**24,750**	**(12,057)**
General Fund Contribution						-			-	-		-	-
Total Revenues	**2,690,706**	**2,751,048**	**3,249,654**	**2,946,175**	**2,862,563**	**235,873**	**3,098,436**	**2,523,484**	**2,091,040**	**432,444**	**181,853**	**172,713**	**9,140**

	2022 Cal Yr Actual	2023 Cal Yr Actual	2024 Cal Yr Actual	2025 Cal Yr Preliminary	2026 Annual: 2026 Adopted Budget	2026 Annual: Projected Variances Fav(Unfav)	2026 Annual: 2026 Current Forecast	2026 PRELIMINARY YTD: 8 Months Ended 8/31/2026 Actual	2026 PRELIMINARY YTD: 8 Months Ended 8/31/2026 Budget	2026 PRELIMINARY YTD: Variance Favorable (Unfavor)	Preliminary Current Month: 8/31/2026 Actual	Preliminary Current Month: 8/31/2026 Budget	Preliminary Current Month: Variance Favorable (Unfavor)
Expenditures													
Personnel													
Salaries - Elected Officials	15,500	13,800	14,383	16,322	14,400	-	14,400	13,800	9,600	(4,200)	2,250	1,200	(1,050)
Salary - Town Manager	110,462	128,975	142,555	234,357	126,071	-	126,071	56,538	84,047	27,509	8,077	10,506	2,429
Personnel Misc Expenses							2,486	2,486	-	(2,486)	-	-	-
Salary - Town Clerk	63,855	69,696	75,029	80,239	70,606	-	70,606	57,404	47,071	(10,334)	6,848	5,884	(964)
Payroll Taxes - All Employees	42,509	43,367	46,676	54,876	45,000	-	45,000	31,863	30,000	(1,863)	3,959	3,750	(209)
Payroll Service Fees	1,578	3,144	3,714	5,864	6,500	-	6,500	4,909	4,333	(575)	605	542	(63)
Workman's Comp Insurance	6,849	8,280	8,298	9,558	9,000	-	9,000	6,469	6,000	(469)	1,126	750	(376)
Unemployment Payments	-	-	-	-		-		(2)	-	2	-	-	-
Health Insurance	52,731	84,665	78,827	119,966	146,004	-	146,004	74,621	97,336	22,715	8,667	12,167	3,500
Empower Retirement 457	-	-	737	-		-		-	-	-	-	-	-
Retirement-Town Match	8,127	8,333	10,462	10,457	12,000	-	12,000	10,036	8,000	(2,036)	1,164	1,000	(164)
Town Attorney	37,661	35,355	41,491	97,847	75,000	-	75,000	61,825	50,000	(11,825)	-	6,250	6,250
Accountant	13,522	10,959	19,924	41,982	20,000	40,000	60,000	46,669	13,333	(33,336)	-	1,667	1,667
Auditor	9,200	9,750	10,250	10,650	12,000	-	12,000	-	12,000	12,000	-	12,000	12,000
Other Business Expenses	-	50	-	-	-	-	-	-	-	-	-	-	-
	361,994	**416,375**	**452,347**	**682,117**	**536,581**	**40,000**	**579,067**	**366,618**	**361,721**	**(4,898)**	**32,696**	**55,715**	**23,019**
Administration													
Miscellaneous	(1,527)	-	-	1,188	50	-	50	-	33	33	-	4	4
Office Supplies	3,112	2,841	3,597	3,017	4,000	-	4,000	163	2,667	2,503	-	333	333
Uniforms	-	1,688	1,922	-	5,000	-	5,000	-	3,333	3,333	-	417	417
Telephone	8,592	5,227	5,640	7,027	7,500	-	7,500	4,247	5,000	753	532	625	93
Postage and Delivery	-	-	-	-	50	110	160	156	33	(123)	78	4	(74)
Printing & Publishing	4,738	6,372	3,174	2,504	3,000	-	3,000	1,351	2,000	649	283	250	(33)
Meetings and Events	13,105	9,108	7,542	9,385	10,000	-	10,000	656	6,667	6,011	-	833	833
Training & Travel	2,124	4,491	1,977	1,937	6,000	-	6,000	2,225	4,000	1,775	88	500	412
Sales & Lodging Tax Admin	2,703	7,452	10,372	2,460	-	7,500	7,500	7,172	-	(7,172)	-	-	-
Professional Services	3,402	3,724	4,970	34,577	12,000	4,000	16,000	15,493	8,000	(7,493)	-	1,000	1,000
Equipment Repairs & Lease	5,397	5,590	5,422	5,032	5,500	-	5,500	3,642	3,667	24	460	458	(2)
Technology	54,170	102,312	92,110	83,369	95,000	-	95,000	68,490	63,333	(5,156)	7,845	7,917	72
Community Engagement/Marketing	2,980	659	439	555	500	-	500	-	333	333	-	42	42
Community Fund	7,550	14,549	23,919	42,419	50,000	-	50,000	10,750	33,333	22,583	-	4,167	4,167
Scholarships	3,000	1,500	5,000	4,500	5,000	-	5,000	-	3,333	3,333	-	417	417
Insurance	29,871	31,654	68,262	8,900	42,080	-	42,080	26,520	28,053	1,534	-	3,507	3,507
Codifying	1,169	1,996	-	1,050	3,000	-	3,000	-	2,000	2,000	-	250	250
Elections	13,799	1,124	16,190	1,212	18,000	-	18,000	4,107	12,000	7,893	-	1,500	1,500
Cnty Treasurer's Fees	15,056	13,569	16,314	17,577	20,000	-	20,000	18,079	13,333	(4,746)	529	1,667	1,137
NWC of Govt	1,243	1,330	-	1,541	1,541	-	1,541	-	1,027	1,027	-	128	128
CML	1,246	1,284	1,348	1,415	1,388	1,412	2,800	2,638	925	(1,713)	-	116	116
CAST	630	630	1,584	1,859	1,859	841	2,700	2,700	1,239	(1,461)	-	155	155
Credit Card Charges	542	861	611	284	500	-	500	386	333	(53)	91	42	(50)
Charitable Contributions	-	-	-	-		-		-	-	-	-	-	-
	172,904	**217,961**	**270,393**	**231,809**	**291,968**	**13,863**	**305,831**	**168,776**	**194,645**	**25,870**	**9,906**	**24,331**	**14,424**
Town Hall Expense													
Utilities	11,115	13,212	12,551	13,397	14,000	-	14,000	10,418	9,333	(1,084)	726	1,167	440
Trash	2,780	3,380	2,995	3,748	4,000	-	4,000	3,260	2,667	(593)	410	333	(77)
Supplies	1,472	718	-	585	750	-	750	359	500	141	104	63	(41)
Grounds & Snow Removal	29	-	-	935		-		-	-	-	-	-	-
Cleaning	-	36	-	-		-		-	-	-	-	-	-
Repairs & Maintenance	531	15,124	3,513	491	1,000	-	1,000	300	667	367	-	83	83
Employee Housing HOA	3,899	4,705	4,349	5,023	4,848	-	4,848	3,483	3,232	(251)	446	404	(42)
Employee Housing Utilities	4,617	4,970	4,996	7,657	6,000	-	6,000	5,452	4,000	(1,452)	637	500	(137)
Employee Housing Supplies	1,011	94	-	39	100	-	100	28	67	38	-	8	8
Tarn Utilities			-	-	-	-	-	-	-	-	-	-	-
	25,455	**42,239**	**28,404**	**31,875**	**30,698**	**-**	**30,698**	**23,300**	**20,465**	**(2,835)**	**2,323**	**2,558**	**235**

	2022 Cal Yr Actual	2023 Cal Yr Actual	2024 Cal Yr Actual	2025 Cal Yr Preliminary	2026 Annual: 2026 Adopted Budget	2026 Annual: Projected Variances Fav(Unfav)	2026 Annual: 2026 Current Forecast	2026 PRELIMINARY YTD: 8 Months Ended 8/31/2026 Actual	2026 PRELIMINARY YTD: 8 Months Ended 8/31/2026 Budget	2026 PRELIMINARY YTD: Variance Favorable (Unfavor)	Preliminary Current Month: 8/31/2026 Actual	Preliminary Current Month: 8/31/2026 Budget	Preliminary Current Month: Variance Favorable (Unfavor)
Planning & Zoning													
P&Z Commission Salaries	8,300	8,400	8,400	7,146	8,400	-	8,400	5,100	5,600	500	600	700	100
Comprehensive Plan	-	-	-	-		-		-	-	-	-	-	-
P&Z Professional Fees	-	806	-	-		-		-	-	-	-	-	-
	8,300	**9,206**	**8,400**	**7,146**	**8,400**	**-**	**8,400**	**5,100**	**5,600**	**500**	**600**	**700**	**100**
Municipal Court													
Municipal Judge	6,500	6,500	6,500	6,541	6,500	-	6,500	4,333	4,333	(0)	542	542	(0)
Prosecutor	9,600	9,600	9,600	9,661	9,600	-	9,600	6,400	6,400	-	800	800	-
Clerk - Municipal Court	5	-	-	-		-		-	-	-	-	-	-
Court Administration	430	287	459	1,008	1,000	-	1,000	59	667	608	30	83	53
	16,536	**16,387**	**16,559**	**17,210**	**17,100**	**-**	**17,100**	**10,792**	**11,400**	**608**	**1,372**	**1,425**	**53**
Public Safety													
Salary - Police Department	297,133	211,104	313,614	382,321	388,545	-	388,545	265,074	259,030	(6,044)	30,972	32,379	1,407
Fuel Benefit-Mileage Reimbursement	2,538	10,985	10,405	8,059		9,000	9,000	6,192	-	(6,192)	1,014	-	(1,014)
Office/General Administrative Expenditures	5,496	-	-	442		1,050	1,050	1,035	-	(1,035)	146	-	(146)
MERT	-	-	-	-		-		-	-	-	-	-	-
Fuel	6,838	5,792	4,907	7,162	7,000	-	7,000	5,648	4,667	(981)	953	583	(369)
Supplies - Police	10,751	9,101	11,173	6,271	15,000	-	15,000	11,005	10,000	(1,005)	82	1,250	1,168
Auto Repair & Maintenance	3,267	18,611	9,950	9,741	61,000	-	61,000	(21,175)	40,667	61,842	81	5,083	5,003
Animal Shelter	2,625	1,575	2,179	2,380	2,426	-	2,426	1,764	1,617	(147)	-	202	202
Communication	27,582	28,839	45,607	103,284	86,269	-	86,269	64,702	57,513	(7,189)	-	7,189	7,189
Survivor Support	-	-	-	1,000		-		-	-	-	-	-	-
HASMAT	2,183	2,292	2,407	2,527	2,600	54	2,654	2,654	1,733	(921)	-	217	217
Radar Recertification	40	40	-	-	100	-	100	-	67	67	-	8	8
Training	1,906	2,738	1,264	356	5,000	-	5,000	202	3,333	3,132	278	417	139
Professional Services	3,103	3,163	7,453	4,962	5,000	-	5,000	962	3,333	2,371	100	417	317
CDOT/Extra Work	-	-	-	-		-		-	-	-	-	-	-
	363,460	**294,240**	**408,959**	**528,505**	**572,940**	**10,104**	**583,044**	**338,064**	**381,960**	**43,895**	**33,625**	**47,745**	**14,120**
Public Works													
Building Inspector	-	-	-			72,000	72,000	71,174	-	(71,174)	5,111	-	(5,111)
Building Contract	71,100	87,639	76,204	75,170	63,750	-	63,750	23,797	42,500	18,703	-	5,313	5,313
Summit County Inspections	-	-	-			-			-	-		-	-
Electrical Inspector	-	-	-			350	350	338	-	(338)	338	-	(338)
Building Dept Fuel	-	165	-			-			-	-		-	-
Building Dept Auto Repair	757	105	-			-			-	-		-	-
Building Dept Training	-	-	-			-			-	-		-	-
Street Lights Utilities	1,821	1,886	2,362	1,989	1,500	-	1,500	1,394	1,000	(394)	172	125	(47)
Snow Removal	225,054	263,360	212,311	307,420	304,242	-	304,242	207,428	243,394	35,966	-	-	-
Street Maintenance	101,280	205,833	294,053	347,152	365,000	-	365,000	346,391	243,333	(103,058)	145,781	121,667	(24,114)
Engineering	-	13,649	12,291	-	8,000	-	8,000	-	5,333	5,333	-	667	667
1041 Process Expenses	3,153	468	4,801	2,598	-	-	-	-	-	-	-	-	-
Road Signs	12,760	12,073	17,986	6,393	8,000	-	8,000	1,723	5,333	3,611	-	667	667
Project Engineer	-	-	-			-			-	-		-	-
Tarn Improvements	-	-	-			-			-	-		-	-
Forest Improvements	-	-	-			-			-	-		-	-
Wildfire Grant Expenses	83,390	55,358	48,716	77,215	50,000	-	50,000	-	33,333	33,333	-	4,167	4,167
High Country Conservation Grant	-	-	-		-	-	-		-	-		-	-
Town Park Maintenance	-	230	1,600	242	500	-	500	-	333	333	-	42	42
Blue River Recreation Ambasadors			8,680	33,894	62,400	-	62,400	1,175	41,600	40,425	-	5,200	5,200
Tarn Improvements			-		-	-	-		-	-		-	-
Tarn/Park Trash & Facilities			-		-	-	-		-	-		-	-
Other Miscellaneous Service Cost	-	-	-	1,575		-		-	-	-	-	-	-
Auto Repari/Maintenance Bldg Dept			-		-	-	-		-	-		-	-
Summit Stage	-	-	-			-			-	-		-	-
Trail Easements	-	977	-	-	-	89	89	89	-	(89)	-	-	-
Open Space/Trials Easements	-	-	-	-		-		-	-	-	-	-	-
Open Space/Trails Legal	-	-	379	-		-		-	-	-	-	-	-
Open Space/Trails Surveys	1,091	2,700	6,910	-		-	-	-	-	-	-	-	-
Open Space/Trails Town Park	177	-	-	-		-		-	-	-	-	-	-
Tarn Maintenance Improvements			5,263	-	1,000	-	1,000	300	667	366	133	83	(49)
Tarn/Park Trash & Facilities				713		-	-	-	-	-	-	-	-
Admin Vehicle			-		-	-	-		-	-		-	-
	500,761	**644,443**	**691,555**	**854,360**	**864,392**	**72,439**	**936,831**	**653,810**	**616,827**	**(36,983)**	**151,534**	**137,929**	**(13,605)**

	2022 Cal Yr Actual	2023 Cal Yr Actual	2024 Cal Yr Actual	2025 Cal Yr Preliminary	2026 Annual: 2026 Adopted Budget	2026 Annual: Projected Variances Fav(Unfav)	2026 Annual: 2026 Current Forecast	2026 PRELIMINARY YTD: 8 Months Ended 8/31/2026 Actual	2026 PRELIMINARY YTD: 8 Months Ended 8/31/2026 Budget	2026 PRELIMINARY YTD: Variance Favorable (Unfavor)	Preliminary Current Month: 8/31/2026 Actual	Preliminary Current Month: 8/31/2026 Budget	Preliminary Current Month: Variance Favorable (Unfavor)
Capital Improvements - General Expenditures													
Capital Expenses	-												
Road Projects	-	-	-	-		-		-	-	-	-	-	-
Road Projects:Road Infrastructure Construction	-	-	-			-			-	-		-	-
Road Projects:Road Project Engineering			-			-			-	-		-	-
Road Projects:Road Project Easements			-			-			-	-		-	-
Capital Planning:Engineering Capital Planning	-					-			-	-		-	-
Capital Town Hall:Town Hall Remodel	-	-				-			-	-		-	-
Land Acquisition:Land Purchase	-	-				-			-	-		-	-
Transfer to Capital/Funding for Engineering/Projects		2,100,000	100,000	-	100,000	-	100,000	-	-	-	-	-	-
Funding for Broadband		100,000	-	-	50,000		50,000	-	-	-	-	-	-
	-	**2,200,000**	**100,000**	**-**	**150,000**	**-**	**150,000**	**-**	**-**	**-**	**-**	**-**	**-**
Payroll Expenses													
Company Contributions	-	-	-	-		-		-	-	-	-	-	-
Company Contributions:Health Insurance	-	-	-	-		-		-	-	-	-	-	-
Company Contributions:Retirement	-	-	-	-		-		-	-	-	-	-	-
Wages	36,669	112,897	52,891	-		-		-	-	-	-	-	-
	36,669	**112,897**	**52,891**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Operating Expenditures	**1,486,079**	**3,953,748**	**2,029,508**	**2,353,022**	**2,472,079**	136,406	**2,610,971**	**1,566,460**	**1,592,618**	**26,158**	**232,057**	**270,403**	**38,347**
Operating Surplus (deficit)	**1,204,627**	**(1,202,700)**	**1,220,146**	**593,153**	**390,484**	372,279	**487,465**	**957,023**	**498,422**	**458,602**	**(50,204)**	**(97,690)**	**47,486**
					=								
Beginning Fund Balance - General	**2,201,984**	**3,406,611**	**2,203,875**	**3,732,499**	**3,712,338**	613,314	**4,325,652**	**4,325,652**	**3,712,338**	613,314	**5,332,880**	**4,308,450**	**1,024,430**
Prior Period Adjustment		-											
Ending Fund Balance - General	**3,406,611**	**2,203,911**	**3,424,021**	**4,325,652**	**4,102,822**	985,593	**4,813,118**	**5,282,676**	**4,210,760**	**1,071,916**	**5,282,676**	**4,210,760**	**1,071,916**
			(35.73)	308,477.78	=				=	=		=	=
Capital Subfund of General Fund													
Revenue and Other Financing Sources													
Contribution from General Fund	400,000	2,100,000	100,000	0	100,000	0	100,000	0	-	-	-	-	-
Interest Income	8,305	76,628	179,049	122,985		70,800	70,800	66,800	-	66,800	8,705	-	8,705
Total Revenues	**408,305**	**2,176,628**	279,049	122,985	**100,000**	70,800	**170,800**	66,800	**0**	**66,800**	8,705	**0**	**8,705**
Capital and Other projects													
Engineering	29,153	62,720	76,433	18,330		-		-	-	-	-	-	-
Road Project Engineering				65,022				-	-	-	-	-	-
Road Infrastructure Construction				566,710	250,000	-	250,000	25,961	166,667	140,706	25,961	41,667	15,706
Legal						-			-	-		-	-
Easements		1,600		-		-		-	-	-	-	-	-
Surveys	20,123					-			-	-		-	-
Capital Town Hall:Town Hall Remodel	-	-	10,711	-		-		-	-	-	-	-	-
Equipment				47,442		-		-	-	-	-	-	-
Land Acquisition													
Land Acquisition			859,408	-		-		-	-	-	-	-	-
Legal						-			-	-		-	-
Total Capital and Non-Routine Exp	49,276	64,320	946,551	697,503	**250,000**	-	**250,000**	25,961	**166,667**	**140,706**	25,961	41,667	**15,706**
Surplus after other sources / uses	**359,030**	**2,112,308**	**(667,502.32)**	**(574,518)**	**(150,000)**	**70,800**	**(79,200)**	**40,839**	**(166,667)**	**207,505**	**(17,256)**	**(41,667)**	**24,411**
Fund balance - beginning Capital	835,230	**918,219**	**3,030,527**	**2,083,976**	1,913,631	(404,173)	1,509,458	**1,509,458**	**1,913,631**	(404,173)	**1,567,553**	**1,788,631**	**(221,078)**
Prior Period Adjustment													
Fund balance - ending Capital	**1,194,259**	**3,030,527**	**2,363,025**	**1,509,458**	**1,763,631**	**(333,373)**	**1,430,258**	**1,550,296**	**1,746,964**	**(196,668)**	**1,550,296**	**1,746,964**	**(196,668)**
Actual Per Bank Account		3,030,527	3,180,264	2,622,880	=			=	=	=		=	=

	2022 Cal Yr	2023 Cal Yr	2024 Cal Yr	2025 Cal Yr	2026 Annual			2026 PRELIMINARY YTD			Preliminary Current Month		
	Actual	Actual	Actual	Preliminary	2026 Adopted Budget	Projected Variances Fav(Unfav)	2026 Current Forecast	8 Months Ended 8/31/2026 Actual	8 Months Ended 8/31/2026 Budget	Variance Favorable (Unfavor)	8/31/2026 Actual	8/31/2026 Budget	Variance Favorable (Unfavor)
Broadband Subfund of General Fund		-											
Revenue and Other Financing Sources													
Contribution from General Fund	100,000	100,000	-	0		0		0	-	-	-	-	-
Grants						0			-	-	-	-	-
Interest Income	8,305	3,558	11,049	12,198		9,600	9,600	8,323	-	8,323	1,085	-	1,085
Total Revenues	**108,305**	**103,558**	11,049	12,198	**0**	9,600	**9,600**	8,323	**0**	**8,323**	1,085	**0**	**1,085**
Expenditures													
Engineering		0			32,000	-	32,000	38,266	21,333	(16,933)	-	2,667	2,667
Grant						-			-	-	-	-	-
Total Capital and Non-Routine Exp	-	-	-	-	**32,000**	-	**32,000**	38,266	**21,333**	**(16,933)**	-	2,667	**2,667**
Surplus after other sources / uses	**108,305**	**103,558.29**	**11,048.58**	**12,198**	**(32,000)**		**(22,400)**	**(29,943)**	**(21,333)**	**(8,610)**	**1,085**	**(2,667)**	**3,751**
Fund balance - beginning Broadband	0	99,981	**203,540**	**203,540**	301,588	(85,850)	215,738	**215,738**	**301,588**	(85,850)	**184,710**	**282,921**	**(98,211)**
Prior Period Adjustment booked into beginning FB													
Fund balance - ending Broadband	**108,305**	**203,540**	**214,588**	**215,738**	**269,588**	**(85,850)**	**193,338**	**185,795**	**280,255**	**(94,460)**	**185,795**	**280,255**	**(94,460)**
Actual Per Bank Account		203,540	214,588	326,786	=			=	=	=		=	=
American Rescue Plan Subfund of General Fund		-	-										
Revenue and Other Financing Sources													
Contributions	115,747					0			-	-		-	-
Grants									-	-		-	-
Interest Income	13	10,439	10,000	6,071		1,267	1,267	1,473	-	1,473	176	-	176
Total Revenues	**115,759**	**10,439**	10,000	6,071	**0**	1,267	**1,267**	1,473	**0**	**1,473**	176	-	**176**
Expenditures													
Planning		65,278	13,065	390		0		-	-	-	-	-	-
Broadband				128,001		(54,563)	54,563	54,770	-	(54,770)	-	-	-
Total Capital and Non-Routine Exp	-	65,278	13,065	128,391	**0**	(54,563)	**54,563**	54,770	**0**	**(54,770)**	-	-	**0**
Surplus after other sources / uses	**115,759**	**(54,839.22)**	**(3,064.37)**	**(122,320)**	**0**		**(53,296)**	**(53,297)**	**-**	**(53,297)**	**176**	**-**	**176**
Fund balance - beginning Am Rescue Plan	115,747	243,519	**188,680**	**175,616**	63,296	(10,000)	**53,296**	**53,296**	**63,296**	(10,000)	**(176)**	**63,296**	**(63,473)**
Prior Period Adjustment													
Fund balance - ending Am Rescue Plan	**231,506**	**188,680**	**185,616**	**53,296**	**63,296**	**(10,000)**	**0**	**(0)**	**63,296**	**(63,297)**	**(0)**	**63,296**	**(63,297)**
Actual per Bank Account		188,680	185,716	63,786				=	=	=		=	=
Conservation Trust Fund		-	100										
Revenue and Other Financing Sources													
Conservation Trust Fund	11,191	12,135	10,418	10,043	10,000	-	10,000	5,144	6,667	(1,523)	-	833	(833)
Interest Income	15	6,051	7,863	6,728	5,000	-	5,000	4,180	3,333	846	498	417	81
Total Revenues	**11,206**	**18,185**	18,281.33	16,772	**15,000**	-	**15,000**	9,324	**10,000**	**(676)**	498	**1,250**	**(752)**
Expenditures													
Trail Easements	-	-	-	4,757	3,000	-	3,000	-	2,000	2,000	-	250	250
Trails Legal	-	-	-	-	500	-	500	-	333	333	-	42	42
Trails Survey	-	-	-	-	5,000	-	5,000	-	3,333	3,333	-	417	417
Signage				-	10,000	0	10,000	-	6,667	6,667	-	833	833
Town Park	0			-	2,000	0	2,000	-	1,333	1,333	-	167	167
Total	-	-	-	4,757	**20,500**	-	**20,500**	-	**13,667**	**13,667**	-	1,708	**1,708**
Surplus after other sources / uses	**11,206**	**18,185**	**18,281**	**12,015**	**(5,500)**	**-**	**(5,500)**	**9,324**	**(3,667)**	**12,990**	**498**	**(458)**	**956**
Fund balance - beginning Cons Trust Fnd	113,946	125,152	**143,337**	**161,619**	165,034	8,600	173,634	**173,634**	**165,034**	8,600	**182,459**	**161,826**	**20,634**
Fund balance - ending Cons Trust Fnd	**125,152**	**143,337**	**161,619**	**173,634**	**159,534**	**8,600**	**168,134**	**182,957**	**161,367**	**21,590**	**182,957**	**161,367**	**21,590**
				178,390	=			=	=	=		=	=

No assurance provided on these financial statements; substantially all disclosures required by GAAP omitted.

Town of Blue River

A/P Aging Summary Report

As of Aug 31, 2026

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	Total
All Copy Products Inc*	4,970.90					4,970.90
CEBT					0.00	0.00
Charles Abbott Associates		5,110.50				5,110.50
Column Software PBC	35.37					35.37
G&G Services	152,993.00					152,993.00
Town of Blue River					0.00	0.00
Tritech Forensics	81.80					81.80
TOTAL	**158,081.07**	**5,110.50**			**0.00**	**$163,191.57**

September 8, 2026

Blue River Board of Trustees, Town of Blue River, Colorado

Dear Trustees and Town Staff:

Thank you for not singling out larger properties and larger families at the last meeting when discussing STR occupancy.

I do want to raise one respectful objection to a decision made on August 25 and one significant concern about what is being considered for September 22.

Occupancy Formula

At the August 25 meeting, the Board decided to reduce the occupancy formula for STRs to 2 people per bedroom with no additive. I want to respectfully raise for the record that this change made Blue River's occupancy formula the strictest in Summit County—including all residential zones.

Summit County STR occupancy formulas as of August 2026:

Jurisdiction	Formula
Blue River (new proposed)	**2 per bedroom, no additive**
Dillon	2 per bedroom + 2
Silverthorne	2 per bedroom + 2
Unincorporated Summit County — Neighborhood Overlay Zone (Type II, residential)	2 per bedroom + 2
Breckenridge	2 per bedroom + 4
Frisco	2 per bedroom + 4
Keystone (single-family, duplex, townhome)	2 per bedroom + 4 OR 1 per 200 sq ft (whichever greater)
Unincorporated Summit County — Resort Overlay Zone	2 per bedroom + 4

Blue River is now the only Summit County jurisdiction with a no-additive formula. ***Every other Summit County jurisdiction that permits STRs — including all residential zones — allows more people than Blue River.*** I recognize Blue River is a unique town, but it is not so different from the residential zones of every other Summit County jurisdiction that it needs a stricter occupancy rule. This reduction may sound nice to some, but it is arbitrary and without regional precedent.

I respectfully ask the Board to reconsider this change and return to the 2 per bedroom plus 2 formula that was already in line with the strictest residential zones in Summit County.

Caps for # of Reservations and/or Nights Booked

I want to preview my remaining concern about what the Board is considering at the September 22 special meeting: additional limitations on the total number of nights an STR can be rented per year or the total number of reservations per year.

At an earlier meeting, Town Attorney Widner introduced a helpful framework for thinking about STR regulation: the Board can decide how many "dots" — meaning STR licenses — appear on the map, and can also decide how "large" each dot's impact should be. That is a useful way to think about the two levers available. I want to build on it directly.

The Board has already voted to make the dots fewer AND smaller.

Making the dots fewer:

- The one-STR-per-owner rule takes effect in 2027, preventing corporate accumulation.
- The Board has committed to shutting down all unpermitted operators — by the software's own June estimate, this represents half of all STRs currently operating in Blue River.
- The 20% density cap agreed to on August 25 creates an effective moratorium on new licenses in most zones for several years as attrition works and the number of STRs continues to decline.

Making the dots smaller:

- The occupancy formula tightening adopted August 25 — now the strictest in Summit County.
- The three-night minimum stay adopted August 25 — which limits the potential for back-to-back turnover.
- The restriction on 5 vehicles parked at a property.

These multi-layered restrictions will have a significant impact once enforcement begins. The size of the "STR dots" in Blue River will already be dramatically reduced.

I ask that the Board give the changes already adopted a full year of enforcement before considering additional restrictions. The best way to know whether more restrictions are needed is to see what the existing framework accomplishes first.

I would also note that when Town Attorney Widner first raised the nightly-cap concept, he framed it explicitly as a tool aimed at the 24/7/365 corporate operations that this Board has said it does not want in Blue River. You have already addressed this potential concern with several other restrictions.

Moreover, last month the board acknowledged that there is no such thing as a 365-day rental. Trustee Jon Heckman mentioned that he tries to rent his property as often as possible, and still he operates just over 200 nights a year. A nightly cap set to address 365-day corporate operations is a regulation without an existing problem.

Even more concerning, a regulation like this creates several problems for both the town and the owners.

1. It will arbitrarily punish the vast majority of good operators like Trustee Heckman by reducing the income they have grown to depend on to fund their property expenses.
2. It creates more items for an enforcement officer to track, which waters down the more meaningful regulations we need this person to actively enforce.
3. It is a logistical nightmare for well-intentioned operators to address. Unlike all the other proposed regulations, the various property management software used by most STR operators has no built-in feature to auto-enforce an annual nightly cap or reservation cap. If the Board adopts one of these regulations, most operators will have no tool to prevent violations. This will lead to numerous accidental and harmless violations that will create headaches for the town and the owners.

Please do not create havoc on the entire STR policy you have developed by adding this unproductive and unnecessary regulation.

Respectfully,

Chris Fillingham
6871 State Highway 9 Blue River, CO 80424
314-825-9700

2026 ROAD MAINTENANCE & CAPITAL IMPROVEMENT UPDATE

Town of Blue River

Completed work • Remaining 2026 priorities • Future drainage strategy

Presented by G&G Services | September 2026

2026 at a glance

A season focused on maintaining the road network while making substantial progress on drainage infrastructure.

ROAD MAINTENANCE

- Town-wide grading and watering began in June, followed by follow-up grading and stabilization.
- Magnesium chloride and DuraBlend treatments were applied on priority roads.
- Heavy-rain inspections helped identify washouts, drainage problems and maintenance needs.

ROAD BASE

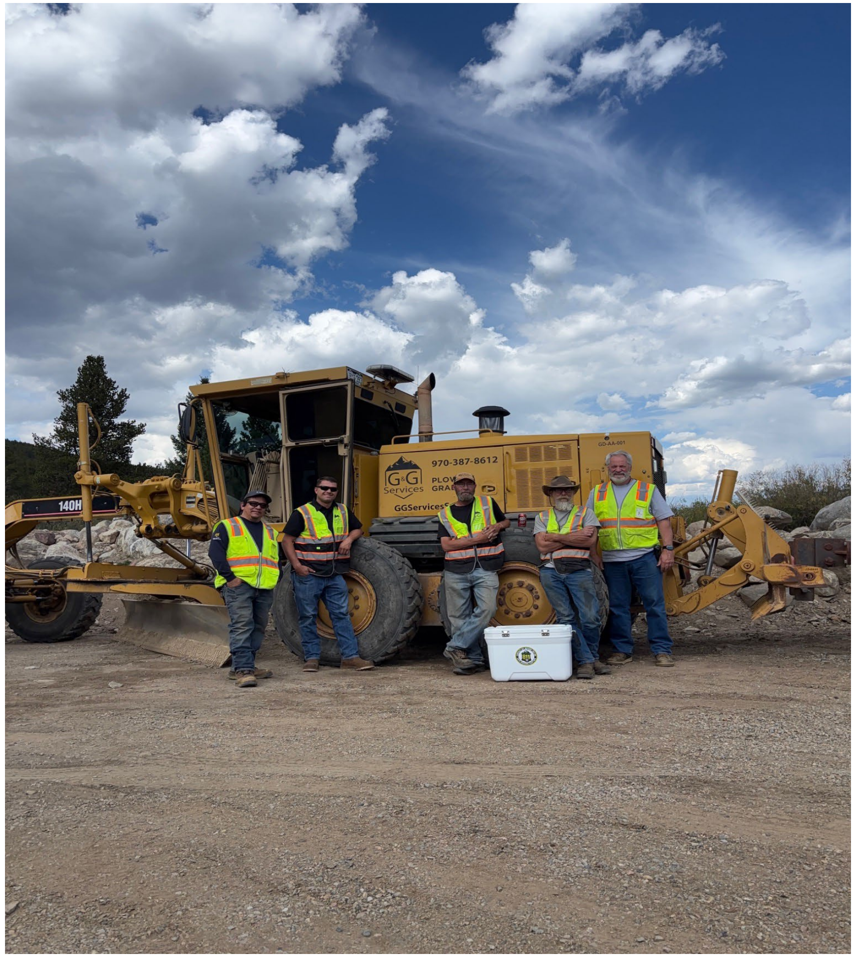
- Road base placed on Bryce Estates, CR 801 / Upper Spruce Creek and later throughout the Lakeshore-area road network.
- Approximately 2,600 tons of road base placed during the 2026 season.
- Work targeted deficient surfaces and areas where added material would improve long-term road performance.

DRAINAGE & CULVERTS

- Extensive ditch cleaning completed on Blue River Road, Crown, 97 Circle, Spruce Creek and other locations.
- Major Royal / Regal drainage project completed.
- Buried and abandoned culverts continue to be located, cleaned, marked and returned to service.
- Delineator posts installed at town cross culverts to help identify locations.

2026 Safety Recognition

G&G Services was recognized by Colorado Natural Gas as its 2026 Safe Contractor.



COLORADO NATURAL GAS

2026 Safe Contractor

- Recognition of our team's commitment to safe work practices around utility infrastructure.
- Safety remains a priority during excavation, drainage, culvert and roadway operations throughout Town.
- We appreciate the recognition and the work our crews put into maintaining that standard.

Annual road maintenance completed

Routine maintenance remained active throughout the capital improvement work.

GRADING & STABILIZATION

- Initial grading covered the Town road network in June.
- Follow-up grading and magnesium chloride application completed on priority roads through July & August.
- DuraBlend used as a test Mag chloride alternative on selected roads including Starlight, Red Mountain, Sherwood, Calle de Plata / Eldorado and Blue Grouse.

ROAD BASE & DRAINAGE MAINTENANCE

- Road base improvements completed on multiple high-need roads.
- Blue River Road received several days of continuous ditch excavation and material removal.
- Spruce Creek, Crown, 97 Circle and other drainage corridors were cleaned and reshaped.
- Remaining major maintenance item: flushing Town culverts before winter.

G&G Services

2026 capital improvement program

Most original CI recommendations are complete, scheduled for October, or were resolved through lower-cost rehabilitation.

COMPLETED

- Golden Crown Lane & Crown Drive — new culvert installed.
- 97 Circle intersection — culvert and drainage improvements completed.
- Royal Drive / Regal Circle — completed.
- 97 Circle / Aspen Meadows — existing buried culvert exposed and cleaned; replacement not required.
- Crown Drive / Highway 9 — existing culvert located and cleaned; replacement not required.

REMAINING / CARRY FORWARD

- Blue River Road / Mariposa Place — dry well planned for October.
- Coronet Drive — drainage / dry-well work to be addressed during October closeout as applicable.
- 63 Hinterland Trail — culvert will likely require replacement; replacement is planned for this year.
- Overall capital program is currently tracking under the original planning-level budget.

G&G Services

Royal Drive / Regal Circle drainage project

The largest planned 2026 drainage capital project will be complete before the Council meeting.

PROJECT PURPOSE

- Restore a defined drainage corridor between Town Park and Blue River Road.
- Reduce ponding and keep runoff from damaging the roadway.

WORK COMPLETED

- Re-established and defined roadside ditches.
- Installed needed driveway culverts and roadway cross culverts.
- Connected drainage to the identified Blue River Road outfall.
- Cleaned associated ditch sections and completed roadway restoration.

Expected result: better drainage → less saturation and erosion → roads that hold their shape and surface longer.

G&G Services

Drainage discoveries are reducing capital needs

Ditch work is revealing existing infrastructure that can often be restored instead of replaced.

WHAT WE ARE FINDING

- A number of buried or abandoned culverts have been discovered as crews concentrate on ditch work.
- Crews are exposing and cleaning these culverts where practical and returning them to service.
- Brown delineator posts and GPS documentation are underway, helping improve the Town's long-term culvert inventory.

WHY IT MATTERS

- 97 Circle / Aspen Meadows and Crown / Highway 9 were originally potential capital replacements but could be handled through cleaning / rehabilitation.
- Capital dollars can remain focused on infrastructure that truly requires reconstruction or replacement.
- The 2026 CI program is currently expected to finish below the original planning-level budget.

Remaining 2026 work

The major construction program is substantially complete, leaving a focused fall closeout list.

BEFORE WINTER

- Flush remaining Town culverts — the only major annual maintenance item still outstanding.
- Continue cleaning newly discovered buried / abandoned culverts where practical.
- Complete planned dry wells in October, including the Blue River Road / Mariposa area.
- Finish closeout work so remaining equipment can be moved off site.

CAPITAL FOLLOW-UP

- Complete the planned replacement of the 63 Hinterland Trail culvert.
- Document completed projects and update GPS locations / delineator marking.
- Use 2026 field findings to identify the highest-value drainage needs for the next capital program.

Looking ahead: drainage as road preservation

Royal / Regal provides a model for future drainage projects in other areas of Town.

Our goal is to pursue additional comprehensive drainage projects like Royal / Regal where they can provide the greatest benefit.

WHY CONTINUE THIS APPROACH

- Water is one of the biggest drivers of road deterioration; getting runoff into defined ditches and culverts helps protect the road structure.
- Better drainage should help grading, road-base and stabilization work last longer.
- Systematic projects can address recurring problem areas instead of repeatedly repairing the same roadway damage.

2027 PLANNING DIRECTION

- Use the growing culvert inventory and this year's field observations to identify future drainage corridors.
- Prioritize projects where drainage improvements can reduce recurring maintenance and protect prior road investments.
- Continue investing in larger drainage improvements modeled after the Royal / Regal project.
- Continue installing road base on deficient surfaces.
- Evaluate DuraBlend performance and consider expanding its use across the Town road network.

G&G Services

G&G Services

GRADING
DRAINAGE
STABILIZATION
EXCAVATION

BUILDING BETTER ROADS
FOR STRONGER COMMUNITIES

Questions?

Thank you for your continued support!

Kacey Grosskreuz
Owner, G&G Services

970-387-8612

info@ggservicessummit.com

ggservicessummit.com

MAINTAIN TODAY | IMPROVE TOMORROW | STRONGER COMMUNITIES TOGETHER

TOWN OF BLUE RIVER, COLORADO

STAFF REPORT

TO: Mayor & Members of the Board of Trustees

THROUGH: Chad Hull, Town Manager

FROM: Bob Widner, Town Attorney

DATE: September 10, 2026

For BOT Regular Meeting: **September 15, 2026**

SUBJECT: Agenda Setting Policy

The attached Resolution No. 2026-12 will establish a policy concerning the preparation of the agenda for a public meeting of the Board of Trustees (BOT).

The policy is made necessary due to more recent BOT concerns that agenda items were added to agendas by a trustee based on the consent or support of other trustees – yet there was no established policy to permit such additions.

This Resolution and the Agenda Setting Policy will do the following:

1. Authorize the Town Manager to set each agenda. This is exceptionally common in municipal government because the manager is aware of what items require the governing body's consideration and approval in order to efficiently operate the municipality.

2. <u>Outside</u> of a public meeting, a Trustee may request that the Manager add an agenda item to a future agenda. This process requires:

    a. The requesting Trustee must inform the Manager in writing (paper or email) of the topic and background of the requested agenda item. In addition, the requesting Trustee must inform the Manager that at least three (3) other trustees were contacted by the requesting Trustee and they all agreed to the agenda addition.

    b. The Manager can then set the requested item on an available future agenda.

    c. The decision to add the requested agenda item to a specific agenda is within the discretion of the Manager. The Manager is best positioned to assess the requested item's priority, the other business before the Board, and the time needed to gather any necessary background information.

3. <u>During</u> a public meeting, a Trustee may request an addition to a future agenda. If there is no objection from another Trustee, the item will be scheduled by the Manager. If an objection is raised, a formal motion and a Board vote will be required to set the item on a future agenda.

4. <u>During</u> a public meeting and as allowed by *Bob's Rules of Order*, a majority of a quorum of the BOT retains the ability to add an item to an agenda and to discuss public business at any time.

5. The Town Attorney may consult with the Manager and add an agenda item on a pending legal matter (most often this will be adding an executive session).

As always, if you have any questions, please contact either me or Chad Hull at any time.

TOWN OF BLUE RIVER, COLORADO

RESOLUTION 2026-12

A RESOLUTION APPROVING A POLICY FOR THE SETTING OF AGENDAS FOR MEETINGS OF THE BOARD OF TRUSTEES

WHEREAS, Colorado law authorizes municipalities to establish rules and procedures for the conduct of meetings; and

WHEREAS, the Colorado Open Meetings Law, C.R.S. § 24-6-402 recognizes that agenda are to be prepared and made available the public meetings; and

WHEREAS, meeting agendas are uniformly recognized as a critical means of providing the public information about its governing body's proposed business issues and actions and ensuring that business is conducted in an efficient and timely manner; and

WHEREAS, the Board of Trustees desires to adopt a written policy concerning how meeting agendas are prepared and how individual Trustees may place a matter before the Board of Trustees for consideration.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF BLUE RIVER THAT:

1. This Resolution shall be effective immediately upon approval and shall have continuing force and effect until repealed by the Board of Trustees.

2. The Board of Trustees approves that following policy for use in setting agendas for public meetings.

AGENDA SETTING POLICY

Section 1. **Definitions**.

Agenda means the published agenda setting forth the proposed business and administrative matters to be addressed in a public meeting by the Board of Trustees.

Agenda Item means a specific matter that will appear on an Agenda by subject, topic, or title as a Work Session, New or Old Business, Report, Executive Session, or as a special matter.

Business Item means a matter set on an Agenda by the Town Manager that is necessary or advised for the proper management and operation of the Town. Business items may appear on the Agenda as part of a consent agenda, new business, old business, discussion, work session, or report.

Discussion Item means a matter set on an Agenda requiring the Board of Trustees' consideration and possible direction, approval, or other decision.

Writing includes both written or printed materials and electronic mail (email).

Section 2. **Agenda Setting Generally**.

The Town Manager shall be primarily responsible for setting the Agenda Items for all regular and special meetings of the Board of Trustees. The agenda shall include Business Items and Discussion Items that, in the opinion of the Town Manager, must be addressed by the Board of Trustees during a public meeting to ensure the proper and timely management and operation of the Town.

Unless otherwise directed by the Board of Trustees, the Town Manager may exercise discretion in setting Agenda Items given considerations of the relative importance of all matters appearing on an Agenda, the number of Agenda Items appearing on an Agenda and the available meeting time, and the ability to prepare data or information necessary for consideration of the Agenda Item prior the meeting.

Section 3. **Additions to an Agenda**.

In addition to the Business Items and Discussion Items set on an Agenda by the Town Manager, additional Discussion Items may be added to an Agenda as followings:

1. Mayor or Trustee Written Request.

Any member of the Board of Trustees may request in writing that the Town Manager add a Discussion Item to a future Agenda. The member requesting the Agenda Item (the requesting member) must identify three (3) or more other members that have been personally contacted by the requesting member and confirm that the other members each agreed to the addition of the requested Discussion Item. The requesting member shall provide as much detail as possible concerning the request to enable the Town Manager to: (i) determine the date of the meeting at which the requested discussion item can be reasonably heard; (ii) determine the place on the Agenda for the requested agenda item (Work Session, Business, Discussion, Report, or executive session) and (ii) determine if additional data or information must be researched or collected for the item's consideration.

2. Public Meeting Request by a Board Member.

A Board member may request during a public meeting that a Discussion Item be added to a future agenda. Customarily, such request should be made during a meeting at the time reserved for "Other Matters That May Come Before the Board of Trustees" or during a

Trustee's Report to the Board.

A Discussion Item requested by a Trustee will be added to a future Agenda by the Town Manager unless a Board member objects to the addition, in which case the addition of the Discussion Item to a future Agenda may be made only by formal motion and a majority vote of a quorum present. Unless the Discussion Item is found by a majority of a quorum of the Board of Trustees to warrant immediate consideration at the time of the request, the requested Discussion Item shall not be entertained upon its initial presentation except to the extent necessary to describe the matter to be considered.

3. Town Attorney Request.

The Town Attorney, in consultation with the Town Manager, may add a Discussion Item or an executive session item to a future Agenda when deemed necessary by the Town Attorney to inform the Board of Trustees of a pending legal matter or for direction concerning a pending legal issue.

4. Discretionary Additions to Agendas.

Nothing shall preclude a majority of the Board of Trustees from directing that a matter which arises at other times during a public meeting be consideration as an addition to a future Agenda.

Section 4. **Citizen Access to the Agenda**.

Citizens may not request that the Town Manager add a Discussion Item to an Agenda. Instead, citizens are encouraged to attend a public meeting of the Board and, during any open citizen public comment opportunity, to request a future agenda item. The addition of the citizen requested item to an agenda shall be subject to approval by a vote of a majority of a quorum of the Board. Citizens may also contact one of more Board members to enlist their aid in requesting an addition of a Discussion Item to an Agenda as permitted by this policy.

Section 5. **Challenge of Pending Agenda Item**.

During any meeting and any time *prior to* an Agenda Item being opened by the Presiding Officer for consideration, a Trustee may challenge the Agenda Item and the manner in which the item was set on the Agenda. Where it is determined by a majority vote of a quorum of the Board that the item was not property set on the Agenda in accordance with this policy, the item shall be removed from the Agenda and not considered at that meeting.

ADOPTED at a regular meeting of the Board of Trustees on the 15th day of September, 2026.

____
Mayor or Mayor Pro Tem

ATTEST:

____
Town Clerk or Deputy

Manager's Report – September 15, 2026 Board of Trustees Meeting

1. August Financial Report
    a. General Fund
        i. Total Revenues trending above projection through the end of August
        ii. Sales Tax is the biggest adjustment which causes the trend above projection
        iii. Lodging Tax and Lodging Registration above projections, as there was no viable way to accurately judge these lines with changes in policy in 2025
        iv. Building Inspection Dept revenues above projections through August due to an inability to properly account for accurate revenues from new constructions or additions
        v. Trending approximately on budget in Total Expenditures –overruns in Personnel and Public Works offset by Public Safety and Administration
        vi. The Capital Subfund is healthy and trending favorably
        vii. The Broadband Subfund is trending over budget due to unknown variables and scope when developing the 2026 budget. However, the fund is still healthy and in a favorable position relative to reserves.
        viii. The American Rescue Plan Subfund has been spent out, as it was due for deobligation to the federal government by December 31, 2026.
    b. Conservation Trust Fund
        i. The Conservation Trust Fund is healthy and trending favorably
    c. Revenues and expenditures will be incorporated into the draft budget document set
2. Update on Fire Restrictions in Summit County
    a. Town of Blue River is in Stage 1 Fire Restrictions
    b. Current fire danger set at "High" by Red, White, and Blue Fire District

    c. Important to remember wildfire season is here. Defend your home by starting at the edge of your house, create five feet of noncombustible space (no mulch) and then keep the grasses shorter than 30 inches.
    d. Collect fall fuels to reduce late season fire danger
3. Goose Pasture Tarn – Access and Boat Permits Applications Live on CitizenServe
    a. Tarn Access and Boat Permits now one combined application
    b. Must provide vehicle license plate information in application
    c. If requesting boat permits, please choose the proper number and type
    d. Select whether you wish to have the hangtags mailed or if you prefer to pick them up at Town Hall during operating hours
    e. Hangtags must be visible on rear view mirror or dashboard at all times during Tarn usage
    f. Goose Pasture Tarn access is limited to Town residents, long-term renters (more than 31 consecutive days) if the permit is formally transferred, and guests of Town residents provided that the resident(s) accompanies the guest(s) during Tarn usage at all times
    g. Access to the Tarn is strictly prohibited for Short-Term Renters, their guests, or invitees. Use of a resident permit by any short-term renters will result in permit revocation for the property owners and possible penalty
4. Town Road Summer Maintenance
    a. Please refer to the G&G Presentation work session for details
5. 2027 Budget Development
    a. The preliminary documents to create first draft of the 2027 Budget are being developed
6. Preliminary Results for 2025 Audit
    a. McMahan and Associates have completed the preliminary audit for the Town's 2025 financial statements
    b. The preliminary Independent Auditor's Report notes that "the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Town of Blue River, as of December 31, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP")"
    c. The final audit document set will be included for review at a later date as it becomes available to the Town
    d. Please review the Board Communication Letter from the Auditor which is included in this packet

e. Recommendations from the Auditor:
    i. Board should continue to monitor the accounting system through monthly financial statements (reports) and other accounting measures. Recommend that the Town document the procedure for reviewing bank reconciliation information for Trustees.
    ii. Ensure that sales tax is not paid by the Town on credit card purchases. This would require vendor acknowledgment of sales-tax exemption, which is not always feasible.
    iii. The Town Manager should review employee leave balances at least annually. The Town is currently handling issues in which accrued leave balances exceed approved limits.
    iv. Town should retain all timesheets submitted for each pay period in accordance with records retention policy.
    v. Town should document all formal approvals of employee pay-rate changes and retain such files. This practice was conducted at the end of 2025 and the Town will continue to do so going forward.

f. Request a Motion from the Board to Approve or Deny the Preliminary Audit

7. Town Hall Scrap Bin
    a. The food scrap bin at Town Hall was knocked over last week by a bear
    b. Has rolled across the parking lot on multiple occasions, causing damage to the Town storage shed
    c. Obstruction during winter maintenance when dealing with snow removal
    d. Would like to gather Board's thoughts on the value of the program relative to its challenges
8. Timber Creek Estates Compliance Review – Short-Term Rentals
    a. Review of AirBnb, VRBO, and provided third-party websites
    b. Data as of September 8, 2026
        i. Current STR Licenses – 29
        ii. Current STR Operations – 33
        iii. Addresses with listings containing non-compliance issues based on current Town regulations – 14
        iv. Most common noncompliance items:
            1. Do not list the Town License Number for the property
            2. Availability of solid fuel burning fire pits
            3. No maximum vehicle parking number provided
        v. Addresses with potential non-compliance issues, depending on upcoming regulations and interpretation of existing regulations – 3

vi. Addresses with current STR operations which are presently unlicensed but are available to rent – 4
vii. Total Rate of Clear Non-Compliance – 18 out of 33 listings

Summary – Timber Creek Estates Airbnb and VRBO Short-Term Rentals

*Note: This was conducted with a review of Airbnb and VRBO. Any other webpages in this analysis were solely based on self-reported listings on applications.

This analysis was conducted to provide a snapshot of the existing STR market in Timber Creek Estates for consideration in STR policy and enforcement development. This is done by staff review – not with the use of any third-party software. Therefore, the scope of search and compliance checks are incomplete as compared to a review of a wider set of websites. The review was conducted on September 8, 2026 and reflects circumstances on that date.

Data as of September 8, 2026

- Current STR Licenses – 29
- Current STR Operations – 33
- Addresses with listings containing non-compliance issues based on current Town regulations – 14
- Most common noncompliance items:
  - Do not list the Town License Number for the property
  - Availability of solid fuel burning fire pits
  - No maximum vehicle parking number provided
- Addresses with potential non-compliance issues, depending on upcoming regulations and interpretation of existing regulations – 3
- Addresses with current STR operations which are presently unlicensed but are available to rent – 4

Total Rate of Clear Non-Compliance – 18 out of 33 Listings

To the Board of Trustees
Town of Blue River, Colorado
Blue River, Colorado

We have audited the financial statements of the Town of Blue River, Colorado (the "Town") for the year ended December 31, 2025. Professional standards require that we provide you with the following information related to our audit.

Qualitative Aspects of Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town are described in the Notes to the financial statements.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Depreciation expense on capital assets
- Estimate of outstanding sick leave.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The following material misstatements were detected as a result of audit procedures and were corrected by management:

- To record lease asset and related lease liability
- To adjust accrued wages to the amount payable at year end

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

As is required in an audit engagement we have requested certain representations from management that are included in the management representation letter.

Recommendations

We noted certain matters relating to opportunities for improvement of internal controls and day-to-day operations, which are presented for your consideration below:

Board Oversight

Because of the small number of the Town's accounting staff, adequate segregation of duties of accounting functions cannot always be achieved. The basic premise of internal control systems is that no single employee should have access to both physical assets and the related accounting records, or to all phases of a transaction. Accordingly, we recommend that the Board continue to actively monitor the accounting system through the review of monthly financial statements, budget-to-actual reports, bank reconciliations, and other similar information. In addition to meeting minutes, a checklist of procedures performed by a Trustee can document a monthly review of bank reconciliations and other financial information to ensure this information is being reviewed. This would be a compensating control and not fully eliminate the segregation of duties limitation.

Credit Card Sales Tax

Our testing identified instances of sales tax being charged on credit card transactions. As a tax-exempt entity, the Town is not required to pay sales tax on purchases. We recognize that it may not be possible for employees to always avoid paying sales tax, however, we recommend that Town personnel verify that vendors acknowledge the tax-exempt status prior to initiating purchases.

Accrued Leave Balances

During our payroll testing, we identified vacation and personal leave balances that exceeded the maximum amounts permitted under the Town's employee handbook. Subsequent information provided by management indicated that the balances were adjusted after year-end. When leave balances are not reviewed regularly, employees may accumulate benefits in excess of approved limits, and the related compensated-absence liability may be misstated.

We recommend that management review all employee leave balances at least annually, and preferably each pay period or quarter, to verify compliance with the employee handbook. Any exception to the established limits should be formally approved and documented. Adjustments, forfeitures, or authorized carryovers should be processed consistently with the Town's written policy and applicable employment requirements.

Timesheet Approval and Retention

During our payroll testing, complete timesheets supporting hours paid to certain hourly employees were not available upon request. Management informed us that a new process was implemented after payroll processing was transferred to Marchetti & Weaver to record employee hours in the payroll system. Without complete timesheets and documented supervisory approval, the Town may be unable to demonstrate that hours paid were authorized and accurately recorded.

We recommend that hourly employees submit timesheets for each pay period and that the applicable supervisor review and approve each timesheet before payroll is processed. The Town should retain the approved timesheets or equivalent electronic records in accordance with its record-retention policy. The Town should also periodically verify that records maintained by its payroll service provider are complete and accessible.

Recommendations (continued)

Approval of Pay Rate Changes

During our payroll testing, documentation authorizing certain employee pay-rate changes was not retained in the Town's personnel or payroll records. Without documented approval, the Town may be unable to verify that compensation rates entered into the payroll system agree with amounts authorized by the Board of Trustees or other designated officials.

We recommend that all salary and hourly pay-rate changes be approved in writing by the individual or governing body with appropriate authority before the changes are entered into the payroll system. The approval should identify the employee, prior rate, new rate, effective date, and authorizing official. Approved documentation should be retained in the employee's personnel file, and an individual independent of payroll processing should periodically compare approved rates with the rates recorded in the payroll system.

We have already discussed these comments with management, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Financial Reporting Model Improvements

Financial reporting standards for the Town are promulgated by the Governmental Accounting Standards Board, which has issued Statement No. 103, *Financial Reporting Model Improvements* ("GASB 103") to improve the effectiveness of financial reporting in certain areas of the financial statements. These improvements include updates to the Management's Discussion and Analysis; defining and reporting unusual or infrequent items; and budgetary comparison information.

GASB 103 is effective for reporting periods beginning after June 15, 2025, and all reporting periods thereafter, so the Town must apply this standard for the 2026 fiscal year. We will work with the Town to assist with implementation of this new standard.

This report is intended solely for the information and use of the Board of Trustees, management, and others within the organization and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

McMahan and Associates, L.L.C.
Avon, Colorado

Management Representation Letter

Town of Blue River

McMahan and Associates, LLC

This representation letter is provided in connection with your audit of the financial statements of Town of Blue River, which comprise the respective financial position of the governmental activities, business-type activities and each major fund as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter.

2) The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

3) We acknowledge our responsibility 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.

4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.

6) Significant assumptions we used in making accounting estimates are reasonable.

7) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

8) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

10) Guarantees, whether written or oral, under which the Town is contingently liable, if any, have been properly recorded or disclosed.

11) With respect to preparation of the financial statements, we have performed the following:

    a) Made all management decisions and performed all management functions;

    b) Assigned a competent individual to oversee the services;

    c) Evaluated the adequacy of the services performed;

d) Evaluated and accepted responsibility for the result of the service performed; and

e) Established and maintained internal controls, including monitoring ongoing activities.

12) As part of your engagement, you assisted with preparation of the financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

13) There have been no cybersecurity breaches or other cyber events whose effects should be considered for disclosure in the financial statements, as a basis for recording a loss contingency, or otherwise considered when preparing the financial statements.

14) You have proposed adjusting journal entries that have been posted to the Town's accounts, and we are in agreement with those adjustments.

15) We have conducted a comprehensive risk assessment and disclosed all material concentrations and constraints in accordance with GASB Statement No. 102, Certain Risk Disclosures. These disclosures provide sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact associated with the concentration or constraint, if applicable.

Information Provided

16) We have provided you with:

a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.

b) Additional information that you have requested from us for the purpose of the audit.

c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

d) Minutes of the meetings of Town of Blue River or summaries of actions of recent meetings for which minutes have not yet been prepared.

17) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

18) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

19) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:

a) Management,

b) Employees who have significant roles in internal control, or

c) Others where the fraud could have a material effect on the financial statements.

20) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.

21) We have disclosed to you all known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

22) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

23) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

24) We have made available to you all financial records and related data.

25) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

26) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

27) The Town has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

28) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

29) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

30) As part of your audit, you assisted with preparation of the financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

31) The Town has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

32) The Town has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

33) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.

34) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

35) The financial statements properly classify all funds and activities.

36) All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

37) Components of net assets (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.

38) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

39) Provisions for uncollectible receivables have been properly identified and recorded.

40) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

41) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

42) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

43) Deposit and investment risks have been properly and fully disclosed.

44) Capital assets are properly capitalized, reported, and, if applicable, depreciated.

45) We have appropriately disclosed the Town's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available and have determined that net assets were properly recognized under the policy.

46) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

47) With respect to the budgetary comparison information in section E:

a) We acknowledge our responsibility for presenting the budgetary comparison information in accordance with accounting principles generally accepted in the United States of America, and we believe the budgetary comparison information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the budgetary comparison information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

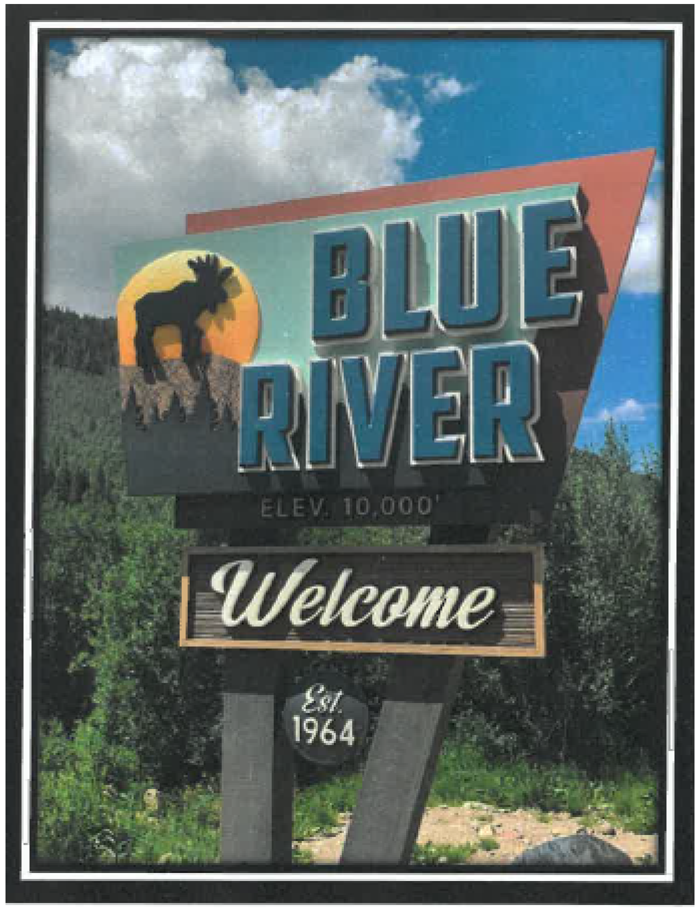
b) If the budgetary comparison information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature: ________________________________

Title: ________________________________

Date: ________________________________

PRELIMINARY DRAFT



Town of Blue River, Colorado

Financial Statements

December 31, 2025

Town of Blue River
Financial Statements
December 31, 2025

Table of Contents

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Town of Blue River
Breckenridge, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Town of Blue River (the "Town"), as of and for the year ended December 31, 2025, which collectively comprise the Town's basic financial statements as listed in the Table of Contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Town of Blue River, as of December 31, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Town of Blue River 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

Town of Blue River's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for one year after the date that the financial statements are issued.

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 U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

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

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

Required Supplementary Information

U.S. GAAP require that the Management's Discussion and Analysis in Section B 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 U.S. GAAS, 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.

Required Supplementary Information (continued)

The budgetary comparison information in Section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements as a whole. The budgetary comparison information and the *Local Highway Finance Report* in Section F are presented for purposes of additional analysis and are not a required part of the financial statements.

The budgetary comparison information and the *Local Highway Finance Report* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

McMahan and Associates, L.L.C.
Avon, Colorado

MANAGEMENT DISCUSSION AND ANALYSIS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Town of Blue River
Statement of Net Position
December 31, 2025

Assets:	
Cash and investments	6,330,702
Accounts receivable, taxes and fees, net	211,834
Property tax receivable	930,583
Capital assets, net	4,812,347
Total Assets	12,285,466
Liabilities:	
Accounts payable and accrued liabilities	64,426
Accrued interest	1,751
Deferred revenue, other	200,335
Accrued compensated absences:	
Due within one year	52,435
Long-term liabilities:	
Due within one year	39,356
Due in more than one year	127,689
Total Liabilities	485,992
Deferred Inflow of Resources:	
Unavailable property tax revenue	930,583
Total Deferred Inflow of Resources	930,583
Net Position:	
Net investment in capital assets	4,643,551
Restricted for emergencies	90,000
Restricted for conservation trust fund	1,683,090
Restricted for capital projects	1,509,458
Unrestricted	2,942,792
Total Net Position	10,868,891

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

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Functions/Programs					
Governmental Activities:					
General government	981,032	72,593	-	-	(908,439)
Judicial	17,210	27,624	9,468	-	19,882
Planning and zoning	7,146	115,480	-	-	108,334
Public safety	566,312	-	-	-	(566,312)
Public works	918,942	18,495	-	-	(900,447)
Interest on long-term debt	17,393	-	-	-	(17,393)
Total Governmental Activities	2,508,035	234,192	9,468	-	(2,264,375)
General revenues:					
Property and specific ownership tax					914,158
Sales, lodging and other taxes					1,616,244
Intergovernmental revenues					112,764
Investment income					147,983
Other revenue					69,391
Total General Revenues					2,860,540
Change in Net Position					596,165
Net Position - Beginning					10,272,726
Net Position - Ending					10,868,891

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

FUND FINANCIAL STATEMENTS

Town of Blue River
Balance Sheet
Governmental Funds
December 31, 2025

	General	Capital Improvements	Conservation Trust	Broadband	American Rescue Plan	Total Governmental Funds
Assets:						
Cash and investments	4,378,578	1,509,458	173,632	215,737	53,297	6,330,702
Accounts receivable, taxes and fees	211,834	-	-	-	-	211,834
Property tax receivable	930,583	-	-	-	-	930,583
Total Assets	5,520,995	1,509,458	173,632	215,737	53,297	7,473,119
Liabilities:						
Accounts payable and accrued liabilities	64,426	-	-	-	-	64,426
Deferred revenue, other	200,335	-	-	-	-	200,335
Total Liabilities	264,761	-	-	-	-	264,761
Deferred Inflow of Resources:						
Unavailable property tax revenue	930,583	-	-	-	-	930,583
Total Deferred Inflow of Resources	930,583	-	-	-	-	930,583
Fund Balances:						
Spendable						
Restricted	90,000	1,509,458	173,632	-	-	1,773,090
Committed	-	-	-	215,737	53,297	269,034
Unassigned	4,235,651	-	-	-	-	4,235,651
Total Fund Balances	4,325,651	1,509,458	173,632	215,737	53,297	6,277,775
Total Deferred Inflow of Resources Liabilities, and Fund Balances	5,520,995	1,509,458	173,632	215,737	53,297	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	4,812,347
Long-term liabilities are not due and payable in the current period, and therefore, are not reported on the funds.	(221,231)
Net Position of Governmental Activities	10,868,891

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

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

	General	Capital Improvements	Conservation Trust	Broadband	American Rescue Plan	Total Governmental Funds
Revenues:						
Taxes	2,530,402	-	-	-	-	2,530,402
Intergovernmental	102,721	-	10,043	-	-	112,764
Licenses and permits	188,023	-	-	-	-	188,023
Charges for services	18,495	-	-	-	-	18,495
Fines and fees	27,674	-	-	-	-	27,674
Miscellaneous revenues	78,859	122,985	6,729	12,198	6,071	226,842
Total Revenues	2,946,174	122,985	16,772	12,198	6,071	3,104,200
Expenditures:						
General government	940,770	-	-	-	-	940,770
Judicial	17,210	-	-	-	-	17,210
Planning and zoning	7,146	-	-	-	-	7,146
Public safety	528,504	-	-	-	-	528,504
Public works	854,360	-	4,758	-	389	859,507
Capital outlay	-	843,953	-	-	128,001	971,954
Debt service:						
Principal	3,197	33,636	-	-	-	36,833
Interest	1,835	13,806	-	-	-	15,641
Total Expenditures	2,353,022	891,395	4,758	-	128,390	3,377,565
Excess of Revenues Over Expenditures	593,152	(768,410)	12,014	12,198	(122,319)	(273,365)
Other Financing Sources (Uses):						
Lease proceeds	-	193,892	-	-	-	193,892
Total Other Financing Sources (Uses)	-	193,892	-	-	-	193,892
Net Change in Fund Balance	593,152	(574,518)	12,014	12,198	(122,319)	(79,473)
Fund Balances - Beginning	3,732,499	2,083,976	161,618	203,539	175,616	6,357,248
Fund Balances - Ending	4,325,651	1,509,458	173,632	215,737	53,297	6,277,775

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

Town of Blue River
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds To the Statement of Activities
For the Year Ended December 31, 2025

Net Change in Fund Balances of Governmental Funds		(79,473)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the difference between capital outlay and depreciation:		
	Capital outlay	971,954
	Depreciation	(148,758)
		823,196
The issuance of long-term debt (e.g. bonds, notes and leases) provides current financial resources to governmental funds, however this transaction has no effect on net position.		
Debt proceeds		(193,892)
Principal repayments on leases		36,833
		(157,059)
Interest on long term liabilities is based upon when it is due in the Statement of Activities as compared to when paid in the Governmental Fund financial statements.		(1,751)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported in the funds.		
	Change in compensated absences	11,252
		11,252
Change in Net Position of Governmental Activities		596,165

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

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

The Town of Blue River, Colorado (the "Town") was incorporated in 1964 as a statutory town under the laws of the State of Colorado. An elected Mayor and Town Board of Trustees are responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with state statutes. The Town's major operations include maintenance of streets and park areas, fire mitigation, building inspection and permits, judicial services (municipal court), public safety (police), and general administrative services. The Town is located in Summit County, Colorado.

The Town's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the Town are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the Town, and (b) organizations for which the Town is financially accountable. The Town is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the Town. Organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria above, the Town is not financially accountable for any other entity nor is the Town a component unit of any other government.

B. Government-wide Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's individual funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's governmental functions include general government (administration), planning and zoning (building department), public safety (police department), judicial (municipal court), and public works (street maintenance). The Town does not have any business-type activities. As a general rule, the effect of the interfund activity has been eliminated from the government-wide financial statements.

In the government-wide Statement of Net Position, the governmental activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts: net investment in capital assets, net of related debt; restricted net position; and unrestricted net position.

The government-wide statement of activities reports both the gross and net cost of each of the Town's functions (public safety, public works, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public safety, public works, etc.).

I. Summary of Significant Accounting Policies (continued)

B. Government-wide Financial Statements (continued)

Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function) are mostly supported by general revenues (property and sales taxes, interest income, etc.).

The government-wide focus is on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

C. Fund Financial Statements

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The Town reports the following governmental funds:

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

The *Capital Improvements Fund* accounts for resources assessed to be used to acquire capital assets and for the construction of major capital projects.

The *Conservation Trust Fund* accounts for funds received from the state lottery program to fund recreational capital projects.

The *Broadband Fund* accounts for the activities related to the purchase and operation of the Town installed and owned fiber optic based network, which, when completed, will provide internet services to residents and commercial entities in the Town.

The *American Rescue Plan Fund* was established to give enhanced detail of the carrying balance and expenditures associated with the American Rescue Plan Act funding received from the 2021 federal government stimulus bill.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

The government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

I. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

3. Financial Statement Presentation

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

E. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the Town.

The Town follows Colorado Revised Statutes which permit investments in the following type of obligations:

- U.S. Treasury Obligations (maximum maturity of 60 months)
- Federal Instrumentality Securities (maximum maturity of 60 months)
- FDIC-insured Certificates of Deposit (maximum maturity of 60 months)
- Corporate Bonds (maximum maturity of 60 months)
- Prime Commercial Paper (maximum maturity of 60 months)
- Eligible Bankers Acceptances
- Repurchase Agreements
- General Obligations and Revenue Obligations
- Local Government Investment Pools
- Money Market Mutual Funds

Investments are stated at fair value, net asset value or amortized cost depending on the investment (see Note IV.A). The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts. The Town uses the allowance method for recognizing the potential uncollectibility of delinquent accounts receivable. No allowance is recorded at December 31, 2025, as all accounts are considered to be collectible.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

3. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental unit until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and deferred inflow of resources.

4. Capital Assets

Capital assets, which include land, infrastructure, buildings and improvements, park improvements, equipment, furniture, and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an estimated useful life in excess of two years with an initial cost of $5,000 or more. Purchased assets are recorded at historical cost. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Infrastructure, buildings and improvements, park improvements, equipment, furniture and vehicles are depreciated using the straight-line method over the following estimated useful lives:

Capital Assets	Years
Infrastructure	40-59
Building and improvements	40
Park improvements	20
Equipment, furniture and vehicles	5-7

5. Compensated Absences

For governmental funds, vested and accumulated vacation leave that is expected to be liquidated with expendable available financial resources, is reported as expenditures and a fund liability of the governmental fund that will pay it. Vested and accumulated vacation leave not expected to be liquidated with expendable available financial resources are not reported in the governmental fund financial statements. However, these amounts are reported in the government-wide financial statements in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*.

6. Long-term Obligations and Leases

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of the governmental fund. The remaining portion of such obligations is reported in the governmental activities column of the government-wide financial statements.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

6. Long-term Obligations and Leases (continued)

The Town follows provisions of GASB 87, Leases with regards to leased assets and leased liabilities. This standard requires recognition of certain leased assets and liabilities for leases previously classified as operating leases and deferred inflows or outflows of resources recognized based on the payment provision of the contract. It established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognized a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources.

7. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Town does not have any items that qualify for reporting in this category at December 31, 2025.

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has two types of items that qualify for reporting in this category. Accordingly, the items, unearned revenues, are deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

8. Fund Balances

The Town classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts inherently non-spendable since they represent inventories, prepaid items, etc.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority, which is the Town Board of Trustees. Fiscal year spending excludes bonded debt service and enterprise spending.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Town Board of Trustees or its management designees. The Capital Improvement Fund's entire balance was restricted for future capital projects and equipment acquisition.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

8. Fund Balances (continued)

Unassigned – includes residual positive fund balance within the General Fund, which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Town uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit this, such as grant agreements that require dollar for dollar spending. Additionally, the Town would first use committed, then assigned, and lastly unassigned amounts when expenditures are made.

9. Net Position

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

F. Use of Estimates

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

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position

These financial statements include a reconciliation between the total fund balances of all governmental funds as presented on the Governmental Funds Balance Sheet and the net position of governmental activities as reported in the government-wide Statement of Net Position.

B. Explanation of certain differences between the governmental fund Statement of Revenues and Expenditures and the government-wide Statement of Activities

Additionally, these financial statements include a reconciliation between the total net change in fund balances of all governmental funds as presented on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the change in net position of governmental activities as reported in the government-wide Statement of Activities.

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year end.

The Town followed the required timetable noted on the following page in preparing, approving, and enacting its budget for 2025.

1. For the 2025 budget year, prior to August 25, 2024, the County Assessor sent to the Town an assessed valuation of all taxable property within the Town's boundaries. The County Assessor may change the assessed valuation on or before December 15, 2024, only once by a single notification to the Town.

2. The Mayor, or other qualified person appointed by the Council, submitted to the Council, on or before October 15, 2024, a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the Town's operating requirements.

3. Prior to December 15, 2024, a public hearing was held for the budget, the Council certified to the County Commissioners a levy rate that derived the necessary property taxes as computed in the proposed budget, and the Council adopted the proposed budget and an appropriating resolution that legally appropriated expenditures for the upcoming year.

4. After a required publication of "Notice of Proposed Budget", the Town adopted the proposed budget and a resolution that legally appropriated expenditures for the upcoming year

5. After adoption of the budget resolution, the Town may make the following changes: a) it may transfer appropriated money between funds; b) it may approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) it may approve emergency appropriations, and d) it may reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2024 were collected in 2025 and taxes certified in 2025 will be collected in 2026. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16th.

A. Budgetary Information (continued)

For the year ended December 31, 2025, the Town's General Fund exceeded appropriations by $226,493, which may be a violation of State Statutes.

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government. Any revenues earned in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such excess revenue.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved $90,000 for TABOR, which is the approximate required reserve at December 31, 2025.

On November 7, 1995, a majority of the Town's electors passed a ballot question, which authorized the Town to "collect and increase fiscal year spending such that the full revenue generated during 1994 and each subsequent year thereafter by its existing mill levy, without any increase in general property taxes, may be expended without any limitation under Article X, Section 20 of the Colorado Constitution for (a) snow removal; (b) road maintenance; (c) police protection; (d) other municipal services; and without limiting any year the amount of other revenues that may be collected and spent by the Town of Blue River, Colorado under Article X, Section 20 to the Colorado Constitution or any other law provided there shall be no increase in the Town's present mill levy, unless approved by a majority of voters voting on any such increase."

The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

IV. Detailed Notes on All Funds

A. Deposits and Investments

The Town's deposits are entirely covered by the Federal Deposit Insurance Corporation ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first $250,000 of the Town's deposits at each financial institution. Deposit balances over $250,000 are collateralized as required by PDPA. The carrying amount of the Town's cash was $3,497,344 at year end. The Town had the following cash and investments with the following maturities at December 31, 2025:

Fair Value of Investments

The Town measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At December 31, 2025, the Town had the following recurring fair value measurements:

Investments Measured at Net Asset Value	
Colotrust	2,833,233
Investments Measured at Amortized Cost	
Csafe	125

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund.

Debt securities, namely mortgage backed securities classified in Level 3 are valued using an appraisal service.

The Investment Pool represents investments in COLOTRUST and C-SAFE. The value of the pool is determined by the pool's share price.

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

The Town had the following cash and investments with the following maturities:

	Standard & Poors rating	Carrying amounts	Maturities Less than one year	Maturities More than one year
Deposits:				
Petty cash	Not rated	250	250	-
Checking	Not rated	1,958,446	1,958,446	-
Savings	Not rated	1,538,648	1,538,648	-
Total deposits		3,497,344	3,497,344	-
Investments:				
Certificates of deposit	Not rated	-	-	-
Investment pools	AAAm	2,833,358	2,833,358	-
Total investments		2,833,358	2,833,358	-
Total cash and investments		6,330,702	6,330,702	-
Financial Statement Captions:				
Cash and investments		6,330,702		

Interest Rate Risk - As a means of limiting its exposure to interest rate risk, the Town coordinates its investment maturities closely to match cash flow needs and restricts the maximum investment term to less than five years from the purchase date.

Credit Risk - Colorado statutes specify instruments in which local governments may invest. The Town's general investment policy is to apply the prudent-person rule; Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The Town diversifies its investments by security type and institution. Financial institutions holding Town funds must provide the Town a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

B. Receivables

Receivables as of year end for the Town's funds, including applicable allowances for uncollectible accounts, are as follows:

Receivables:	
Property tax	930,583
Accounts	211,834
Gross receivables	1,142,417
Less: allowance for uncollectibles	-
Net receivables	1,142,417

IV. Detailed Notes on All Funds (continued)

C. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	1,090,543	-	-	1,090,543
Construction in progress	-	128,003	-	128,003
Total capital assets, not being depreciated	1,090,543	128,003	-	1,218,546
Capital assets, being depreciated and amortized:				
Infrastructure	2,508,709	650,061	-	3,158,770
Buildings and improvements	1,200,048	-	-	1,200,048
Park improvements	44,882	-	-	44,882
Furniture, vehicles and equipment	279,548	-	-	279,548
Right-to-use leased asset	16,011	193,892	-	209,903
Total capital assets, being depreciated and amortized	4,049,198	843,953	-	4,893,151
Less accumulated depreciation and amortization for:				
Infrastructure	(579,911)	(59,436)	-	(639,347)
Buildings and improvements	(305,883)	(30,001)	-	(335,884)
Park improvements	(30,296)	(2,244)	-	(32,540)
Furniture, vehicles and equipment	(226,496)	(14,761)	-	(241,257)
Right-to-use leased asset	(8,006)	(42,316)	-	(50,322)
Total accumulated depreciation and amortization	(1,150,592)	(148,758)	-	(1,299,350)
Total capital assets, being depreciated and amortized, net	2,898,606	695,195	-	3,593,801
Governmental activities capital assets, net	3,989,149	823,198	-	4,812,347

IV. Detailed Notes on All Funds (continued)

C. Capital Assets (continued)

The Town had capital outlay expenditures and depreciation expense for 2025 as follows:

	Depreciation & Amortization Expense	Capital Outlay
Governmental activities:		
General government	45,719	-
Public safety	43,603	193,892
Public works	59,436	778,064
Total	148,758	971,956

D. Long-term Liabilities

1. Lease Liability

In 2022, the Town entered into a five-year lease agreement for a copier in the amount of $16,011, with the interest being at 4%. Lease payments of $295 are due monthly beginning January 2023. The copier has a five-year estimated useful life.

In 2025, the Town entered into a five-year lease agreement for three new police vehicles for a total amount of $193,892. Annual payments of $47,442 will occur annually beginning on November 5, 2025 and the interest rate for the lease payments is 7.12%. The police vehicles have a five year estimated useful life.

Future lease payments for the Town are as follows:

	Lease Payable		
	Principal	Interest	Total
2026	39,357	11,623	50,980
2027	42,058	8,922	50,980
2028	41,344	6,098	47,442
2029	44,286	3,155	47,441
Total	167,045	29,798	196,843

Interest expense incurred by the leases, as functionally allocated, for the year ended December 31, 2025 are:

	Interest Expense
Governmental activities:	
General government	1,835
Public safety	15,558
Total	17,393

IV. Detailed Notes on All Funds (continued)

D. Long-term Liabilities (continued)

1. Lease Liability (continued)

The net book value of the assets acquired through a lease is computed as follows at December 31, 2025:

Copier	16,011
Police Vehicles	193,892
Less: accumulated depreciation	(50,322)
	159,581

2. Accrued Compensated Absences

Town employees accumulate paid time off ("PTO") based upon their length of employment. All employees are encouraged to use their PTO within the year it is earned. Unused accumulated PTO is payable to employees upon termination, subject to certain maximum limits. Therefore, a liability for unused paid time off is shown on the Town's government-wide financial statements. The Town also estimates how much sick leave is more likely than not to be used as paid leave and recognizes that portion as a liability for compensated absences.

3. Changes in Long-term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Accrued compensated absences	63,687	-	(11,252)	52,435	52,435
Leased copier	9,986	-	(3,198)	6,788	3,326
Police vehicles lease	-	193,892	(33,635)	160,257	36,030
Accrued interest payable	-	1,751	-	1,751	1,751
Total governmental activities long-term liabilities	73,673	195,643	(48,085)	221,231	93,542

These liabilities are generally liquidated by the General Fund.

V. Other Information

A. Retirement Plan – Deferred Compensation Plan – 457(b)

The Town participates in the CRA retirement plan created in accordance with Internal Revenue Code Section 457(b) (the "457(b) Plan"), which is a deferred compensation plan. The plan permits employees to defer a portion of their salary until future years. All contributions to the 457(b) Plan and all income attributable to those amounts are to be held in a trust for the exclusive benefit of the plan participants and their beneficiaries. Plan investment purchases are determined by the plan participant and therefore, the plan's investment concentration varies between participants. The Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Town is neither the trustee nor the administrator for the plan. The seven-member governing board of the CRA makes all necessary rules and is responsible for the administration of the funds in the 457(b) Plan. Benefits payable at retirement, death, termination, or other unforeseen circumstances are based on the accumulated account balance of each employee.

During the year ended December 31, 2025, there was $9,558 in benefits deferred at the request of the plan participants and remitted to the trustee on their behalf.

B. Risk Management

1. Colorado Intergovernmental Risk Sharing Agency

The Town is exposed to various risks of loss related to workers compensation, general liability, unemployment, torts, theft of, damage to, and destruction of assets, and errors and omissions. To address such risks, the Town is a participant in a public entity risk pool administered by the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

CIRSA's operations are funded by contributions from member governments. Coverage is provided in the amount of $500,000 per claim or occurrence for property, $100,000 per claim/annual aggregate public relations and security breach, $1,000,000 per claim or occurrence for liability, $1,000,000 for public officials' liability, $500,000 each claim/annual aggregate security and privacy liability, and $150,000 per claim or occurrence for crime. CIRSA has also acquired additional excess coverage from outside sources.

While the Town may be liable for any losses in excess of this coverage, the Town does not anticipate such losses at December 31, 2025. The deductible amount paid by the Town for each incident in 2025 was $1,000. All settlements for the year ended December 31, 2025 were under the maximum coverage allowed.

Surpluses or deficits realized by CIRSA for any given year are subject to change for such reasons as interest earnings on invested amounts for those years and funds, re-estimation of losses for those years and funds, and credits or distributions from surplus for those years and funds.

V. Other Information (continued)

B. Risk Management (continued)

1. Colorado Intergovernmental Risk Sharing Agency

CIRSA's combined financial information for the year ended December 31, 2025, is summarized as follows:

Assets:	
Cash and investments	56,536,205
Other assets	72,798,797
Total Assets	129,335,002
Total liabilities	72,659,266
Net position	56,675,736
Total Revenues	64,322,044
Total Expenses	(45,456,929)
Change in Net Position	18,865,115

A copy of CIRSA's audit report can be obtained by writing to CIRSA, 3665 Cherry Creek North Drive, Denver, CO 80209, or by calling (800)-228-7136.

2. Workers' Compensation

The Town is exposed to various risks of loss related to workers' compensation. The Town has acquired commercial coverage for this risk and any settled claims are not expected to exceed the commercial insurance coverage. There is no change in coverage from past years, and settlements have not exceeded coverage for each of the past three fiscal years.

C. Commitments and Contingencies

During the normal course of business, the Town may incur claims and other assertions against it from various agencies and individuals. Management of the Town and their legal representatives are not aware of any claims or assertions that would affect the fairness of the presentation of the financial statements at December 31, 2025.

VI. Reclassification

Certain items have been reclassified out of the general fund into capital projects, American rescue, and broadband funds with no change to total fund balance.

REQUIRED SUPPLEMENTARY INFORMATION

Town of Blue River
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2025

	Original Budget	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Taxes:				
General property taxes	892,812	892,812	875,228	(17,584)
Specific ownership taxes	26,000	26,000	36,576	10,576
General sales taxes	1,000,000	1,000,000	1,065,919	65,919
Selective use taxes:				
Lodging taxes	350,000	350,000	460,205	110,205
Cigarette taxes	1,200	1,200	1,269	69
Franchise taxes	85,000	85,000	88,851	3,851
Interest on delinquent taxes	1,000	1,000	2,354	1,354
Total - Taxes	2,356,012	2,356,012	2,530,402	174,390
Intergovernmental:				
Road and bridge mill levy	20,000	20,000	27,188	7,188
Motor vehicle license fees	13,000	13,000	19,931	6,931
Highway users taxes	45,050	45,050	55,602	10,552
Grants, other	-	-	-	-
Total - Intergovernmental	78,050	78,050	102,721	24,671
Licenses and permits:				
Building permits	85,000	85,000	115,430	30,430
Boat permits	8,000	8,000	4,860	(3,140)
Business and lodging tax licenses	82,100	82,100	67,733	(14,367)
Total - Licenses and permits	175,100	175,100	188,023	12,923
Charges for services:				
Defensible space income from homeowners	50,000	50,000	18,495	(31,505)
Total - charges for services	50,000	50,000	18,495	(31,505)
Fines and fees:				
Building department fees	-	-	50	50
Municipal court fees and fines	38,000	38,000	27,624	(10,376)
Total - Fines and fees	38,000	38,000	27,674	(10,326)
Miscellaneous revenues:				
Interest	220,000	220,000	67,681	(152,319)
Other	116,100	116,100	11,178	(104,922)
Total - Miscellaneous revenues	336,100	336,100	78,859	(257,241)
Total Revenues	3,033,262	3,033,262	2,946,174	(87,088)

Town of Blue River
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2025
(continued)

	Original Budget	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)
Expenditures:				
General government:				
Personnel expenses	384,075	384,075	525,775	(141,700)
Professional services	109,500	109,500	185,611	(76,111)
Technology	85,000	85,000	83,369	1,631
Utilities	28,500	28,500	31,829	(3,329)
Supplies, postage and printing	8,550	8,550	6,106	2,444
Insurance	40,000	40,000	8,900	31,100
Treasurer's fees	20,000	20,000	17,577	2,423
Charitable contributions and scholarships	55,000	55,000	46,919	8,081
Meetings, trainings and travel	16,000	16,000	11,322	4,678
Repairs & maintenance	1,000	1,000	1,426	(426)
Elections	-	-	1,212	(1,212)
Miscellaneous expense	29,782	29,782	20,724	9,058
Total - General government	777,407	777,407	940,770	(163,363)
Judicial:				
Personnel expenses	16,100	16,100	16,202	(102)
Miscellaneous expense	500	500	1,008	(508)
Total - Judicial	16,600	16,600	17,210	(610)
Planning and zoning:				
Personnel expenses	8,400	8,400	7,146	1,254
Total - Planning and zoning	8,400	8,400	7,146	1,254
Public safety:				
Personnel expenses	321,572	321,572	390,380	(68,808)
Supplies and fuel	21,000	21,000	13,432	7,568
Repairs & maintenance	61,000	61,000	9,741	51,259
Communication	58,000	58,000	103,284	(45,284)
Miscellaneous expense	14,100	14,100	11,225	2,875
General administrative expense	-	-	442	(442)
Total - Public safety	475,672	475,672	528,504	(52,832)
Public works:				
Utilities	1,200	1,200	2,702	(1,502)
Snow removal	252,350	252,350	307,420	(55,070)
Street maintenance	368,000	368,000	353,544	14,456
Miscellaneous expense	13,000	13,000	4,173	8,827
Defensible space expense	80,000	80,000	77,215	2,785
Professional services	122,400	122,400	109,064	13,336
Repairs & maintenance	6,000	6,000	-	6,000
Park maintenance	-	-	242	(242)
Total - Public works	842,950	842,950	854,360	(11,410)
Debt service:				
Principal	5,500	5,500	3,197	2,303
Interest	-	-	1,835	(1,835)
Total - Debt Service	5,500	5,500	5,032	468
Total Expenditures	2,126,529	2,126,529	2,353,022	(226,493)
Excess (Deficiency) of Revenues Over Expenditures	906,733	906,733	593,152	(313,581)
Other Financing Sources (Uses):				
Transfers in	200,000	-	-	-
Total Other Financing Sources (Uses)	200,000	-	-	-
Net Change in Fund Balance	1,106,733	906,733	593,152	(313,581)
Fund Balance - Beginning	7,943,672	7,943,672	3,732,499	(4,211,173)
Fund Balance - Ending	9,050,405	8,850,405	4,325,651	(4,524,754)

SUPPLEMENTARY INFORMATION

Town of Blue River
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Capital Improvements Fund
For the Year Ended December 31, 2025
(continued)

	Original Budget	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Interest	100,000	100,000	122,985	22,985
Total Revenues	100,000	100,000	122,985	22,985
Expenditures:				
Capital outlay:				
Capital outlay	1,116,000	1,116,000	843,953	272,047
Total - Capital outlay	1,116,000	1,116,000	843,953	272,047
Debt service:				
Principal	-	-	33,636	(33,636)
Interest	-	-	13,806	(13,806)
Total - Debt service	-	-	47,442	(47,442)
Total Expenditures	1,116,000	1,116,000	891,395	224,605
Excess (Deficiency) of Revenues Over Expenditures	(1,016,000)	(1,016,000)	(768,410)	247,590
Other Financing Sources (Uses):				
Lease proceeds	-	-	193,892	193,892
Transfers in	100,000	100,000	-	(100,000)
Total Other Financing Sources (Uses)	100,000	100,000	193,892	93,892
Net Change in Fund Balance	(916,000)	(916,000)	(574,518)	341,482
Fund Balance - Beginning	2,943,779	2,943,779	2,083,976	(859,803)
Fund Balance - Ending	2,027,779	2,027,779	1,509,458	(518,321)

Town of Blue River
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Conservation Trust Fund
For the Year Ended December 31, 2025

	Original Budget	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Intergovernmental: State lottery revenue	8,500	8,500	10,043	1,543
Interest	5,000	5,000	6,729	1,729
Total Revenues	13,500	13,500	16,772	3,272
Expenditures:				
Public Works:				
Professional services	20,000	20,000	4,758	15,242
Total - Public works	20,000	20,000	4,758	15,242
Total Expenditures	20,000	20,000	4,758	15,242
Excess (Deficiency) of Revenues Over Expenditures	(6,500)	(6,500)	12,014	18,514
Net Change in Fund Balance	(6,500)	(6,500)	12,014	18,514
Fund Balance - Beginning	131,020	131,020	161,618	30,598
Fund Balance - Ending	124,520	124,520	173,632	49,112

Town of Blue River
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Broadband Fund
For the Year Ended December 31, 2025

	Original Budget	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Interest	5,000	5,000	12,198	7,198
Total Revenues	5,000	5,000	12,198	7,198
Expenditures:				
Capital outlay:				
Capital outlay	200,000	200,000	-	200,000
Total - Capital outlay	200,000	200,000	-	200,000
Total Expenditures	200,000	200,000	-	200,000
Excess (Deficiency) of Revenues Over Expenditures	(195,000)	(195,000)	12,198	207,198
Other Financing Sources (Uses):				
Transfers in	100,000	100,000	-	(100,000)
Total Other Financing Sources (Uses)	100,000	100,000	-	(100,000)
Net Change in Fund Balance	(95,000)	(95,000)	12,198	107,198
Fund Balance - Beginning	307,529	307,529	203,539	(103,990)
Fund Balance - Ending	212,529	212,529	215,737	3,208

Town of Blue River
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - American Rescue Plan Fund
For the Year Ended December 31, 2025

	Original Budget	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Interest	6,000	6,000	6,071	71
Total Revenues	6,000	6,000	6,071	71
Expenditures:				
Public Works:				
Professional services	-	-	389	(389)
Total - Public works	-	-	389	(389)
Capital Outlay:				
Capital outlay	179,000	191,616	128,001	63,615
Total - Capital Outlay	179,000	191,616	128,001	63,615
Total Expenditures	179,000	191,616	128,390	63,226
Excess (Deficiency) of Revenues Over Expenditures	(173,000)	(185,616)	(122,319)	63,297
Fund Balance - Beginning	173,326	173,326	175,616	2,290
Fund Balance - Ending	326	(12,290)	53,297	65,587

Client: ***Blue River - Town of Blue River***
Engagement: ***2025 Audit - Town of Blue River***
Period Ending: ***12/31/2025***
Trial Balance: ***06TB - American Rescue Plan Fund***
Workpaper: ***0001.R05 - Adjusting Journal Entries Report - ARPF***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To SALY Fund Balance				
6-30360	American Rescue Plan Fund Balance		10,000.13	
6-10000	Pooled Cash			10,490.13
Total			**10,000.13**	**10,490.13**
	Total Adjusting Journal Entries		**10,000.13**	**10,490.13**
	Total All Journal Entries		**10,000.13**	**10,490.13**

Client: ***Blue River - Town of Blue River***
Engagement: ***2025 Audit - Town of Blue River***
Period Ending: ***12/31/2025***
Trial Balance: ***05TB - Broadband Fund***
Workpaper: ***0001.R05 - Adjusting Journal Entries Report - BF***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To SALY Fund Balance				
5-30350	Broadband Fund Balance		111,048.58	
5-10000	Pooled Cash			111,048.58
Total			**111,048.58**	**111,048.58**
	Total Adjusting Journal Entries		**111,048.58**	**111,048.58**
	Total All Journal Entries		**111,048.58**	**111,048.58**

Client: ***Blue River - Town of Blue River***
Engagement: ***2025 Audit - Town of Blue River***
Period Ending: ***12/31/2025***
Trial Balance: ***03TB - Capital Improvements Fund***
Workpaper: ***0001.R05 - Adjusting Journal Entries Report - CIF***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To SALY Fund Balance				
3-30010	Invested in Capital Assets, Net		279,048.96	
3-10000	Pooled Cash			1,103,969.92
Total			**279,048.96**	**1,103,969.92**
Adjusting Journal Entries JE # 2		**0002.A55**		
To recognize culvert installation expenses in general fund as a capital outlay				
3-79010	Road Infrastructure Construction		9,452.48	
3-10000	Pooled Cash			9,452.48
Total			**9,452.48**	**9,452.48**
	Total Adjusting Journal Entries		**288,501.44**	**1,113,422.40**
	Total All Journal Entries		**288,501.44**	**1,113,422.40**

Client:	*Blue River - Town of Blue River*
Engagement:	*2025 Audit - Town of Blue River*
Period Ending:	*12/31/2025*
Trial Balance:	*04TB - Conservation Trust Fund*
Workpaper:	*0001.R05 - Adjusting Journal Entries Report - CTF*

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1		**TB**		
To SALY TB and balance pooled cash.				
4-10000	Pooled Cash			4,756.66
4-30030	Fund Balance - Conservation Trs			
Total			**0.00**	**4,756.66**
Adjusting Journal Entries JE # 2		**CTF 2024**		
To adjust CTF interest earned to Conservation Trust Fund				
4-44020	Interest CTF			
Total			**0.00**	**0.00**
	Total Adjusting Journal Entries		**0.00**	**4,756.66**
	Total All Journal Entries		**0.00**	**4,756.66**

Client: ***Blue River - Town of Blue River***
Engagement: ***2025 Audit - Town of Blue River***
Period Ending: ***12/31/2025***
Trial Balance: ***01TB - General Fund***
Workpaper: ***0001.R05 - Adjusting Journal Entries Report - GF***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 2		**SALY**		
To SALY Fund Balances				
1-10000	Pooled Cash		1,230,265.29	
1-72106	Administration:Community Fund		8,379.38	
1-30300	General Fund Balance			8,379.38
1-30300	General Fund Balance			400,098.01
Total			**1,238,644.67**	**408,477.39**
Adjusting Journal Entries JE # 4		**20402**		
To book accrued wages to match current year				
1-71010	Personnel:Salaries - Elected Officials		96.00	
1-71030	Personnel:Salary - Town Clerk		539.00	
1-74010	Planning & Zoning:P&Z Commission Salaries		46.00	
1-75010	Municipal Court:Municipal Judge		41.00	
1-75020	Municipal Court:Prosecutor		61.00	
1-76010	Public Safety:Salary - Police Department		2,129.00	
1-20402	Wages Payable			2,912.00
1-71020	Personnel:Salary - Town Manager			
Total			**2,912.00**	**2,912.00**
Adjusting Journal Entries JE # 5		**Email**		
To write off illiquid trust funds per client				
1-72005	Miscellaneous		1,187.00	
1-10410	Illiquid Trust Funds			1,187.00
Total			**1,187.00**	**1,187.00**
Adjusting Journal Entries JE # 6		**0002.A55**		
To recognize culvert installation included in street maintenance expense as a capital outlay item on the capital improvements fund				
1-10000	Pooled Cash		9,452.48	
1-77040	Public Works:Street Maintenance			9,452.48
Total			**9,452.48**	**9,452.48**

Client: ***Blue River - Town of Blue River***
Engagement: ***2025 Audit - Town of Blue River***
Period Ending: ***12/31/2025***
Trial Balance: ***90TB - GASB34TB***
Workpaper: ***R.05 - GASB34 Adjusting Journal Entries***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1		**21530**		
Record current year accrued vacation liability at year-end				
20064a	Accrued Vacation Payable - Current Portion		11,251.69	
71000	ACA offset - general government			5,456.58
76000	ACA offset - public safety			5,795.11
Total			**11,251.69**	**11,251.69**
Adjusting Journal Entries JE # 2		**0002.A55**		
to record depreciation expense				
71910	Depreciation expense - general government		45,719.34	
76910	Depreciation expense - public safety		1,287.30	
77910	Depreciation expense - public works		59,435.69	
10760a	AD - Improvements other than buildings - Additions			2,244.10
10770a	AD - Furnishings, vehicles, and equipment - Additions			14,761.35
10780a	AD - Infrastructure - Additions			59,435.69
10790a	Accumulated Depreciation - Buildings - Additions			30,001.19
73000	Gain/Loss on Equipment Disposal			
Total			**106,442.33**	**106,442.33**
Adjusting Journal Entries JE # 3		**0002.A55**		
to record additions & disposals				
10720a	Streets - Additions		650,061.48	
15000	Construction Work in Progress		128,001.00	
71900	Capital Outlay Offest - general government			650,061.48
77900	Capital Outlay Offset - public works			128,001.00
10615a	Improvements - Additions			
10620b	Furniture & Equipment - Deletions			
10630b	Computer Equipment - Deletions			
10640a	Vehicles - Additions			
10640b	Vehicles - Deletions			
10710a	Land - Additions			
10710a	Land - Additions			
10770b	AD - Furnishings, vehicles, and equipment - Deletions			
73000	Gain/Loss on Equipment Disposal			
76900	Capital Outlay Offset - public safety			
Total			**778,062.48**	**778,062.48**
Adjusting Journal Entries JE # 4		**0000.L50**		
To record lease activity for copier and police vehicle lease				
20060	Copier Lease LT		3,327.11	
20061a	Police Vehicles - Long Term Liability		33,634.43	
20061a	Police Vehicles - Long Term Liability		36,029.64	
76910	Depreciation expense - public safety		42,315.90	
10805	A/D - ROU Asset			42,315.90
20060a	Copier Lease - Current			129.93
20061	Police Vehicles - Current Liability			36,029.64
70000	Lease Principal Payments			3,197.18
70000	Lease Principal Payments			33,634.43
Total			**115,307.08**	**115,307.08**
Adjusting Journal Entries JE # 5		**0000.L50**		
To record issuance of police vehicles lease				
10800a	ROU - Additions		193,891.50	
70100	Interest Expense Change (Accrued Interest)		1,750.94	
70200	Lease Proceeds Offset		193,891.50	
20061a	Police Vehicles - Long Term Liability			193,891.50
25000	Accrued Interest			1,750.94
76900	Capital Outlay Offset - public safety			193,891.50
Total			**389,533.94**	**389,533.94**
	Total Adjusting Journal Entries		**1,400,597.52**	**1,400,597.52**
	Total All Journal Entries		**1,400,597.52**	**1,400,597.52**

BLUE RIVER POLICE DEPARTMENT
0110 Whispering Pines Circle
Blue River, CO 80424
(P) 970-547-0545 | info@townofblueriver.org

End of Month Report: August 2026

Calls for Service

Total number of a calls: 239
Top 10 calls as follows:

Traffic Stops	108
Code Enforcement	55
Animal Complaint	10
Parking Violation	8
Road Hazard	6
Illegal Campfire	4
Reckless Driver	4
Suspicious Person/Vehicle	4
Noise Complaint	3
Motorist Assist	2

Summary:. August activity decreased but remained high compared to other months. The number of citations issued was the highest total as of this year. Animal complaints and road hazards stats were influenced by motorists stopping along Hwy. 9 to view moose.

Arrests: 2 = misdemeanor
Motor Vehicle Crash: 2 = town roads
DUI: 0

Citations Issued = 42
Municipal = 36
County = 6

Current Administrative Focus

- Tarn – All new signage was installed.
- Explores – The department is launching its second season of sponsoring Scouting America Law Enforcement Explores, Post 187. This effort is a collaboration with Colorado State Patrol and support from other police departments.
- Budget – The department is beginning budgetary considerations for 2027.
- Noise Meter – The department has acquired a sound meter to measure decibels.

Report prepared by:
Chief, David Close