**FLORENCE CITY COUNCIL**
**Regular Meeting Agenda**
**Monday, July 20, 2026, 6:30 PM**

Watch this meeting live on the City's YouTube channel at
https://www.youtube.com/@CityofFlorenceCO

1) **CALL TO ORDER & PLEDGE OF ALLEGIANCE**
City Council Chambers, 600 W. 3rd Street, Florence, CO 81226

2) **ROLL CALL:**
Mayor Wolfe
Councilman Vanhoutan
Councilman Stiefel
Councilwoman Stone
Councilman Mergelman
Councilwoman Gardner
Councilwoman MacKinnon

3) **PRESENTATIONS**
a) Presentation of the 2025 Audit

4) **PUBLIC COMMENTS**
Any matter on this agenda may, at the discretion of the governing body, be opened for public comment and discussion (three minutes).

5) **CONSENT AGENDA**
a) Consider approving the minutes as written for the Regular City Council Meeting on July 13, 2026
b) Consider approving City expenditures prepared on July 16, 2026, in the amount of $277,050.42.
c) Consider approving the Temporary Use Permit for the Florence Pioneer Association
d) Consider authorizing the Pioneer Day Association to utilize CIRSA's Special Event Liability Insurance coverage with full cost reimbursement
e) Consider approving the revised Temporary Use Application for the America's Parade Committee

6) **NEW BUSINESS**
a) Consider adopting Ordinance No. 6 – 2026, an Ordinance approving the designation of the First Baptist Church of Florence (Bell Tower) at 201 East 2nd Street as a Local Historic Landmark
b) Consider adopting Ordinance No. 7 – 2026, an Ordinance approving the designation of the Lobach Block at 125 East Main Street as a Local Historic Landmark
c) Consider adopting Resolution No. 9 - 2026, a Resolution establishing a Drought Response Plan for the City of Florence, Colorado

7) **COUNCIL REPORTS**
a) City Council Reports
b) City Manager Reports

8) **EXECUTIVE SESSION(S): IF NECESSARY**
Pursuant to C.R.S. §24-6-402(4)(b), an executive session for the purpose of conferencing with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions pertaining to any item listed on the agenda herein and/or any related discussion that may arise thereto. Such executive session may be entered into at any time or at any point on the agenda, if necessary and with the requisite Council approval.

9) **ADJOURNMENT:** Adjournment until the regular City Council Meeting Monday, August 3, 2026.

# COUNCIL DISCUSSION FORM
## MEETING DATE: JULY 20, 2026
## STAFF CONTACT: LORI COBLER, CITY MANAGER

---

**Agenda Item:** Presentation of the 2025 Audit

**Department:** Administration

---

**Background/Description of Item:**

Uli Keeley, CPA, of Prospective Business Solutions will present the results of the City of Florence's statutorily required annual routine audit for Fiscal Year 2025.

**Attachments:**
- Independent Auditor's report
- Management Discussion and Analysis

Please note: The Audit is available in full (including supporting documentation for these summaries) on the City of Florence's website at Finance Department | City Of Florence (colorado.gov) under the "Audited Financial Statements" tab near the bottom of the page

# CITY OF
# FLORENCE, COLORADO

## BASIC FINANCIAL STATEMENTS

**December 31, 2025**

TABLE OF CONTENTS


| FINANCIAL SECTION | PAGE |
|---|---|
| Independent Auditor's Report | |
| Management's Discussion and Analysis | i – v |
| **Basic Financial Statements** | |
| Statement of Net Position | 1 |
| Statement of Activities | 2 |
| Balance Sheet – Governmental Funds | 3 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position | 4 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds | 5 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 6 |
| Statement of Net Position – Proprietary Fund | 7 |
| Statement of Revenues, Expenses, and Change in Net Position – Proprietary Fund | 8 |
| Statement of Cash Flows – Proprietary Fund | 9 |
| Notes to the Financial Statements | 10 – 33 |
| **Required Supplementary Information** | |
| Budgetary Comparison Schedule – General Fund | 34 |
| Budgetary Comparison Schedule – Street Improvement Fund | 35 |
| Schedule of the City's Proportionate Share of the Net Pension Liability – FPPA Statewide Defined Benefit Pension Plan | 36 |
| Schedule of the City's Contributions – FPPA Statewide Defined Benefit Pension Plan | 37 |

TABLE OF CONTENTS
(Continued)


| **Combining and Individual Fund Statements and Schedules** | **PAGE** |
|---|---|
| Combining Balance Sheet – Nonmajor Governmental Funds | 38 |
| Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Governmental Funds | 39 |
| Budgetary Comparison Schedule – Conservation Trust Fund | 40 |
| Budgetary Comparison Schedule – Pool, Park and Recreation Fund | 41 |
| Budgetary Comparison Schedule – Capital Projects Fund | 42 |
| Budgetary Comparison Schedule – Perpetual Care Reserve Fund | 43 |
| Budgetary Comparison Schedule – Water Fund | 44 |
| **Compliance** | |
| Local Highway Finance Report | 45-46 |

# FINANCIAL SECTION

PROSPECTIVE BUSINESS SOLUTIONS, LLC
Certified Public Accountants
Auditing, Accounting, and Consulting Services for Governments and Nonprofit Organizations

Honorable Mayor and Members of the City Council
City of Florence
Florence, Colorado

**INDEPENDENT AUDITOR'S REPORT**

**Report on the Audit of the Financial Statements**

**Opinions**

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

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

**Basis for Opinions**

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

**Responsibilities of Management for the Financial Statements**

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

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

(720) 535-9088
(720) 217-6601
uli@prospective-business-solutions.com
prospective-business-solutions.com
26 West Dry Creek Circle
Suite 600
Littleton, CO 80120

**Auditor’s Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we

• exercise professional judgment and maintain professional skepticism throughout the audit.

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

• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, no such opinion is expressed.

• evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

• conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

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

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the budgetary comparison information, the schedule of the City’s proportionate share of its net pension liability, and the schedule of the City’s contributions to the defined benefit pension plan on pages 34-37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 combining and individual fund statements and schedules and the local highway finance report are fairly stated in all material respects in relation to the financial statements as a whole.

PB Solutions LLC

Littleton, Colorado
June 8, 2026

# BASIC FINANCIAL STATEMENTS

**City of Florence**
**Management's Discussion and Analysis**

The Management Discussion and Analysis (MD&A) is designed to provide an easy-to-read overview of the City of Florence's (City) financial condition and operating results and to disclose to the reader important financial activities and issues related to the City's basic operations and mission.

The City has two separate financial categories or activities - governmental activities and those relating to business-type activities. Within the governmental activities, the City Council has designated eleven separate budgets in the following funds: General Fund, Police Equipment/Supplies Fund, Equipment Replacement Fund, Conservation Trust Fund, Capital Improvements Fund, Community Projects Fund, Cemetery Construction Fund, Pool, Park and Recreation Fund, Capital Projects Fund, Recreation Fund, and Perpetual Care Trust Fund. The governmental activities are funded through the City's ad-valorem property tax, sales and use taxes, Highway Users Tax and fees for services. All business-type activities are included in one enterprise fund known as the Water Fund. The Water Fund receives revenue through water sales, water tap fees, and other water-related fees.

DESCRIPTION OF FINANCIAL STATEMENTS

This annual report consists of four parts - management's *discussion and analysis* (this section), the *basic financial statements, required supplementary information,* and *other supplemental schedules.* The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's overall financial status.

- The remaining statements are *fund financial statements* that focus on *individual parts* of the City government, reporting the City's operations *in more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

**Government-wide Statements**

The government-wide statements consist of the Statement of Net Position and the Statement of Activities. These statements report information about the City as a whole and include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report on the City's *net position* and changes in net position. The City's net position, the difference between assets and liabilities, is one way to measure the City's financial health, or *financial position.* Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. However, other non-financial factors, such as changes in the City's property tax base, are needed to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, the City's funding is divided into two kinds of activities:

- **Governmental Activities** - The activity of the City for its General Fund (which includes the Police Equipment/Supplies Fund, Equipment Replacement Fund, and the Capital Improvement Fund), Conservation Trust, Capital Projects Fund (which includes the Community Projects Fund and the Cemetery Construction Fund), the Pool, Park and Recreation Fund (which includes the Recreation Fund) are reported here. Property taxes, specific ownership taxes, Highway Users Tax, sales tax, fees for services and interest income are the sources that fund most of these activities.

- **Business-Type Activities** - The City manages one enterprise fund, the Water Fund. The Water Fund develops and operates the City's water supply and assets and the water supply and assets of the Regional Water System.

## Financial Fund Statements

The fund financial statements provide more detailed information about the City's funds, focusing on its most significant funds - not the City as a whole. The City's two kinds of funds, *governmental and proprietary* - use different accounting principles.

*Governmental funds* - The City's activity with regard to its General and special revenue funds are reported as governmental funds, which focus on how money flows into and out of the funds and the balances left at year end. Governmental funds report using an accounting principle called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statement provides a detailed short-term view of the City's general governmental operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

*Proprietary (Enterprise) fund* - the activity of the City's Enterprise fund is reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's Enterprise fund is the same as the business-type activities reported in the governmental-wide statements but provides more detail and additional information, such as cash flows.

## HIGHLIGHTS

### Governmental Activities

- Total assets and deferred outflows for governmental activities on December 31, 2025, were $9,924,696.
- Total liabilities and deferred inflows for governmental activities on December 31, 2025, were $1,189,810.
- Total net position was increased by $376,042 to $8,734,886.

**Business-type Activities**

- In 2025, total assets and deferred outflows of resources were $28,514,508 compared to $29,282,006 at the end of fiscal year 2024.
- Total liabilities decreased by $1,094,482 to $9,668,175 at the end of fiscal year
- Total net position increased by $326,984 to $18,846,333.

## STATEMENTS OF NET POSITION

The perspective of the statement of net position is that of the City. The following is a summary of the City's net position for 2025 and 2024:

| | Governmental Activities | | Business Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Current and other assets | $ 6,990,589 | $ 7,647,107 | $ 12,193,737 | $ 11,137,637 | $ 19,184,326 | $ 18,784,744 |
| Capital assets | 2,650,052 | 1,962,951 | 16,130,522 | 17,790,908 | 18,780,574 | 19,753,859 |
| Total assets | 9,640,641 | 9,610,058 | 28,324,259 | 28,928,545 | 37,964,900 | 38,538,603 |
| Deferred outflows of resources | 284,055 | 427,445 | 190,249 | 214,030 | 284,055 | 641,475 |
| Long-term debt outstanding | 95,065 | 109,348 | 9,530,000 | 10,665,494 | 9,625,065 | 10,774,842 |
| Other liabilities | 208,528 | 650,901 | 138,175 | 97,163 | 346,703 | 748,064 |
| Total liabilities | 303,593 | 760,249 | 9,668,175 | 10,762,657 | 9,971,768 | 11,522,906 |
| Deferred Inflow of Resources | | | | | | |
| Related to pensions | 16,770 | 107,547 | - | - | 107,574 | 107,574 |
| Deferred Property Tax Revenue | 869,447 | 810,836 | - | - | 869,447 | 810,836 |
| Net Position | | | | | | |
| Net Investment in Capital Assets | 2,650,052 | 1,962,951 | 7,826,249 | 7,125,414 | 10,476,301 | 9,088,365 |
| Restricted | 1,842,780 | 2,329,393 | - | - | 1,842,780 | 2,329,393 |
| Unrestricted | 4,242,054 | 4,066,500 | 11,020,084 | 11,393,935 | 15,262,138 | 15,460,435 |
| Total Net Position | $ 8,734,886 | $ 8,358,844 | $ 18,846,333 | $ 18,519,349 | $ 27,581,219 | $ 26,878,193 |

The change in net position for the Governmental Activities was an increase of $376,042. The change in net position for the Business-Type Activities was also an increase of $326,984 for an overall increase of $703,026.

## STATEMENTS OF ACTIVITIES

The perspective of the statement of activities is that of the city as a whole. The following table reflects the change in net position for fiscal year 2024 and 2025.

| | Governmental Activities | | Business Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 |
| **Revenues:** | | | | | | |
| Charges for services | $ 333,391 | $ 258,116 | $ 4,193,459 | $ 3,848,697 | $ 4,526,850 | $ 4,106,8 |
| Operating grants and contributions | 218,865 | 230,952 | - | - | 218,865 | 230,9 |
| Capital grants and contributions | 80,049 | 431,276 | 213,802 | 124,925 | 293,851 | 556,2 |
| Total Program Revenues | 632,305 | 920,344 | 4,407,261 | 3,973,622 | 5,039,566 | 4,893,9 |
| General Revenues: | | | | | | |
| Property and SO taxes | 944,037 | 916,308 | - | - | 944,037 | 916,3 |
| Sales and use taxes | 1,865,648 | 1,859,133 | - | - | 1,865,648 | 1,859,1 |
| Other general revenues | 812,411 | 639,085 | 512,981 | 408,621 | 1,325,392 | 1,047,7 |
| Total General Revenues | 3,622,096 | 3,414,526 | 512,981 | 408,621 | 4,135,077 | 3,823,1 |
| Total Revenue | 4,254,401 | 4,334,870 | 4,920,242 | 4,382,243 | 9,174,643 | 8,717,1 |
| **Program Expenses:** | | | | | | |
| General government | 1,605,322 | 1,029,896 | - | - | 1,605,322 | 1,029,8 |
| Public Safety | 1,264,978 | 1,199,333 | - | - | 1,264,978 | 1,199,3 |
| Public works | 810,470 | 800,674 | - | - | 810,470 | 800,6 |
| Planning and building | 109,311 | 154,656 | - | - | 109,311 | 154,6 |
| Parks and recreation | 374,130 | 839,069 | - | - | 374,130 | 839,0 |
| Water | - | - | 3,235,402 | 3,742,115 | 3,235,402 | 3,742,1 |
| Interest on long-term debt | - | - | 279,872 | 248,344 | 279,872 | 248,3 |
| Total Expenses | 4,164,211 | 4,023,628 | 3,515,274 | 3,990,459 | 7,679,485 | 8,014,0 |
| Transfers | 604,736 | 64,800 | (604,736) | (64,800) | - | - |
| Increase (Decrease) in Net Position | 694,926 | 376,042 | 800,232 | 326,984 | 1,495,158 | 703,0 |
| Beginning Net Position | 7,663,918 | 8,358,844 | 17,719,117 | 18,519,349 | 25,383,035 | 26,878,1 |
| Ending Net Position | $ 8,358,844 | $ 8,734,886 | $ 18,519,349 | $ 18,846,333 | $ 26,878,193 | $ 27,581,2 |

## CAPITAL ASSETS AND DEBT ADMINISTRATION - CITY WIDE

At year end the City had $20,006,301 invested in a broad range of capital assets including buildings, vehicles and other equipment, and water treatment facilities.

## DEBT OUTSTANDING

The City's business-type activities long-term debt consists of water revenue bonds and a loan. During 2013, the City refunded the 2003A series bond and issued Series 2013A and 2013B. In 2021 the City refinanced 2013A and 2013B Bonds and issued Series 2021A and 2021B. As of December 31, 2025, the outstanding balance of both bonds and loans is $9,530,000. Activity for Governmental Activities and Business-Type Activities during the year are as follows:

| | | | | | |
|---|---|---|---|---|---|
| Governmental Activities | | | | | |
| Capital Lease | $ - | $ - | $ - | $ - | $ - |
| Compensated Absences | 109,348 | - | 14,283 | 95,065 | - |
| Total Governmental Activties | $ 109,348 | $ - | $ 14,283 | $ 95,065 | $ - |
| | | | | | |
| Business-Type Activiies | | | | | |
| Notes from Direct Borrowings | $ 990,494 | $ - | $ 545,000 | $ 445,494 | $ 900,000 |
| Revenue Refunding bonds | 9,675,000 | - | 590,494 | 9,084,506 | 100,000 |
| Bond Premium | - | - | - | - | - |
| Compensated Absences | 29,144 | 11,775 | - | 40,919 | - |
| Total | $ 10,694,638 | $ 11,775 | $ 1,135,494 | $ 9,570,919 | $ 1,000,000 |

## ECONOMICS AND OTHER FACTORS

The economy of the City of Florence, and the surrounding region, continues to grow at a rapid rate; sales tax and property values have been enjoying good economic times.

In November 2005, the voters approved an additional 1/2% sales tax to fund pool operations and construction of a new pool. This tax started January 1, 2006. The tax was approved with a 10-year clause that sunset December 2015. This ½% sales tax was then extended by the voters to be used for street repairs starting January 1, 2025.

## CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the public with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, please contact:

Finance Director
City of Florence
600 West Third Street
Florence, CO 81226
Tel: (719) 748-4848 ext. 223
Fax: (719) 784-0228

THIS PAGE IS INTENTIONALLY LEFT BLANK

CITY OF FLORENCE, COLORADO

STATEMENT OF NET POSITION
December 31, 2025

| | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL |
|---|---|---|---|
| ASSETS | | | |
| Cash and Investments | $ 5,749,074 | $ 10,708,829 | $ 16,457,903 |
| Receivables | | | |
| Property Taxes | 869,447 | - | 869,447 |
| Sales and Other | 372,068 | - | 372,068 |
| Accounts | - | 96,405 | 96,405 |
| Prepaid Expenses | - | 421 | 421 |
| Inventory | - | 162,355 | 162,355 |
| Capital Assets, Not Depreciated | 170,947 | 1,225,727 | 1,396,674 |
| Capital Assets, Depreciated, | | | |
| Net of Accumulated Depreciation | 2,479,105 | 16,130,522 | 18,609,627 |
| TOTAL ASSETS | 9,640,641 | 28,324,259 | 37,964,900 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Related to Pensions | 284,055 | - | 284,055 |
| Deferred Charges | - | 190,249 | 190,249 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 284,055 | 190,249 | 474,304 |
| LIABILITIES | | | |
| Accounts Payable | 91,639 | 40,745 | 132,384 |
| Accrued Expenses | 71,905 | 17,138 | 89,043 |
| Unearned Revenue | 6,399 | - | 6,399 |
| Accrued Interest Payable | - | 17,665 | 17,665 |
| Noncurrent Liabilities | | | |
| Due Within One Year | - | 1,000,000 | 1,000,000 |
| Due in More Than One Year | - | 8,530,000 | 8,530,000 |
| Deposits | 38,585 | 21,708 | 60,293 |
| Compensated Absences | 95,065 | 40,919 | 135,984 |
| TOTAL LIABILITIES | 303,593 | 9,668,175 | 9,971,768 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Related to Pensions | 16,770 | - | 16,770 |
| Deferred Property Tax Revenue | 869,447 | - | 869,447 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 886,217 | - | 886,217 |
| NET POSITION | | | |
| Net Investment in Capital Assets | 2,650,052 | 7,826,249 | 10,476,301 |
| Restricted | 1,842,780 | - | 1,842,780 |
| Unrestricted | 4,242,054 | 11,020,084 | 15,262,138 |
| TOTAL NET POSITION | $ 8,734,886 | $ 18,846,333 | $ 27,581,219 |

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

CITY OF FLORENCE, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

| | | PROGRAM REVENUES | | |
|---|---|---|---|---|
| FUNCTIONS/PROGRAMS | EXPENSES | CHARGES FOR SERVICES | OPERATING GRANTS AND CONTRIBUTIONS | CAPITAL GRANTS AND CONTRIBUTIONS |
| PRIMARY GOVERNMENT | | | | |
| **Governmental Activities** | | | | |
| General Government | $ 1,029,896 | $ 165,422 | $ 10,540 | $ - |
| Public Safety | 1,199,333 | - | - | - |
| Public Works | 800,674 | - | 174,141 | 431,276 |
| Planning | 154,656 | - | - | - |
| Parks and Recreation | 839,069 | 92,694 | 46,271 | - |
| Total Governmental Activities | 4,023,628 | 258,116 | 230,952 | 431,276 |
| **Business-Type Activities** | | | | |
| Water | 3,742,115 | 3,848,697 | - | 124,925 |
| Interest and Fiscal Charges | 248,344 | - | - | - |
| Total Business-Type Activities | 3,990,459 | 3,848,697 | - | 124,925 |

GENERAL REVENUES
- Local Property Taxes
- Specific Ownership Taxes
- Sales and Use Tax
- Other Taxes
- Other Revenues
- Earnings on Investments
- Transfers

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

| NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION | | |
|---|---|---|
| GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTALS |
| $ (853,934) | $ - | $ (853,934) |
| (1,199,333) | - | (1,199,333) |
| (195,257) | - | (195,257) |
| (154,656) | - | (154,656) |
| (700,104) | - | (700,104) |
| (3,103,284) | - | (3,103,284) |
| - | 231,507 | 231,507 |
| - | (248,344) | (248,344) |
| - | (16,837) | (16,837) |
| 819,926 | - | 819,926 |
| 96,382 | - | 96,382 |
| 1,859,133 | - | 1,859,133 |
| 10,115 | - | 10,115 |
| 338,903 | 49,439 | 388,342 |
| 290,067 | 359,182 | 649,249 |
| 64,800 | (64,800) | - |
| 3,479,326 | 343,821 | 3,823,147 |
| 376,042 | 326,984 | 703,026 |
| 8,358,844 | 18,519,349 | 26,878,193 |
| $ 8,734,886 | $ 18,846,333 | $ 27,581,219 |

CITY OF FLORENCE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

| | GENERAL FUND | STREET IMPROVEMENT FUND | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash and Investments | $ 3,792,775 | $ 874,469 | $ 1,081,830 | $ 5,749,074 |
| Taxes Receivable | 869,447 | - | - | 869,447 |
| Accounts Receivable | 313,464 | 58,404 | 200 | 372,068 |
| TOTAL ASSETS | $ 4,975,686 | $ 932,873 | $ 1,082,030 | $ 6,990,589 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | $ 64,648 | $ 26,991 | $ - | $ 91,639 |
| Accrued Expenses | 71,905 | - | - | 71,905 |
| Unearned Revenues | 6,399 | - | - | 6,399 |
| Deposits | 38,585 | - | - | 38,585 |
| TOTAL LIABILITIES | 181,537 | 26,991 | - | 208,528 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Property Tax Revenues | 869,447 | - | - | 869,447 |
| FUND BALANCES | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 111,000 | 905,882 | 825,898 | 1,842,780 |
| Committed | - | - | 256,132 | 256,132 |
| Unassigned | 3,813,702 | - | - | 3,813,702 |
| TOTAL FUND BALANCES | 3,924,702 | 905,882 | 1,082,030 | 5,912,614 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | $ 4,975,686 | $ 932,873 | $ 1,082,030 | $ 6,990,589 |

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

# RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
Year Ended December 31, 2025

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

| | | | |
|---|---|---|---|
| Total fund balances of governmental funds | | | $ 5,912,614 |
| Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. | | | |
| | Capital Assets, Not Depreciated | 170,947 | |
| | Capital Assets, Depreciated | 9,075,614 | |
| | Accumulated Depreciation | (6,596,509) | 2,650,052 |
| Long-term liabilities and related assets are not due and payable in the current period and, therefore, are not reported in the funds. | | | |
| | Compensated Absences | | (95,065) |
| Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. | | | |
| Deferred outflows of resources - Related to Pension Plan | | 284,055 | |
| Deferred inflows of resources - Related to Pension Plan | | (16,770) | 267,285 |
| Net position of governmental activities | | | $ 8,734,886 |

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

CITY OF FLORENCE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2025

| | GENERAL FUND | STREET IMPROVEMENT FUND | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|---|---|---|---|---|
| REVENUES | | | | |
| Property Taxes | $ 819,926 | $ - | $ - | $ 819,926 |
| Specific Ownership Taxes | 96,382 | - | - | 96,382 |
| Sales and Use Taxes | 1,487,086 | 372,047 | - | 1,859,133 |
| Franchise Fees | 196,779 | - | - | 196,779 |
| Intergovernmental Revenue | 626,072 | - | 46,271 | 672,343 |
| Licenses and Permits | 146,271 | - | - | 146,271 |
| Charges for Services | 27,579 | - | 65,115 | 92,694 |
| Fines and Forfeitures | 19,151 | - | - | 19,151 |
| Earnings on Investments | 247,906 | 8,660 | 33,501 | 290,067 |
| Miscellaneous | 130,337 | - | 11,787 | 142,124 |
| TOTAL REVENUES | 3,797,489 | 380,707 | 156,674 | 4,334,870 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 869,465 | - | - | 869,465 |
| Public Safety | 1,057,856 | - | - | 1,057,856 |
| Public Works | 637,595 | - | - | 637,595 |
| Planning | 154,656 | - | - | 154,656 |
| Parks and Recreation | 661,571 | - | 123,621 | 785,192 |
| Capital Outlay | 317,265 | 850,397 | - | 1,167,662 |
| TOTAL EXPENDITURES | 3,698,408 | 850,397 | 123,621 | 4,672,426 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 99,081 | (469,690) | 33,053 | (337,556) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 109,800 | - | 16,384 | 126,184 |
| Transfers Out | (16,384) | - | (45,000) | (61,384) |
| TOTAL OTHER FINANCING SOURCES (USES) | 93,416 | - | (28,616) | 64,800 |
| NET CHANGE IN FUND BALANCES | 192,497 | (469,690) | 4,437 | (272,756) |
| FUND BALANCES, Beginning | 3,732,205 | 1,375,572 | 1,077,593 | 6,185,370 |
| FUND BALANCES, Ending | $ 3,924,702 | $ 905,882 | $ 1,082,030 | $ 5,912,614 |

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

CITY OF FLORENCE, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

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

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds | | $ (272,756) |
| Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. | | |
| Capital Outlay | 1,048,176 | |
| Depreciation | (361,075) | 687,101 |
| Some expenses reported in the statement of activities do not require current financial resources and are not reported in the funds. | | |
| Changes in Compensated Absences | | 14,283 |
| Deferred Charges related to pensions are not recognized in the governmental funds. However, for the government-wide funds those amounts are capitalized and amortized. | | |
| Deferred charges related to Pension Plan | | (52,586) |
| Change in net position of governmental activities | | $ 376,042 |

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

CITY OF FLORENCE, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2025

| | WATER |
|---|---|
| ASSETS | |
| Current Assets | |
| Cash and Investments | $ 10,708,829 |
| Accounts Receivable | 96,405 |
| Prepaid Expenses | 421 |
| Inventory | 162,355 |
| Total Current Assets | 10,968,010 |
| Noncurrent Assets | |
| Capital Assets, Not Being Depreciated | 1,225,727 |
| Capital Assets, Net of Accumulated Depreciation | 16,130,522 |
| Total Noncurrent Assets | 17,356,249 |
| TOTAL ASSETS | 28,324,259 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred Charges | 190,249 |
| LIABILITIES | |
| Current Liabilities | |
| Accounts Payable | 40,745 |
| Accrued Expenses | 17,138 |
| Accrued Interest Payable | 17,665 |
| Bonds Payable, Current Portion | 900,000 |
| Notes Payable, Current Portion | 100,000 |
| Total Current Liabilities | 1,075,548 |
| Noncurrent Liabilities | |
| Deposits | 21,708 |
| Accrued Compensated Absences | 40,919 |
| Bonds Payable | 8,230,000 |
| Notes Payable | 300,000 |
| Total Noncurrent Liabilities | 8,592,627 |
| NET POSITION | |
| Net Investment in Capital Assets | 7,826,249 |
| Unrestricted | 11,020,084 |
| TOTAL NET POSITION | $ 18,846,333 |

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

CITY OF FLORENCE, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGE IN NET POSITION
PROPRIETARY FUND
Year Ended December 31, 2025

| | WATER |
|---|---|
| OPERATING REVENUES | |
| Charges for Services | $ 2,617,183 |
| Debt Retirement | 1,231,514 |
| Other Revenues | 49,439 |
| TOTAL OPERATING REVENUES | 3,898,136 |
| OPERATING EXPENSES | |
| Administration | 138,192 |
| Personnel Services | 1,273,943 |
| Water System | 946,234 |
| Water Distribution | 161,330 |
| Depreciation | 1,222,416 |
| TOTAL OPERATING EXPENSES | 3,742,115 |
| NET OPERATING INCOME | 156,021 |
| NON-OPERATING REVENUES (EXPENSES) | |
| Interest Income | 359,182 |
| Interest Expense | (248,344) |
| TOTAL NON-OPERATING REVENUES (EXPENSES) | 110,838 |
| INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS | 266,859 |
| Tap Fees | 124,925 |
| Transfers Out | (64,800) |
| CHANGE IN NET POSITION | 326,984 |
| NET POSITION, Beginning | 18,519,349 |
| NET POSITION, Ending | $ 18,846,333 |

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

CITY OF FLORENCE, COLORADO

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended December 31, 2025
Increase (Decrease) in Cash and Cash Equivalents

| | WATER |
|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Cash Received from Customers | $ 4,058,976 |
| Cash Paid to Suppliers and Employees | (2,499,981) |
| Net Cash Provided by Operating Activities | 1,558,995 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Cash Payments to/from Other Funds | (64,800) |
| Net Cash Used by Noncapital Financing Activities | (64,800) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Purchase of Capital Assets | (799,767) |
| Principal Payments on Long Term Debt | (1,135,494) |
| Interest Payments | (226,193) |
| Tap Fees and Capital Contributions | 124,925 |
| Net Cash Used by Capital Financing Activities | (2,036,529) |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest Received | 359,182 |
| NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS | (183,152) |
| CASH AND CASH EQUIVALENTS, Beginning | 10,891,981 |
| CASH AND CASH EQUIVALENTS, Ending | $ 10,708,829 |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES | |
| Operating Income | $ 156,021 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities | |
| Depreciation Expense | 1,222,416 |
| Loss on Disposal of Assets | 12,010 |
| Changes in Assets and Liabilities | |
| Accounts Receivable | 148,830 |
| Inventory | (22,924) |
| Prepaid Expenses | - |
| Accounts Payable | 28,251 |
| Accrued Expenses | 2,616 |
| Deposits | - |
| Accrued Compensated Absences | 11,775 |
| Total Adjustments | 1,402,974 |
| Net Cash Provided by Operating Activities | $ 1,558,995 |

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

***NOTE 1:*** ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The City of Florence, Colorado (the "City") was incorporated in 1887. The City is governed by a city manager and a seven-member council (including the mayor) elected by the residents.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applicable to governmental units. Following is a summary of the more significant policies:

**Reporting Entity**

The financial reporting entity consists of the City and organizations for which the City is financially accountable. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the City. In addition, any legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on the City.

Based upon the application of these criteria, the City does not include any additional organizations in its reporting entity.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

***NOTE 1:*** ***<u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>*** (Continued)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

When both restricted and unrestricted resources are available for use, it is the City's practice to use restricted resources first, then unrestricted resources as they are needed.

***NOTE 1:*** ***<u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>*** (Continued)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation** (Continued)

In the fund financial statements, the City reports the following major governmental funds:

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

The *Street Improvement Fund* accounts for the voter approved ½% sales tax revenue to provide funding for major street improvements.

The City reports the following major proprietary fund:

The *Water Fund* accounts for the financial activities associated with the provision of water to residents and businesses within the City limits.

Additionally, the City reports the following fund type:

Permanent Fund – The *Perpetual Care Fund* accounts for activities of the City's cemetery, including the sale of plots and maintenance.

**Assets, Liabilities, and Fund Balance/Net Position**

<u>Cash and Cash Equivalents</u> – For purposes of the statement of cash flows, the City considers cash and cash equivalents to be all demand deposits as well as short-term investments with a maturity date of three months or less. Investments are stated at fair value.

<u>Receivables</u> – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

<u>Prepaid Items</u> – On the government-wide and governmental fund financial statements, prepaid expenses are presented using the consumption method.

<u>Inventory</u> – Inventories are valued at cost. Inventory in the proprietary fun consists of expendable supplies held for future consumption. The cost is recorded as an expense as the inventory items are consumed.

***NOTE 1:*** ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

**Assets, Liabilities, and Fund Balance/Net Position** (Continued)

Capital Assets – Capital assets, which include land, water rights, infrastructure, utility plat and lines, and property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| | |
|---|---|
| Buildings and Improvements | 10 - 30 years |
| Pool | 5 - 30 years |
| Water Treatment Plant | 5 - 50 years |
| Water Transmission and Distribution System | 20 - 50 years |
| Regional Assets | 10 - 40 years |
| Infrastructure | 10 years |
| Machinery and Equipment | 3 - 10 years |

Unearned Revenues – The unearned revenues include amounts received but not yet available for expenditure.

Compensated Absences – City employees are entitled to certain compensated absences based on their length of employment and are allowed to accumulate unused absences. Upon termination of employment, employees are entitled to receive compensation for any unused vacation time, up to a maximum number of hours the employee has earned during the previous year of employment, at their current rate of pay. These compensated absences are expensed when paid in the governmental fund types. Compensated absences are expensed when earned in the proprietary fund type. A long-term liability has been recorded in the governmental activities and business-type activities in the statement of net position for the accrued benefits.

City employees earn 3.06 hours of sick leave per pay period, with a maximum accrual of 480 hours. Unused sick leave is not compensated upon termination of employment. Historical data indicates that accrued sick leave balances are unlikely to be used, so the City has not recognized a liability for it under Governmental Accounting Standards No. 101 - Compensated Absences.

***NOTE 1:*** ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

**Assets, Liabilities, and Fund Balance/Net Position** (Continued)

Deferred Outflows and Deferred Inflows of Resources – In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Long-Term Debt – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

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

Pensions – The City participates in the Statewide Defined Benefit Plan (SWDBP), a cost-sharing, multiple-employer defined benefit pension plan administered by the Fire & Police Pension Association of Colorado (FPPA). The net pension asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to and deductions from the fiduciary net position of the SWDBP have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Employer contributions are recognized in the year the contributions are paid.

***NOTE 1:*** ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

**Assets, Liabilities, and Fund Balance/Net Position** (Continued)

Property Taxes – Property taxes are levied on December 15 based on the assessed value of property as certified by the County Assessor on October 1. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent, and penalties and interest may be assessed by the County Treasurer on the postmark day following these dates. The tax sale date is the first Thursday of November.

Under Colorado Law, all property taxes become due and payable on January 1, in the year following that in which they are levied. The County Treasurer's Office collects property taxes and remits to the City on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, receivables and corresponding deferred inflows of resources are reported at year end.

Net Position – The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

Investment in Capital Assets is intended to reflect the portion of net position, which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position are liquid assets, which have third party limitations on their use.

Unrestricted Net Position represents assets that do not have any third-party limitation on their use. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted right to revisit or alter these managerial decisions.

Fund Balance Classification – The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact. The City does not report any nonspendable fund balances on December 31, 2025.

***NOTE 1:*** ***<u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>*** (Continued)

**Assets, Liabilities, and Fund Balance/Net Position** (Continued)

- <u>Restricted</u> – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. In addition, the City reports restricted fund balances in the Conservation Trust Fund, Pool Park and Recreation Fund, Street Improvement Fund, and Perpetual Care Reserve Fund. These balances are restricted for capital and infrastructure improvements, and parks and recreation.

- <u>Committed</u> – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City reports the fund balance in the Capital Projects Fund as committed resources for the fund purpose as of December 31, 2025.

- <u>Assigned</u> – This classification includes amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. The City does not report any assigned fund balances as of December 31, 2025.

- <u>Unassigned</u> – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned fund balance.

**Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The City carries commercial insurance for these risks of loss.

***NOTE 1:*** ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

**Subsequent Events**

The City has evaluated events subsequent to the year ended December 31, 2025 through June 8, 2026, the date these financial statements were issued, and has incorporated any required recognition into these financial statements.

***NOTE 2:*** ***STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY***

**Budgets**

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparison for the proprietary fund is presented on a non-GAAP budgetary basis. Capital outlay is budgeted as an expenditure and deprecation is not budgeted. Annual appropriated budgets are adopted for all funds. All appropriations lapse at fiscal year-end.

The City adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. Management submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, revisions that alter the total expenditures of any fund must be approved by the City Council.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted or amended by the City Council.

**Tax Spending Limitation**

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the State of Colorado. Annual operating revenue is limited to a 5.25% increase. Such increase is determined based on the prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues. The City’s management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S is complex and subject to interpretation.

## ***NOTE 3:*** ***<u>CASH AND INVESTMENTS</u>***

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

| | |
|---|---|
| Petty Cash | $ 192 |
| Deposits | 1,837,427 |
| Investments | 14,620,284 |
| Total | $16,457,903 |

The above amounts are classified in the statement of net position as follows:

| | |
|---|---|
| Cash and Investments - Governmental Activities | $ 5,749,074 |
| Cash and Investments - Business-Type Activities | 10,708,829 |
| Total | $16,457,903 |

**Deposits**

<u>Custodial Credit Risk – Deposits</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. On December 31, 2025, State regulatory commissioners have indicated that all financial institutions holding deposits for the City are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The City has no policy regarding custodial credit risk for deposits.

On December 31, 2025, the City had deposits with financial institutions with a carrying amount of $1,837,427. The bank balances with the financial institutions were $1,925,046. Of these balances, $1,013,406 was covered by federal depository insurance and $911,640 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

***NOTE 3:*** ***<u>CASH AND INVESTMENTS</u>*** (Continued)

**Investments**

The City is required to comply with State statutes and the City's investment policy which specify investment instruments meeting defined rating, maturity, and concentration of credit risk criteria in which the City may invest.

<u>Interest Rate Risk</u>

State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

<u>Credit Risk</u>

Colorado statutes specify in which instruments the units of local government may invest which includes:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

<u>Concentration of Credit Risk</u>

Except for corporate securities, State statutes do not limit the amount the City may invest in any single investment or issuer.

<u>Local Government Investment Pools</u>

The City had invested $14,620,284 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAm by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to $1.00 (net asset value). Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions.

***NOTE 3:*** ***<u>CASH AND INVESTMENTS</u>*** (Continued)

**Investments** (Continued)

Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities. ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

***NOTE 4:*** ***<u>CAPITAL ASSETS</u>***

| | Balance 12/31/2024 | Additions | Deletions | Balance 12/31/2025 |
|---|---|---|---|---|
| **Governmental Activities** | | | | |
| Capital Assets, Not Depreciated | | | | |
| Land and Easements | $ 131,628 | $ - | $ - | $ 131,628 |
| Construction in Progress | - | 39,319 | - | 39,319 |
| Total Capital Assets, Not Depreciated | 131,628 | 39,319 | - | 170,947 |
| Capital Asset, Being Depreciated | | | | |
| Buildings and Improvements | 2,391,184 | 47,461 | 27,676 | 2,410,969 |
| Pool | 657,496 | 36,360 | 9,163 | 684,693 |
| Infrastructure | 2,329,483 | 773,549 | - | 3,103,032 |
| Machinery and Equipment | 2,725,433 | 151,487 | - | 2,876,920 |
| Total Capital Assets, Being Depreciated | 8,103,596 | 1,008,857 | 36,839 | 9,075,614 |
| Accumulated Depreciation | | | | |
| Buildings and Improvements | 2,193,606 | 49,326 | 27,676 | 2,215,256 |
| Pool | 580,317 | 14,433 | 9,163 | 585,587 |
| Infrastructure | 1,879,116 | 82,272 | - | 1,961,388 |
| Machinery and Equipment | 1,619,234 | 215,044 | - | 1,834,278 |
| Total Accumulated Depreciation | 6,272,273 | 361,075 | 36,839 | 6,596,509 |
| Capital Assets, Depreciated, Net | 1,831,323 | 647,782 | - | 2,479,105 |
| Net Capital Assets | $ 1,962,951 | $ 687,101 | $ - | $ 2,650,052 |

***NOTE 4:*** ***CAPITAL ASSETS*** (Continued)

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

| | |
|---|---|
| **Governmental Activities** | |
| General Government | $ 40,945 |
| Public Safety | 103,174 |
| Public Works | 163,079 |
| Parks and Recreation | 53,877 |
| Total | $ 361,075 |

| | Balance 12/31/2024 | Additions | Deletions | Balance 12/31/2025 |
|---|---|---|---|---|
| **Business-Type Activities** | | | | |
| Capital Assets, Not Depreciated | | | | |
| Land | $ 83,425 | $ - | $ - | $ 83,425 |
| Water Rights | 1,137,302 | 5,000 | - | 1,142,302 |
| Total Capital Assets, Not Depreciated | 1,220,727 | 5,000 | - | 1,225,727 |
| Capital Asset, Being Depreciated | | | | |
| Water Treatment Plant | 4,631,122 | - | - | 4,631,122 |
| Transmission and Distribution | 7,682,548 | 752,632 | 183,227 | 8,251,953 |
| Regional Assets | 28,138,879 | - | - | 28,138,879 |
| Machinery and Equipment | 2,818,246 | 42,135 | 20,016 | 2,840,365 |
| Total Capital Assets, Being Depreciated | 43,270,795 | 794,767 | 203,243 | 43,862,319 |
| Accumulated Depreciation | | | | |
| Water Treatment Plant | 3,849,792 | 90,138 | - | 3,939,930 |
| Transmission and Distribution | 5,077,940 | 264,919 | 183,227 | 5,159,632 |
| Regional Assets | 15,640,759 | 720,697 | - | 16,361,456 |
| Machinery and Equipment | 2,132,123 | 146,662 | 8,006 | 2,270,779 |
| Total Accumulated Depreciation | 26,700,614 | 1,222,416 | 191,233 | 27,731,797 |
| Capital Assets, Depreciated, Net | 16,570,181 | (427,649) | 12,010 | 16,130,522 |
| Net Capital Assets | $ 17,790,908 | $ (422,649) | $ 12,010 | $ 17,356,249 |

## *NOTE 5: LONG-TERM DEBT*

The following is a summary of the City's long-term debt transactions for the year ended December 31, 2025:

| **Governmental Activities** | 12/31/2024 Balance | Increases | Decreases | 12/31/2025 Balance | Due Within One Year |
|---|---|---|---|---|---|
| Compensated Absences | **$ 109,348** | **$ -** | **$ 14,283** | **$ 95,065** | **$ -** |

| **Business-Type Activities** | 12/31/2024 Balance | Increases | Decreases | 12/31/2025 Balance | Due Within One Year |
|---|---|---|---|---|---|
| Revenue Refunding Bonds | $ 9,675,000 | $ - | $ 545,000 | $ 9,130,000 | $ 900,000 |
| Notes from direct borrowings | 990,494 | - | 590,494 | 400,000 | 100,000 |
| Compensated Absences | 29,144 | 11,775 | - | 40,919 | - |
| Total | **$ 10,694,638** | **$ 11,775** | **$ 1,135,494** | **$ 9,570,919** | **$ 1,000,000** |

**Water Enterprise Revenue Refunding Bonds, Series 2021A and 2021B**

In January 2021, the City issued Water Enterprise Revenue Refunding Bonds, Series 2021A and 2021B in the amount of $9,184,000 and $789,000, respectively. Proceeds of the bonds were used to refund the City's Series 2013A and 2013B Water Revenue Refunding and Improvement Bonds. The 2021A bonds carry an interest rate of 2.97% and the 2021B bonds carry an interest rate of 2.15%. Semi-annual interest payments are due on June 1 and December 1 and principal payments are due annually on December 1. The 2021A bonds mature on December 1, 2033 and the 2021B bonds mature on December 1, 2026.

The advance refunding of the 2013 bonds reduced the present value of the future debt service payments. The City's net present value benefit of the advance refunding is $1,427,793. The savings were available due to improved bond market conditions (i.e., lower interest rates). The reacquisition price exceeded the net carrying amount of the old debt by $309,154. This amount has been deferred and is being amortized over the remaining life of the refunded debt. At December 31, 2025, the balance of the deferred charges is $190,249.

The annual debt service requirements on the outstanding bonds are as follows:

| Year Ended December 31, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 900,000 | $ 211,980 | $ 1,111,980 |
| 2027 | 1,041,000 | 193,404 | 1,234,404 |
| 2028 | 1,133,000 | 168,944 | 1,301,944 |
| 2029 | 1,164,000 | 142,316 | 1,306,316 |
| 2030 | 1,188,000 | 114,962 | 1,302,962 |
| 2031-2033 | 3,704,000 | 174,747 | 3,878,747 |
| **Total** | **$ 9,130,000** | **$ 1,006,353** | **$ 10,136,353** |

***NOTE 5:*** ***LONG-TERM DEBT*** (Continued)

**Notes from Direct Borrowings**

2003 Colorado Water Resources and Power Development Authority (CWRPDA) Loan

In November 2003, the City entered into a loan agreement with CWRPDA in the amount of $12,999,093. Proceeds of the loan were used to finance costs of water facilities. The loan carries an interest rate of 3.51%. Principal and interest payments in the amount of $899,932 are due semi-annually on June 1 and December 1 through 2025. During the year ended December 31, 2025, the loan was paid off in full.

2005 Colorado Water Resources and Power Development Authority (CWRPDA) Drinking Water Revolving Fund Direct Loan

In December 2004, the City entered into an agreement with CWRPDA to obtain a Drinking Water Revolving Fund Direct Loan in the amount of $800,000. Proceeds of the loan were used to finance improvements to the City's south water treatment plant, acquiring and constructing finished water storage facilities and finished water pipelines, and raw water conveyance and consolidation for the south water treatment plant. The loan carries an interest rate of 3.5%. Principal and interest payments in the amount of $53,939 are due semi-annually on June 1 and December 1 through 2025. During the year ended December 31, 2025, the loan was paid off in full.

2009 Colorado Water Resources and Power Development Authority (CWRPDA) Drinking Water Revolving Fund ARRA Direct Loan

In October 2009, the City entered into an agreement with CWRPDA to obtain a Drinking Water Revolving Fund ARRA Direct Loan in the amount of $2,000,000. Proceeds of the loan were used to provide funding for drilling, testing, and construction of two additional wells. The loan carries no interest. Principal payments in the amount of $50,000 are due semi-annually on June 1 and December 1 through 2029. On December 31, 2025, the outstanding balance on the loan is $400,000.

The annual debt service requirements on the outstanding notes are as follows:

| Year Ended December 31, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 100,000 | $ - | $ 100,000 |
| 2027 | 100,000 | - | 100,000 |
| 2028 | 100,000 | - | 100,000 |
| 2029 | 100,000 | - | 100,000 |
| **Total** | **$ 400,000** | **$ -** | **$ 400,000** |

## ***NOTE 6: <u>INTERFUND TRANSFERS</u>***

During the year ended December 31, 2025, the Water Fund and the Conservation Trust Fund transferred $64,800 and $45,000, respectively, to the General Fund to cover capital and administrative expenses. The General Fund transferred $8,192 to the Capital Projects Fund, and $8,192 to the Perpetual Care Reserve Fund to cover capital and administrative expenses.

## ***NOTE 7: <u>STATEWIDE DEFINED BENEFIT PENSION PLAN</u>***

### Summary of Significant Accounting Policies

The City participates in the Statewide Defined Benefit Plan (SWDBP), a cost- sharing multiple-employer defined benefit pension fund administered by the Fire and Police Pension Association of Colorado ("FPPA"). The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDBP have been determined using the economic resources measurement focus and the accrual basis of accounting.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### General Information about the SWDBP

<u>Plan Description</u>

The SWDBP covers substantially all full-time firefighter and police officer employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. As of August 1, 2003, the SWDBP may include fire department clerical and other personnel whose services are auxiliary to fire protection.

As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Plan.

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

***NOTE 7:*** ***STATEWIDE DEFINED BENEFIT PENSION PLAN*** (Continued)

Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth in the FPPA Rules and Regulations, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report that can be obtained at www.fppaco.org.

Benefits Provided

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

A member is eligible for retirement after attainment of age 55 with at least 5 years of credited service.

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

The annual normal retirement benefit of the Defined Benefit Component is 2 percent of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

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

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

***NOTE 7:*** ***STATEWIDE DEFINED BENEFIT PENSION PLAN*** (Continued)

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

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

Upon termination, a member may elect to have their member contributions, along with 5 percent as interest returned as a lump sum distribution in lieu of retirement benefits.

Contributions

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

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 22.2 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2023, the total minimum required member and employer contribution rate was 21.7 percent.

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 11.0 percent.

***NOTE 7:*** ***<u>STATEWIDE DEFINED BENEFIT PENSION PLAN</u>*** (Continued)

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

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

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

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

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

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

On December 31, 2025, the City reported a net pension liability of $0 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2024 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2024.

***NOTE 7:*** ***STATEWIDE DEFINED BENEFIT PENSION PLAN*** (Continued)

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

The City's proportion of the net pension liability was based on City contributions to the SWDBP for the calendar year 2024 relative to the total contributions of participating employers to the SWDBP.

On December 31, 2025, the City's proportion was 0.0411 percent, which is a decrease of 0.000064 from its proportion measured as of December 31, 2024. For the year ended December 31, 2025, the City recognized pension expense of $99,911. On December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 76,354 | $ 2,474 |
| Net difference between projected and actual earnings on investments | 4,585 | - |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 129,496 | 14,296 |
| Change in assumptions | 26,295 | - |
| Contributions subsequent to measurement date | 47,325 | - |
| **Total** | **$ 284,055** | **$ 16,770** |

$47,325 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase of the net pension asset in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resourcesrelated to pensions will be recognized in pension expense as follows:

| **Year Ended December 31,** | |
|---|---|
| 2026 | $ 80,674 |
| 2027 | 23,896 |
| 2028 | 25,937 |
| 2029 | 33,444 |
| 2030 | 28,288 |
| Thereafter | 27,721 |

***NOTE 7:*** ***STATEWIDE DEFINED BENEFIT PENSION PLAN*** (Continued)

**Actuarial Assumptions**

The total pension liability in the January 1, 2025, actuarial valuation was determined using the following actuarial assumptions and other inputs:

| | |
|---|---|
| Total Pension Liability | |
| Actuarial Valuation Date | January 1, 2025 |
| Actuarial Method | Entry Age Normal |
| Amortization Method | N/A |
| Amortization Period | N/A |
| Long-term Investment Rate of Return * | 7.0% |
| Projected Salary Increases | 4.25%-11.25% |
| Cost of Living Adjustments (COLA) | 0.0% |
| * Includes Inflation at | 2.5% |

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

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

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

***NOTE 7:*** ***<u>STATEWIDE DEFINED BENEFIT PENSION PLAN</u>*** (Continued)

**Actuarial Assumptions** (Continued)

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate |
|---|---|---|
| Global Equity | 33.00% | 7.00% |
| Equity Long/Short | 6.00% | 6.20% |
| Private Markets | 34.00% | 8.80% |
| Fixed Income – Rates | 7.00% | 5.00% |
| Fixed Income – Credit | 7.00% | 6.50% |
| Absolute Return | 9.00% | 5.70% |
| Cash | 4.00% | 4.20% |
| **Total** | **100.00%** | |

**Discount Rate**

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

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

***NOTE 7: <u>STATEWIDE DEFINED BENEFIT PENSION PLAN</u>*** (Continued

**Discount Rate** (Continued)

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

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

**Sensitivity of the City's proportionate share of the net pension asset (liability) to changes in the discount rate.**

The following presents the proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage- point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

| | 1% Decrease (6.00%) | Single Discount Rate Assumption (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| Proportionate share of the net pension liability/(asset) | $200,764 | $0 | $0 |

*Pension plan fiduciary net position.* Detailed information about the SWDBP's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at www.fppaco.org.

## *NOTE 8:* ***OTHER RETIREMENT COMMITMENTS***

### Statewide Death and Disability Plan

*Plan Description* – The City participates in the Statewide Death and Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan administered by the Fire & Police Pension Association of Colorado (FPPA). Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by State statutes and generally allow for benefits upon the death or disability of a plan member prior to retirement. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by contacting FPPA at www.fppaco.org.

*Funding Policy* - The contribution requirements are established by State statutes. The City Council determines the contribution split between employees and the City. No contributions are required for employees hired prior to January 1, 1997. For employees hired on or after January 1, 1997, the employees contributed 2.8% of base salaries during the year ended December 31, 2025. Contributions to the plan for the years ended December 31, 2025, 2024, and 2023 were $16,748, $16,069, and $15,189, respectively, equal to the required contributions for the year.

### Deferred 457 Compensation Plan

The City's employees participate in a deferred compensation plan created in accordance with Internal Revenue Code 457. The deferred compensation plan is optional for employees. The City matches the contribution of participating employees up to 3 percent after the employee has been employed by the City for one year. During the year ended December 31, 2025, 2024 and 2023, the City contributed $33,703, $36,390, and $36,822, respectively, to the plan. The plan investments are managed by One America.

## *NOTE 9:* ***COMMITMENTS AND CONTINGENCIES***

### Claims and Judgments

The City participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of December 31, 2025, significant amounts of grant expenditures have not been audited but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the City.

***NOTE 9:*** ***COMMITMENTS AND CONTINGENCIES*** (Continued)

**Tabor Amendment**

In November 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the “Tabor Amendment”), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Tabor Amendment is complex and subject to judicial interpretations. The City believes it has complied with the Amendment.

In November 1994, voters within the City approved the collection, retention, and expenditure of state grants, all sales and use taxes and all other revenue generated by the City in 1995 and subsequent years without limitation, notwithstanding the provisions of the Amendment.

The City has established a reserve, representing 3% of qualifying expenditures, as required by the amendment. On December 31, 2025, the emergency reserve of $111,000 was reported as a restriction of net position and fund balance in the Governmental Activities and General Fund, respectively.

# REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended December 31, 2025

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE Positive (Negative) | 2024 ACTUAL |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Property Taxes | $ 1,068,578 | $ 1,068,578 | $ 819,926 | $ (248,652) | $ 944,037 |
| Specific Ownership Taxes | 95,000 | 95,000 | 96,382 | 1,382 | 103,588 |
| Sales and Use Tax | 1,537,500 | 1,537,500 | 1,487,086 | (50,414) | 1,489,672 |
| Franchise Fees | 249,320 | 249,320 | 196,779 | (52,541) | 196,127 |
| Intergovernmental Revenue | 758,000 | 758,000 | 626,072 | (131,928) | 266,755 |
| Licenses and Permits | 121,400 | 121,400 | 146,271 | 24,871 | 137,918 |
| Charges for Services | 29,700 | 29,700 | 27,579 | (2,121) | 111,371 |
| Fines and Forfeitures | 22,000 | 22,000 | 19,151 | (2,849) | 28,982 |
| Sale of Assets | - | - | - | - | 34,976 |
| Earnings on Investments | 78,373 | 78,373 | 247,906 | 169,533 | 220,019 |
| Miscellaneous | 261,927 | 258,223 | 130,337 | (127,886) | 126,392 |
| TOTAL REVENUES | 4,221,798 | 4,218,094 | 3,797,489 | (420,605) | 3,659,837 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | 1,009,169 | 1,009,169 | 869,465 | 139,704 | 1,185,875 |
| Public Safety | 1,269,583 | 1,269,583 | 1,115,331 | 154,252 | 1,153,400 |
| Public Works | 993,280 | 993,280 | 897,385 | 95,895 | 872,833 |
| Planning | 162,758 | 162,758 | 154,656 | 8,102 | 109,311 |
| Parks and Recreation | 836,041 | 836,041 | 661,571 | 174,470 | 162,336 |
| TOTAL EXPENDITURES | 4,270,831 | 4,270,831 | 3,698,408 | 572,423 | 3,483,755 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (49,033) | (52,737) | 99,081 | 151,818 | 176,082 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 109,800 | 109,800 | 109,800 | - | 674,736 |
| Transfers Out | (12,000) | (12,000) | (16,384) | (4,384) | (15,826) |
| TOTAL OTHER FINANCING SOURCES (USES) | 97,800 | 97,800 | 93,416 | (4,384) | 658,910 |
| CHANGE IN FUND BALANCES | 48,767 | 45,063 | 192,497 | 147,434 | 834,992 |
| FUND BALANCES, Beginning | - | - | 3,732,205 | 3,732,205 | 2,897,213 |
| FUND BALANCES, Ending | $ 48,767 | $ 45,063 | $ 3,924,702 | $ 3,879,639 | $ 3,732,205 |

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
STREET IMPROVEMENT FUND
Year Ended December 31, 2025

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE Positive (Negative) | 2024 ACTUAL |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Sales and Use Tax | $ 378,000 | $ 378,000 | $ 372,047 | $ (5,953) | $ 375,976 |
| Interest Income | 8,000 | 8,000 | 8,660 | 660 | 40,685 |
| TOTAL REVENUES | 386,000 | 386,000 | 380,707 | (5,293) | 416,661 |
| EXPENDITURES | | | | | |
| Capital Outlay | 1,023,400 | 1,023,400 | 850,397 | 173,003 | 137,413 |
| TOTAL EXPENDITURES | 1,023,400 | 1,023,400 | 850,397 | 173,003 | 137,413 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (637,400) | (637,400) | (469,690) | 167,710 | 279,248 |
| OTHER FINANCING SOURCES | | | | | |
| Transfers In | 650,000 | 650,000 | - | (650,000) | - |
| CHANGE IN FUND BALANCE | 12,600 | 12,600 | (469,690) | (482,290) | 279,248 |
| FUND BALANCES, Beginning | - | - | 1,375,572 | 1,375,572 | 1,096,324 |
| FUND BALANCES, Ending | $ 12,600 | $ 12,600 | $ 905,882 | $ 893,282 | $ 1,375,572 |

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FPPA STATEWIDE DEFINED BENEFIT PENSION PLAN

Years Ended December 31,

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Proportion of the Net Pension Liability (Asset) | 0.04114% | 0.04750% | 0.05480% | 0.07674% | 0.06721% | 0.08206% | 0.09000% | 0.0990% | 0.0950% | 0.0990% |
| Proportionate Share of the Net Pension Liability (Asset) | $ - | $ - | $ 48,653 | $ (415,889) | $ (145,907) | $ (46,408) | $ 113,889 | $ (142,635) | $ 34,380 | $ (1,742) |
| Covered payroll | $ 447,331 | $ 446,746 | $ 475,341 | $ 447,343 | $ 514,269 | $ 580,095 | $ 579,258 | $ 555,473 | $ 439,514 | $ 469,653 |
| Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 0.00% | 0.00% | 10.24% | -92.97% | -28.37% | -8.00% | 19.66% | -25.68% | 7.82% | -0.37% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 100.00% | 100.00% | 97.60% | 116.20% | 106.70% | 101.90% | 95.20% | 106.30% | 98.20% | 100.10% |

See the accompanying independent auditor's report

SCHEDULE OF THE CITY'S CONTRIBUTIONS
FPPA STATEWIDE DEFINED BENEFIT PENSION PLAN

Years Ended December 31,

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually Required Contributions | $ 47,325 | $ 45,928 | $ 44,013 | $ 44,194 | $ 37,962 | $ 43,184 | $ 48,382 | $ 48,274 | $ 46,393 | $ 36,899 |
| Contributions in Relation to the Contractually Required Contributions | 47,325 | 45,928 | 44,013 | 44,194 | 37,962 | 43,184 | 48,382 | 48,274 | 46,393 | 36,899 |
| Contribution Deficiency (Excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Covered payroll | $ 439,567 | $ 447,331 | $ 446,746 | $ 475,341 | $ 447,343 | $ 514,269 | $ 580,095 | $ 579,258 | $ 555,473 | $ 439,514 |
| Contributions as a Percentage of Covered Payroll | 10.77% | 10.27% | 9.85% | 9.30% | 8.49% | 8.40% | 8.34% | 8.33% | 8.35% | 8.40% |

See the accompanying independent auditor's report

# COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF FLORENCE, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2025

| | SPECIAL REVENUE FUNDS | | | PERMANENT FUND | |
|---|---|---|---|---|---|
| | CONSERVATION TRUST FUND | POOL, PARK AND RECREATION FUND | CAPITAL PROJECTS FUND | PERPETUAL CARE RESERVE FUND | TOTALS |
| ASSETS | | | | | |
| Cash and Investments | $ 135,132 | $ 340,548 | $ 256,132 | $ 350,018 | $ 1,081,830 |
| Accounts Receivable | - | 200 | - | - | 200 |
| TOTAL ASSETS | $ 135,132 | $ 340,748 | $ 256,132 | $ 350,018 | $ 1,082,030 |
| LIABILITIES AND FUND BALANCE | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | $ - | $ - | $ - | $ - | $ - |
| TOTAL LIABILITIES | - | - | - | - | - |
| FUND BALANCES | | | | | |
| Fund Balance | | | | | |
| Restricted | 135,132 | 340,748 | - | 350,018 | 825,898 |
| Committed | - | - | 256,132 | - | 256,132 |
| TOTAL FUND BALANCES | 135,132 | 340,748 | 256,132 | 350,018 | 1,082,030 |
| TOTAL LIABILITIES AND FUND BALANCES | $ 135,132 | $ 340,748 | $ 256,132 | $ 350,018 | $ 1,082,030 |

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2025

| | SPECIAL REVENUE FUNDS | | | PERMANENT FUND | |
|---|---|---|---|---|---|
| | CONSERVATION TRUST FUND | POOL, PARK AND RECREATION FUND | CAPITAL PROJECTS FUND | PERPETUAL CARE RESERVE FUND | TOTALS |
| REVENUES | | | | | |
| Intergovernmental Revenue | $ 46,271 | $ - | $ - | $ - | $ 46,271 |
| Charges for Services | - | 65,115 | - | - | 65,115 |
| Interest Income | 908 | 13,305 | 5,168 | 14,120 | 33,501 |
| Miscellaneous | - | 11,787 | - | - | 11,787 |
| TOTAL REVENUES | 47,179 | 90,207 | 5,168 | 14,120 | 156,674 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Parks and Recreation | - | 123,621 | - | - | 123,621 |
| TOTAL EXPENDITURES | - | 123,621 | - | - | 123,621 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 47,179 | (33,414) | 5,168 | 14,120 | 33,053 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | - | 8,192 | 8,192 | 16,384 |
| Transfers Out | (45,000) | - | - | - | (45,000) |
| TOTAL OTHER FINANCING SOURCES (USES) | (45,000) | - | 8,192 | 8,192 | (28,616) |
| NET CHANGE IN FUND BALANCES | 2,179 | (33,414) | 13,360 | 22,312 | 4,437 |
| FUND BALANCES, Beginning | 132,953 | 374,162 | 242,772 | 327,706 | 1,077,593 |
| FUND BALANCES, Ending | $ 135,132 | $ 340,748 | $ 256,132 | $ 350,018 | $ 1,082,030 |

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND
Year Ended December 31, 2025

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE Positive (Negative) | 2024 ACTUAL |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Intergovernmental Revenue | $ 50,000 | $ 50,000 | $ 46,271 | $ (3,729) | $ 47,092 |
| Interest Income | 2,500 | 2,500 | 908 | (1,592) | 3,430 |
| TOTAL REVENUES | 52,500 | 52,500 | 47,179 | (5,321) | 50,522 |
| EXPENDITURES | | | | | |
| Capital Outlay | - | - | - | - | - |
| TOTAL EXPENDITURES | - | - | - | - | - |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 52,500 | 52,500 | 47,179 | (5,321) | 50,522 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers Out | (45,000) | (45,000) | (45,000) | - | (45,000) |
| CHANGE IN FUND BALANCE | 7,500 | 7,500 | 2,179 | (5,321) | 5,522 |
| FUND BALANCES, Beginning | - | - | 132,953 | 132,953 | 127,431 |
| FUND BALANCES, Ending | $ 7,500 | $ 7,500 | $ 135,132 | $ 127,632 | $ 132,953 |

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
POOL, PARK, AND RECREATION FUND
Year Ended December 31, 2025

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE Positive (Negative) | 2024 ACTUAL |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Charges for Services | $ 69,400 | $ 69,400 | $ 65,115 | $ (4,285) | $ 55,120 |
| Interest Income | 5,000 | 5,000 | 13,305 | 8,305 | 33,164 |
| Miscellaneous | - | - | 11,787 | 11,787 | 14,686 |
| TOTAL REVENUES | 74,400 | 74,400 | 90,207 | 15,807 | 102,970 |
| EXPENDITURES | | | | | |
| Parks and Recreation | 149,375 | 149,375 | 123,621 | 25,754 | 178,867 |
| TOTAL EXPENDITURES | 149,375 | 149,375 | 123,621 | 25,754 | 178,867 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (74,975) | (74,975) | (33,414) | 41,561 | (75,897) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers Out | - | - | - | - | (25,000) |
| CHANGE IN FUND BALANCES | (74,975) | (74,975) | (33,414) | 41,561 | (100,897) |
| FUND BALANCES, Beginning | - | - | 374,162 | 374,162 | 475,059 |
| FUND BALANCES, Ending | $ (74,975) | $ (74,975) | $ 340,748 | $ 415,723 | $ 374,162 |

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
Year Ended December 31, 2025

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE Positive (Negative) | 2024 ACTUAL |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Intergovernmental Revenue | $ - | $ - | $ - | $ - | $ - |
| Interest Income | 1,100 | 1,100 | 5,168 | 4,068 | 8,636 |
| TOTAL REVENUES | 1,100 | 1,100 | 5,168 | 4,068 | 8,636 |
| EXPENDITURES | | | | | |
| Capital Outlay | - | - | - | - | 12,741 |
| TOTAL EXPENDITURES | - | - | - | - | 12,741 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 1,100 | 1,100 | 5,168 | 4,068 | (4,105) |
| OTHER FINANCING SOURCES | | | | | |
| Transfers In | 6,000 | 6,000 | 8,192 | 2,192 | 7,913 |
| CHANGE IN FUND BALANCES | 7,100 | 7,100 | 13,360 | 6,260 | 3,808 |
| FUND BALANCES, Beginning | - | - | 242,772 | 242,772 | 238,964 |
| FUND BALANCES, Ending | $ 7,100 | $ 7,100 | $ 256,132 | $ 249,032 | $ 242,772 |

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
PERPETUAL CARE RESERVE FUND
Year Ended December 31, 2025

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE Positive (Negative) | 2024 ACTUAL |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Interest Income | $ 1,000 | $ 1,000 | $ 14,120 | $ 13,120 | $ 15,775 |
| TOTAL REVENUES | 1,000 | 1,000 | 14,120 | 13,120 | 15,775 |
| EXPENDITURES | | | | | |
| Cemetery Care | 10,000 | 10,000 | - | 10,000 | - |
| TOTAL EXPENDITURES | 10,000 | 10,000 | - | 10,000 | - |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (9,000) | (9,000) | 14,120 | 23,120 | 15,775 |
| OTHER FINANCING SOURCES | | | | | |
| Transfers In | 9,000 | 9,000 | 8,192 | (808) | 7,913 |
| CHANGE IN FUND BALANCES | - | - | 22,312 | 22,312 | 23,688 |
| FUND BALANCES, Beginning | - | - | 327,706 | 327,706 | 304,018 |
| FUND BALANCES, Ending | $ - | $ - | $ 350,018 | $ 350,018 | $ 327,706 |

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
WATER FUND
Year Ended December 31, 2025

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE Positive (Negative) | 2024 ACTUAL |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Charges for Services | $ 2,800,170 | $ 2,800,170 | $ 2,473,506 | $ (326,664) | $ 2,802,565 |
| Tap Fees and Contributions | 63,685 | 63,685 | 124,925 | 61,240 | 213,802 |
| Debt Retirement | 1,553,685 | 1,553,685 | 1,231,514 | (322,171) | 1,274,309 |
| Bulk Water Sales | 134,250 | 134,250 | 143,677 | 9,427 | 116,585 |
| Interest Revenue | 52,500 | 52,500 | 359,182 | 306,682 | 484,150 |
| Other Revenues | 25,000 | 25,000 | 49,439 | 24,439 | 28,831 |
| Transfers In | 1,873,747 | 1,873,747 | - | (1,873,747) | - |
| TOTAL REVENUES | 6,503,037 | 6,503,037 | 4,382,243 | (2,120,794) | 4,920,242 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Administration | 146,525 | 146,525 | 138,192 | 8,333 | 133,702 |
| Personnel Services | 1,499,061 | 1,499,061 | 1,273,943 | 225,118 | 867,298 |
| Water System | 1,192,336 | 1,192,336 | 946,234 | 246,102 | 739,224 |
| Water Distribution | 248,000 | 248,000 | 161,330 | 86,670 | 269,970 |
| Debt Service | 1,361,688 | 1,361,688 | 1,383,838 | (22,150) | 1,372,382 |
| Transfers Out | 64,800 | 64,800 | 64,800 | - | 604,736 |
| Capital Outlay | 1,890,100 | 1,890,100 | 799,767 | 1,090,333 | 75,061 |
| TOTAL EXPENDITURES | 6,402,510 | 6,402,510 | 4,768,104 | 1,634,406 | 4,062,373 |
| CHANGE IN NET POSITION, Budgetary Basis | $ 100,527 | $ 100,527 | (385,861) | $ (486,388) | 857,869 |
| Adjustments to GAAP Basis | | | | | |
| Capital Outlay | | | 799,767 | | 75,061 |
| Loan Principal Payments | | | 1,135,494 | | 1,092,510 |
| Depreciation | | | (1,222,416) | | (1,225,208) |
| CHANGE IN NET POSITION, GAAP Basis | | | 326,984 | | 800,232 |
| NET POSITION, Beginning | | | 18,519,349 | | 17,719,117 |
| NET POSITION, Ending | | | $ 18,846,333 | | $ 18,519,349 |

See the accompanying independent auditor's report

**COMPLIANCE**

| LOCAL HIGHWAY FINANCE REPORT | STATE: COLORADO |
|---|---|
| | REPORT YEAR ENDING DATE(mm/yyyy): 12/2025 |

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

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

## II. RECEIPTS FOR ROAD AND STREET PURPOSES

| ITEM | AMOUNT |
|---|---|
| **A. Receipts from Local Sources:** | |
| 1. Local Highway-user Taxes | |
| a. Motor Fuel (from Item I.A.1) | |
| b. Motor Vehicle (from Item I.B.1) | |
| **c. Total (a + b)** | |
| 2. General Fund Appropriations | |
| 3. Other Local Imposts (from page 1, Item II.A3.c) | $ 932,722.34 |
| 4. Miscellaneous Local Receipts (from page 1, Item II.A4.c) | $ - |
| 5. Transfers from Toll Facilities | |
| 6. Proceeds of Sale of Bonds and Notes: | |
| a. Bonds - Original Issues | |
| b. Bonds - Refunding Issues | |
| c. Notes | |
| **d. Total (a + b + c)** | $ - |
| **7. Total (1 through 6)** | $ 932,722.34 |
| B. Private Contributions | |
| C. Receipts from State government (from page 1, Item II.C.4) | $ 169,775.48 |
| D. Receipts from Federal government (from page 1, Item II.D.3) | $ - |
| **E. Total receipts (A.7 + B + C + D)** | $ 1,102,497.82 |

## III. EXPENDITURES FOR ROAD AND STREET PURPOSES

| ITEM | AMOUNT |
|---|---|
| **A. Local highway expenditures:** | |
| 1. Capital Outlay (from page 1, Item III.A1.d) | $ - |
| 2. Maintenance: | 471,500.41 |
| 3. Road and Street Services: | |
| a. Snow and Ice Removal | 85,727.35 |
| b. Other & Traffic Control Operations | 34,534.75 |
| **c. Total (a + b)** | $ 120,262.10 |
| 4. General Administration & Miscellaneous | |
| 5. Highway Law Enforcement and Safety | 510,735.31 |
| **6. Total (1 through 5)** | $ 1,102,497.82 |
| **B. Debt Service on Local Obligations:** | |
| 1. Bonds: | |
| a. Interest | |
| b. Redemption | |
| **c. Total (a + b)** | $ - |
| 2. Notes: | |
| a. Interest | |
| b. Redemption | |
| **c. Total (a + b)** | $ - |
| **3. Total (1c + 2c)** | $ - |
| C. Payments to State for Highways | |
| D. Payments to Toll Facilities | |
| **E. Total Expenditures (A6 + B3 + C + D)** | $ 1,102,497.82 |

## IV. LOCAL HIGHWAY DEBT STATUS

*(Show all entries at par)*

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

# LOCAL HIGHWAY FINANCE REPORT

| LOCAL HIGHWAY FINANCE REPORT | | STATE: COLORADO |
|---|---|---|
| THIS INFORMATION FROM THE RECORDS OF: City of Florence | PREPARED BY: Lori Cobler lori.cobler@florencecolorado.org | REPORT YEAR ENDING DATE(mm/yyyy): 12/2025 |

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

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

## *II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL*

| ITEM | AMOUNT | ITEM | AMOUNT |
|---|---|---|---|
| **A.3. Other Local Imposts:** | | **A.4. Miscellaneous Local Receipts:** | |
| a. Property Taxes and Assesments | 818,108.21 | a. Interest on investments | |
| b. Non-property Taxes and Assessments Imposts | 114,614.13 | b. Other Misc. Local Receipts | |
| **c. Total (a + b)** | $ 932,722.34 | **c. Total (a + b)** | $ - |
| **ITEM** | **AMOUNT** | **ITEM** | **AMOUNT** |
| **C. Receipts from State Government** | | **D. Receipts from Federal Government** | |
| 1. Highway-user Taxes (from Item I.C.5.) | 155,100.54 | 1. FHWA (from Item I.D.5.) | |
| 2. State General Funds | | 2. Other Federal Agencies: | |
| 3. Other State funds: | | | |
| a. State Bond Proceeds | | | |
| b. Non-State Bond Proceeds | 14,674.94 | | |
| **c. Total (a + b)** | $ 14,674.94 | | |
| **4. Total (1 + 2 + 3c)** | $ 169,775.48 | **3. Total (1 + 2)** | $ - |

## *III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL*

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

*Form FHWA-536 (Rev. 02-2025) Page2*

**FLORENCE CITY COUNCIL**
**Regular Meeting Minutes**
**Monday, July 13, 2026, 6:30 PM**

Watch this meeting live on the City's YouTube channel at
https://www.youtube.com/@CityofFlorenceCO

1) **CALL TO ORDER & PLEDGE OF ALLEGIANCE**
City Council Chambers, 600 W. 3rd Street, Florence, CO 81226

Mayor Wolfe called the meeting to order at 6:30 p.m. with the Pledge of Allegiance

2) **ROLL CALL:**

| | |
|---|---|
| Mayor Wolfe | Present |
| Councilman Vanhoutan | Present |
| Councilman Stiefel | Present |
| Councilwoman Stone | Present |
| Councilman Mergelman | Present |
| Councilwoman Gardner | Present |
| Councilwoman MacKinnon | Present |

**OTHERS PRESENT:** City Clerk Cortlyne Huppe, City Manager Lori Cobler, City Attorney Dan Findlay (virtually), Chief of Police Sean Humphrey, Public Works Director John Vernetti, and Water Superintendent Brandon Harris.

3) **PUBLIC COMMENTS**
Any matter on this agenda may, at the discretion of the governing body, be opened for public comment and discussion (three minutes).

There was no public input.

4) **CONSENT AGENDA**
a) Consider approving the minutes as written for the Regular City Council Meeting on June 15, 2026
b) Consider approving City expenditures prepared on June 18, 2026, in the amount of $368,585.91, on June 25, 2026, in the amount of $109,892.33, on July 1, 2026, in the amount of $109,402.37, and on July 8, 2026, in the amount $162,996.45.
c) Consider approving the annual liquor license renewal for the Green Parrot Lounge
d) Consider approving the annual liquor license renewal for Barn & Barrel
e) Consider approving the annual Takeout and Delivery Permit renewal for Barn & Barrel
f) Consider authorizing the City Manager to execute an agreement for the 2026 Audit
g) Consider an amendment to the contract amount, approval of change orders, due to unforeseen conditions encountered during the ADA Ramp Replacement Project
h) Consider authorizing the City Manager to enter into a contract with Daniels Long Chevrolet for the purchase of one (1) police vehicle
i) Consider authorizing the City Manager to enter into a contract with Southwest Motors, Inc. for the purchase of one (1) public works vehicle

Councilor Mergelman requested items 4i, 4h, and 4g be removed from the Consent Agenda.

Councilor Stone motioned to approve the Consent Agenda items 4a through 4f. Councilor Gardner seconded. With the Councilmembers voting in favor of the motion, the motion carried.

City Manager Cobler explained the amendment to the ADA Ramp Replacement Project contract price and necessary ratification for payment from City Council. The East Third and McCandless Avenue sidewalk improvement location was affected by ditch water and other complexities.

City Council, City Manager Cobler, and Public Works Director John Vernetti discussed ditch water diversion efforts, the issued change orders, project complexities, and additional challenges and objectives to be mindful of moving forward with sidewalk replacement projects.

Councilor Stone motioned to ratify the contract for the ADA Ramp Replacement Project awarded to Brush Hollow Creek Construction, increasing the total contract amount to $52,975.24 to include the additional $4,916.24 in approved change orders. Councilor Vanhoutan seconded. With the Councilmembers voting in favor of the motion, the motion carried.

City Manager Cobler elaborated on the City's 2026 CIP for two new police vehicles. The proposal presented was for one police truck and its entire upfitting.

Councilor Stone motioned to authorize the City Manager to enter into an agreement with Daniels Long Chevrolet for the purchase of one (1) Chevrolet Silverado 1500, including the Watts Upfitting Patrol Package, in an amount not to exceed $79,409.50. Councilor Vanhoutan seconded. With the Councilmembers voting in favor of the motion, the motion carried.

City Manager Cobler elaborated on the need for fleet maintenance strategies for City vehicles. This purchase would enable better emergency response and routine efficiency for the Public Works Department. The purchase of this unbudgeted vehicle would come from income earned from sales of older fleet vehicles/equipment

Councilor Mergelman inquired more about the purchase.

Councilor Gardner motioned to authorize the City Manager to enter into an agreement with Southwest Motors Inc. for the purchase of one (1) 2024 GMC Sierra 1500, in an amount not to exceed $46,599. Councilor Stone seconded. With the Councilmembers voting in favor of the motion, the motion carried.

**5) OLD BUSINESS**

a) Consider adopting the second reading of Ordinance No. 5-2026, a general housekeeping and process ordinance amending Chapter 5.28 of the Florence Municipal Code to remove existing numerical liquor licensing fees in code and streamline administrative processing rules.

City Clerk Cortlyne Huppe presented the second reading of Ordinance No. 5-2026, an Ordinance allowing for the associated liquor fees in the Florence Municipal Code to be adoptable via City fee schedule.

Councilor Stone motioned to approve the second reading of Ordinance No. 5-2026, a general housekeeping and process ordinance amending Chapter 5.28 of the Florence Municipal Code.
Seconded by: Councilor Mergelman
7 Ayes
Motion Passed: 7 - 0

**6) COUNCIL REPORTS**

a) City Council Reports

The Florence City Council expressed gratitude and immense thanks for all organizations, Staff, and responders working the Aspen Acres Fire.

Councilor MacKinnon announced two upcoming items from the Historic Preservation Committee, and shared local bear activity in Florence.

Mayor Wolfe attended Senior Coffee Chat, an emergency management work session, Central Front Range Transportation meeting where the Highway 115 project anticipates a 2036 completion, and volunteered as a Florence Bell Tower art judge.

b) City Manager Reports

Councilor Mergelman inquired about the Pioneer Park bathroom project.

City Manager Cobler announced an upcoming ribbon cutting event to celebrate the completion of the bathroom project. She reported A-1 Chip Seal would start the 2026 Chip Seal Project on Friday, and that the next 81226 Report Podcast would focus on the drought plan.

Councilor Stone noted the difference between ditch water and city water when citizens water their yard.

City Manager Cobler stated Finance Manager Brandi Sheets was working on code modifications for vacant and dilapidated buildings, and that the City would be looking to have discussions regarding the manor building's potential. She thanked city Staff for all their hard work on the Aspen Acres Fire, and thanked Fremont County Emergency Manager Mykel Kroll for his hard work ensuring Florence was educated and prepared.

Mayor Wolfe confirmed drought plan communication strategies.

Water Superintendent Brandon Harris explained the Drought Plan's water restrictions, and historic city usage. He also elaborated on the City's water portfolio.

Chief of Police Sean Humphrey announced his department would be purchasing equipment to assist with traffic data for speeding issues. He reiterated that this equipment was not Flock cameras, only radar equipment.

City Clerk Cortlyne Huppe announced the end of pool season, and the America's Parade Committee upcoming revised Temporary Use Permit application.

7) **EXECUTIVE SESSION(S): IF NECESSARY**
Pursuant to C.R.S. §24-6-402(4)(b), an executive session for the purpose of conferencing with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions pertaining to any item listed on the agenda herein and/or any related discussion that may arise thereto. Such executive session may be entered into at any time or at any point on the agenda, if necessary and with the requisite Council approval.

8) **ADJOURNMENT:** Adjournment until the regular City Council Meeting Monday, July 20, 2026.

Councilor Gardner motioned to adjourn the meeting. Councilor Stone seconded. With all of the Councilmembers voting in favor of the motion, the motion carried.
Mayor Wolfe adjourned the City Council Meeting at 7:31 p.m.

CITY OF FLORENCE, CO

BY: ________________________________
Steve Wolfe, Mayor

RESPECTFULLY SUBMITTED: ______________________________
Cortlyne Huppe, City Clerk

Report Criteria:
Detail report type printed

| Vendor Number | Name | Invoice Number | GL Account | Description | Seq | Invoice Date | Invoice Amount | Discount Amount | Check Amount | Check Number | Check Issue Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 71 | CANON RENTAL CENTER | 310134 | 0145204581 | 306515 Pioneer Park | 1 | 06/10/2026 | 3.40 | .00 | 3.40 | 46881 | 07/08/2026 |
| | | 311415 | 0145205000 | 300744 lions park | 1 | 06/02/2026 | 82.50 | .00 | 82.50 | 46881 | 07/08/2026 |
| | | 311436 | 0145203500 | 307769 Pioneer Park | 1 | 06/03/2026 | 356.50 | .00 | 356.50 | 46881 | 07/08/2026 |
| | | 311494 | 0145204583 | 300171 Skate park | 1 | 06/12/2026 | 75.00 | .00 | 75.00 | 46881 | 07/08/2026 |
| | | 311494 | 0144203500 | 302897 cemetary | 2 | 06/12/2026 | 75.00 | .00 | 75.00 | 46881 | 07/08/2026 |
| | | 311691 | 0145204581 | 306755 Portable | 1 | 06/18/2026 | 84.00 | .00 | 84.00 | 46881 | 07/08/2026 |
| Total 71: | | | | | | | 676.40 | .00 | 676.40 | | |
| 245 | KRASSA & MILLER, LLC | 7.1.26 | 0243707890 | LEGAL FEES | 1 | 07/01/2026 | 3,602.05 | .00 | 3,602.05 | 46896 | 07/15/2026 |
| Total 245: | | | | | | | 3,602.05 | .00 | 3,602.05 | | |
| 323 | PITNEY BOWES INC PUR | 3322514949 | 0241503100 | postage | 1 | 07/13/2026 | 171.99 | .00 | 171.99 | 20260729 | 07/15/2026 |
| Total 323: | | | | | | | 171.99 | .00 | 171.99 | | |
| 369 | BIG D SUPERFOODS | 00025213-94 | 0141503000 | SUPPLIES | 1 | 06/11/2026 | 50.85 | .00 | 50.85 | 46890 | 07/15/2026 |
| Total 369: | | | | | | | 50.85 | .00 | 50.85 | | |
| 861 | CIRSA | WINV100139 | 0142101960 | DEDUCTIBLE WC 602924 | 1 | 07/07/2026 | 500.00 | .00 | 500.00 | 46884 | 07/08/2026 |
| Total 861: | | | | | | | 500.00 | .00 | 500.00 | | |
| 923 | ALSCO | LDEN330322 | 0143102000 | UNIFORM RENTAL-Street | 1 | 06/17/2026 | 135.11 | .00 | 135.11 | 46879 | 07/08/2026 |
| | | LDEN330660 | 0143102000 | UNIFORM RENTAL | 1 | 06/24/2026 | 275.29 | .00 | 275.29 | 46879 | 07/08/2026 |
| | | LDEN331003 | 0140608750 | FLOOR MAT | 1 | 07/01/2026 | 75.72 | .00 | 75.72 | 46879 | 07/08/2026 |
| | | LDEN331340 | 0143102000 | UNIFORM RENTAL-Street | 1 | 07/08/2026 | 241.95 | .00 | 241.95 | 46889 | 07/15/2026 |
| Total 923: | | | | | | | 728.07 | .00 | 728.07 | | |
| 1020 | TWIN ENVIRO SERVICES | 1231279 | 0143204100 | Cemetery Trash | 1 | 06/30/2026 | 57.75 | .00 | 57.75 | 20260730 | 07/15/2026 |
| | | 13110563 | 0143204100 | Cemetery Trash | 1 | 06/30/2026 | 61.16 | .00 | 61.16 | 20260730 | 07/15/2026 |
| Total 1020: | | | | | | | 118.91 | .00 | 118.91 | | |

| Vendor Number | Name | Invoice Number | GL Account | Description | Seq | Invoice Date | Invoice Amount | Discount Amount | Check Amount | Check Number | Check Issue Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1160 | RIVER VALLEY PLUMBIN | I-51356-1 | 0444152200 | repair at pool | 1 | 07/13/2026 | 175.29 | .00 | 175.29 | 46900 | 07/15/2026 |
| Total 1160: | | | | | | | 175.29 | .00 | 175.29 | | |
| 1229 | CASELLE, INC. | INV20463 | 0241505600 | Software Support 6 months | 1 | 06/19/2026 | 15,008.46 | .00 | 15,008.46 | 46882 | 07/08/2026 |
| Total 1229: | | | | | | | 15,008.46 | .00 | 15,008.46 | | |
| 1232 | FEDC | 10746 | 0146008075 | Sponsorship | 1 | 12/17/2025 | 400.00 | .00 | 400.00 | 46885 | 07/08/2026 |
| Total 1232: | | | | | | | 400.00 | .00 | 400.00 | | |
| 1718 | BLACK HILLS ENERGY | 1225088862 | 0140608600 | CEMETERY HOUSE | 1 | 06/12/2026 | 54.57 | .00 | 54.57 | 20260703 | 07/08/2026 |
| | | 3135165503 | 0243507660 | PUMP @ AIRPORT | 1 | 06/19/2026 | 1,193.07 | .00 | 1,193.07 | 20260703 | 07/08/2026 |
| | | 4197016039 | 0144207700 | CEMETERY SPRINKLERS | 1 | 06/12/2026 | 61.85 | .00 | 61.85 | 20260702 | 07/08/2026 |
| | | 5278901611 | 0243557680 | COAL CREEK TANK | 1 | 06/18/2026 | 20.85 | .00 | 20.85 | 20260703 | 07/08/2026 |
| | | 9914607095 | 0143107540 | STREET LIGHTS | 1 | 06/25/2026 | 408.95 | .00 | 408.95 | 20260703 | 07/08/2026 |
| Total 1718: | | | | | | | 1,739.29 | .00 | 1,739.29 | | |
| 1805 | ACORN PETROLEUM | 6.1-6.30.202 | 0243707850 | GASOLINE - Cemetery | 1 | 06/30/2026 | 211.66 | .00 | 211.66 | 46888 | 07/15/2026 |
| | | 6.1-6.30.202 | 0142104000 | GASOLINE Police | 2 | 06/30/2026 | 2,684.63 | .00 | 2,684.63 | 46888 | 07/15/2026 |
| | | 6.1-6.30.202 | 0243707850 | GASOLINE - Water | 3 | 06/30/2026 | 1,346.87 | .00 | 1,346.87 | 46888 | 07/15/2026 |
| | | 6.1-6.30.202 | 0143104000 | GASOLINE - Streets | 4 | 06/30/2026 | 1,750.79 | .00 | 1,750.79 | 46888 | 07/15/2026 |
| Total 1805: | | | | | | | 5,993.95 | .00 | 5,993.95 | | |
| 1866 | OREILLY AUTOMOTIVE, I | 6.1-6.30.202 | 0243707860 | Water vehicle | 1 | 06/28/2026 | 1,619.57 | .00 | 1,619.57 | 46897 | 07/15/2026 |
| | | 6.1-6.30.202 | 0140608620 | cemetery | 2 | 06/28/2026 | 144.99 | .00 | 144.99 | 46897 | 07/15/2026 |
| | | 6.1-6.30.202 | 0142104600 | PD unit 183 | 3 | 06/28/2026 | 499.41 | .00 | 499.41 | 46897 | 07/15/2026 |
| | | 6.1-6.30.202 | 0143104500 | PW | 4 | 06/28/2026 | 649.99 | .00 | 649.99 | 46897 | 07/15/2026 |
| Total 1866: | | | | | | | 2,913.96 | .00 | 2,913.96 | | |
| 2219 | CHARTER COMMUNICATI | 1726308010 | 0142105050 | INTERNET SERVICE PD | 1 | 07/07/2026 | 989.97 | .00 | 989.97 | 20260729 | 07/15/2026 |
| | | 1726308010 | 0241505600 | INTERNET SERVICE and | 2 | 07/07/2026 | 634.83 | .00 | 634.83 | 20260729 | 07/15/2026 |
| | | 1726308010 | 0141505000 | pool | 3 | 07/07/2026 | 469.11 | .00 | 469.11 | 20260729 | 07/15/2026 |
| Total 2219: | | | | | | | 2,093.91 | .00 | 2,093.91 | | |

| Vendor Number | Name | Invoice Number | GL Account | Description | Seq | Invoice Date | Invoice Amount | Discount Amount | Check Amount | Check Number | Check Issue Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2276 | KUBWATER RESOURCES | 13565 | 0243458540 | POLY ALUM CHLORIDE | 1 | 03/19/2026 | 40,194.80 | .00 | 40,194.80 | 46872 | 07/01/2026 |
| Total 2276: | | | | | | | 40,194.80 | .00 | 40,194.80 | | |
| 2412 | J.A.Y ELECTRIC INC COR | 377389 | 0140608420 | material/labor | 1 | 07/01/2026 | 710.68 | .00 | 710.68 | 46894 | 07/15/2026 |
| Total 2412: | | | | | | | 710.68 | .00 | 710.68 | | |
| 2468 | SGS ACCUTEST | 5216017506 | 0243707810 | LAB RESULTS | 1 | 07/10/2026 | 198.00 | .00 | 198.00 | 46901 | 07/15/2026 |
| Total 2468: | | | | | | | 198.00 | .00 | 198.00 | | |
| 2559 | Southwest Motors | 2024 GMC P | 0143107600 | 2024 GMC Truck for PW Di | 1 | 07/14/2026 | 23,299.50 | .00 | 23,299.50 | 46865 | 07/14/2026 |
| | | 2024 GMC P | 0249509071 | 2024 GMC Truck PW Direc | 2 | 07/14/2026 | 23,299.50 | .00 | 23,299.50 | 46865 | 07/14/2026 |
| Total 2559: | | | | | | | 46,599.00 | .00 | 46,599.00 | | |
| 2693 | CH2M Hill Engineers, Inc. | 709336CH03 | 0144007400 | Airport PS, Willow Creek, J | 1 | 07/14/2026 | 2,821.75 | .00 | 2,821.75 | 46892 | 07/15/2026 |
| Total 2693: | | | | | | | 2,821.75 | .00 | 2,821.75 | | |
| 2871 | Core & Main | Z184447 | 0243807930 | Valve Parts | 1 | 06/12/2026 | 421.30 | .00 | 421.30 | 20260410 | 07/08/2026 |
| | | Z240646 | 0243807940 | meters and pit parts willow | 1 | 06/23/2026 | 4,332.00 | .00 | 4,332.00 | 20260409 | 07/08/2026 |
| | | Z263388 | 0243807940 | meters and pit parts willow | 1 | 06/24/2026 | 2,714.20 | .00 | 2,714.20 | 20260408 | 07/08/2026 |
| Total 2871: | | | | | | | 7,467.50 | .00 | 7,467.50 | | |
| 2947 | SECOM, INC | 7.1.26 | 0241505000 | Internet | 1 | 07/01/2026 | 70.16 | .00 | 70.16 | 46890 | 07/08/2026 |
| Total 2947: | | | | | | | 70.16 | .00 | 70.16 | | |
| 2970 | TK Elevator Corporation | 3009619856 | 0140608750 | Elevator Maintaince 2nd Q | 1 | 07/01/2026 | 591.33 | .00 | 591.33 | 46904 | 07/15/2026 |
| Total 2970: | | | | | | | 591.33 | .00 | 591.33 | | |
| 3044 | 3 Rocks Engineering | 26.101-02 | 0444152600 | Street Survey, elevation cer | 1 | 07/02/2026 | 124.50 | .00 | 124.50 | 46878 | 07/08/2026 |
| | | 26.101-02 | 0444152600 | Airport Swale Waterline rel | 2 | 07/02/2026 | 1,023.50 | .00 | 1,023.50 | 46878 | 07/08/2026 |
| Total 3044: | | | | | | | 1,148.00 | .00 | 1,148.00 | | |

| Vendor Number | Name | Invoice Number | GL Account | Description | Seq | Invoice Date | Invoice Amount | Discount Amount | Check Amount | Check Number | Check Issue Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 3205 | Swim Harmony | 4081 | 0444152300 | swim instructor training/pre | 1 | 07/06/2026 | 140.00 | .00 | 140.00 | 46902 | 07/15/2026 |
| Total 3205: | | | | | | | 140.00 | .00 | 140.00 | | |
| 3225 | Oldcastle SW Group Inc | 880032946 | 1743107520 | ASPHALT | 1 | 06/20/2026 | 427.45 | .00 | 427.45 | 46887 | 07/08/2026 |
| Total 3225: | | | | | | | 427.45 | .00 | 427.45 | | |
| 3233 | Down to Earth Tree Servic | 7.9.26 | 0145207810 | Tree Removal E 2nd and M | 1 | 07/09/2026 | 700.00 | .00 | 700.00 | 46893 | 07/15/2026 |
| Total 3233: | | | | | | | 700.00 | .00 | 700.00 | | |
| 3249 | Amber L. Dickson | 14230 | 0140608755 | June Cleaning 2026 | 1 | 07/01/2026 | 1,400.00 | .00 | 1,400.00 | 46880 | 07/08/2026 |
| Total 3249: | | | | | | | 1,400.00 | .00 | 1,400.00 | | |
| 3257 | Robert S Willett , ESQ | 013 | 0141203700 | july Prosectuor 2026 | 1 | 07/01/2026 | 585.00 | .00 | 585.00 | 46889 | 07/08/2026 |
| Total 3257: | | | | | | | 585.00 | .00 | 585.00 | | |
| 3261 | Quench USA , INC | INV11096064 | 0141503000 | Water coolers | 1 | 07/01/2026 | 249.27 | .00 | 249.27 | 46888 | 07/08/2026 |
| Total 3261: | | | | | | | 249.27 | .00 | 249.27 | | |
| 3291 | Spire Building Group | 4 | 0646601270 | Pioneer Park Bathrooms Pr | 1 | 06/30/2026 | 128,895.02 | .00 | 128,895.02 | 46865 | 07/08/2026 |
| Total 3291: | | | | | | | 128,895.02 | .00 | 128,895.02 | | |
| 3302 | Utility Notification Center of | 226060420 | 0141105600 | 4th billing tier annual asses | 1 | 06/30/2026 | 65.07 | .00 | 65.07 | 46891 | 07/08/2026 |
| Total 3302: | | | | | | | 65.07 | .00 | 65.07 | | |
| 3309 | Brush Hallow Creek Constr | ADA RAMPS | 1743107570 | ADA Ramps Change order | 1 | 07/14/2026 | 4,916.26 | .00 | 4,916.26 | 46891 | 07/15/2026 |
| Total 3309: | | | | | | | 4,916.26 | .00 | 4,916.26 | | |
| 3311 | Graves Consulting LLC | 20270708 | 0144007400 | Compensation Study | 1 | 07/01/2026 | 2,117.20 | .00 | 2,117.20 | 46886 | 07/08/2026 |
| | | 20270708 | 0243707890 | Compensation Study | 2 | 07/01/2026 | 3,175.80 | .00 | 3,175.80 | 46886 | 07/08/2026 |

| Vendor Number | Name | Invoice Number | GL Account | Description | Seq | Invoice Date | Invoice Amount | Discount Amount | Check Amount | Check Number | Check Issue Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Total 3311: | | | | | | | 5,293.00 | .00 | 5,293.00 | | |
| 3312 | Catherine Karpilo | 5-6.2026 | 0444151100 | Aquatics Consulting | 1 | 07/07/2026 | 325.00 | .00 | 325.00 | 46883 | 07/08/2026 |
| Total 3312: | | | | | | | 325.00 | .00 | 325.00 | | |
| 3314 | Joe Sanders | 7.1.26 | 0145201100 | Reimbursement pay | 1 | 07/01/2026 | 80.00 | .00 | 80.00 | 46895 | 07/15/2026 |
| Total 3314: | | | | | | | 80.00 | .00 | 80.00 | | |
| Grand Totals: | | | | | | | 277,050.42 | .00 | 277,050.42 | | |

Report Criteria:
Detail report type printed

# COUNCIL ACTION FORM
## MEETING DATE: JULY 20, 2026
## STAFF CONTACT: CORTLYNE HUPPE, CITY CLERK

---

**Agenda Item:** Consider approving the Temporary Use Permit for the Florence Pioneer Association

**Department:** Administration

---

**Staff Recommendation:**
Approve the Temporary Use Permit for the Pioneer Day Association

**Background/Description of Item:**
The Pioneer Day Association has submitted a Temporary use Permit requesting to close specific streets and utilize City property for their annual Pioneer Day celebration.

The Temporary Use Permit lists the following dates/times:

- Pioneer Day Parade & Celebration of Pioneers: September 19, 2026, 6:00 AM to 6:00 PM

The temporary street closure for the Pioneer Day Parade would take place on Main Street between West 3rd Street and N Robinson Avenue. Specifics regarding these modifications can be found on the attached map.

Upon approval, street closure maps and details will be shared with the Colorado State Patrol, Fremont County Emergency Management, Florence Police Department, Fremont County Dispatch, and Florence Fire Protection District.

**Financial Impact:**
None

**Attachments:**

- Temporary Use Permit
- Proposed Street Closures/Maps

**Suggested Motion:**
Approve the Temporary Use Permit for the Florence Pioneer Association, as presented.

# TEMPORARY USE PERMIT APPLICATION

City of Florence
600 W. Third Street
Florence, CO 81226
www.cityofflorenceco.gov

**REQUEST TO USE PUBLIC RIGHT-OF-WAY OR REQUEST FOR SPECIAL EVENT ON PUBLIC PROPERTY**
All applications require City Council approval and must be submitted 30 days prior to the event date.

Fee ______
Permit No. ______

**APPLICANT INFORMATION**

Name(s) Pioneer Day Association

Contact Tony Shaffer

Address 409 Oriole

City Florence State CO Zip 81226

Phone 719-784-6462 Email ______

**EVENT COORDINATOR INFORMATION** (If different from applicant, contact must be reachable on event day.)

Name(s) ______

Contact ______

Address ______

City ______ State ______ Zip ______

Phone ______ Email ______

**SITE INFORMATION**

Facilities to be utilized Pioneer Park & Pavillion

Property Address ______ Bt qqdmsLand Use Park & Pavillion

**USE SPECIFICATIONS**

Type of Use/Activities to Take Place Annual Pioneer Day Celebration

Name of Event Pioneer Parade

Days and Hours of Operation 9-19-2024

Starting Date/Time 09/19/24 6 Am Ending Date/Time 09/19/24 6 Pm
Include time needed for setup and cleanup

Anticipated # of attendees 2000 Anticipated # of workers/volunteers 35

Cost of attendance -0- Anticipated # of vendors ______

**SIGNATURE**
I/We, am/are the applicant for use of the aforementioned property. By execution of my/our signature, I/we do hereby officially apply for a temporary use permit as indicated above.

Signature: Brenda Gardner Date 6/18/2024

# PETITION FOR TEMPORARY USE APPLICATION

**I, ______________________, do hereby state that I am an adjacent property owner or tenant of the subject location, and support the application submitted by the applicant below:**

Pionier Day Parade

| | Signature | Printed Name of owner or tenant | Address |
|---|---|---|---|
| 1. | Paul Hayes | Paul Hayes | 217 church Ave |
| 2. | Raymond M Cruz | RAYMOND M. CRUZ | 504 W. 2nd St. Flor Co 81226 |
| 3. | Tammy Mercado | Tammy Mercado | 506 W 2nd St |
| 4. | Mary Jo Strassburg Aldal | Mary Jo Strassburg Aldal | 124 W. Main St. |
| 5. | Vicus D Masas | Asst. Director John C. Fremont Library | 130 Church Ave, Florence |
| 6. | Harriet Graham | HARRIET GRAHAM | 202 W MAIN ST., FLORENCE |
| 7. | [illegible] | Ronald THRASHER | 1114 East 3rd St. Florence, Co. |
| 8. | | Mary McGrail | 118 E Main Florence |
| 9. | Rhonda Cleveland | Rhonda Cleveland | 120 E main Florence |
| 10. | Amber Cheek | Amber Cheek | 116 E 3rd, Florence |

**SIGNATURE OF CIRCULATOR:**

Signature: Brenda Gardner  Date 4/15/2026

City of Florence
600 W. Third Street
Florence, CO 81226
www.cityofflorenceco.gov

# AFFIDAVIT OF APPLICATION

I, ______________________________ am authorized to represent and bind the above listed applicant, and certify as follows:

1. That the information contained in this Special Event Application is true and correct to the best of my knowledge.

2. That the applicant, has read, understands and agrees to comply with the rules and regulations governing the proposed special event as set forth by the City of Florence.

3. To comply with all other laws, rules, regulations and requirements of the City, County, State, and Federal governments, and any other applicable entity which may pertain to or govern the use of the event venue and the overall conduct of the special event.

4. The applicant acknowledges that the acceptance of any plans required as a part of the Special Event Application does not constitute an approval or an acknowledgment by the City or the adequacy of the information contained in the plans.

5. To pay all applicable fees and/or taxes, and understands that the payment of any such taxes shall not reduce any consideration paid to the City pursuant to this special event or any other related permit.

6. I/We acknowledge that special events are required to meet all listed regulations and are the responsibility of the applicant.

7. Cancellations requested less than 15 days prior to the event will lose 50% of the deposit. Cancellations requested less than 7 days prior to the event will not receive a refund. The requests for refunds will be considered on an individual basis. Refunds will not be issued due to weather conditions existing on your event date.

8. I/We acknowledge that the Event Coordinator must be on-site of the event at ALL times.

**SIGNATURE**
I/We, am/are the applicant for use of the aforementioned property. By execution of my/our signature, I/we do hereby officially apply for a temporary use permit as indicated above.

Signature: Brenda Gardner Date 6/18/26

Print Name of organization contact: TONY Shaffer 719-784-6462

**Emergency Operations Plan**
**Pioneer Day Sept. 19, 2026**
**Prepared By: Tony Shaffer President Pioneer Day Board**
**Reviewed By: Florence Police Department & Public Works Department**

## 1. Overview

Florence's annual Pioneer Day Festival is a high-attendance community event featuring live music, vendors, food trucks, and a parade. To ensure the safety of attendees, staff, and vendors, a comprehensive Emergency Operations Plan has been developed in coordination with public safety and emergency response agencies.

---

## 2. Objectives

- Ensure the safety and well-being of all attendees, staff, and participants
- Coordinate effective communication and response among emergency service providers
- Mitigate and manage risks related to fire, medical emergencies, severe weather, crowd control, traffic, and potential security threats
- Establish clear protocols for incident response and evacuation, if necessary

---

## 3. Participating Agencies & Roles

| Agency/Department | Responsibilities |
|---|---|
| **Florence Police Department** | Crowd management, traffic control, law enforcement, incident response, emergency dispatch |
| **Florence Fire District/ Fremont County EMS** | Fire/EMS coordination |
| **City Clerk / City Administration** | Coordination of permits/licensing |
| **Public Works Department** | Road closures, traffic control, signage, barricades |

---

## 5. Emergency Medical Services

- Ambulance Staging will be present at Pioneer Park (as call volume dictates)

Common Spirit St. Thoms More Hospital
1338 Phay Avenue
Canon City, Colorado 81212
(719) 285-2000

## 6. Traffic & Crowd Control

- Road closures will be in place per approved Public Works and Police Department plans.
- Traffic barricades and detours will be clearly marked.
- Designated emergency vehicle routes will be maintained and remain unobstructed at all times.
- Florence Police officers will respond to potential issues with foot traffic and crowd control

**7. Communications**

- In case of major incident, the Police Department will coordinate public messaging.

| Agency/Contact | Phone | Role |
|---|---|---|
| **Florence Police Department Dispatch** | 911<br>(719) 784-3411, opt. 7 | Emergency Dispatch |
| **Florence Fire District/ Fremont County EMS** | 911 | Fire/EMS Coordination |

**Event Detail Plan**
**Pioneer Day Festival, 2026**
**Prepared By: Tony Shaffer Pioneer Day Board President**
**Reviewed By: Florence Police Department, Public Works Department, City Administration**

**1. Event Location and Schedule Overview**

- **Main Venue:** Downtown Florence and Pioneer Park/ Highway 115 or Main Street
- **Date:** Saturday September 19th, 2026
- **Festival Hours:**
  - Vendors: 10:00 AM – 4:00 PM
  - Parade: 10:00 AM

**2. Parking**
**Objectives:**

- Provide safe and accessible parking for attendees, vendors, and staff.
- Maintain clear access for emergency vehicles

**Designated Public Parking Areas:**

- City Hall Parking Lot & City Streets (limited public availability)
- ADA Parking:
  - ADA marked spaces located within Pioneer Park parking lot and Rocky Mountain Bank and Trust parking lot

**Vendor Parking:**

- After unloading wares, vendors must move their vehicles to an adjacent city street for the entirety of the festival

**Traffic Control:**

- Florence Police and Public Works will coordinate traffic control efforts

---

**3. Vendor Coordination Plan**
**Vendor Layout & Assignments:**

- Vendor spaces mapped and assigned via Event Coordinator
- Booths/stalls located along walkways in Pioneer Park each assigned a numbered space

**Vendor Types Expected:**

- Food trucks
- Artisan/craft vendors
- Civic and nonprofit groups

**Requirements:**

- All vendors must complete an application and submit it to Famers Market coordinator Joanne Mohr
- All electrical needs will be declared prior to the event day. Same Requirements as last year.
- Set-up times: 6:00 AM – 8:30 AM. No vehicle access. after 9:00 AM.

**4. Sanitation & Restroom Facilities**
**Restroom Facilities:**

- Permanent Restrooms: Florence Pioneer Park

**5. Trash & Waste Management**

**Plan Objectives:**

- Keep public spaces clean and safe during and after the event.
- Ensure proper disposal of food waste and general refuse.

**Trash Infrastructure:**

- Public Works to deploy:
    - The City's additional trash bins to high volume areas
        - Pioneer Park
        - Main Street

**7. Permits & Compliance Checklist**

| Permit / Item | Responsible Party | Status |
|---|---|---|
| Special Event Permit | Pioneer Day Board | In Progress |
| Special Sales Tax License | Famers Market | On File |
| Vendor Registrations | Famers Market | In Progress |
| Insurance | Pioneer Day Board | In Progress |
| | | |

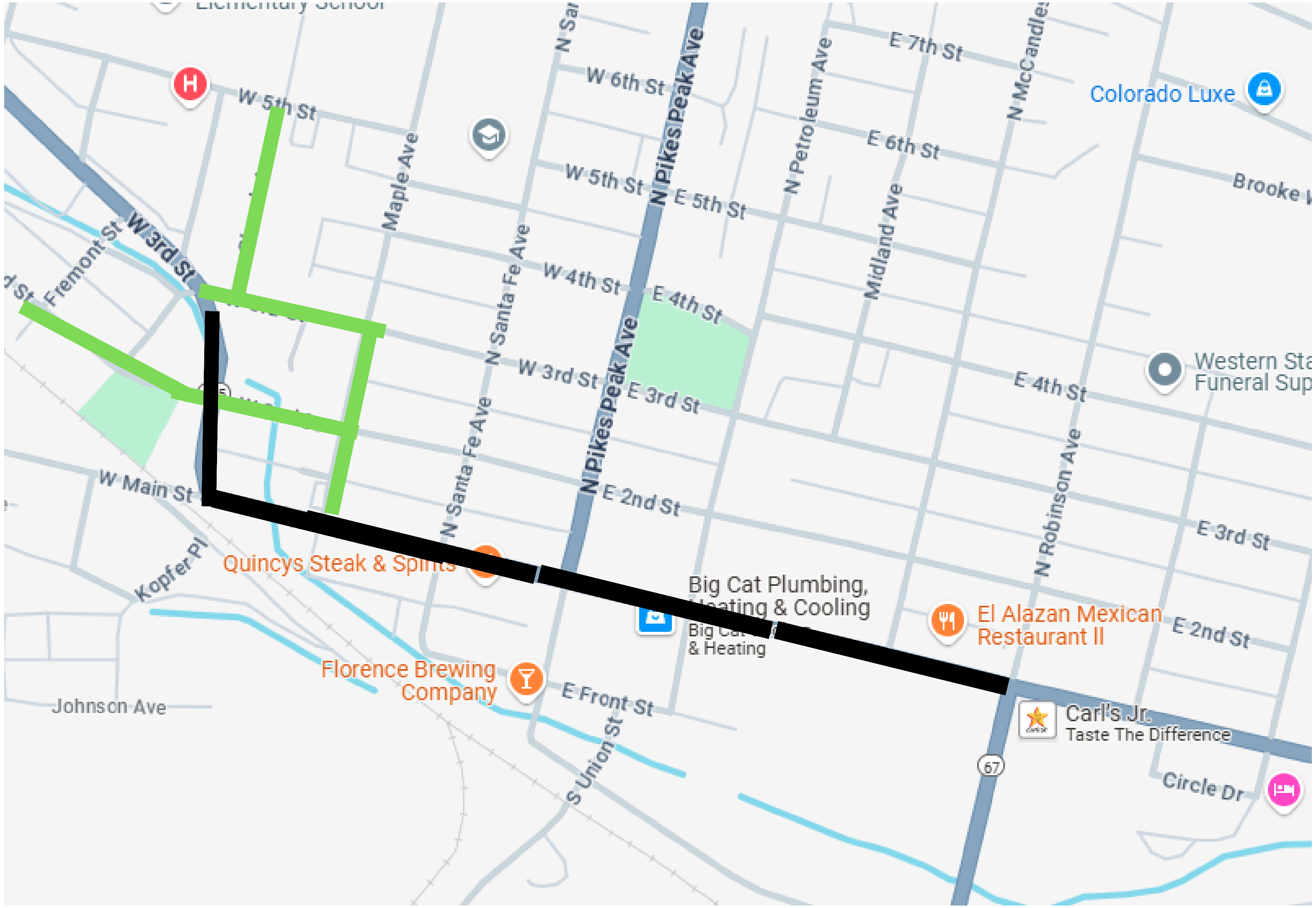
# Florence Pioneer Days

## Florence Pioneer Days Parade

**September 19, 2026**

**Road Closure:**

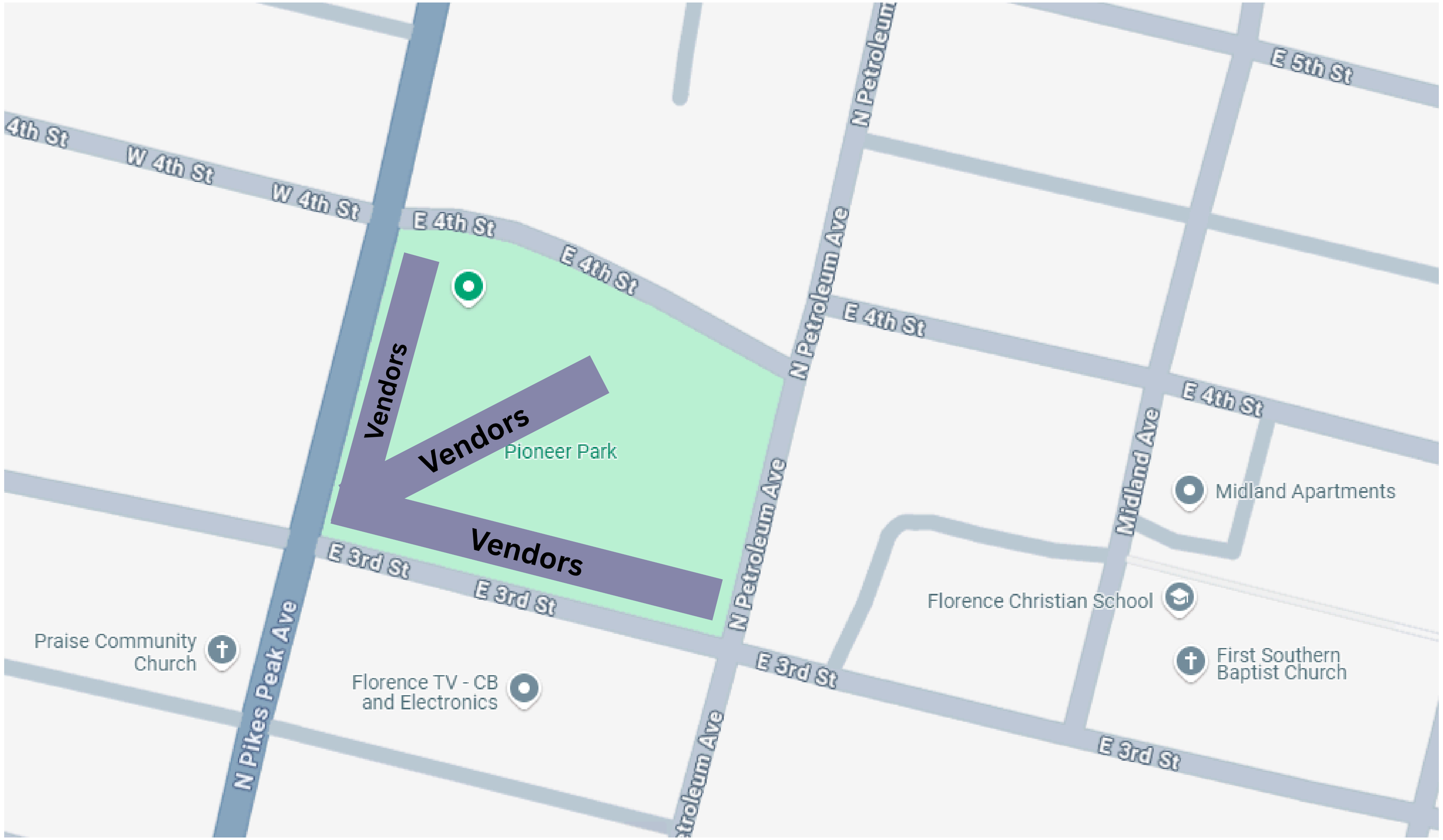
**Parade Lineup:**



# Florence Pioneer Days

## Florence Pioneer Days

**Septembert 19, 2026**
**6 AM - 6 PM**



# COUNCIL ACTION FORM
## MEETING DATE: JULY 20, 2026
## STAFF CONTACT: CORTLYNE HUPPE, CITY CLERK

---

**Agenda Item:** Consider authorizing the Pioneer Day Association to utilize CIRSA's Special Event Liability Insurance coverage with full cost reimbursement

**Department:** Administration

---

**Staff Recommendation:**
Authorize the Pioneer Day Association to utilize Special Event Liability coverage through the City's insurance provider, contingent on full reimbursement.

**Background/Description of Item:**
For the past several years, the Pioneer Day Association has utilized the City's insurance provider, Colorado Intergovernmental Risk Sharing Agency (CIRSA), to secure appropriate coverage specifically for the parade component of the event. This arrangement has provided an efficient and cost-effective method of ensuring adequate liability protection for the City, event organizers, and participants.

The Temporary Use Permit pending approval at the July 20, 2026, City Council meeting:

- Pioneer Day Parade & Celebration of Pioneers: September 19, 2026, 6:00 AM to 6:00 PM

To meet insurance requirements for use of public property and comply with the City Council's previously approved Temporary Use Permit application, the Pioneer Day Association is required to carry Special Event Liability coverage for their event. This is a practice the City has enforced, especially when such events are open to the public and utilize City property.

The Association has agreed to fully reimburse the City for all costs or fees incurred as a result of extending coverage to the event.

**Financial Impact:**

- The premium quotation is $325.17. Any costs or fees related to the event's inclusion under the City's insurance policy will be reimbursed in full by the Pioneer Day Association.

**Attachments:**

- CIRSA Notice of Acceptance/Rejection of Agreement for Special Events Coverage Quotation

**Suggested Motion:**
Authorize the Pioneer Day Association to utilize Special Event Liability coverage through the City's insurance provider for the 2025 Pioneer Day Celebration, contingent on full reimbursement to the City for any/all insurance-related costs.

July 10, 2026

Cortlyne Huppe, City Clerk
City of Florence
600 West Third Street
Florence, CO 81226

Dear Cortlyne,

Attached is the special events quote for Pioneer Day Association Pioneer Day Parade along with any special conditions required by the carrier, if applicable.

Please advise the Pioneer Day Association that the underwriters request/require that while vehicles are moving, the parade participants on the trucks be seated and that nothing is thrown from the parade participants to or at the crowd. Also, remember, there is no auto coverage provided by this policy.

Coverage for this event will be bound **only** upon the receipt of the attached acceptance form. If CIRSA does not receive a response within **five (5) working days** before the scheduled event, coverage may not be bound. If we are unable to bind coverage, we will let you know.

In addition, the attached Special Event Liability Group Insurance Trust Notice to Policyholder and Special Event Liability Insurance Policy Coverages and Conditions Disclosure to Event Holder must be provided to each event holder at the time they apply for coverage.

Please call me if you should have any questions or need further information.

Sincerely,

JMCowlishaw

Jessica M. Cowlishaw, CIC
Senior Underwriting Representative

Enclosures

**NOTICE OF ACCEPTANCE/REJECTION OF AGREEMENT**
**FOR SPECIAL EVENTS COVERAGE QUOTATION**

Please complete, sign and return this form to CIRSA.

This is to notify CIRSA that the **City of Florence** accepts/rejects the special events coverage quotation for the Pioneer Day Association Pioneer Day Parade, including the attached special conditions required by the carrier, to be held on September 20, 2026.

( ) We accept the quote of $325.17.

( ) We reject coverage.

****THE PREMIUM IS FULLY EARNED THE FIRST DAY OF THE EVENT.****

Do not send the premium with this form. CIRSA's Finance Department will send an invoice for the event. Your entity is responsible for collecting the premium from the event holder and the event holder should make checks payable to your entity.

The undersigned is authorized to accept this quotation on behalf of the **City of Florence**.

Authorized Signature: ______________________________

Title: ______________________________

Date: ______________________________

**Special Conditions:** **(Applicable if box is checked)**

Special Event Liability Group Insurance Trust is an Insured Risk Purchasing Group, using the following insurance companies to provide liability insurance for Member Event Holders:

**Colony Insurance Company** **Best's Rating: A, XII**

Your quotation is subject to the following items:

☐ It is a requirement that each participant, coach, manager, instructor or official in each activity listed below, and their parent or legal guardian if the participant is under 18 years of age, sign a Waiver and Release of Liability form protecting each of the following entities:

Activities: ______________________

Entity(ies) to be released from liability: ______________________

**The liability insurance provided by this insurance policy(ies) will not defend or pay for a claim for bodily injury to a participant in the above listed activity(ies), if the participant did not sign a Waiver and Release of Liability form.**

☐ An acceptable Waiver and Release of Liability form has been provided for your use. **(Must use program Waiver OR Waiver reviewed and approved by Program Manager.)**

☐ It is a requirement that the company or vendor providing the following activity or service(s), name each of the following entity(ies) as additional insured on their General Liability insurance:

Activity(ies)/Services: ______________________

Entity(ies) to be included as Additional Insured(s): ______________________

X **Policy contains a terrorism exclusion. On behalf of the Risk Purchasing Group and each member, the trustee has declined coverage for the Terrorism Risk Insurance Act (TRIA).**

**Special Event Liability Insurance Policy**
**Coverages and Conditions Disclosure to Event Holder**

| | |
|---|---|
| Insurance Companies and Best's Ratings: (as of 1/1/2026) | Colony Insurance Company. - A XII |
| Name Insured: | Permit Holder, Renter or Event Holder |
| Additional Insured: | CIRSA Member and/or Other Additional Insureds as Scheduled |
| Policy Form: | ISO Occurrence Commercial General Liability Form (CG0001) including Premises/Products and Completed Operations, Personal and Advertising Injury, Contractual Liability, Host Liquor, (Full Liquor Liability is included when a separate premium has been charged) and Broad Form Property Damage. |
| Coverage Limits: | $ 2,000,000 General Aggregate (Per Certificate)<br>$ 2,000,000 Products/Completed Operations Aggregate<br>$ 1,000,000 Personal and Advertising Injury<br>$ 1,000,000 Each Occurrence<br>$ 1,000,000 Damage to Premises Rented to You<br>$ 5,000 Medical Payments<br>$ 1,000,000 Liquor Liability Each Occurrence – when purchased |
| Deductible: | None |
| Premium: | The CIRSA member will be responsible for premium collection. |

Special Conditions:

1) Coverage is primary and any insurance carried by the Additional Insured is excess and not contributing.
2) Bodily Injury claims to participants are not excluded.
3) Vendors, Exhibitors, and Concessionaires at an event can be added as Additional Insured for an additional premium charge.
4) Excluded: Terrorism. On behalf of the Risk purchasing Group and each member, the trustee has declined coverage for the Terrorism Risk Insurance Act (TRIA).
5) Excluded: Sexual Abuse and Molestation.

This information is provided only as a general summary of the coverages that apply. All coverages are governed by the terms, conditions, exclusions, and limits stated in the applicable coverage documents. **This summary should not be relied on as a substitute for review of those documents.**

Notice:

This contract is delivered as surplus line coverage under the Nonadmitted Insurance Act. The insurer issuing this contract is not licensed in Colorado but is an approved nonadmitted insurer. There is no protection under the provisions of the Colorado Guaranty Act.

**Notice to renters:**

Due to the COVID-19 pandemic, a Communicable Disease Exclusion endorsement has been issued under the General Liability insurance policy offered to renters and purchased through HUB International Insurance Services Inc., effective 10/1/2020.

A copy of the Communicable Disease Exclusion endorsement has been included with your quote and/or certificate of insurance.

Please do not hesitate to contact us if you have any questions or concerns.

Thank you.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# EXCLUSION – COMMUNICABLE DISEASE

**This endorsement modifies insurance provided under the following:**

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

A. **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions**, and **COVERAGE B PERSONAL AND ADVERTSING INJURY LIABILITY, 2. Exclusions** are amended and the following added:

**Communicable Disease**

**This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:**

**(1)** transmission of a "communicable disease" by an insured or any person doing any service or work on behalf of an insured; or

**(2)** failure by an insured to perform services which were either intended to or assumed to prevent "communicable diseases" or their transmission to others.

**This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:**

**a.** supervising, hiring, employing, training or monitoring of others that may be infected with and spread a "communicable disease";

**b.** testing for a "communicable disease";

**c.** failure to prevent the spread of the disease; or

**d.** failure to report the disease to authorities.

B. **DEFINITIONS** is amended and the following added:

**"Communicable Disease(s)" means a contagious disease or illness arising out of or in any manner related to an infectious or biological virus or agent or its toxic products which is transmitted or spread, directly or indirectly, to a person from an infected person, plant, animal or anthropoid, or through the agency of an intermediate animal, host or vector of the inanimate environment or transmitted or spread by instrument or any other method of transmission. "Communicable Disease" shall include, but not be limited to Acquired Immune Deficiency Syndrome (AIDS) or Human Immunodeficiency Syndrome (HIV), Severe Acute Respiratory Syndrome (SARS), West Nile Disease, chicken pox, any type or strain of influenza (including, but not limited to avian flu), legionella, hepatitis, measles, meningitis, mononucleosis, whooping cough, cholera, bubonic plagues and anthrax.**

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**



CIRSA

3665 Cherry Creek North Drive Denver, Colorado 80209 | 303-757-5475 800-228-7136 | www.cirsa.org

# Council Action Form
## Meeting Date: July 20, 2026
## Staff Contact: Cortlyne Huppe, City Clerk

---

**Agenda Item:** Consider approving the revised Temporary Use Application for the America's Parade Committee

**Department:** Administration

---

**Staff Recommendation:**
Approve the revised Temporary Use Permit for the America's Parade Committee (as presented), Provide the parade with special event coverage, and collaborate city resources with the committee volunteers.

**Background/Description of Item:**
The America's Parade Committee has submitted their revised Temporary Use Permit. Previously slated for July 4, 2026, this parade has been rescheduled to August 1, 2026, in celebration of Colorado's 150th birthday.

The Temporary Use Permit lists the following dates/times:
- August 1, 2026, Main Street 3:00 AM to 1:00 PM

The temporary street closures for the America's Parade would take place on Main Street. Spanning from Third Street to McCandless Avenue. Specifics regarding these modifications can be found on the attached map.

Upon approval, street closure maps and details will be shared with the Colorado State Patrol, Florence Police Department, Fremont County Dispatch, Fremont County Emergency Management, and Florence Fire Protection District.

This item was initiated from the May 11, 2026, City Council Work Session with the America's Parade Committee, and initially passed at the May 18, 2026 City Council meeting.

**Financial Impact:**
None.

**Attachments:**
- Temporary Use Permit & Attachments
- Proposed Street Closure Maps

**Suggested Motion:**
Approve the revised Temporary Use Permit for the America's Parade Committee (as presented), Provide the parade with special event coverage, provide street closure set up/breakdown, Police Officer presence at CO HWY 115 entry/closure points, and collaborate city resources with the committee volunteers.

# TEMPORARY USE PERMIT APPLICATION

City of Florence
600 W. Third Street
Florence, CO 81226
www.cityofflorenceco.gov

**REQUEST TO USE PUBLIC RIGHT-OF-WAY OR REQUEST FOR SPECIAL EVENT ON PUBLIC PROPERTY**
All applications require City Council approval and must be submitted 30 days prior to the event date.

| | |
|---|---|
| Fee | |
| Permit No. | |

## APPLICANT INFORMATION

Name(s) America's Parade

Contact Amy Dawn Bourlon-Hilterbran

Address 1328 Kelsey Court

City Florence State CO Zip 81226

Phone 719-429-7942 Email adbhilterbran@gmail.com

## EVENT COORDINATOR INFORMATION (If different from applicant, contact must be reachable on event day.)

Name(s) Same as above

Contact

Address

City State Zip

Phone Email

## SITE INFORMATION

Facilities to be utilized Main Street, W. 3rd Street, Church Avenue, ~~Petroleum~~ McCANDLESS AVE. CH

Property Address Florence Current Land Use City Streets

## USE SPECIFICATIONS

Type of Use/Activities to Take Place Parade & Opening Ceremonies

Name of Event 2026 America's Parade

Days and Hours of Operation August 1, 2026 3AM - 1PM

Starting Date/Time 8/1/2026 3AM Ending Date/Time 8/1/2026 1PM
Include time needed for setup and cleanup

Anticipated # of attendees 600 Anticipated # of workers/volunteers 20

Cost of attendance $0 Anticipated # of vendors 4

## SIGNATURE

I/We, am/are the applicant for use of the aforementioned property. By execution of my/our signature, I/we do hereby officially apply for a temporary use permit as indicated above.

Signature: [signature] Date 7/14/2026

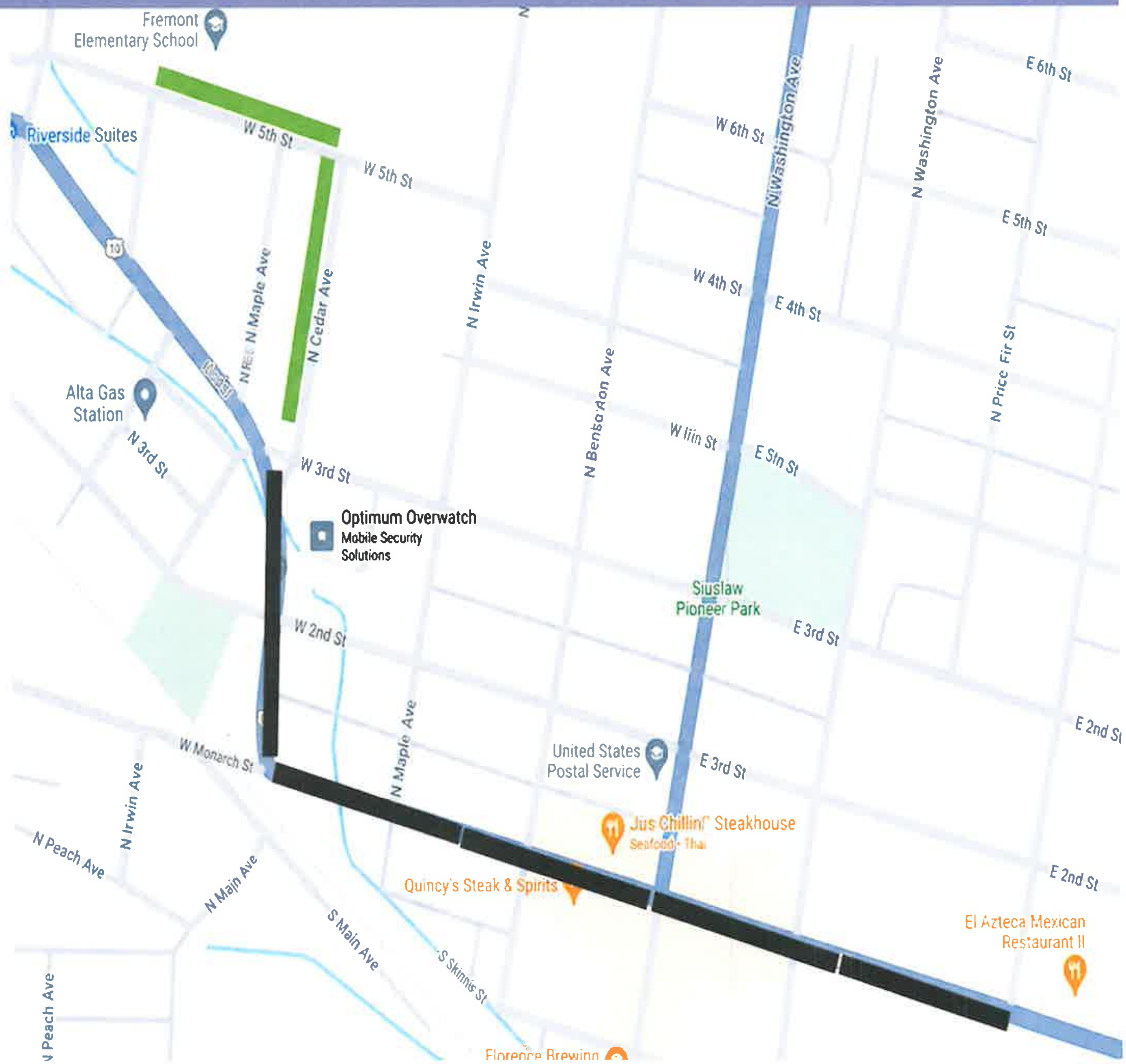
# 2026 America's Parade

## Rescheduled America's Parade 2026

**August 1, 2026**
**3 AM - 1 PM**

**Road Closure:**

**Parade Lineup:**



# PETITION FOR TEMPORARY USE APPLICATION

**I, ______________________, do hereby state that I am an adjacent property owner or tenant of the subject location, and support the application submitted by the applicant below:**

America's Parade 08/01/2026

| | Signature | Printed Name of owner or tenant | Address |
|---|---|---|---|
| 1. | [illegible] | Jen Helmick | 101 E Main |
| 2. | Darlene Colyer | Darlene Colyer | 114 E. Main #16 |
| 3. | [illegible] | MATTHEW NIX | 201 E. MAIN ST |
| 4. | Sarah Smith | Sarah Smith | 129 E Main ST |
| 5. | Larry Nelson | Larry Nelson | 132 E. Main St. Florence CO 81226 |
| 6. | Rhonda Cleveland | Rhonda Cleveland | 120 E. Main St. Florence, CO. |
| 7. | Mary McGrail | | 118 E. Main |
| 8. | Mandy Little | Mandy Little | 114 main st |
| 9. | Valerie Catt | Jen Howard | 122 Main ST |
| 10. | K Todd | K. Todd | 103 W. Main |

**SIGNATURE OF CIRCULATOR:**

Signature: Jason Hilton Date 07/14/2026

# PETITION FOR TEMPORARY USE APPLICATION

**I, ______________________, do hereby state that I am an adjacent property owner or tenant of the subject location, and support the application submitted by the applicant below:**

______________________________

| | Signature | Printed Name of owner or tenant | Address |
|---|---|---|---|
| 1. | [signature] | Christie Ireland | 106 S. Pikes Peak Florence |
| 2. | Marty Lamm | Marty Lamm | 100 E. Front Florence |
| 3. | Jamie Johnson | Jamie Johnson | 113 S. Pike Peak ave |
| 4. | [signature] | Jorgia Molinet | 112 S Pikes Peak |
| 5. | [signature] | Debbie Solko | 106 E Main St |
| 6. | | | |
| 7. | | | |
| 8. | | | |
| 9. | | | |
| 10. | | | |

**SIGNATURE OF CIRCULATOR:**

Signature: Deborah Broz Date 7/13/26

City of Florence
600 W. Third Street
Florence, CO 81226
www.cityofflorenceco.gov

# AFFIDAVIT OF APPLICATION

I, Amy Dawn Bourlon-Hitterbran am authorized to represent and bind the above listed applicant, and certify as follows:

1. That the information contained in this Special Event Application is true and correct to the best of my knowledge.

2. That the applicant, has read, understands and agrees to comply with the rules and regulations governing the proposed special event as set forth by the City of Florence.

3. To comply with all other laws, rules, regulations and requirements of the City, County, State, and Federal governments, and any other applicable entity which may pertain to or govern the use of the event venue and the overall conduct of the special event.

4. The applicant acknowledges that the acceptance of any plans required as a part of the Special Event Application does not constitute an approval or an acknowledgment by the City or the adequacy of the information contained in the plans.

5. To pay all applicable fees and/or taxes, and understands that the payment of any such taxes shall not reduce any consideration paid to the City pursuant to this special event or any other related permit.

6. I/We acknowledge that special events are required to meet all listed regulations and are the responsibility of the applicant.

7. Cancellations requested less than 15 days prior to the event will lose 50% of the deposit. Cancellations requested less than 7 days prior to the event will not receive a refund. The requests for refunds will be considered on an individual basis. Refunds will not be issued due to weather conditions existing on your event date.

**SIGNATURE**
I/We, am/are the applicant for use of the aforementioned property. By execution of my/our signature, I/we do hereby officially apply for a temporary use permit as indicated above.

Signature: [signature] Date 7/14/2026

Print Name of organization contact: Amy Dawn Bourlon-Hitterbran

**Event Detail Plan**

America's Parade August 1, 2026

Prepared By: Amy Dawn Bourlon-Hilterbran, America's Parade Committee, Co-Chair

Submitted To: Florence Police Department, Public Works Department, City Administration

**1. Event Location and Schedule Overview**

- Main Venue: Downtown Florence
- Date: Saturday, August 1, 2026
- Opening Ceremony & Presentations: 9:00 AM – 9:45 AM
- National Anthem Performance: 9:00 AM
- Community Awards & Presentation: 9:05 – 9:45 AM
- Parade Start: 10:00 AM
- Parade Announcer: 10:00 AM – 12:00 PM
- Bands / Music Performances in Parade: 10:00 AM – 12:00 PM
- Parade Awards & Closing Ceremony: 12:00 – 12:30 PM
- Parade route clean up 12:30PM – 1:00PM
- Streets reopen: 1:00 PM

**2. Parking**

- Provide safe and accessible parking for attendees, vendors, participants, and staff.
- Maintain clear access for emergency vehicles.
- City Hall parking lot & city streets (limited public availability).
- ADA parking at Pioneer Park and Rocky Mountain Bank & Trust.
- Food vendors must move vehicles by 1:00 PM.
- Traffic control coordinated by Florence Police and Public Works with committee volunteers.

**3. Sanitation & Restroom Facilities**

- 3 standard portable toilets and 1 ADA unit at RMBT parking lot.
- Additional unit at Florence City Hall parking lot for parade staging (back by Police Station)
- 4 portable handwashing stations.
- Apex delivery July 31, 2026; pickup August 3, 2026.

### 4. Trash & Waste Management

- Public Works to deploy additional trash bins at Main Street.
- America's Parade Committee provides additional receptacles with Apex.

### 5. Alcohol Service and Permitting

- No alcohol sales.
- No alcohol consumption by participants or attendees.
- Violators referred to Florence Police Department.

### 6. Permits & Compliance Checklist

| Permit / Item | Responsible Party | Status |
|---|---|---|
| Temporary Use Permit | America's Parade Committee | Submitted |
| Licensed Food Vendors | America's Parade Committee (confirm license with City Clerk's Office) | In Progress |
| Parade Registrations | America's Parade Committee | In Progress |
| Insurance | City of Florence City Clerk's Office | In Progress |

**Security, Medical & Emergency Response Plan**

America's Parade, Florence – August 1st, 2026

Prepared By: Amy Dawn Bourlon-Hilterbran, America's Parade Co-Chair

Submitted to: Florence Police Department, Public Works Department & City Administration

## 1. Overview

America's Parade is a community event featuring opening ceremonies with live music (National Anthem & "America the Beautiful" & awards (Rocky Mountain Bank & Trust parking lot at Pike's Peak & Main Street), 4 food trucks (see map for location), and a parade down Main Street to celebrate our nation's 250th birthday and Colorado's 150th birthday. To ensure the safety of attendees, staff, and participants, a Security, Medical & Emergency Response Plan has been developed and submitted to public safety and emergency response agencies.

## 2. Objectives

- Ensure the safety and well-being of all attendees, staff, and participants
- Coordinate effective communication and response among emergency service providers
- Mitigate and manage risks related to fire, medical emergencies, severe weather, crowd control, traffic, and potential security threats
- Establish clear protocols for incident response and evacuation, if necessary

## 3. Participating Agencies & Roles

| Agency/Department | Responsibilities |
|---|---|
| Florence Police Department | Crowd management, traffic control, law enforcement, incident response, emergency dispatch |
| Florence Fire District / Fremont County EMS | Parade medical response |
| City Clerk / City Administration | Coordination of permits/licensing, vendor management, public communication |
| Public Works Department | Road closures, signage, barricades |

## 4. Emergency Medical Services

- An EMS Tent will be stationed near the center of the parade area, clearly marked and staffed with EMTs and first responders.
- Ambulance staging will be present at Florence Fire Department #1 (as call volume dictates).

**CommonSpirit St. Thomas More Hospital**
**1338 Phay Avenue**
**Canon City, Colorado 81212**
**(719) 285-2000**

### 5. Traffic & Crowd Control

- Road closures will be in place per approved Public Works and Police Department plans.
- Traffic barricades and detours will be clearly marked.
- Designated emergency vehicle routes will remain unobstructed.
- Florence Police officers will monitor foot traffic and crowd control.
- America's Parade Committee members and volunteers will staff barricades (minimum 10 individuals).

### 7. Communications

- In case of a major incident, the America's Parade Committee, City, or Police Department will coordinate public messaging.

| Agency/Contact | Phone | Role |
|---|---|---|
| Florence Police Department Dispatch | 911<br>(719) 784-3411 opt. 7 | Emergency Dispatch |
| Florence Fire District / Fremont County EMS | 911 | Fire/EMS Coordination |

# COUNCIL ACTION FORM
## MEETING DATE: JULY 20, 2026
### STAFF REPORT: ASHLEY FOX, PLANNING DIRECTOR

| | |
|---|---|
| **Agenda Item:** | Consider adopting Ordinance No. 6 – 2026, an Ordinance approving the designation of the First Baptist Church of Florence (Bell Tower) at 201 East 2nd Street as a Local Historic Landmark |
| **Department:** | Planning |

**Background/Description:**

- The City of Florence's Historic Preservation Code recognizes the conservation of historic and cultural resources as an essential public policy that enhances the community's character, economy, and quality of life.
- The Historic Preservation Code establishes the framework for identifying, designating, and protecting landmarks and historic districts that reflect the City's architectural, cultural, and multiethnic heritage.
- The purpose of the Code is to preserve significant structures and sites ensuring that Florence's historic legacy is maintained for future generations.

- The Florence Arts Council, owner of the property, applied for local historic designation related to 201 East 2nd Street.

  - **Property Information:**
    **Name of Structure:** First Baptist Church of Florence
    **Year(s) of Original Construction:** 1898
    **Original Builder, Architect, or Designer:** Unknown
    **Original Owner:** Unknown

**Historic Preservation Code:**

- Florence Municipal Code Chapter 15.60.080 outlines the criteria and requirements for designating any building, object, monument, structure, or site as an individual Local Landmark.
- The following are referenced in the chapter as the Findings of Facts, and any proposed designation must meet one or more of the following:

  - Historic significance – Associated with important events, persons, or cultural heritage, or significant character, interest, or value as part of the development of the City of Florence.
  - Architectural or engineering importance – Exemplifies a distinctive style, craftsmanship, innovation, or is the work of a notable designer.
  - Recognized historic status – Already listed on the Colorado or National Register of Historic Places.

**Historic Preservation Commission Review:**

- The Historic Preservation Commission held a Public Hearing on June 30, 2026, with notice published, posted, and mailed in accordance with City requirements, to consider the application for Local Landmark Dedication for First Baptist Church of Florence.
- During the hearing, the Commission reviewed the information submitted by the property owner, along with additional statements provided by staff.
- The Historic Preservation Commission voted unanimously that the First Baptist Church of Florence (Bell Tower), located at 201 East 2nd Street, met the Finding of Facts related to the historical and architectural significance criteria for local historic designation as outlined in Florence Municipal Code Chapter 15.60.080, and recommended that City Council approve its designation as a Local Historic Landmark.

History:

1) *The building has significant character, interest, or value as part of the development of the City of Florence.*
    - The building has significant character, interest, and value as part of the development of the City of Florence, reflecting its role as a long-standing community anchor that evolved alongside the city's growth and industrial-era expansion.

Architecture:

1) *Portrays the environment in an era of history characterized by a distinctive architectural style.*
    - The church portrays the environment of its era through its Gothic Revival design

2) *Contains elements of design, detail, materials or craftsmanship which represent a significant innovation.*
    - The church contains stained glass windows that exemplify skilled craftsmanship and distinctive design, representing a notable artistic and material feature that enhances the building's architectural character and reflects period-era innovation in ecclesiastical construction.

**Historical Background:**

After completion in 1898, the church remained an active center of community life. Church records indicate that in 1927 the congregation incurred debt to excavate a basement for educational purposes, which included the addition of kitchen facilities. In 1939, the church bell and bell tower were dedicated; the bell had been donated by a church in Pagosa Springs. In 1957, a three-story education building was constructed, with design plans prepared by a local high school senior.

The church continued to thrive for several decades, serving as an important community anchor. However, by the early 2000s, declining membership made it increasingly difficult to maintain the complex. In 2013, the remaining congregation members donated the property to the Florence Arts Council.

Since that time, the sanctuary has been adaptively reused as a performance hall, hosting concerts, plays, lectures, and art exhibitions. The former education building now contains an art gallery, reception space, offices, and instructional studios offering classes in art, weaving, pottery, music, needlework, and other crafts. The surrounding landscape has also been enhanced, with the south courtyard and north garden now featuring a variety of public artworks.

**Statement of Significance:**

The First Baptist Church of Florence is significant for its contribution to the architectural, cultural, and community development of Florence during the city's period of rapid growth between 1880 and 1920. As part of the historic East 2nd Street church corridor, the property reflects the important role religious institutions played in shaping Florence's civic identity and neighborhood development. Constructed in 1898, the church is an excellent example of a late nineteenth-century Gothic Revival pattern-book design, exhibiting characteristic features including its steeply pitched roof, rectangular form, and prominent corner entry tower. The building also demonstrates notable craftsmanship through its masonry construction, heavy timber framing, and historic stained-glass windows, which contribute to its architectural integrity and character. Collectively, these features illustrate how nationally recognized architectural styles were adapted to meet the needs of a growing western community, making the First Baptist Church a significant and enduring historic landmark within the City of Florence.

**Staff Comments:**

- Staff agree with the findings of the Florence Historic Preservation Commission.
- The proposed designation complies with the adopted Historic Preservation Code.
- The proposed designation will not impose unreasonable restrictions on current use and will ensure appropriate review for future alterations under the City's preservation guidelines.

**Attachments included:**

- Ordinance No. 6 – 2026
- Picture

**Suggested Motion:**

I move that the Florence City Council approve the first reading of Ordinance No. 6 - 2026, designating the First Baptist Church of Florence (Bell Tower) as a Local Historic Landmark and listing it on the Local Historic Registry, based on the findings of fact outlined in Chapter 15.60.080 of the Florence Municipal Code, and in consideration of the recommendation of the Historic Preservation Commission and the testimony during the City Council public hearing.

# ORDINANCE NO. 6 - 2026

## An Ordinance Designating the First Baptist Church of Florence located at 201 East 2nd Street, as a Local Historic Landmark

**WHEREAS,** the City Council of the City of Florence, Colorado, pursuant to Colorado statute and the Florence Municipal Code, is vested with the authority of administering the affairs of the City of Florence, Colorado; and

**WHEREAS,** the City of Florence Historic Preservation Code, Chapter 15.60.020 declares that the City shall identify, designate, and preserve those buildings, objects, monuments, structures, and sites which reflect outstanding elements of the community's architectural and cultural heritage; and

**WHEREAS,** the owner submitted the proper application to initiate local historic designation of the subject structure pursuant to Title 15 of the Florence Municipal Code; and

**WHEREAS**, a public hearing was held, after proper notice was published, posted and mailed, before the Florence Historic Preservation Commission pursuant to Florence Municipal Code Section 15.60.080 on Tuesday, June 30, 2026, at which time the Florence Historic Preservation Commission reviewed the application and, by unanimous vote, recommended to City Council that the said structure be approved as a Local Historic Landmark.

**WHEREAS,** the building historically known as the First Baptist Church of Florence, now commonly known as the Bell Tower, located on the property at 201 East 2nd Street, has been determined by the Florence Historic Preservation Commission to possess historic and architectural significance worthy of preservation; and

**WHEREAS**, the Florence City Council held a duly noticed public hearing on July 20, 2026, to consider said designation and received all public testimony and evidence presented.

NOW, THEREFORE, BE IT ORDAINED BY THE FLORENCE CITY COUNCIL AS FOLLOWS:

1. The First Baptist Church of Florence does have significant character, interest, or value as part of the development of the City of Florence.
   a. This building embodies a captivating history intertwined with the development of the City of Florence as a long-standing community anchor that evolved alongside the city's growth and industrial-era expansion. It played a pivotal role in shaping the community and holds enduring significance within the broader narrative of the City's history.

2. The First Baptist Church of Florence portrays the environment in an era of history characterized by a distinctive architectural style.
   a. The building portrays the architectural character of its era through its Gothic Revival design.
   b. The building contains stained glass windows that exemplify skilled craftsmanship and distinctive design, representing a notable artistic and material feature that enhances the building's architectural character and reflects period-era innovation in ecclesiastical construction.

3. The First Baptist Church of Florence, located on the property at 201 East 2$^{nd}$ Street, Florence, Colorado, is hereby designated as a Local Historic Landmark and placed on the Local Historic Registry, subject to the benefits, obligations, and restrictions resulting from such designation as described in Florence Municipal Code Section 15.60.

4. This designation applies only to the First Baptist Church of Florence footprint and does not extend to the remainder of the parcel or other buildings located thereon.

**INTRODUCED AS AN ORDINANCE, PASSED ON ITS FIRST READING, ASSIGNED AN ORDINANCE NUMBER AND ORDERED TO BE PUBLISHED IN *THE DAILY RECORD*, THE CITY'S OFFICIAL NEWSPAPER ON THIS _____ DAY OF ____________, 2026.**

**ATTEST:** **CITY OF FLORENCE, COLORADO**

__________________________________ BY: __________________________________

Cortlyne Huppe, City Clerk Steve Wolfe, Mayor

Ordinance published in full on ________________________, 2026 in the *Daily Record*

Passed and adopted on its second reading this ______ day of __________, 2026.

**ATTEST:** **CITY OF FLORENCE, COLORADO**

__________________________________ BY: __________________________________

Cortlyne Huppe, City Clerk Steve Wolfe, Mayor

Ordinance published by title, on ________________________, 2026 in the *Daily Record*

# COUNCIL ACTION FORM
## MEETING DATE: JULY 20, 2026
### STAFF REPORT: ASHLEY FOX, PLANNING DIRECTOR

| | |
|---|---|
| **Agenda Item:** | Consider adopting Ordinance No. 7 – 2026, an Ordinance approving the designation of the Lobach Block at 125 East Main Street as a Local Historic Landmark |
| **Department:** | Planning |

**Background/Description:**

- The City of Florence's Historic Preservation Code recognizes the conservation of historic and cultural resources as an essential public policy that enhances the community's character, economy, and quality of life.
- The Historic Preservation Code establishes the framework for identifying, designating, and protecting landmarks and historic districts that reflect the City's architectural, cultural, and multiethnic heritage.
- The purpose of the Code is to preserve significant structures and sites ensuring that Florence's historic legacy is maintained for future generations.

- Tammy Stone, owner of the property, applied for local historic designation related to 125 East Main Street.

    - **Property Information:**
      **Name of Structure:** Lobach Block
      **Year(s) of Original Construction:** 1898
      **Original Builder, Architect, or Designer:** Unknown
      **Original Owner:** Edwin Lobach Sr.

**Historic Preservation Code:**

- Florence Municipal Code Chapter 15.60.080 outlines the criteria and requirements for designating any building, object, monument, structure, or site as an individual Local Landmark.
- The following are referenced in the chapter as the Findings of Facts, and any proposed designation must meet one or more of the following:

    - Historic significance – Associated with important events, persons, or cultural heritage, or significant character, interest, or value as part of the development of the City of Florence.
    - Architectural or engineering importance – Exemplifies a distinctive style, craftsmanship, innovation, or is the work of a notable designer.
    - Recognized historic status – Already listed on the Colorado or National Register of Historic Places.

**Historic Preservation Commission Review:**

- The Historic Preservation Commission held a Public Hearing on June 30, 2026, with notice published, posted, and mailed in accordance with City requirements, to consider the application for Local Landmark Dedication for the Lobach Block.
- During the hearing, the Commission reviewed the information submitted by the property owner, along with additional statement provided by staff.
- The Historic Preservation Commission voted unanimously that the Lobach Block, located at 125 East Main Street, met the Finding of Facts related to the historical and architectural significance criteria for local historic designation as outlined in Florence Municipal Code Chapter 15.60.080, and recommended that City Council approve its designation as a Local Historic Landmark.

History:

1) *The building has significant character, interest, or value as part of the development of the City of Florence or is associated with the life of a person significant in the past.*
   - The building has and continues to serve as an important contributor to the city's commercial growth and as a prominent downtown business block that reflects the city's early economic expansion and its evolution as a center of trade and services. The property is significant for its association with Florence pioneer Edwin Lobach, an early participant in the city's oil development whose contributions helped shape the community's economic growth during its formative years.

Architecture:

1) *Portrays the environment in an era of history characterized by a distinctive architectural style.*
   - The Lobach Block is an excellent representation of a late nineteenth-century commercial building. Its two-story brick construction, inset storefront, decorative stone trim, brick pilasters, corbelled parapet, rock-faced stone belt course, and ornamental detailing are all characteristic of commercial architecture erected during Florence's boom period in the late 1890s. The building continues to convey the appearance and character of downtown Florence during this important era of development.

2) *Embodies those distinguishing characteristics of an architectural-type or engineering specimen.*
   - The Lobach Block strongly embodies the distinguishing characteristics of a late nineteenth-century commercial block through its form, massing, storefront configuration, decorative masonry, and intact historic façade features.

3) *Contains elements of design, detail, materials or craftsmanship which represent a significant innovation.*
   - The Lobach Block's use of ornamental cast-iron storefront columns manufactured by John Seaton of Atchison, Kansas, which represent the craftsmanship and technological advancements in prefabricated architectural ironwork that influenced commercial building design throughout the late nineteenth century.

Recognized Historic Status

1) The Lobach Block is listed as a contributing building on the City of Florence's Historic Downtown District.

**Historical Background:**

Florence pioneer Edwin Lobach had the building erected in 1897–1898. Lobach was born in Pennsylvania in 1834 and traveled primarily on foot to California in 1854 before coming to Colorado in 1859. Along with six others, he organized the first oil company in Florence, and an oil well was drilled on his land around 1880.

In 1897, R. C. Thompson opened a confectionery and cigar store in the new block. Another original business was the millinery firm of Kirk & Rinner. The Elks Lodge occupied the upstairs space. By 1904, Walker Brothers, a grocery and dry goods firm, operated from the building, and by 1909 the Florence Citizen conducted its business there. In 1916, the Golden Rule dry goods store occupied the space. After Golden Rule relocated in 1921, Salmon Grocery and Pritchard's Candies moved into the building. By 1937, Dailey's Tire Shop was the sole business operating at 125 E. Main Street and remained there through at least 1951. In 1953, the building housed Bell Garage, and in 1960 it was occupied by the Western Geophysical Company. By 1985, Turnon Limited operated there, and in 1994 the furniture manufacturer Builders of the Southwest occupied the space. Since that time, the building has housed various retail businesses and art galleries.

**Statement of Significance:**

The Lobach Block is significant for its association with the early commercial development of Florence and the city's period of growth during the late nineteenth century. Lobach played an important role in the area's early petroleum industry, and the building served as a prominent commercial and social center, housing a diverse mix of businesses that supported the community for more than a century. Architecturally, the two-story brick building is an excellent example of late nineteenth-century commercial design, retaining its historic massing, decorative stone detailing, and distinctive façade. Notable features include its rock-faced stone belt course, carved stone ornamentation, and rare cast-iron storefront columns manufactured by the John Seaton Foundry of Atchison, Kansas. Although the building has undergone alterations over time, it retains sufficient historic integrity to convey its architectural and historical significance, making it an important contributor to the historic character of downtown Florence.

**Staff Comments:**

- Staff agree with the findings of the Florence Historic Preservation Commission.
- The proposed designation complies with the adopted Historic Preservation Code.
- The proposed designation will not impose unreasonable restrictions on current use and will ensure appropriate review for future alterations under the City's preservation guidelines.

**Attachments included:**

- Ordinance No. 7 – 2026
- Picture

**Suggested Motion:**

- I move that the Florence City Council approve the first reading of Ordinance No. 7 - 2026, designating the Lobach Block as a Local Historic Landmark and placing it on the Local Historic Registry, based on the findings of fact outlined in Chapter 15.60.080 of the Florence Municipal Code, and in consideration of the recommendation of the Historic Preservation Commission and the testimony during the City Council public hearing.


1898
LOBACH
BLOCK
TATTOO

# ORDINANCE NO. 7 - 2026

## An Ordinance Designating the Lobach Block located at 125 East Main Street, as a Local Historic Landmark

**WHEREAS,** the City Council of the City of Florence, Colorado, pursuant to Colorado statute and the Florence Municipal Code, is vested with the authority of administering the affairs of the City of Florence, Colorado; and

**WHEREAS,** the City of Florence Historic Preservation Code, Chapter 15.60.020 declares that the City shall identify, designate, and preserve those buildings, objects, monuments, structures, and sites which reflect outstanding elements of the community's architectural and cultural heritage; and

**WHEREAS,** the owner submitted the proper application to initiate local historic designation of the subject structure pursuant to Title 15 of the Florence Municipal Code; and

**WHEREAS**, a public hearing was held, after proper notice was published, posted and mailed, before the Florence Historic Preservation Commission pursuant to Florence Municipal Code Section 15.60.080 on Tuesday, June 30, 2026, at which time the Florence Historic Preservation Commission reviewed the application and, by unanimous vote, recommended to City Council that the said structure be approved as a Local Historic Landmark.

**WHEREAS,** the building known as the Lobach Block, located at 125 East Main Street, has been determined by the Florence Historic Preservation Commission to possess historic and architectural significance worthy of preservation; and

**WHEREAS**, the Florence City Council held a duly noticed public hearing on July 20, 2026, to consider said designation and received all public testimony and evidence presented.

NOW, THEREFORE, BE IT ORDAINED BY THE FLORENCE CITY COUNCIL AS FOLLOWS:

1. The Lobach Block does have significant character, interest, or value as part of the development of the City of Florence and is associated with the life of a person significant in the past.
   a. The Lobach Block has served as a prominent downtown commercial building since its construction, reflecting Florence's early growth and development. The property is significant for its association with pioneer Edwin Lobach, whose contributions to the city's early oil industry and community development helped shape Florence during its formative years.

2. The Lobach Block portrays the architectural character of Florence's late nineteenth-century commercial development, embodies the distinguishing characteristics of a historic commercial building through its form, massing, decorative masonry, and intact façade, and contains significant elements of design and craftsmanship, including its ornamental cast-iron storefront columns, that contribute to its architectural significance.

3. The Lobach Block, located on the property at 125 East Main Street, Florence, Colorado, is hereby designated as a Local Historic Landmark and placed on the Local Historic Registry, subject to the benefits, obligations, and restrictions resulting from such designation as described in Florence Municipal Code Section 15.60.

**INTRODUCED AS AN ORDINANCE, PASSED ON ITS FIRST READING, ASSIGNED AN ORDINANCE NUMBER AND ORDERED TO BE PUBLISHED IN *THE DAILY RECORD*, THE CITY'S OFFICIAL NEWSPAPER ON THIS _____ DAY OF ____________, 2026.**

**ATTEST:** **CITY OF FLORENCE, COLORADO**

_________________________________ BY: _________________________________

Cortlyne Huppe, City Clerk Steve Wolfe, Mayor

Ordinance published in full on _______________________, 2026 in the *Daily Record*

Passed and adopted on its second reading this ______ day of __________, 2026.

**ATTEST:** **CITY OF FLORENCE, COLORADO**

_________________________________ BY: _________________________________

Cortlyne Huppe, City Clerk Steve Wolfe, Mayor

Ordinance published by title, on _______________________, 2026 in the *Daily Record*

# COUNCIL ACTION FORM
## MEETING DATE: JULY 20, 2026
## STAFF CONTACT: LORI COBLER, CITY MANAGER

---

**Agenda Item:** Consider adopting Resolution No. 9 - 2026, a Resolution establishing a Drought Response Plan for the City of Florence, Colorado

**Department:** Administration

---

**Staff Recommendation:**
Adopt a Resolution for the revised Drought Response Plan for the City of Florence, Colorado, as presented.

**Background/Description of Item:**
On April 6, 2026, City Council unanimously adopted the City of Florence Drought Response Plan. The City's water supply is not only vulnerable to conditions on the Arkansas River and legally binding priority water calls, but is also increasingly threatened by current environmental stresses, including ongoing regional drought patterns, heightened wildfire activity in surrounding areas, and elevated fire-restriction levels issued by local fire authorities.

This *revised* Drought Response Plan still provides a clear, phased structure for how the City responds to these combined risks, ensuring the continued protection of public health, safety, and economic stability. The plan introduced four drought levels, each with specific triggers tied to the Colorado Water Division's priority calls on the river, as well as adaptable measures that may be increased or accelerated based on wildfire conditions or fire-restriction declarations. Each level includes a full suite of conservation requirements that escalate through Levels I–IV, paired with comprehensive drought-stage billing adjustments for water, bulk, and hydrant use.

The *revised* Drought Response Plan includes the following modifications:

- **Consistent Bulk Water Station Service:** Previously the City's Drought Response Plan turned the bulk water station off at Level IV. This version of the Drought Plan ensures qualified zip codes will be able to obtain water from the Bulk Water Station regardless of Drought Plan level (unless, natural disasters affecting the City of Florence's water supply and/or delivery capacity pose a risk).

Florence holds one of the oldest and most senior municipal water rights on the Arkansas River through the Union Ditch priority of November 30, 1861. This right provides the City with nearly all of its municipal water supply, and because it is the senior municipal diversion on the river, a call on this right has never occurred and would likely be short-lived if it ever did. While this longstanding priority status offers Florence a measure of protection during river shortages, it does not exempt the community from responsible water management. Senior rights are a privilege—but they do not guarantee unlimited security. Even with our advantageous position, the City must remain a good steward of its resources, conserve during periods of stress, and plan proactively to support regional water stability, wildfire readiness, and long-term resilience.

**Financial Measures:**
Simply stated, the City's water billing system is built around a standard monthly minimum of 3,500 gallons for every customer. This minimum amount remains unchanged in all drought stages so residents can continue to meet essential household needs. When a customer uses more than 3,500 gallons in a month, the additional water is charged at higher drought-stage rates. These excess-use rates increase depending on the severity of the drought: a 20% increase during Level II, a 100% increase during Level III, and a 200% increase during Level IV. This structure helps encourage conservation during critical periods while ensuring that basic water needs remain affordable and protected.

**Attachments:**

- Resolution No. 9 - 2026
- City of Florence Drought Response Plan- Revised

**Suggested Motion:**
Adopt Resolution No. 9-  2026, a Resolution establishing a Drought Response Plan for the City of Florence, Colorado, as presented.

**RESOLUTION NO. 9 - 2026**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FLORENCE, COLORADO, ADOPTING THE PHASED DROUGHT RESPONSE PLAN TO MANAGE WATER SHORTAGES, ESTABLISH CONSERVATION MEASURES, AND IMPLEMENT TIERED FINANCIAL STRUCTURES AS DICTATED BY ENVIRONMENTAL CONDITIONS.**

**WHEREAS**, the City of Florence's water supply is vulnerable to environmental stresses, including regional drought patterns, snowpack levels and timing of runoff, Arkansas River conditions, and legally binding priority water calls, as well as other circumstantial and important water supply factors; and

**WHEREAS**, heightened wildfire activity and local fire-restriction levels necessitate a structured response to ensure the continued protection of public health, safety, and economic stability; and

**WHEREAS**, while the City holds senior municipal water rights through the Union Ditch priority of November 30, 1861, it remains committed to responsible and necessary water stewardship and regional water stability; and

**WHEREAS**, the City adopted a Phased Drought Response Plan on April 6, 2026, to optimize its response to emergent conditions through four levels of classification; and

**WHEREAS**, this plan includes tiered conservation and financial measures designed to encourage reduction in water use while ensuring essential household needs remain affordable.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FLORENCE, COLORADO:**

**Section 1. Adoption.** The City Council hereby adopts the revised "Phased Drought Response Plan," dated July 20, 2026, as the official guide for water management during periods of shortage.

**Section 2. Implementation and Triggers.** The City Manager is authorized to implement the various levels of the plan based on the following automatic triggers or natural disasters affecting delivery capacity:

- **Level I:** Triggered by a March 5, 1884, priority call on the Coal Creek Pipe Water Right.
- **Level II:** Triggered by a May 15, 1874, priority call on a Rocky Ford water right.
- **Level III:** Triggered by a December 30, 1863, Canon City Water Works priority call.
- **Level IV:** Triggered by a November 30, 1861, Union Ditch priority water call.

**Section 3. Conservation and Financial Measures.** Upon declaration of a drought level, the corresponding conservation restrictions and financial surcharges shall apply:

- **Level II:** Mandatory watering schedules and a **20% increase** on water used above the 3,500-gallon minimum.
- **Level III:** Highly restricted watering (once per week) and a **100% increase** (doubled rate) on water used above the minimum.
- **Level IV:** Prohibition of all outdoor water use and a **200% increase** (tripled rate) on water used above the minimum.

**Section 4. Enforcement.** Violations of mandatory restrictions under Levels I through IV may be enforced through Municipal Court prosecution and/or disconnection of water service, following proper notice to the violator.

**Section 5. Modification.** The City may adjust or refine responses based on actual drought conditions, fire district restrictions, or other immediate safety considerations.

**RESOLVED this ______ day of __________________2026.**

ATTEST:

________________________________ ________________________________

Cortlyne Huppe, City Clerk Steve Wolfe, Mayor

# PHASED DROUGHT RESPONSE PLAN

*Resolution No. 9 - 2026*

*July 20, 2026*

# INTRODUCTION

The goal of this Drought Response Plan is to clearly communicate the actions and steps the City may need to employ, with proper justification, to maintain the health, safety and economic vitality of the community to the extent possible in the face of water shortages. This Drought Response Plan is designed to optimize the City's response under certain emergent conditions and to ensure the City is operating responsibly to best maximize available water supplies, reduce water use, and provide levels of conservation for the City of Florence and otherwise impacted communities during drought.

By means of explanation, these potential measures aimed at water conservation under certain extreme conditions are triggered by significant priority water calls on the Arkansas River, signaling worsening drought conditions. Priority water calls by water users, with senior water rights by law, curtail use by water users with less senior rights. The following levels of classification and related measures are intended to assist the City of Florence in making decisions throughout the course of a drought. The City of Florence may adjust or refine the response based on actual drought conditions, fire district restrictions, or other immediate or consequential considerations.

### *Enforcement*

If implemented by resolution of the City Council of Florence, the violation of Level I, II, III and IV mandatory restrictions and regulations may be enforced by prosecution in Municipal Court and/or by disconnection of water service. See Sections 13.04.170, 13.04.240 and or 13.04.420. Because the primary goals of this policy are to educate water users on conservation measures and to promote voluntary conservation, mandatory restrictions will be imposed only when necessary and upon priority water calls. Sanctions are available to deter potential violation, and as a last resort, to punish actual violators who have received prior warning. This policy and above referenced ordinances require that notice be given to violators before sanctions, including fines for convictions in municipal court, and/or disconnection of water service, are available for enforcement purposes.

### *Normal Operating Conditions*

Conditions with regard to water are normal, adequate and acceptable regarding quantity and quality of water sources, treatment or distribution. Customers should always use water wisely, and should seek a 20% reduction in use even when conditions are normal. Customers may refer to the conservation tips outlined in Level I.

*Any natural disaster adversely affecting the City of Florence's water supply and/or delivery capacity may trigger any phase or water rate listed above, including Phase IV on discovery of said disaster, by the Florence City Manager. In addition, the City Manager is authorized to suspend or shut down the bulk water station when such conditions pose a risk.*

## DROUGHT RESPONSE PLAN: LEVEL I

**Automatically triggered by a March 5, 1884, priority water call on the Coal Creek Pipe Water Right.**

### *Conservation Measures*

Water lawns only when needed, usually every two days during hot summer months in the early morning hours to reduce loss from evaporation.

Position sprinklers so that water lands on the lawn and shrubs-not paved areas.
Minimize grass in your lawn. Replace with low water use landscaping. Avoid over fertilizing your lawn.

Check for dripping faucets, leaky pipes, running commodes and swamp coolers. If your faucet is dripping at the rate of one drop per second, you will waste 3,100 gallons of water per year. Install low-flow showerheads, low flow commodes and other water saving devices.

Run only full loads when washing clothes or using a dishwater.

Do not run water when brushing your teeth or shaving. Use a cup to rinse.

Thaw food in the refrigerator, and not under running water.

# Drought Response Plan: Level II

**Automatically triggered by a May 15, 1874, priority water call on a Rocky Ford water right. This water call of 111 cubic feet per second of water is a significant call on the Arkansas River.**

Conditions exist as outlined in Level I, and in addition, where a possible or existing shortage is determined. Both Level I and Level II levels are mandatory, with the following applicable additions.

### *Conservation Measures*

Water your lawn/landscape only on designated watering days before 7:00 a.m. and after 7:00 p.m. for up to three hours, cumulatively, per day only. Those with even numbered addresses may water only on Sunday, Wednesday and Friday. Those with odd numbered addresses may water only on Tuesday, Thursday and Saturday. Watering on Monday is not allowed. Do not allow water to pool or flow onto the pavement. Repair any broken sprinkler heads.

Wash vehicles, trailers, boats and other equipment only on designed water days and only with a hand-held hose equipped with a positive shutoff nozzle, or with a bucket.

Landscape irrigation may be done with a hand-held hose or bucket, which is allowed on your approved days for trees, shrubs, planting beds and planters.

| Last Digit of House Number | Water Days |
|---|---|
| 1,3,5,7,9 | Tuesday, Thursday, Saturday |
| 0,2,4,6,8 | Sunday, Wednesday, Friday |

Restaurants, hotels, cafes, cafeterias or other public places where food is served are required to post notice of the existence of a declared shortage.

No hose washing of sidewalks, walkways, patios, driveways, parking areas or other impervious surfaces, except to eliminate conditions that pose a threat to public health or safety.

### *Financial Measures*

*Utility Bill*

To encourage conservation during drought periods, the City will maintain the current minimum monthly water usage allowance of 3,500 gallons at a base rate of $13.94. Any water used above the minimum allotment will be billed at a 20% rate increase during designated drought stages. This approach helps ensure responsible water use while keeping essential household needs affordable. The more a household reduces usage below or near the minimum allotment, the less impact the drought surcharge will have on their monthly bill.

Bulk water customers and commercial bulk water customers will be required to adopt the same water-use restrictions as customers of the City of Florence. For bulk water station users and hydrant users, the standard rate of $1.50 per 100 gallons will be adjusted. During declared drought stage, any water drawn will be billed at a 20% increased rate. This means that while essential and reasonable use remains affordable, high-volume discretionary use will incur higher costs during drought conditions to support responsible water management.

Bulk water station users will be limited to essential domestic use only. If conditions warrant, customers may be completely prohibited from using the bulk water system.

Raw and treated water hydrant uses will be subject to drought pricing or other methods to reduce water consumption outside of Florence.

To promote fairness, consistency, and responsible water stewardship during periods of drought, conservation orders, or heightened supply limitations, the City of Florence will apply a standardized method for calculating allowable water usage for all consecutive and contractual water service customers. Allowable usage will be determined based on the number of active service taps rather than on total contractual allocation amounts, ensuring that each system's permitted consumption reflects its actual customer base.

Water Rates- City of Florence Utility Customers

| | **Debt** | **Gallons** | **Minimum** | **Excess Water Rate** |
|---|---|---|---|---|
| Inside City User | $21.77 | 3,500 | $13.94 | 20% Increase |
| Outside City User | $21.77 | 5,000 | $23.49 | 20% Increase |

Water Rates- City of Florence Bulk Station/ Hydrant Meter Users

| | **Debt** | **Per 100 Gallons** | **Drought Water Rate Per 100 Gallons** |
|---|---|---|---|
| Bulk Station | $0 | $1.50 | 20% Increase |
| Hydrant Meters | $0 | $1.50 | 20% Increase |

Water Rates – City of Florence Consecutive Water Systems (Contractual Water Services)

| Active Taps/Connections | | Base Gallons | | Total Base Gallons Allowed | | | | |
|---|---|---|---|---|---|---|---|---|
| 116 | X | 3,500 | = | 406,000 | | | | |
| Total Gallons Used | | Total Base Gallons Allowed | | Excess Gallons Used | | | | |
| 592,000 | - | 406,000 | = | 186,000 | | | | |
| Excess Gallons Used | | 100 Gallons | | Base Excess Rate | | Rate Increase | | Total Cost of Excess Use |
| 186,000 | ÷ | 100 | X | $1.50 | X | 1.2 | = | $3,348.00 |

Example: 116 taps X 3500 gal = 406,000 gallons
592,000 gallons used - 406,000 base gallons = 186,000 gallons in excess use
186,000 ÷ 100 X $1.50 X 1.2 = $3,348.00 for excess use

Once a drought level has been officially declared by the City, the corresponding drought billing rate will remain in effect for the entirety of that billing cycle, regardless of whether conditions change before the next cycle begins. This ensures consistent, predictable billing and allows all rate users to clearly understand the rates applied during each monthly period.

*Requirements of Level II may be modified at anytime to meet possible or existing conditions with* *additional notice to citizens as soon as possible.*

## DROUGHT RESPONSE PLAN: LEVEL III

**Automatically triggered by a December 30, 1863, Canon City Water Works priority call.**

Conservation measures exist as outlined in Level I, and Level II, and in addition, where a possible or existing shortage is determined. Both Level I and Level II restrictions usage requirements are mandatory, with the following applicable additions.

### *Conservation Measures*

Lawns, trees, and shrubs may be watered by a hand-held hose or low-volume non-spray irrigation, no more than once per week on scheduled days. No new features allowed.

No watering of golf courses. Golf course greens and tee boxes may be watered one day a week. Per Level II restrictions.

No watering of parks and cemeteries.

Single-family residential pools and commercial pools shall not be filled or refilled.

Customers are prohibited from operating any existing outdoor fountain or waterfall that sprays water in the air. No new features allowed.

At-home car washing is not allowed. Commercial car washes must be certified to recycle water. Street cleaning will obtain water from designated locations only.

Restaurants will serve water only upon request.

Raw water hydrant usage for construction and road dust suppressant purposes ceased. Raw and treated water hydrant permits are cancelled.

### *Financial Measures*

*Utility Bill*

To encourage conservation during drought periods, the City will maintain the current minimum monthly water usage allowance of 3,500 gallons at a base rate of $13.94. Any water used above the minimum allotment will be billed at a doubled rate during designated drought stages. This approach helps ensure responsible water use while keeping essential household needs affordable. The more a household reduces usage below or near the minimum allotment, the less impact the drought surcharge will have on their monthly bill.

Bulk water customers and commercial bulk water customers will be required to adopt the same water-use restrictions as customers of the City of Florence. For bulk water station users, the standard rate of $1.50 per 100 gallons will be adjusted. During declared drought stage, any water drawn will be billed at a doubled rate. This means that while essential and reasonable use remains affordable, high-volume discretionary use will incur higher costs during drought conditions to support responsible water management.

Bulk water station users will be limited to essential domestic use only. If conditions warrant, customers may be completely prohibited from using the bulk water system.

Raw water hydrant usage for construction and road dust suppressant purposes ceased entirely.

Raw and treated water hydrant permits are cancelled.

To promote fairness, consistency, and responsible water stewardship during periods of drought, conservation orders, or heightened supply limitations, the City of Florence will apply a standardized method for calculating allowable water usage for all consecutive and contractual water service customers. Allowable usage will be determined based on the number of active service taps rather than on total contractual allocation amounts, ensuring that each system's permitted consumption reflects its actual customer base.

Water Rates- City of Florence Customers

| | Debt | Gallons | Minimum | Excess Water Rate |
|---|---|---|---|---|
| Inside City User | $21.77 | 3,500 | $13.94 | 100% Increase |
| Outside City User | $21.77 | 5,000 | $23.49 | 100% Increase |

Water Rates- City of Florence Bulk Station/ Hydrant Meter Users

| | Debt | Per 100 Gallons | Drought Water Rate Per 100 Gallons |
|---|---|---|---|
| Bulk Station | $0 | $1.50 | 100% Increase |
| Hydrant Meters | CANCELED | CANCELED | CANCELED |

Water Rates- City of Florence Consecutive Water Systems (Contractual Water Services)

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Active Taps/Connections | | Base Gallons | | Total Base Gallons Allowed | | | | |
| 116 | X | 3,500 | = | 406,000 | | | | |
| Total Gallons Used | | Total Base Gallons Allowed | | Excess Gallons Used | | | | |
| 592,000 | - | 406,000 | = | 186,000 | | | | |
| Excess Gallons Used | | 100 Gallons | | Base Excess Rate | | Rate Increase | | Total Cost of Excess Use |
| 186,000 | ÷ | 100 | X | $1.50 | X | 2 | = | $5,580.00 |

Example: 116 taps X 3500 gal = 406,000 gallons
592,000 gallons used - 406,000 base gallons = 186,000 gallons in excess use
186,000 ÷ 100 X $1.50 X 2 = $5,580.00 for excess use

Once a drought level has been officially declared by the City, the corresponding drought billing rate will remain in effect for the entirety of that billing cycle, regardless of whether conditions change before the next cycle begins. This ensures consistent, predictable billing and allows all rate users to clearly understand the rates applied during each monthly period.

*Requirements of Level III may be modified at any time to meet possible or existing conditions.*

## Drought Response Plan: Level IV

**Automatically triggered by a November 30, 1861 Union Ditch priority water call. The Union Ditch provides the City of Florence with almost all of its water right. While this call has never been made, such a call would require Florence to rely upon reservoir storage. Such a call likely would be of short duration, because the Union Ditch water right is the senior municipal water right on the Arkansas River and the State Engineer would be releasing stored water for municipalities.**

Conditions exist as outlined in Level I, Level II, Level III, and in addition, where a possible or existing shortage is determined. All levels are mandatory, with the following applicable additions.

### *Conservation Measures*

The bulk water station will operate exclusively for users within qualifying zip codes, as specified below:
81226, 81253, 81252,81244, 81221, 81290, 81240, and 81212.

No outdoor water use.

City pool is closed.

Other restrictions as necessary.

### *Financial Measures*

*Utility Bill*

To encourage conservation during drought periods, the City will maintain the current minimum monthly water usage allowance of 3,500 gallons at a base rate of $13.94. Any water used above the minimum allotment will be billed at a tripled rate during designated drought stages. This approach helps ensure responsible water use while keeping essential household needs affordable. The more a household reduces usage below or near the minimum allotment, the less impact the drought surcharge will have on their monthly bill.

To promote fairness, consistency, and responsible water stewardship during periods of drought, conservation orders, or heightened supply limitations, the City of Florence will apply a standardized method for calculating allowable water usage for all consecutive and contractual water service customers. Allowable usage will be determined based on the number of active service taps rather than on total contractual allocation amounts, ensuring that each system's permitted consumption reflects its actual customer base.

Bulk water station users will be limited to essential domestic use only. If conditions warrant, customers may be completely prohibited from using the bulk water system.

Water Rates- City of Florence Customers

| | Debt | Gallons | Minimum | Excess Water Rate |
|---|---|---|---|---|
| Inside City User | $21.77 | 3,500 | $13.94 | 200% Increase |
| Outside City User | $21.77 | 5,000 | $23.49 | 200% Increase |

Water Rates- City of Florence Bulk Station/ Hydrant Meter Users

| | **Debt** | **Per 100 Gallons** | **Drought Water Rate Per 100 Gallons** |
|---|---|---|---|
| Bulk Station | $0 | $1.50 | 200% Increase |
| Hydrant Meters | CANCELED | CANCELED | CANCELED |

Water Rates – City of Florence Consecutive Water Systems (Contractual Water Services)

| Active Taps/Connections | | Base Gallons | | Total Base Gallons Allowed | | | | |
|---|---|---|---|---|---|---|---|---|
| 116 | X | 3,500 | = | 406,000 | | | | |
| Total Gallons Used | | Total Base Gallons Allowed | | Excess Gallons Used | | | | |
| 592,000 | - | 406,000 | = | 186,000 | | | | |
| Excess Gallons Used | | 100 Gallons | | Base Excess Rate | | Rate Increase | | Total Cost of Excess Use |
| 186,000 | ÷ | 100 | X | $1.50 | X | 3 | = | $8,370.00 |

Example: 116 taps X 3500 gal = 406,000 gallons
592,000 gallons used - 406,000 base gallons = 186,000 gallons in excess use
186,000 ÷ 100 X $1.50 X 3 = $8,370.00 for excess use

Once a drought level has been officially declared by the City, the corresponding drought billing rate will remain in effect for the entirety of that billing cycle, regardless of whether conditions change before the next cycle begins. This ensures consistent, predictable billing and allows all rate users to clearly understand the rates applied during each monthly period.

*Requirements of Level IV may be modified at any time to meet possible or existing conditions.*

# CITY OF FLORENCE

600 West 3rd Street
Florence, Colorado 81226
(719) 784-4848
cityofflorence@florencecolorado.org


## City Manager Report
July 20, 2026

**Meetings with Agencies, Boards, and Committees**

- Working with community partners on the Aspen Leaf Fire, and Emergency Operations, Fireline and Emergency Preparedness
- The 81226 Report Podcast- On Aspen Fire Communications
- Attended FEDC Monthly Meeting with Councilor Mergelman
- Attended Coffee Chat with City Clerk Huppe
- Directors Meeting/Discussion Project Management, Staffing Needs, 2027 Budget
- Meeting with FEDC Director
- City Tour with Public Works Director emphasizing Front Street Re-Paving Project and Sunnyside Drive
- Added a yield on Quartz

**Discussion Topics & Upcoming Items**

- Public Works break room renovation: progress update and ongoing planning discussions, currently working on quotes for electric to bring to council
- Bulk Station: status update on the access code project. 202 customer PIN generated
- Pioneer Park bathroom: progress update, completion date changed to July 31, 2026
- Budget planning discussions continue.
- Drought Plan update and communication plan
- Congratulations to Aaron Wood for his promotion to Assistant Water Superintendent!
- Compensations survey underway, first round of information sent.
- 2 Weed abatements completed

To increase communication and public engagement, we will have a booth set up at the Farmers Market. Each week different city staff and/or council members will be at the market to engage with our citizens. Staff or council could change based on different topics or immediate needs of the city. City Manager will attend most days based on city needs. Below is the anticipated schedule:

July 23- Brandon
July 30- Ashley
August 6- Brandi
August 13- Sean
August 20- John
August 27- Steve
September 3-Rudl
September 10- Tammy
September 17- Brenda
September 24- Quiana

CITY OF FLORENCE
FLORENCE CO

# Ribbon Cutting Ceremony

**FRIDAY, JULY 31, 2026 | 8AM | PIONEER PARK**

---

**Join us as we celebrate the completion of the Pioneer Park restroom project!**

**The City of Florence will host a formal ribbon-cutting ceremony to mark the successful construction and the upgraded amenities now available for park visitors.**

**We look forward to gifting this improvement to you!**

## July

| Complaint Address | Complaint | First Notice Ser | Comply By | Resolved? | Second Notice Ser | Comply By - | Resolved?? | Summons Issued |
|---|---|---|---|---|---|---|---|---|
| | Homeless Camp | | | Moved out of area | | | | |
| | Site Visit | | | | | | | |
| | Abandoned Vehicle | 7/6/2026 | | Vehicle Towed | | | | |
| | Animal Complaint | 7/7/2026 | | Humane Society | | | | |
| | Accumulation of Trash | | | | | | | |
| | Undesirable Growth | 7/9/2026 | 7/20/2026 | | | | | |
| | Homeless Camp | | | Moved out of area | | | | |
| | Site Visit | | | Pictures for Abatement | | | | |
| | Site Visit | | | Pictures for Abatement | | | | |
| | Site Visit | | | Pictures for Abatement | | | | |
| | Site Visit | | | Pictures for Abatement | | | | |
| | Site Visit | | | Pictures for Abatement | | | | |
| | Site Visit | | | Pictures for Abatement | | | | |
| | Site Visit | | | Pictures for Abatement | | | | |
| | Undesirable Growth | 7/15/2026 | 7/27/2026 | | | | | |
| | Undesirable Growth | 7/15/2026 | 7/27/2026 | | | | | |