



FLORENCE CITY COUNCIL
Regular Meeting Agenda
Monday, June 16, 2025, 6:30 PM

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<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) 2024 Audit Presentation

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 June 2, 2025, and the Special Meeting Minutes on June 10, 2025
- b) Consider approving City expenditures prepared on June 5, 2025, in the amount of \$363,496.66, and June 12, 2025 in the amount of \$67,719.38
- c) Consider approving the annual liquor license renewal for the Rialto
- d) Consider approving the annual liquor license renewal for Barn & Barrel
- e) Consideration of Approval of an Intergovernmental Agreement (IGA) Between the City of Florence and the District Attorney's Office for Use of the Florence Shooting Range
- f) Consider approval of the waiver of admission fees to the Florence Municipal Pool on July 4, 2025, in celebration of Independence Day.
- g) Consider entering into an employment agreement with Police Chief Sean Humphrey for the Interim City Manager position.
- h) Consider entering into an agreement for recruitment services for the City Manager position.

6) NEW BUSINESS

- a) Consider adopting an Ordinance setting the ballot language to be used in the November 4, 2025, coordinated general election regarding the extension of an existing sales tax.

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 next regular City Council Meeting
Monday, July 7, 2025

COUNCIL DISCUSSION FORM

MEETING DATE: JUNE 16, 2025

STAFF CONTACT: FINANCE OFFICER LORI COBLER

Agenda Item: Presentation of the 2024 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 2024.

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, 2024

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FINANCIAL SECTION

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, 2024, 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, 2024, 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.

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 36-39 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 3, 2025

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 - government-type activities and those relating to business-type activities. Within the government-type 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 government-type 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 Statement of Net Position reports information about the City as a whole and includes *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies.

The Statement of Activities reports all the current year's revenues and expenses are considered regardless of when cash is received or paid, with the difference reported as the change in net 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) funds. 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, 2024, were \$10,037,503.
- Total liabilities and deferred inflows for governmental activities on December 31, 2024, were \$1,678,659.
- Total net position was increased by \$694,926 to \$8,358,844.

Business-type Activities

- In 2024, total assets and deferred outflows of resources were \$29,282,006 compared to \$29,549,315 at the end of fiscal year 2024.
- Total liabilities decreased were \$10,762,657 at the end of fiscal year 2024.
- Total net position increased by \$800,232 to \$18,519,349

STATEMENT 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 2024 and 2023:

	Governmental Activities		Business Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 7,647,107	\$ 6,664,512	\$ 11,277,068	\$ 10,370,449	\$ 18,924,175	\$ 17,034,961
Capital assets	1,962,951	2,273,897	17,790,908	18,941,055	19,753,859	\$ 21,214,952
Total assets	<u>9,610,058</u>	<u>8,938,409</u>	<u>29,067,976</u>	<u>29,311,504</u>	<u>38,678,034</u>	<u>38,249,913</u>
Deferred outflows of resource:	427,445	505,325	214,030	237,811	427,445	505,325
Long-term debt outstanding	109,348	87,324	10,665,494	11,758,004	10,774,842	11,845,328
Other liabilities	650,901	789,849	97,163	72,194	748,064	862,043
Total liabilities	<u>760,249</u>	<u>877,173</u>	<u>10,762,657</u>	<u>11,830,198</u>	<u>11,522,906</u>	<u>12,707,371</u>
Deferred Inflow of Resources						
Related to pensions	107,574	118,336			107,574	118,336
Deferred Property Tax Revenue	810,836	784,307	-	-	810,836	784,307
Net Position						
Net Investment in Capital Assets	1,962,951	2,273,897	7,125,414	7,183,051	9,088,365	9,456,948
Restricted	2,329,393	2,114,832	-	-	2,329,393	2,114,832
Unrestricted	4,066,500	3,275,189	11,393,935	10,536,066	15,460,435	13,811,255
Total Net Position	<u>\$ 8,358,844</u>	<u>\$ 7,663,918</u>	<u>\$ 18,519,349</u>	<u>\$ 17,719,117</u>	<u>\$ 26,878,193</u>	<u>\$ 25,383,035</u>

The change in net position for the Governmental Activities was an increase of \$694,926. The change in net position for the Business-Type Activities was also an increase of \$800,232 for an overall increase of \$1,495,158.

STATEMENT 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 2023.

	Governmental Activities		Business Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Charges for services	\$ 333,391	\$ 214,921	\$ 4,193,459	\$ 4,010,399	\$ 4,526,850	\$ 4,225,320
Operating grants and contributions	218,865	213,236	-	-	218,865	213,236
Capital grants and contributions	80,049	480,000	213,802	376,914	293,851	856,914
Total Program Revenues	632,305	908,157	4,407,261	4,387,313	5,039,566	5,295,470
General Revenues:						
Property taxes	944,037	725,112	-	-	944,037	735,522
Sales and use taxes	1,865,648	1,891,054	-	-	1,865,648	1,784,171
Other general revenues	812,411	924,101	512,981	487,261	1,325,392	940,181
Total General Revenues	3,622,096	3,540,267	512,981	487,261	4,135,077	3,459,874
Total Revenue	4,254,401	4,448,424	4,920,242	4,874,574	9,174,643	8,368,721
Program Expenses:						
General government	1,605,322	1,460,756	-	-	1,605,322	1,184,127
Public Safety	1,264,978	1,433,217	-	-	1,264,978	1,253,893
Public works	810,470	1,092,211	-	-	810,470	1,279,762
Planning and building	109,311	135,034	-	-	109,311	135,034
Parks and recreation	374,130	366,764	-	-	374,130	366,764
Water	-	-	3,235,402	3,239,968	3,235,402	3,239,968
Interest on long-term debt	-	-	279,872	362,336	279,872	362,336
Total Expenses	4,164,211	4,487,982	3,515,274	3,602,304	7,679,485	7,821,884
Transfers	604,736	354,474	(604,736)	(354,474)	-	-
Increase (Decrease) in Net Position	694,926	314,916	800,232	917,796	1,232,712	887,827
Beginning Net Position	7,663,918	7,349,002	17,719,117	16,801,321	25,383,035	24,150,323
Ending Net Position	\$ 8,358,844	\$ 7,663,918	\$ 18,519,349	\$ 17,719,117	\$ 26,615,747	\$ 25,038,150

Budgetary Analysis of the General Fund

CAPITAL ASSETS AND DEBT ADMINISTRATION - CITY WIDE

At year end the City's governmental activities and business-type activities had \$1,962,951 and \$17,790,908, respectively, invested in a broad range of capital assets including buildings, vehicles and other equipment, and water treatment facilities.

See Note 4 in the financial statements for more information.

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, 2024, the outstanding balance of both bonds and loans is \$10,665,494. See Note 5 in the financial statements for more information.

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, 2016.

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

BASIC FINANCIAL STATEMENTS

CITY OF FLORENCE, COLORADO

STATEMENT OF NET POSITION

December 31, 2024

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	\$ 6,447,473	\$ 10,891,981	\$ 17,339,454
Receivables			
Property Taxes	810,836	-	810,836
Sales and Other	388,798	-	388,798
Accounts	-	245,235	245,235
Prepaid Expenses	-	421	421
Inventory	-	139,431	139,431
Capital Assets, Not Depreciated	131,628	1,220,727	1,352,355
Capital Assets, Depreciated, Net of Accumulated Depreciation	1,831,323	16,570,181	18,401,504
TOTAL ASSETS	9,610,058	29,067,976	38,678,034
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions	427,445	-	427,445
Deferred Charges	-	214,030	214,030
TOTAL DEFERRED OUTFLOWS OF RESOURCES	427,445	214,030	641,475
LIABILITIES			
Accounts Payable	75,775	12,494	88,269
Accrued Expenses	67,140	14,522	81,662
Unearned Revenue	469,401	-	469,401
Accrued Interest Payable	-	19,295	19,295
Noncurrent Liabilities			
Due Within One Year	-	1,135,494	1,135,494
Due in More Than One Year	-	9,530,000	9,530,000
Deposits	38,585	21,708	60,293
Compensated Absences	109,348	29,144	138,492
TOTAL LIABILITIES	760,249	10,762,657	11,522,906
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions	107,574	-	107,574
Deferred Property Tax Revenue	810,836	-	810,836
TOTAL DEFERRED INFLOWS OF RESOURCES	918,410	-	918,410
NET POSITION			
Net Investment in Capital Assets	1,962,951	7,125,414	9,088,365
Restricted	2,329,393	-	2,329,393
Unrestricted	4,066,500	11,393,935	15,460,435
TOTAL NET POSITION	\$ 8,358,844	\$ 18,519,349	\$ 26,878,193

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

CITY OF FLORENCE, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2024

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 1,605,322	\$ 166,900	\$ -	\$ -
Public Safety	1,264,978	81,278	-	-
Public Works	810,470	-	171,773	80,049
Planning	109,311	-	-	-
Parks and Recreation	374,130	85,213	47,092	-
Total Governmental Activities	4,164,211	333,391	218,865	80,049
Business-Type Activities				
Water	3,235,402	4,193,459	-	213,802
Interest and Fiscal Charges	279,872	-	-	-
Total Business-Type Activities	3,515,274	4,193,459	-	213,802
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
\$ (1,438,422)	\$ -	\$ (1,438,422)
(1,183,700)	-	(1,183,700)
(558,648)	-	(558,648)
(109,311)	-	(109,311)
(241,825)	-	(241,825)
<u>(3,531,906)</u>	<u>-</u>	<u>(3,531,906)</u>
-	1,171,859	1,171,859
<u>-</u>	<u>(279,872)</u>	<u>(279,872)</u>
-	891,987	891,987
944,037	-	944,037
103,588	-	103,588
1,865,648	-	1,865,648
14,933	-	14,933
372,181	28,831	401,012
321,709	484,150	805,859
604,736	(604,736)	-
<u>4,226,832</u>	<u>(91,755)</u>	<u>4,135,077</u>
694,926	800,232	1,495,158
<u>7,663,918</u>	<u>17,719,117</u>	<u>25,383,035</u>
<u>\$ 8,358,844</u>	<u>\$ 18,519,349</u>	<u>\$ 26,878,193</u>

CITY OF FLORENCE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024

	GENERAL FUND	STREET IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	\$ 4,045,547	\$ 1,324,175	\$ 1,077,751	\$ 6,447,473
Taxes Receivable	810,836	-	-	810,836
Accounts Receivable	328,084	60,714	-	388,798
TOTAL ASSETS	\$ 5,184,467	\$ 1,384,889	\$ 1,077,751	\$ 7,647,107
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 66,300	\$ 9,317	\$ 158	\$ 75,775
Accrued Expenses	67,140	-	-	67,140
Unearned Revenues	469,401	-	-	469,401
Deposits	38,585	-	-	38,585
TOTAL LIABILITIES	641,426	9,317	158	650,901
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenues	810,836	-	-	810,836
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	119,000	1,375,572	834,821	2,329,393
Committed	-	-	242,772	242,772
Unassigned	3,613,205	-	-	3,613,205
TOTAL FUND BALANCES	3,732,205	1,375,572	1,077,593	6,185,370
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 5,184,467	\$ 1,384,889	\$ 1,077,751	\$ 7,647,107

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

CITY OF FLORENCE, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
Year Ended December 31, 2024

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

Total fund balances of governmental funds		\$ 6,185,370
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Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.

Capital Assets, Not Depreciated	131,628	
Capital Assets, Depreciated	8,103,596	
Accumulated Depreciation	<u>(6,272,273)</u>	1,962,951

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	(109,348)
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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	427,445	
Deferred inflows of resources - Related to Pension Plan	<u>(107,574)</u>	<u>319,871</u>

Net position of governmental activities		<u>\$ 8,358,844</u>
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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, 2024

	GENERAL FUND	STREET IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Property Taxes	\$ 944,037	\$ -	\$ -	\$ 944,037
Specific Ownership Taxes	103,588	-	-	103,588
Sales and Use Taxes	1,489,672	375,976	-	1,865,648
Franchise Fees	196,127	-	-	196,127
Intergovernmental Revenue	266,755	-	47,092	313,847
Licenses and Permits	137,918	-	-	137,918
Charges for Services	111,371	-	55,120	166,491
Fines and Forfeitures	28,982	-	-	28,982
Sale of Assets	34,976	-	-	34,976
Earnings on Investments	220,019	40,685	61,005	321,709
Miscellaneous	126,392	-	14,686	141,078
TOTAL REVENUES	3,659,837	416,661	177,903	4,254,401
EXPENDITURES				
Current				
General Government	1,185,875	-	-	1,185,875
Public Safety	1,095,925	-	-	1,095,925
Public Works	613,043	-	-	613,043
Planning	109,311	-	-	109,311
Parks and Recreation	162,336	-	178,867	341,203
Capital Outlay	317,265	137,413	12,741	467,419
TOTAL EXPENDITURES	3,483,755	137,413	191,608	3,812,776
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	176,082	279,248	(13,705)	441,625
OTHER FINANCING SOURCES (USES)				
Transfers In	674,736	-	15,826	690,562
Transfers Out	(15,826)	-	(70,000)	(85,826)
TOTAL OTHER FINANCING SOURCES (USES)	658,910	-	(54,174)	604,736
NET CHANGE IN FUND BALANCES	834,992	279,248	(67,879)	1,046,361
FUND BALANCES, Beginning, as previously reported	2,897,213	-	2,241,796	5,139,009
Change within the financial reporting entity - nonmajor to major fund	-	1,096,324	(1,096,324)	-
FUND BALANCES, Ending, adjusted	\$ 3,732,205	\$ 1,375,572	\$ 1,077,593	\$ 6,185,370

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, 2024

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

Net change in fund balances - total governmental funds	\$ 1,046,361
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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	108,159	
Depreciation	(408,705)	
Loss on Disposal of Assets	<u>(10,400)</u>	(310,946)

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	(22,024)
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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	<u>(18,465)</u>
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Change in net position of governmental activities	<u><u>\$ 694,926</u></u>
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The accompanying notes are an integral part of the financial statements.

CITY OF FLORENCE, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2024

	<u>WATER</u>
ASSETS	
Current Assets	
Cash and Investments	\$10,891,981
Accounts Receivable	245,235
Prepaid Expenses	421
Inventory	<u>139,431</u>
Total Current Assets	<u>11,277,068</u>
Noncurrent Assets	
Capital Assets, Not Being Depreciated	1,220,727
Capital Assets, Net of Accumulated Depreciation	<u>16,570,181</u>
Total Noncurrent Assets	<u>17,790,908</u>
TOTAL ASSETS	<u>29,067,976</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charges	<u>214,030</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	12,494
Accrued Expenses	14,522
Accrued Interest Payable	19,295
Bonds Payable, Current Portion	545,000
Notes Payable, Current Portion	<u>590,494</u>
Total Current Liabilities	<u>1,181,805</u>
Noncurrent Liabilities	
Deposits	21,708
Accrued Compensated Absences	29,144
Bonds Payable	9,130,000
Notes Payable	<u>400,000</u>
Total Noncurrent Liabilities	<u>9,580,852</u>
NET POSITION	
Net Investment in Capital Assets	7,125,414
Unrestricted	<u>11,393,935</u>
TOTAL NET POSITION	<u>\$18,519,349</u>

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, 2024

	<u>WATER</u>
OPERATING REVENUES	
Charges for Services	\$ 2,919,150
Debt Retirement	1,274,309
Other Revenues	<u>28,831</u>
TOTAL OPERATING REVENUES	<u>4,222,290</u>
OPERATING EXPENSES	
Administration	133,702
Personnel Services	867,298
Water System	739,224
Water Distribution	269,970
Depreciation	<u>1,225,208</u>
TOTAL OPERATING EXPENSES	<u>3,235,402</u>
NET OPERATING INCOME	<u>986,888</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest Income	484,150
Interest Expense	<u>(279,872)</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>204,278</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>1,191,166</u>
Tap Fees	213,802
Transfers Out	<u>(604,736)</u>
CHANGE IN NET POSITION	800,232
NET POSITION, Beginning	<u>17,719,117</u>
NET POSITION, Ending	<u>\$ 18,519,349</u>

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, 2024

Increase (Decrease) in Cash and Cash Equivalents

	<u>WATER</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	\$ 4,235,854
Cash Paid to Suppliers and Employees	(2,011,413)
Net Cash Provided by Operating Activities	<u>2,224,441</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash Payments to/from Other Funds	(604,736)
Net Cash Used by Noncapital Financing Activities	<u>(604,736)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Capital Assets	(75,061)
Principal Payments on Long Term Debt	(1,092,510)
Interest Payments	(264,834)
Tap Fees and Capital Contributions	213,802
Net Cash Used by Capital Financing Activities	<u>(1,218,603)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	<u>484,150</u>
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	885,252
CASH AND CASH EQUIVALENTS, Beginning	<u>10,006,729</u>
CASH AND CASH EQUIVALENTS, Ending	<u><u>\$ 10,891,981</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	\$ 986,888
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation Expense	1,225,208
Loss on Disposal of Assets	-
Changes in Assets and Liabilities	
Accounts Receivable	13,564
Inventory	(34,931)
Prepaid Expenses	-
Accounts Payable	(1,638)
Accrued Expenses	5,666
Deposits	17,500
Accrued Compensated Absences	12,184
Total Adjustments	<u>1,237,553</u>
Net Cash Provided by Operating Activities	<u><u>\$ 2,224,441</u></u>

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

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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

Cash and Cash Equivalents – 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.

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

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

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

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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, 2024.
- Restricted – 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.
- Committed – 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, 2024.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

- Assigned – 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, 2023.
- Unassigned – 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.

Subsequent Events

The City has evaluated events subsequent to the year ended December 31, 2024 through June 3, 2025, the date these financial statements were issued, and has incorporated any required recognition into these financial statements.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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 depreciation 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.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 3: CASH AND INVESTMENTS

Cash and investments on December 31, 2024 consist of the following:

Petty Cash	\$ 400
Deposits	2,211,519
Investments	15,127,535
Total	<u>\$17,339,454</u>

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

Cash and Investments - Governmental Activities	\$ 6,447,473
Cash and Investments - Business-Type Activities	10,891,981
Total	<u>\$17,339,454</u>

Deposits

Custodial Credit Risk – Deposits

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, 2024, 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, 2024, the City had deposits with financial institutions with a carrying amount of \$2,211,519. The bank balances with the financial institutions were \$2,226,052. Of these balances, \$1,077,902 was covered by federal depository insurance and \$1,148,150 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 3: **CASH AND INVESTMENTS** (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.

Interest Rate Risk

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.

Credit Risk

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

Concentration of Credit Risk

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

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 3: **CASH AND INVESTMENTS** (Continued)

Investments (Continued)

Local Government Investment Pools

The City had invested \$15,127,535 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. 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.

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CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 4: CAPITAL ASSETS

	Balance 12/31/2023	Additions	Deletions	Balance 12/31/2024
Governmental Activities				
Capital Assets, Not Depreciated				
Land	\$ 125,693	\$ -	\$ -	\$ 125,693
Easements	5,935	-	-	5,935
Total Capital Assets, Not Depreciated	131,628	-	-	131,628
Capital Asset, Being Depreciated				
Buildings and Improvements	2,369,596	21,588	-	2,391,184
Pool	611,460	46,036	-	657,496
Infrastructure	2,315,983	13,500	-	2,329,483
Machinery and Equipment	2,724,398	27,035	26,000	2,725,433
Total Capital Assets, Being Depreciated	8,021,437	108,159	26,000	8,103,596
Accumulated Depreciation				
Buildings and Improvements	2,112,125	81,481	-	2,193,606
Pool	567,702	12,615	-	580,317
Infrastructure	1,770,480	108,636	-	1,879,116
Machinery and Equipment	1,428,861	205,973	15,600	1,619,234
Total Depreciation	5,879,168	408,705	15,600	6,272,273
Capital Assets, Depreciated Net	2,142,269	(300,546)	10,400	1,831,323
Net Capital Assets	\$ 2,273,897	\$ (300,546)	\$ 10,400	\$ 1,962,951

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

Governmental Activities	
General Government	\$ 38,163
Public Safety	140,188
Public Works	197,427
Parks and Recreation	32,927
Total	\$ 408,705

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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

	Balance 12/31/2023	Additions	Deletions	Balance 12/31/2024
Business-Type Activities				
Capital Assets, Not Depreciated				
Land	\$ 83,425	\$ -	\$ -	\$ 83,425
Water Rights	1,132,302	5,000	-	1,137,302
Total Capital Assets, Not Depreciated	1,215,727	5,000	-	1,220,727
Capital Asset, Being Depreciated				
Water Treatment Plant	4,623,399	7,723	-	4,631,122
Transmission and Distribution	8,682,548	-	1,000,000	7,682,548
Regional Assets	28,138,879	-	-	28,138,879
Machinery and Equipment	2,755,908	62,338	-	2,818,246
Total Capital Assets, Being Depreciated	44,200,734	70,061	1,000,000	43,270,795
Accumulated Depreciation				
Water Treatment Plant	3,762,614	87,178	-	3,849,792
Transmission and Distribution	5,806,702	271,238	1,000,000	5,077,940
Regional Assets	14,918,268	722,491	-	15,640,759
Machinery and Equipment	1,987,822	144,301	-	2,132,123
Total Depreciation	26,475,406	1,225,208	1,000,000	26,700,614
Capital Assets, Depreciated Net	17,725,328	(1,155,147)	-	16,570,181
Net Capital Assets	\$ 18,941,055	\$ (1,150,147)	\$ -	\$ 17,790,908

NOTE 5: **LONG-TERM DEBT**

The following is a summary of the City's long-term debt transactions for the year ended December 31, 2024:

Governmental Activities	12/31/2023			12/31/2024	Due Within
	Balance	Increases	Decreases	Balance	One Year
Compensated Absences	\$ 87,324	\$ 22,024	\$ -	\$ 109,348	\$ -

Compensated absences are expected to be liquidated with revenues from the General

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 5: LONG-TERM DEBT (Continued)

	12/31/2023			12/31/2024	Due Within
Business-Type Activities	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>	<u>One Year</u>
Revenue Refunding Bonds	\$9,772,000	\$ -	\$ 97,000	\$9,675,000	\$ 545,000
Notes from direct borrowings	1,986,004	-	995,510	990,494	590,494
Compensated Absences	16,960	12,184	-	29,144	-
Total	<u>\$11,774,964</u>	<u>\$ 12,184</u>	<u>\$1,092,510</u>	<u>\$10,694,638</u>	<u>\$1,135,494</u>

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, 2024, the balance of the deferred charges is \$214,030.

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

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 545,000	\$ 223,254	\$ 768,254
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
2030-2033	4,892,000	289,709	5,181,709
Total	<u>\$ 9,675,000</u>	<u>\$ 1,229,607</u>	<u>\$ 10,904,607</u>

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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. On December 31, 2024, the outstanding balance on the loan is \$436,267.

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. On December 31, 2024, the outstanding balance on the loan is \$54,227.

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, 2024, the outstanding balance on the loan is \$500,000.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 5: LONG-TERM DEBT (Continued)

Notes from Direct Borrowings (Continued)

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

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 590,494	\$ 591,760	\$ 1,182,254
2026	100,000	-	100,000
2027	100,000	-	100,000
2028	100,000	-	100,000
2029	100,000	-	100,000
Total	\$ 990,494	\$ 591,760	\$ 1,582,254

NOTE 6: INTERFUND TRANSFERS

During the year ended December 31, 2024 the Water Fund, Pool, Park, and Recreation Fund, and the Conservation Trust Fund transferred \$604,736, \$25,000, and \$45,000, respectively, to the General Fund to cover capital and administrative expenses. The General Fund transferred \$7,913 to the Capital Projects Fund, and \$7,913 to the Perpetual Care Reserve Fund to cover capital and administrative expenses.

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN

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.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the SWDBP

Plan Description

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. 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 Statelaw 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

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

The annual normal retirement benefit is 2 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. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under the Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan.

Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the SWDBP (Continued)

Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average 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.

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 2023, the total combined member and employer contribution rate was 21.5 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 2023, the total combined member and employer contribution rate was 10.75 percent.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 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

On December 31, 2024, 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, 2023 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2023.

The City's proportion of the net pension liability was based on City contributions to the SWDBP for the calendar year 2023 relative to the total contributions of participating employers to the SWDBP.

On December 31, 2023, the City's proportion was 0.04753 percent, which is a decrease of 0.00728 from its proportion measured as of December 31, 2022. For the year ended December 31, 2024, the City recognized pension expense of \$64,393. On December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$70,160	\$3,573
Changes of assumptions or other inputs	\$40,839	N/A
Net difference between projected and actual earnings on pension plan investments	\$61,103	N/A
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$209,415	\$104,001
Contributions subsequent to the measurement date	\$45,928	N/A
Total	\$427,445	\$107,574

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 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)

\$45,928 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2025	69,012
2026	89,534
2027	26,005
2028	28,815
2029	36,224
Thereafter	24,353

Actuarial Assumptions

The total pension liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Total Pension Liability

Actuarial Valuation Date	January 1, 2024
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%

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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

Actuarial Assumptions (Continued)

Actuarial Determined Contributions

Actuarial Valuation Date	January 1, 2023
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%

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 off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The actuarial assumption changes were effective January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

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, 2023 are summarized in the following table:

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Assumptions (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.00%	8.33%
Equity Long/Short	6.00%	7.27%
Private Markets	34.00%	10.31%
Fixed Income – Rates	10.00%	5.35%
Fixed Income – Credit	5.00%	6.90%
Absolute Return	9.00%	6.39%
Cash	1.00%	4.32%
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.

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

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

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

Discount Rate (Continued)

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).

The expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 3.77 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; 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)	\$266,545	\$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.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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, 2024. Contributions to the plan for the years ended December 31, 2024, 2023, and 2022 were \$16,069, \$15,189, and \$15,165, 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, 2024, 2023 and 2022, the City contributed \$36,390, \$36,822, and \$32,100, 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, 2024, 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.

CITY OF FLORENCE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

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, 2024, the emergency reserve of \$119,000 was reported as a restriction of net position and fund balance in the Governmental Activities and General Fund, respectively.

NOTE 10: **CHANGE WITHIN THE FINANCIAL REPORTING ENTITY**

During the fiscal year ended December 31, 2024, the Street Improvement Fund was reclassified from nonmajor to a major fund due to significant increases in its revenues, expenditures, and assets. The effects of the change are noted in the combining statement of revenues, expenditures, and changes in fund balances – nonmajor governmental funds and in the statement of revenues, expenditures, and changes in fund balances – governmental funds on pages 41 and 5, respectively, of the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Property Taxes	\$ 785,862	\$ 785,862	\$ 944,037	\$ 158,175	\$ 725,112
Specific Ownership Taxes	98,000	98,000	103,588	5,588	86,760
Sales and Use Tax	1,558,000	1,558,000	1,489,672	(68,328)	1,512,892
Franchise Fees	242,100	242,100	196,127	(45,973)	234,937
Intergovernmental Revenue	167,500	167,500	266,755	99,255	660,374
Licenses and Permits	119,780	119,780	137,918	18,138	104,334
Charges for Services	26,960	26,960	111,371	84,411	17,968
Fines and Forfeitures	52,000	52,000	28,982	(23,018)	34,766
Sale of Assets	-	-	34,976	34,976	3,350
Earnings on Investments	76,100	76,100	220,019	143,919	291,952
Miscellaneous	257,054	257,054	126,392	(130,662)	164,540
TOTAL REVENUES	3,383,356	3,383,356	3,659,837	276,481	3,836,985
EXPENDITURES					
Current					
General Government	1,178,232	1,178,232	1,185,875	(7,643)	1,075,151
Public Safety	1,500,722	1,500,722	1,153,400	347,322	1,258,492
Public Works	820,015	820,015	872,833	(52,818)	1,183,433
Planning	247,550	247,550	109,311	138,239	135,034
Parks and Recreation	265,378	346,378	162,336	184,042	189,113
TOTAL EXPENDITURES	4,011,897	4,092,897	3,483,755	609,142	3,841,223
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(628,541)	(709,541)	176,082	885,623	(4,238)
OTHER FINANCING SOURCES (USES)					
Transfers In	649,736	649,736	674,736	25,000	640,830
Transfers Out	-	-	(15,826)	(15,826)	(256,880)
TOTAL OTHER FINANCING SOURCES (USES)	649,736	649,736	658,910	9,174	383,950
CHANGE IN FUND BALANCE	21,195	(59,805)	834,992	869,797	379,712
FUND BALANCES, Beginning	-	-	2,897,213	2,897,213	2,517,501
FUND BALANCES, Ending	\$ 21,195	\$ (59,805)	\$ 3,732,205	\$ 3,767,010	\$ 2,897,213

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE

STREET IMPROVEMENT FUND

Year Ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Sales and Use Tax	\$ 376,000	\$ 376,000	\$ 375,976	\$ (24)	\$ 378,162
Interest Income	15,000	15,000	40,685	25,685	32,096
Miscellaneous	-	-	-	-	15,107
TOTAL REVENUES	391,000	391,000	416,661	25,661	425,365
EXPENDITURES					
Capital Outlay	688,105	688,105	137,413	550,692	193,010
TOTAL EXPENDITURES	688,105	688,105	137,413	550,692	193,010
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(297,105)	(297,105)	279,248	576,353	232,355
OTHER FINANCING SOURCES (USES)					
Transfers In	297,105	297,105	-	(297,105)	-
CHANGE IN FUND BALANCE	-	-	279,248	279,248	232,355
FUND BALANCES, Beginning	-	-	1,096,324	1,096,324	863,969
FUND BALANCES, Ending	\$ -	\$ -	\$ 1,375,572	\$ 1,375,572	\$ 1,096,324

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,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability (Asset)	0.04750%	0.05480%	0.07674%	0.06721%	0.08206%	0.09000%	0.0990%	9.5000%	0.0990%	0.0910%
Proportionate Share of the Net Pension Liability (Asset)	\$	\$ 48,653	\$ (415,889)	\$ (145,907)	\$ (46,408)	\$ 113,889	\$ (142,635)	\$ 34,380	\$ (1,742)	\$ (77,479)
Covered payroll	\$ 446,746	\$ 475,341	\$ 447,343	\$ 514,269	\$ 580,095	\$ 579,258	\$ 555,473	\$ 439,514	\$ 469,653	\$ 388,051
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	0.00%	10.24%	-92.97%	-28.37%	-8.00%	19.66%	-25.68%	7.82%	-0.37%	-19.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.00%	97.60%	116.20%	106.70%	101.90%	95.20%	106.30%	98.20%	100.10%	105.80%

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

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

Years Ended December 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 45,928	\$ 44,013	\$ 44,194	\$ 37,962	\$ 43,184	\$ 48,382	\$ 48,274	\$ 46,393	\$ 36,899	\$ 37,852
Contributions in Relation to the Contractually Required Contributions	45,928	44,013	44,194	37,962	43,184	48,382	48,274	46,393	36,899	37,852
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 447,331	\$ 446,746	\$ 475,341	\$ 447,343	\$ 514,269	\$ 580,095	\$ 579,258	\$ 555,473	\$ 439,514	\$ 469,653
Contributions as a Percentage of Covered Payroll	10.27%	9.85%	9.30%	8.49%	8.40%	8.34%	8.33%	8.35%	8.40%	8.06%

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, 2024

	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	\$ 132,953	\$ 374,320	\$ 242,772	\$ 327,706	\$ 1,077,751
TOTAL ASSETS	<u>\$ 132,953</u>	<u>\$ 374,320</u>	<u>\$ 242,772</u>	<u>\$ 327,706</u>	<u>\$ 1,077,751</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ 158	\$ -	\$ -	\$ 158
TOTAL LIABILITIES	<u>-</u>	<u>158</u>	<u>-</u>	<u>-</u>	<u>158</u>
FUND EQUITY					
Fund Balance					
Restricted	132,953	374,162	-	327,706	834,821
Committed	-	-	242,772	-	242,772
TOTAL FUND EQUITY	<u>132,953</u>	<u>374,162</u>	<u>242,772</u>	<u>327,706</u>	<u>1,077,593</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 132,953</u>	<u>\$ 374,320</u>	<u>\$ 242,772</u>	<u>\$ 327,706</u>	<u>\$ 1,077,751</u>

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, 2024

	SPECIAL REVENUE FUNDS				PERMANENT FUND		
	CONSERVATION TRUST FUND	POOL, PARK AND RECREATION FUND	CAPITAL PROJECTS FUND	STREET IMPROVEMENT FUND	PERPETUAL CARE RESERVE FUND	TOTALS	
REVENUES							
Sales and Use Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Intergovernmental Revenue	47,092	-	-	-	-	-	47,092
Charges for Services	-	55,120	-	-	-	-	55,120
Interest Income	3,430	33,164	8,636	-	15,775	-	61,005
Miscellaneous	-	14,686	-	-	-	-	14,686
TOTAL REVENUES	50,522	102,970	8,636	-	15,775	-	177,903
EXPENDITURES							
Current							
Parks and Recreation	-	178,867	-	-	-	-	178,867
Capital Outlay	-	-	12,741	-	-	-	12,741
TOTAL EXPENDITURES	-	178,867	12,741	-	-	-	191,608
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	50,522	(75,897)	(4,105)	-	15,775	-	(13,705)
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	7,913	-	7,913	-	15,826
Transfers Out	(45,000)	(25,000)	-	-	-	-	(70,000)
TOTAL OTHER FINANCING SOURCES (USES)	(45,000)	(25,000)	7,913	-	7,913	-	(54,174)
NET CHANGE IN FUND BALANCES	5,522	(100,897)	3,808	-	23,688	-	(67,879)
FUND BALANCES, Beginning, as previously reported	127,431	475,059	238,964	1,096,324	304,018	-	2,241,796
Change within the financial reporting entity - nonmajor to major fund	-	-	-	(1,096,324)	-	-	(1,096,324)
FUND BALANCES, Ending, adjusted	\$ 132,953	\$ 374,162	\$ 242,772	\$ -	\$ 327,706	\$ -	\$ 1,077,593

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
 CONSERVATION TRUST FUND
 Year Ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Intergovernmental Revenue	\$ 47,000	\$ 47,000	\$ 47,092	\$ 92	\$ 55,133
Interest Income	2,500	2,500	3,430	930	6,106
TOTAL REVENUES	49,500	49,500	50,522	1,022	61,239
EXPENDITURES					
Capital Outlay	4,500	4,500	-	4,500	-
TOTAL EXPENDITURES	4,500	4,500	-	4,500	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	45,000	45,000	50,522	5,522	61,239
OTHER FINANCING SOURCES					
Transfers Out	(45,000)	(45,000)	(45,000)	-	(45,000)
CHANGE IN FUND BALANCE	-	-	5,522	5,522	16,239
FUND BALANCES, Beginning	-	-	127,431	127,431	111,192
FUND BALANCES, Ending	\$ -	\$ -	\$ 132,953	\$ 132,953	\$ 127,431

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
POOL, PARK, AND RECREATION FUND
Year Ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Charges for Services	\$ 71,690	\$ 71,690	\$ 55,120	\$ (16,570)	\$ 57,853
Interest Income	5,000	5,000	33,164	28,164	29,694
Miscellaneous	-	-	14,686	14,686	11,197
TOTAL REVENUES	76,690	76,690	102,970	26,280	98,744
EXPENDITURES					
Parks and Recreation	159,190	189,190	178,867	10,323	112,801
TOTAL EXPENDITURES	159,190	189,190	178,867	10,323	112,801
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(82,500)	(112,500)	(75,897)	36,603	(14,057)
OTHER FINANCING SOURCES					
Transfers In	500	500	-	(500)	-
Transfers Out	82,000	82,000	(25,000)	(107,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	82,500	82,500	(25,000)	(107,500)	-
CHANGE IN FUND BALANCE	-	(30,000)	(100,897)	(70,897)	(14,057)
FUND BALANCES, Beginning	-	-	475,059	475,059	489,116
FUND BALANCES, Ending	\$ -	\$ (30,000)	\$ 374,162	\$ 404,162	\$ 475,059

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
 CAPITAL PROJECTS FUND
 Year Ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	1,300	1,300	8,636	7,336	5,997
Miscellaneous	-	-	-	-	4,948
TOTAL REVENUES	1,300	1,300	8,636	7,336	10,945
EXPENDITURES					
Capital Outlay	60,300	60,300	12,741	47,559	-
TOTAL EXPENDITURES	60,300	60,300	12,741	47,559	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(59,000)	(59,000)	(4,105)	54,895	10,945
OTHER FINANCING SOURCES					
Transfers In	59,000	59,000	7,913	(51,087)	7,762
CHANGE IN FUND BALANCE	-	-	3,808	3,808	18,707
FUND BALANCES, Beginning	-	-	238,964	238,964	220,257
FUND BALANCES, Ending	\$ -	\$ -	\$ 242,772	\$ 242,772	\$ 238,964

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE
 PERPETUAL CARE RESERVE FUND
 Year Ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Interest Income	\$ 1,000	\$ 1,000	\$ 15,775	\$ 14,775	\$ 15,146
TOTAL REVENUES	1,000	1,000	15,775	14,775	15,146
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)	15,775	24,775	15,146
OTHER FINANCING SOURCES (USES)					
Transfers In	9,000	9,000	7,913	(1,087)	7,762
CHANGE IN FUND BALANCE	-	-	23,688	23,688	22,908
FUND BALANCES, Beginning	-	-	304,018	304,018	281,110
FUND BALANCES, Ending	\$ -	\$ -	\$ 327,706	\$ 327,706	\$ 304,018

See the accompanying independent auditor's report

CITY OF FLORENCE, COLORADO

BUDGETARY COMPARISON SCHEDULE

WATER FUND

Year Ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Charges for Services	\$ 2,790,000	\$ 2,790,000	\$ 2,802,565	\$ 12,565	\$ 2,679,856
Tap Fees and Contributions	60,000	60,000	213,802	153,802	216,465
Debt Retirement	1,357,344	1,357,344	1,274,309	(83,035)	1,205,743
Bulk Water Sales	120,000	120,000	116,585	(3,415)	124,800
Interest Revenue	700	700	484,150	483,450	359,500
Other Revenues	159,190	159,190	28,831	(130,359)	127,761
Capital Contribution	-	-	-	-	160,449
Transfers In	1,810,894	1,810,894	-	(1,810,894)	241,356
TOTAL REVENUES	6,298,128	6,298,128	4,920,242	(1,377,886)	5,115,930
EXPENDITURES					
Current					
Administration	201,647	201,647	133,702	67,945	140,193
Personnel Services	831,863	831,863	867,298	(35,435)	731,953
Water System	1,171,257	1,171,257	739,224	432,033	850,684
Water Distribution	273,943	273,943	269,970	3,973	254,111
Debt Service	1,357,346	1,357,346	1,372,382	(15,036)	1,377,425
Transfers Out	415,082	415,082	604,736	(189,654)	595,830
Capital Outlay	1,952,500	1,952,500	75,061	1,877,439	1,347,174
TOTAL EXPENDITURES	6,203,638	6,203,638	4,062,373	2,141,265	5,297,370
CHANGE IN NET POSITION, Budgetary Basis	\$ 94,490	\$ 94,490	857,869	\$ 763,379	(181,440)
Adjustments to GAAP Basis					
Capital Outlay			75,061		1,347,174
Loan Principal Payments			1,092,510		1,015,089
Depreciation			(1,225,208)		(1,263,027)
CHANGE IN NET POSITION, GAAP Basis			800,232		917,796
NET POSITION, Beginning			17,719,117		16,801,321
NET POSITION, Ending			\$ 18,519,349		\$ 17,719,117

See the accompanying independent auditor's report

COMPLIANCE

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
YEAR ENDING (mm/yy):
12/2024This Information From The Records Of:
(MUNICIPALITY OR COUNTY NAME)Prepared By:
Lori Cobler lori.cobler@florencecolorado.org

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ -
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 403,612.52
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	\$ 750,031.35	b. Snow and ice removal	\$ 73,384.10
3. Other local imposts (from page 2)	\$ 114,270.64	c. Other	\$ 36,582.95
4. Miscellaneous local receipts (from page 2)	\$ -	d. Total (a. through c.)	\$ 109,967.05
5. Transfers from toll facilities	\$ -	4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 516,923.11
a. Bonds - Original Issues	\$ -	6. Total (1 through 5)	\$ 1,030,502.68
b. Bonds - Refunding Issues	\$ -	B. Debt service on local obligations:	
c. Notes	\$ -	1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 864,301.99	b. Redemption	
B. Private Contributions	\$ -	c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 166,200.69	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 1,030,502.68	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 1,030,502.68

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		\$ 1,030,502.68	\$ 1,030,502.68		\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
YEAR ENDING (mm/yy):
12/2024

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	\$ 17,785.69	a. Interest on investments	0.00
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	\$ 750,031.35	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 96,487.95	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 846,519.30	h. Other	
c. Total (a. + b.)	\$ 864,304.99	i. Total (a. through h.)	\$ -
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	114,274
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 151,819.07	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match	\$ -	c. HUD	
c. Motor Vehicle Registrations	\$ 14,381.62	d. Federal Transit Administration	
d. DOLA Grant	\$ -	e. U.S. Corps of Engineers	
e. Other	\$ -	f. Other Federal ARPA	
f. Total (a. through e.)	\$ 14,381.62	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 166,200.69	3. Total (1. + 2.g)	\$ -
(Carry forward to page 1)		(Carry forward to page 1)	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

(Carry forward to page 1)

Notes and Comments:



FLORENCE CITY COUNCIL
Regular Meeting Minutes
Monday, June 2, 2025, 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	Absent

OTHERS PRESENT: City Clerk Cortlyne Huppe, City Manager Amy Nasta, and City Attorney Dan Findlay.

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).

Kevin Muhmalji- PO Box 19, Coal Creek
Expressed discontent over the City's transparency.

4) CONSENT AGENDA

- a) Consider approving the minutes as written for the Regular City Council Meeting on May 19, 2025
- b) Consider approving City expenditures prepared on May 22, 2025, in the amount of \$60,430.72
- c) Consider approving the annual liquor license renewal for Big D's Superfoods
- d) Consider authorizing the Mayor to sign a letter of support on behalf of the City Council for the Holcim US Grant Application to the US Department of Energy Point Source Carbon Capture Large-Scale Projects

Mayor Wolfe requested item 4d be removed from the Consent Agenda.

Councilor Stone motioned to approve the Consent Agenda, excluding item 4d. Councilor Mergelman seconded. With the Councilmembers voting in favor of the motion, the motion carried.

City Manager Amy Nasta stated this item was removed from the agenda by Holcim's request. Councilor Vanhoutan motioned to table Consent Agenda item 4d. Councilor Gardner 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. 5-2025, an Ordinance creating a new base salary structure for the City of Florence, Colorado, based on position classification

City Manager Nasta stated this is the required second reading of the position classification Ordinance.

Motion to adopt the second reading of Ordinance No. 5-2025, an Ordinance creating a new base salary structure for the City of Florence, Colorado, based on position classifications: Councilor Stone

Seconded by: Councilor Mergelman

6 Ayes

Motion passed: 6 – 0

6) NEW BUSINESS

- a) Award funding under the City of Florence's Outside Agency Funding Requests Program for 2025

Mayor Wolfe thanked all of the entities for participating in the program and explained the funding allocation process from the 5 p.m. City Council workshop.

Award the Florence Arts Council funding in the amount of \$2,800 under the City of Florence's Outside Agency Funding Requests Program: Councilor Stone

Seconded by: Councilor Gardner

6 Ayes

Motion passed: 6 – 0

Award the Florence Chamber of Commerce funding in the amount of \$2,600 under the City of Florence's Outside Agency Funding Requests Program: Councilor Stiefel

Seconded by: Councilor Stone

6 Ayes

Motion passed: 6 – 0

Award Florence Historical Archives, Inc. funding in the amount of \$750 under the City of Florence's Outside Agency Funding Requests Program: Councilor Vanhoutan

Seconded by: Councilor Stone

6 Ayes

Motion passed: 6 – 0

Award Florence Merchants Association funding in the amount of \$3,600 under the City of Florence's Outside Agency Funding Requests Program: Councilor Stone

Seconded by: Councilor Gardner

6 Ayes

Motion passed: 6 – 0

Award Florence Pioneer Museum and Research Center funding in the amount of \$2,000 under the City of Florence's Outside Agency Funding Requests Program: Councilor Stiefel

Seconded by: Councilor Mergelman

6 Ayes

Motion passed: 6 – 0

Award Florence Senior Community Center funding in the amount of \$2,400 under the City of Florence's Outside Agency Funding Requests Program: Councilor Mergelman

Seconded by: Councilor Vanhoutan
6 Ayes
Motion passed: 6 – 0

Award Fremont County Crime Stoppers funding in the amount of \$900 under the City of Florence's Outside Agency Funding Requests Program: Councilor Stone
Seconded by: Councilor Gardner
6 Ayes
Motion passed: 6 – 0

Award JJ's Helping Paws funding in the amount of \$1,500 under the City of Florence's Outside Agency Funding Requests Program: Councilor Stiefel
Seconded by: Councilor Mergelman
6 Ayes
Motion passed: 6 – 0

Award Miller-Kito American Legion Post 25 funding in the amount of \$1,000 under the City of Florence's Outside Agency Funding Requests Program: Councilor Stone
Seconded by: Councilor Gardner
6 Ayes
Motion passed: 6 – 0

Award Nature's Educators funding in the amount of \$750 under the City of Florence's Outside Agency Funding Requests Program: Councilor Stone
Seconded by: Councilor Mergelman Vanhoutan
6 Ayes
Motion passed: 6 – 0

Award Pioneer Day Board funding in the amount of \$1,700 under the City of Florence's Outside Agency Funding Requests Program: Councilor Stiefel
Seconded by: Councilor Vanhoutan
6 Ayes
Motion passed: 6 – 0

- b) Consider adopting a Resolution amending the ARPA Tree Maintenance Program for the City of Florence, Colorado, to include guidelines on tree replacement and replanting locations

City Manager Nasta explained this Resolution provides an amendment to the original ARPA Tree Maintenance Program. It outlines details on the replanting of trees removed from the ARPA program. She also confirmed detailed record keeping would be utilized for the program.

Motion to adopt Resolution No. 6-2025, a Resolution amending the ARPA Tree Maintenance Program for the City of Florence, Colorado, to include guidelines on tree replacement and replanting locations: Councilor Gardner
Seconded by: Councilor Stone
6 Ayes
Motion passed: 6 – 0

7) COUNCIL REPORTS
a) City Council Reports

Councilor Vanhoutan attended the federal prison's community outreach meeting.

Councilor Mergelman attended FEDC, business after hours, and announced the Florence farmer's market would open on Thursday.

Councilor Gardner thanked the city crew for their work on Union Highland Cemetery.

Councilor Stone attended business after hours and expressed excitement over the 2025 pool season.

Mayor Wolfe reminded the City Council that they are sponsoring the band for the July 4th festival, and announced bike to work day. He attended the noxious weeds meeting, prison community outreach meeting, and business after hours. He also announced the upcoming CDOT open house meeting for the Highway 115 project, and Coal Creek's new playground grand opening.

b) City Manager Reports

City Manager Nasta was working on the City's upcoming master plan project and made a small update to the quarterly tree report.

City Clerk Cortlyne Huppe elaborated on details for the City's July 4th Festival and 2025 pool season.

8) EXECUTIVE SESSION(S): IF NECESSARY

Pursuant to C.R.S. Section 24-6-402(4)(f), discussion of a personnel issue, specifically the City Manager's performance review and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees.

Councilor Stiefel motioned to enter executive session at 6:55 p.m., C.R.S. Section 24-6-402(4)(f), discussion of a personnel issue, specifically the City Manager's performance review and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees.

Seconded by: Councilor Vanhoutan

6 Ayes

Motion Passed: 6 - 0

Attendees of the executive session were the City Council, the City Attorney, and the City Manager. The executive session adjourned at 8:13 p.m.

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 next regular City Council Meeting
Monday, June 16, 2025

Councilor Stiefel 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 8:14 p.m.

CITY OF FLORENCE, CO

BY: _____
Steve Wolfe, Mayor

RESPECTFULLY SUBMITTED: _____
Cortlyne Huppe, City Clerk



FLORENCE CITY COUNCIL
Special Meeting Minutes
Tuesday, June 10, 2025, 3:00 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 3:00 p.m. with the Pledge of Allegiance.

2) ROLL CALL:

Mayor Wolfe	Present
Councilman Vanhoutan	Present
Councilman Stiefel	Absent
Councilwoman Stone	Present
Councilman Mergelman	Present
Councilwoman Gardner	Present
Councilwoman MacKinnon	Present

OTHERS PRESENT: City Clerk Cortlyne Huppe, City Manager Amy Nasta, Public Works Director Sam Elstun, Regional Water Superintendent Brandon Harris, Utility Billing Clerk Quiana Hess, Chief of Police Sean Humphrey, and City Attorney Dan Findlay.

3) EXECUTIVE SESSION(S): IF NECESSARY

Pursuant to C.R.S. §24-6-402(4)(b) and (f), an executive session to discuss a personnel issue, specifically the City Manager's resignation and related next steps, and 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.

Councilor MacKinnon motioned to enter executive session at 3:02 p.m., C.R.S. §24-6-402(4)(b) and (f), an executive session to discuss a personnel issue, specifically the City Manager's resignation and related next steps, and 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.

Seconded by: Councilor Vanhoutan

6 Ayes

Motion Passed: 6 - 0

Attendees of the executive session were the City Council, the City Attorney, the City Manager, Finance Officer, City Clerk and Chief of Police. The executive session adjourned at 3:39 p.m.

4) NEW BUSINESS

- a) Issuance of Council Statement
- b) Discussion and Direction on Interim City Manager Appointment

Motion to appoint Chief Humphrey as the Interim City Manager and direct the City Attorney to negotiate an employee contract agreement: Councilor Stone

Seconded by: Councilor Mergelman
6 Ayes
Motion Passed: 6 - 0

c) Discussion and Direction on City Manager Recruitment Process

Motion to direct staff to explore third-party recruitment opportunities and present them to City Council for approval: Councilor MacKinnon
Seconded by: Councilor Vanhoutan
6 Ayes
Motion Passed: 6 - 0

d) Discussion and Direction on Potential Adjustments to Current City Priorities and Project Timelines

No action was taken.

5) COUNCIL REPORTS

a) Acceptance of City Manager Resignation

The City Council accepted the City Manager's resignation. Councilor Mergelman then delivered the City Council Statement on the departure of City Manager Amy Nasta.

Utility Billing Clerk Quiana Hess shared the City of Florence Staff Statement on the departure of City Manager Amy Nasta.

b) City Council Reports

Kevin Muhmalji approached the dais for unapproved public comment and interrupted the meeting, prompting safety concerns for staff, council, and audience members.

City Council removed themselves from the dais until the disruption was over, then returned to continue the meeting.

City Councilmembers expressed heartfelt gratitude and sincere appreciation for City Manager Nasta's dedicated service to the City, offering emotional and uplifting remarks in recognition of her leadership and impact.

6) ADJOURNMENT: Adjournment until the next regular City Council Meeting
Monday, June 16, 2025

Councilor Stone motioned to adjourn the meeting. Councilor Vanhoutan seconded. With all of the Councilmembers voting in favor of the motion, the motion carried.
Mayor Wolfe adjourned the City Council Meeting at 4:02 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	MAY 2025	0143103500	303796 Portable	1	05/31/2025	84.00	.00	84.00	46064	06/05/2025
		MAY 2025	0144203500	303615 cemetary	2	05/31/2025	75.00	.00	75.00	46064	06/05/2025
		MAY 2025	0145204583	303615 Skate park	3	05/31/2025	75.00	.00	75.00	46064	06/05/2025
		MAY 2025	0145205000	303287 lions park	4	05/31/2025	82.50	.00	82.50	46064	06/05/2025
Total 71:							316.50	.00	316.50		
155	FLORENCE CHAMBER O	2025 NON P	0146009100	2025 Outside Agency FUn	1	06/04/2025	2,600.00	.00	2,600.00	46071	06/05/2025
Total 155:							2,600.00	.00	2,600.00		
397	U S POSTAL SERVICE	JUNE BILLIN	0241503100	UTILITY BILLING	1	06/03/2025	602.39	.00	602.39	Multiple	06/05/2025
Total 397:							602.39	.00	602.39		
861	CIRSA	WINVI10045	0142101960	DEDUCTIBLE WC	1	05/07/2025	500.00	.00	500.00	Multiple	06/05/2025
Total 861:							500.00	.00	500.00		
923	ALSCO	LDEN311546	0143102000	UNIFORM RENTAL-Street	1	05/21/2025	193.11	.00	193.11	46061	06/05/2025
		LDEN311875	0143102000	UNIFORM RENTAL-Street	1	05/28/2025	193.11	.00	193.11	46061	06/05/2025
		LDEN312218	0140608420	MATS	1	06/04/2025	63.16	.00	63.16	46061	06/05/2025
		LDEN312218	0143102000	UNIFORM RENTAL-Street	1	06/04/2025	184.22	.00	184.22	46061	06/05/2025
Total 923:							633.60	.00	633.60		
934	UNCC	225050581	0243808090	LINE LOCATES	1	05/31/2025	68.32	.00	68.32	46092	06/05/2025
Total 934:							68.32	.00	68.32		
994	ECONO SIGN & BARRICA	10-996536	0143107540	Street Signs	1	05/23/2025	805.02	.00	805.02	46068	06/05/2025
Total 994:							805.02	.00	805.02		
1203	SE WATER ACTIVITY ENT	COMD25-15	0249509063	CARRY OVER SURCHAR	1	05/20/2025	5,231.63	.00	5,231.63	46088	06/05/2025
		PWMD25-11	0249509063	PROJECT WATER	1	05/20/2025	2,409.00	.00	2,409.00	46088	06/05/2025

Vendor Number	Name	Invoice Number	GL Account	Description	Seq	Invoice Date	Invoice Amount	Discount Amount	Check Amount	Check Number	Check Issue Date
Total 1203:							7,640.63	.00	7,640.63		
1291	PRICE PIONEER MUSEU	2025 OUTSI	0146009100	2025 Outside Agency Fund	1	06/04/2025	2,000.00	.00	2,000.00	46085	06/05/2025
Total 1291:							2,000.00	.00	2,000.00		
1312	FLORENCE MERCHANTS	2025 OUTSI	0146009100	2025 Outside Agency Fund	1	06/04/2025	3,600.00	.00	3,600.00	46073	06/05/2025
Total 1312:							3,600.00	.00	3,600.00		
1718	BLACK HILLS ENERGY	1225088862	0140608600	CEMETERY HOUSE	1	05/14/2025	59.90	.00	59.90	20256022	05/20/2025
		1944485829	0145207830	RIVER PARK	1	05/13/2025	77.84	.00	77.84	20256021	05/20/2025
		4197016039	0144207700	CEMETERY SPRINKLERS	1	05/14/2025	62.04	.00	62.04	20256024	05/20/2025
		7296507422	0243557690	NEWLIN CABIN	1	05/12/2025	241.48	.00	241.48	20256023	05/20/2025
Total 1718:							441.26	.00	441.26		
1954	FLORENCE SENIOR CEN	2025 OUTSI	0146009100	2025 Outside Agency Fund	1	06/04/2025	2,400.00	.00	2,400.00	46074	06/05/2025
Total 1954:							2,400.00	.00	2,400.00		
1955	FLORENCE ARTS COUN	2025 OUTSI	0146009100	2025 Outside Agency Fund	1	06/04/2025	2,800.00	.00	2,800.00	46070	06/05/2025
Total 1955:							2,800.00	.00	2,800.00		
1965	PRAIRIE MOUNTAIN medi	419562	0141107300	LEGAL PUBLICATIONS	1	05/31/2025	601.92	.00	601.92	46084	06/05/2025
Total 1965:							601.92	.00	601.92		
2052	MARTIN MARIETTA MATE	45872761	1743107573	ASPHALT	1	05/21/2025	1,077.36	.00	1,077.36	46078	06/05/2025
Total 2052:							1,077.36	.00	1,077.36		
2281	PENROSE TRACTOR AN	TOW FPD 20	0142107420	TOW FEE	1	05/31/2025	504.79	.00	504.79	46082	06/05/2025
Total 2281:							504.79	.00	504.79		
2341	CRCA	2025-0243	0142305200	3rd quarter cost share	1	06/03/2025	59,970.23	.00	59,970.23	46067	06/05/2025

Vendor Number	Name	Invoice Number	GL Account	Description	Seq	Invoice Date	Invoice Amount	Discount Amount	Check Amount	Check Number	Check Issue Date
Total 2341:							59,970.23	.00	59,970.23		
2460	LANGSTON CONCRETE	16820	1743107573	SOUTH PIKES PEAK ROA	1	04/30/2025	232,410.00	.00	232,410.00	46077	06/05/2025
Total 2460:							232,410.00	.00	232,410.00		
2475	TRI-STATE FIREWORKS I	1013	0757702025	FIREWORKS	1	05/22/2025	16,000.00	.00	16,000.00	46090	06/05/2025
Total 2475:							16,000.00	.00	16,000.00		
2693	CH2M Hill Engineers, Inc.	709336CH02	0243707890	Task Order #2 Airport Wat	1	05/28/2025	1,480.75	.00	1,480.75	46065	06/05/2025
Total 2693:							1,480.75	.00	1,480.75		
2882	Fiber Platform, LLC	SI-25-022149	0142105000	Ethernet Access PD	1	06/01/2025	1,532.00	.00	1,532.00	46069	06/05/2025
Total 2882:							1,532.00	.00	1,532.00		
2938	American Legion Post 002	2025 OUTSI	0146009100	2025 Outside Agency Fund	1	06/05/2025	1,000.00	.00	1,000.00	46063	06/05/2025
Total 2938:							1,000.00	.00	1,000.00		
2947	SECOM, INC	377805 06/0	0241505000	Internet	1	06/05/2025	70.16	.00	70.16	Multiple	06/05/2025
Total 2947:							70.16	.00	70.16		
3008	Great American Financial S	39253207	0141503500	Lease on copier	1	05/19/2025	337.00	.00	337.00	46075	06/05/2025
Total 3008:							337.00	.00	337.00		
3027	Nature's Educator	2025 OUTSI	0146009100	2025 Oustide Agency Fund	1	06/04/2025	750.00	.00	750.00	46080	06/05/2025
Total 3027:							750.00	.00	750.00		
3045	JJ's Helping Paws	2025 OUTSI	0146009100	2025 Outside Agency Fund	1	06/04/2025	1,500.00	.00	1,500.00	46076	06/05/2025
Total 3045:							1,500.00	.00	1,500.00		
3054	Florence Historical Archive	2025 OUTSI	0146009100	2025 Outside Agency Fund	1	06/04/2025	750.00	.00	750.00	46072	06/05/2025

Vendor Number	Name	Invoice Number	GL Account	Description	Seq	Invoice Date	Invoice Amount	Discount Amount	Check Amount	Check Number	Check Issue Date
Total 3054:							750.00	.00	750.00		
3110	Old School Concrete & Re	ADA SIDEW	1743107570	ADA Sidewalk Replacemen	1	05/19/2025	4,963.50	.00	4,963.50	46081	06/05/2025
Total 3110:							4,963.50	.00	4,963.50		
3114	Wyatt Legal Services PLLC	110	0141105300	City Attorney	1	06/05/2025	6,461.00	.00	6,461.00	Multiple	06/05/2025
Total 3114:							6,461.00	.00	6,461.00		
3115	Rocco F. Meconi, PC	MARCH AND	0141203700	500 S Union Clean up	1	06/04/2025	1,248.00	.00	1,248.00	46087	06/05/2025
		MARCH AND	0141203700	March and April 2025 Pros	2	06/04/2025	1,657.50	.00	1,657.50	46087	06/05/2025
Total 3115:							2,905.50	.00	2,905.50		
3156	Republic Services#653	0653006479	0143204100	City Of Florence - Trash Se	1	06/05/2025	1,420.26	.00	1,420.26	Multiple	06/05/2025
		0653006748	0143204100	City Of Florence - Trash Se	1	06/03/2025	39.00	.00	39.00	Multiple	06/05/2025
		0653006754	0143204100	City Of Florence - Trash Se	1	06/03/2025	48.75	.00	48.75	Multiple	06/05/2025
Total 3156:							1,508.01	.00	1,508.01		
3169	VIVID ENGINEERING GR	D252874-3	0249509043	Asphalt Compression N 67	1	05/28/2025	770.00	.00	770.00	46093	06/05/2025
Total 3169:							770.00	.00	770.00		
3194	Miss Independent Distributi	624896311	0444152400	Little Debbie- Pool Conces	1	05/21/2025	252.16	.00	252.16	46079	06/05/2025
		624896354	0444152400	Little Debbie- Pool Conces	1	05/29/2025	94.56	.00	94.56	46079	06/05/2025
Total 3194:							346.72	.00	346.72		
3215	Pioneer Day Association, I	2025 OUTSI	0146009100	2025 Outside Agency Fund	1	06/04/2025	1,700.00	.00	1,700.00	46083	06/05/2025
Total 3215:							1,700.00	.00	1,700.00		
3249	Amber L. Dickson	13456	0140608755	May Cleaning 2025	1	05/31/2025	1,400.00	.00	1,400.00	46062	06/05/2025
Total 3249:							1,400.00	.00	1,400.00		
3256	WSB LLC	R-024183-00	0243707890	Mobilization Line Located	1	05/30/2025	1,050.00	.00	1,050.00	46094	06/05/2025

Vendor Number	Name	Invoice Number	GL Account	Description	Seq	Invoice Date	Invoice Amount	Discount Amount	Check Amount	Check Number	Check Issue Date
Total 3256:							1,050.00	.00	1,050.00		
Grand Totals:							363,496.66	.00	363,496.66		

Report Criteria:

Detail report type printed

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
7	FREMONT SANITATION D	MAY 2025	0140608635	10938-4760 Muni Annex	1	05/28/2025	60.45	.00	60.45	20250620	06/12/2025
		MAY 2025	0444152100	10910-2537 Pool	2	05/28/2025	34.53	.00	34.53	20250620	06/12/2025
		MAY 2025	0140608440	10829-2459 Museum	3	05/28/2025	34.53	.00	34.53	20250620	06/12/2025
		MAY 2025	0140608751	10935-4758	4	05/28/2025	34.53	.00	34.53	20250620	06/12/2025
		MAY 2025	0140608635	10936-4759	5	05/28/2025	34.53	.00	34.53	20250620	06/12/2025
		MAY 2025	0140608751	22838-4761	6	05/28/2025	34.53	.00	34.53	20250620	06/12/2025
		MAY 2025	0140608635	10837-2467 Water Plant	7	05/28/2025	34.53	.00	34.53	20250620	06/12/2025
		MAY 2025	0140608751	10838-2468 City Shop	8	05/28/2025	34.53	.00	34.53	20250620	06/12/2025
Total 7:							302.16	.00	302.16		
149	ROCKY MOUNTAIN BANK	MAY BANK F	0241505550	Bank Fees	1	05/31/2025	15.95	.00	15.95	20250620	06/12/2025
Total 149:							15.95	.00	15.95		
193	GOBINS	AR4830547	0141503700	Ink cartridges for printer	1	06/02/2025	258.10	.00	258.10	46102	06/12/2025
Total 193:							258.10	.00	258.10		
227	JIMS TIRE SERVICE	I-394367	0143104500	Tires/ALL DUMP TRUCKS	1	04/18/2025	570.81	.00	570.81	46103	06/12/2025
Total 227:							570.81	.00	570.81		
245	KRASSA & MILLER, LLC	MAY 2025	0243707890	LEGAL FEES	1	05/31/2025	1,403.64	.00	1,403.64	46104	06/12/2025
Total 245:							1,403.64	.00	1,403.64		
332	Pueblo Dept of Public Heal	MAY 2025	0243707810	WATER TESTING	1	05/31/2025	168.00	.00	168.00	46108	06/12/2025
Total 332:							168.00	.00	168.00		
923	ALSCO	LDEN310196	0143102000	UNIFORM RENTAL-Street	1	04/23/2025	206.98	.00	206.98	46096	06/12/2025
		LDEN310525	0143102000	UNIFORM RENTAL-Street	1	04/30/2025	237.47	.00	237.47	46096	06/12/2025
Total 923:							444.45	.00	444.45		
1229	CASELLE, INC.	INV-07281	0241505600	Software Support - Court	1	06/01/2025	231.15	.00	231.15	46098	06/12/2025

Vendor Number	Name	Invoice Number	GL Account	Description	Seq	Invoice Date	Invoice Amount	Discount Amount	Check Amount	Check Number	Check Issue Date
		INV-07281	0241505600	Software Support - Water	2	06/01/2025	1,091.00	.00	1,091.00	46098	06/12/2025
		INV-07281	0141505600	Software Support - Admin	3	06/01/2025	726.85	.00	726.85	46098	06/12/2025
Total 1229:							2,049.00	.00	2,049.00		
1253	AT & T MOBILITY	2872917141	0141505000	ADMIN	1	05/28/2025	183.04	.00	183.04	46097	06/12/2025
		2872917141	0144205000	CEMETARY	2	05/28/2025	39.99	.00	39.99	46097	06/12/2025
		2872917141	0141505000	EXECUTIVE	3	05/28/2025	47.33	.00	47.33	46097	06/12/2025
		2872917141	0142105000	PD	4	05/28/2025	1,755.23	.00	1,755.23	46097	06/12/2025
		2872917141	0144005000	PLANNING	5	05/28/2025	165.95	.00	165.95	46097	06/12/2025
		2872917141	0444152000	POol	6	05/28/2025	79.98	.00	79.98	46097	06/12/2025
		2872917141	0143105000	STREETS	7	05/28/2025	325.79	.00	325.79	46097	06/12/2025
		2872917141	0241505000	WATER	8	05/28/2025	1,077.68	.00	1,077.68	46097	06/12/2025
Total 1253:							3,674.99	.00	3,674.99		
1455	SAN ISABEL SERVICES	MAY 2025	0243658790	SO PLANT PROPANE	1	05/30/2025	54.35	.00	54.35	46109	06/12/2025
Total 1455:							54.35	.00	54.35		
1718	BLACK HILLS ENERGY	0872425770	0243507640	NEW RAW WATER PUMP	1	06/03/2025	8,411.51	.00	8,411.51	20250619	06/10/2025
		2439373063	0243507600	MINNEQUA CANAL PUMP	1	06/03/2025	3,811.77	.00	3,811.77	20250620	06/10/2025
		2985218401	0140608510	CITY SHOP	1	06/03/2025	215.13	.00	215.13	20250620	06/10/2025
		3075375677	0145207830	QUARTZ PARK	1	06/03/2025	18.84	.00	18.84	20250619	06/10/2025
		5372636848	0243507620	W PUMP STATION	1	06/03/2025	219.30	.00	219.30	20250620	06/10/2025
		6887028421	0140608632	N PLANT	1	06/03/2025	281.79	.00	281.79	20250620	06/10/2025
		7844257155	0243507650	PUMP @ RIVER	1	06/03/2025	1,780.78	.00	1,780.78	20250620	06/10/2025
		8890269732	0145207830	PIONEER PARK	1	06/03/2025	90.43	.00	90.43	20250620	06/10/2025
		9423297176	0145207830	PAVILION	1	06/03/2025	32.38	.00	32.38	20250619	06/10/2025
		9740686534	0444151800	POOL	1	06/03/2025	633.60	.00	633.60	20250619	06/10/2025
Total 1718:							15,495.53	.00	15,495.53		
1719	STAPLES BUSINESS ADV	7005514922	0141503000	admin	1	06/12/2025	107.99	.00	107.99	46110	06/12/2025
Total 1719:							107.99	.00	107.99		
1866	OREILLY AUTOMOTIVE, I	562762 2929	0144204500	2929460398	1	05/28/2025	83.76	.00	83.76	46107	06/12/2025
		562762 2929	0144204500	2929460399	2	05/28/2025	225.99	.00	225.99	46107	06/12/2025

Vendor Number	Name	Invoice Number	GL Account	Description	Seq	Invoice Date	Invoice Amount	Discount Amount	Check Amount	Check Number	Check Issue Date
Total 1866:							309.75	.00	309.75		
2046	CASH	MOVIE IN TH	0146008030	cash bag	1	06/12/2025	100.00	.00	100.00	46099	06/12/2025
Total 2046:							100.00	.00	100.00		
2460	LANGSTON CONCRETE	17028	1743107573	North McCandles 2025	1	06/05/2024	33,520.00	.00	33,520.00	46105	06/12/2025
Total 2460:							33,520.00	.00	33,520.00		
2614	Amnet Inc.	19112	0444152300	access point for pool Wifi	1	06/12/2025	153.70	.00	153.70	20250621	06/12/2025
Total 2614:							153.70	.00	153.70		
2803	Prospective Business Solut	1458	0241505500	Audit Final	1	06/05/2025	3,301.80	.00	3,301.80	20250621	06/12/2025
		1458	0141505500	Audit Final	2	06/05/2025	2,201.20	.00	2,201.20	20250621	06/12/2025
Total 2803:							5,503.00	.00	5,503.00		
2871	Core & Main	W975048	0243807930	Fittings	1	05/14/2025	800.76	.00	800.76	46100	06/12/2025
Total 2871:							800.76	.00	800.76		
3098	Eaton Sales and Service, L	0197141-IN	0143103500	Shop Lift Inspection	1	06/05/2025	981.00	.00	981.00	46101	06/12/2025
Total 3098:							981.00	.00	981.00		
3156	Republic Services#653	0653000674	0143204100	City Of Florence - Trash Se	1	05/31/2025	9.75	.00	9.75	20250620	06/12/2025
		0653006754	0143204100	City Of Florence - Trash Se	1	05/31/2025	1,544.45	.00	1,544.45	20250620	06/12/2025
Total 3156:							1,554.20	.00	1,554.20		
3194	Miss Independent Distributi	624896395	0444152400	Little Debbie- Pool Conces	1	06/06/2025	252.00	.00	252.00	46106	06/12/2025
Total 3194:							252.00	.00	252.00		
Grand Totals:							67,719.38	.00	67,719.38		

Vendor Number	Name	Invoice Number	GL Account	Description	Seq	Invoice Date	Invoice Amount	Discount Amount	Check Amount	Check Number	Check Issue Date
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Report Criteria:
Detail report type printed

COUNCIL ACTION FORM

MEETING DATE: JUNE 16, 2025

STAFF CONTACT: CORTLYNE HUPPE, CITY CLERK

Agenda Item: Consider approving the annual liquor license renewal for the Rialto Theater

Department: Administration

Staff Recommendation:

Approve the annual liquor license renewal for the Rialto Theater

Background/Description of Item:

The Rialto Theater is located at 209 West Main Street. The applicant has submitted all required renewal documentation.

Financial Impact:

The City fee for this application was \$141.25.

Suggested Motion:

Approve the annual liquor license renewal for the Rialto Theater

COUNCIL ACTION FORM

MEETING DATE: JUNE 16, 2025

STAFF CONTACT: CORTLYNE HUPPE, CITY CLERK

Agenda Item: Consider approving the annual liquor license renewal for Barn & Barrel

Department: Administration

Staff Recommendation:

Approve the annual liquor license renewal for Barn & Barrel

Background/Description of Item:

Barn & Barrel is located at 115 West Main Street. The applicant has submitted all required renewal documentation.

Financial Impact:

The City fee for this application was \$148.75.

Suggested Motion:

Approve the annual liquor license renewal for Barn & Barrel.

COUNCIL ACTION FORM

MEETING DATE: JUNE 16, 2025

STAFF CONTACT: INTERIM CITY MANAGER CHIEF OF POLICE SEAN HUMPHREY

Agenda Item: Consideration of Approval of an Intergovernmental Agreement (IGA) Between the City of Florence and the District Attorney's Office for Use of the Florence Shooting Range

Department: Administration/ Police Department

Staff Recommendation:

Staff recommends approval of the Intergovernmental Agreement (IGA) with the District Attorney's Office, allowing for continued and regulated use of the Florence Shooting Range for training and instructional purposes.

Background/Description of Item:

The City of Florence and the District Attorney's Office have historically coordinated use of the Florence Shooting Range, located approximately 1/3 mile east of State Highway 67, North of Florence. The revised intergovernmental agreement formalizes this arrangement under updated terms and ensures continued shared use of the facility in a manner that is structured, safe, and legally compliant.

Under the terms of the IGA, the District Attorney's Office may conduct firearms training and instructional activities provided these activities meet all safety, legal, and procedural requirements.

The IGA will be in effect for three (3) years upon execution, with the ability for either party to terminate with 60 days' written notice.

Financial Impact:

There is no direct financial obligation associated with this IGA.

Attachments included:

- Draft Intergovernmental Agreement

Suggested Motion:

Motion to approve the Intergovernmental Agreement between the City of Florence and the District Attorney's Office regarding shared use of the Florence Shooting Range, as presented.

INTERGOVERNMENTAL AGREEMENT BETWEEN THE DISTRICT ATTORNEY'S OFFICE AND THE CITY OF FLORENCE CONCERNING USE OF THE CITY OF FLORENCE SHOOTING RANGE

THIS AGREEMENT is made and entered into this 4TH day of June 2025, by and between the City of Florence (hereinafter "Florence") and the 11th Judicial District Attorney's Office (hereinafter "The DA's Office") and collectively referred to as "Parties".

In consideration of their mutual rights and obligations as set forth below, the Parties agree as follows:

1. Authority for Agreement

This Agreement is being entered into by the Parties pursuant to the authority granted to municipalities in Colorado Revised Statute 29-1-203, which allows governments to cooperate or contract with one another to provide any function, service or facility lawfully authorized to each of the cooperating or contracting units.

2. Term of Agreement, Withdrawal or Dissolution

This Agreement shall be effective upon execution by both Parties and shall remain in effect for three (3) years, unless terminated sooner. Either Party may terminate this Agreement for any reason upon a written notice that shall be effective after 60 days of such notice being provided to both Parties.

3. Obligations of Each Party

3.1 The DA's Office shall be able to use the City of Florence Shooting Range (hereinafter "Florence Range") located 1/3 mile east of State Highway 67, North of Florence, comprising the plot with the legal description of N2NW4 SEC 15-19-69 & NE4NE4SEC 16-19-69.

3.2 The DA's Office shall: (1) make contact with Combined Regional Communications Agency Dispatch (hereinafter "CRCA Dispatch"), notifying them of the duration of time that The DA's Office shall be on the range, and the type of training being conducted; (2) raise both range flags at the designated poles during any live-fire exercises; (3) remove both range flags when live-fire exercises are completed; and (4) notify CRCA Dispatch when training has been completed.

3.3 Scheduling of The DA's Office range usage shall be done via web at www.skedda.com, or as otherwise directed by Florence.

3.4 The DA's Office shall always remain in contact with CRCA Dispatch while using the Florence Range.

3.5 The DA's Office shall maintain training documentation of all lesson plans that the Florence Range shall use including mandatory safety plans for officers engaged within the training exercises.

3.6 Use of the Florence Range shall always be under the supervision and control of a certified range instructor.

3.7 Use of select fire weapon platforms shall be for training purposes only and under the direction of a certified range instructor.

3.8 The DA's Office accepts the use of the Florence Range in its existing condition. Florence has not made any warrant, expressed or implied, regarding the condition and/or safety of the Florence Range. Any range upgrades made by The DA's Office shall be agreed upon by both Parties.

3.9 The DA's Office's use of the Florence Range shall not result in injury or damage (if avoidable).

3.10 The DA's Office's use of the Florence Range shall accomplish The DA's Office intended training objectives.

3.11 The DA's Office agrees to replace or repair any Range property lost or damaged due to negligent use or misconduct by its own personnel. Florence agrees to replace or repair any Range property lost or damaged due to negligent use or misconduct by its own personnel or other agency personnel allowed to use the Florence Range by Florence.

3.12 The DA's Office agrees to take all necessary precautions to ensure the safety of all persons and property upon the Florence Range and all persons and property within the vicinity surrounding the Florence Range. The DA's Office further agrees to fully indemnify and hold Florence harmless for any act of negligence resulting in injury or death to person(s) or any living thing(s) or damage to property arising from the use of the Florence Range by The DA's Office and not directly resulting from the negligence of Florence.

3.13 The DA's Office agrees to follow all federal, state and local laws governing the use of firearms on the Florence Range. It also agrees to assume all risk of harm associated with using the Florence Range pursuant to C.R.S. 13-21-111.8, as amended.

4. Entire Agreement, Merger and Amendments

This Agreement represents the entire Agreement between the Parties. All other Agreements, representations and conversations between the Parties are deemed merged herein. Any amendment to this Agreement shall be in writing and signed by both Parties.

5. Assignability

This Agreement is not assignable to any other Party and any attempted assignment by either Party shall automatically terminate this Agreement.

5. Severability

If any provision in this Agreement shall be held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

IN WITNESS THEREOF, the Parties have caused this Agreement to be signed on their behalf by their duly authorized representatives.

AUTHORIZED REPRESENTATIVE
OF THE 11th JUDICIAL DISTRICT
ATTORNEY'S OFFICE

6-4-2025

CHIEF INVESTIGATOR

Attest:

[Signature]

AUTHORIZED REPRESENTATIVE
OF THE CITY OF FLORENCE

Date: _____

Attest:

COUNCIL ACTION FORM

MEETING DATE: JUNE 16, 2025

STAFF CONTACT: CORTLYNE HUPPE, CITY CLERK

Agenda Item: Consider approval of the waiver of admission fees to the Florence Municipal Pool on July 4, 2025, in celebration of Independence Day.

Department: Administration

Staff Recommendation:

Approve waived entry fees for the municipal pool on Friday, July 4, 2025, in celebration of Independence Day.

Background/Description of Item:

The City of Florence will be hosting its annual July 4th Festival on Friday, July 4, 2025. A standing tradition that brings the community together in celebration of Independence Day. As part of this city-wide event, the Florence Municipal Pool serves as a central hub for families, youth, and residents seeking fun and recreation during the holiday and/or festival.

Historically, the City has waived entry fees to the facility as a gesture of goodwill.

The waiver would only apply to daily swim admission, and would not include lessons, concessions, aerobics, or other supplemental programs.

Financial Impact:

The projected cost to the City is an estimated daily revenue loss of \$800 - \$1,500, which has been evaluated as an impactful community investment.

Suggested Motion:

Motion to approve the waiver of admission fees to the Florence Municipal Pool on July 4, 2025, in celebration of Independence Day.

COUNCIL ACTION FORM

MEETING DATE: JUNE 16, 2025

STAFF CONTACT: DAN FINDLAY, CITY ATTORNEY

Agenda Item: Consider entering into an employment agreement with Police Chief Sean Humphrey for the Interim City Manager position.

Department:

Staff Recommendation:

Enter into an employment agreement with Police Chief Sean Humphrey for the Interim City Manager position

Background/Description of Item:

At the June 10, 2025, Florence City Council Special Meeting, Council appointed Police Chief Sean Humphrey to the Interim City Manager position and directed the City Attorney to negotiate an employment agreement.

Financial Impact:

The total financial impact of this item varies based on the duration of the position.

Attachments:

- Employment agreement

Suggested Motion:

Authorize the Mayor to enter into an employment agreement with Police Chief Sean Humphrey for the Interim City Manager position.

INTERIM CITY MANAGER EMPLOYMENT AGREEMENT

This INTERIM EMPLOYMENT AGREEMENT ("Agreement") is made and entered into effective this 16th day of June 2025, by and between the City of Florence, Colorado, a Colorado statutory city ("City"), and Sean Humphrey ("Humphrey" or "Interim City Manager"), collectively referred to as the "Parties."

RECITALS

WHEREAS, the City is a statutory city organized and existing pursuant to § 31-1-201 et seq., C.R.S.; and

WHEREAS, the position of City Manager of the City of Florence, Colorado, was created by Florence Municipal Code, Ordinance 423; and

WHEREAS, the City Council of the City of Florence desires to appoint Humphrey, currently serving as Chief of Police, as Interim City Manager during the period in which the City seeks to hire a permanent City Manager; and

WHEREAS, the City Council desires to provide certain benefits, establish certain conditions of interim employment, and set the working conditions for Humphrey; and

WHEREAS, Humphrey desires to accept the appointment as Interim City Manager, all in accordance with, and subject to, the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Appointment and Duties

The City hereby appoints Humphrey as Interim City Manager to perform the functions and duties of the City Manager as set forth in statute, in the ordinances of the City and as otherwise directed by the City Council. Humphrey shall continue to serve as Chief of Police during this interim period, unless otherwise determined by the City Council. Humphrey agrees to devote sufficient time and attention to the performance of Interim City Manager duties as required by the City Council, while balancing his ongoing responsibilities as Chief of Police.

2. Commencement of Duties

Humphrey shall assume the position of Interim City Manager of the City and commence his duties hereunder on or about June 27, 2025 ("Commencement of Duties").

3. Term; Termination

The term of this Agreement shall commence on the effective date above and shall continue until the earlier of: (a) the date a new permanent City Manager begins employment; or (b) termination by either party upon written notice. Upon the commencement of employment by a new permanent City Manager, this Agreement shall automatically terminate, and Humphrey shall return to his prior position as Chief of Police, unless otherwise agreed in writing. Either party may terminate this Agreement at any time, with or without cause, upon written notice to the other party. In such event, Humphrey shall be entitled only to compensation and benefits earned through the date of termination. No severance or additional compensation shall be due upon termination of this Agreement, except as expressly provided herein.

4. Compensation and Benefits

For service as Interim City Manager, Humphrey shall receive a differential pay of \$2,000 per pay period, in addition to his regular salary as Chief of Police, for the duration of this interim appointment. The amount of such differential pay shall be determined by City Council and may be amended by written agreement of the Parties. All benefits currently provided to Humphrey as Chief of Police shall continue during the interim appointment, except as may be modified herein. No relocation allowance, severance, or additional benefits are provided under this interim agreement, except as required by law or City policy.

5. Hours of Work and Exempt Status

The duties of Interim City Manager may require work outside normal business hours. Humphrey is an exempt employee under the Fair Labor Standards Act and will not receive overtime compensation for hours worked in excess of forty (40) hours in a workweek.

6. Indemnification

The City shall defend and indemnify Humphrey against any claims or actions arising out of his conduct as Interim City Manager, to the extent provided by law and the City's insurance policies, except for acts of willful or wanton misconduct or acts outside the scope of employment.

7. Other Terms and Conditions of Employment

All other terms and conditions of employment not specifically addressed herein shall be governed by City policy and applicable law. This Agreement does not create a property interest in employment or alter the at-will status of the Interim City Manager appointment.

8. Annual Appropriation

The City's obligations under this Agreement are subject to annual appropriation by the City Council. In the event sufficient funds are not appropriated for the payment of sums due hereunder, this Agreement may be terminated by either party without penalty.

9. Entire Agreement and Severability

This Agreement constitutes the entire agreement between the Parties regarding the interim appointment and supersedes any prior agreements, oral or written, relating to this subject. If any provision of this Agreement is held invalid, the remainder shall not be affected.

10. Effective Date

This Agreement shall be effective upon execution by both Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF FLORENCE, COLORADO

By: _____

Mayor

SEAN HUMPHREY

By: _____

Interim City Manager

COUNCIL ACTION FORM

MEETING DATE: JUNE 16, 2025

STAFF CONTACT: CORTLYNE HUPPE, CITY CLERK

Agenda Item: Consider entering into an agreement for recruitment services for the City Manager position.

Department: Administration

Staff Recommendation:

Enter into an agreement for recruitment services for the City Manager position

Background/Description of Item:

Note: this item is intended to serve as a placeholder, pending receipt of responses to the informal bid solicitation process. At the time of agenda and agenda packet publication, Staff has not yet received all potential responses nor evaluated any for viability. As a reminder, Colorado Open Meetings Law requires only that the published agenda include all agenda items. The Agenda Packet and supporting materials for the agenda items are provided by Staff in the interest of transparency, not due to legal requirement. It is anticipated that a supplemental packet will be provided in advance of Monday's meeting with any and all information received by that time. Alternatively, a special meeting can be called if sufficient information is not received in time for Council to direct action on Monday.

At the June 10, 2025, Florence City Council Special Meeting, Council directed Staff to initiate the process of engaging a recruitment firm to perform recruiting services for the City Manager position following the City Manager's resignation.

Staff has reached out to three (3) recruitment firms following the informal solicitations process for items under \$50,000 as outlined in the City's Purchasing Policy.

Financial Impact:

Funding for this item is available from fund balance in the General Fund, interest income, and other sources. Recommendations for the specific funding to be utilized will be based on the final contract amount.

Attachments:

Suggested Motion:

Authorize the Mayor to enter into a contract with _____ in the amount of \$_____ for recruitment services for the City Manager position.

COUNCIL ACTION FORM

MEETING DATE: JUNE 16, 2025

STAFF CONTACT: CORTLYNE HUPPE, CITY CLERK

Agenda Item: Consider adopting an Ordinance setting the ballot language to be used in the November 4, 2025, coordinated general election regarding the extension of an existing sales tax.

Department: Administration

Staff Recommendation:

Adopt Ordinance No. 6-2025, an Ordinance setting the ballot language to be used at the November 4, 2025, coordinated general election regarding the extension of an existing sales.

Background/Description of Item:

The City of Florence currently has and for the past ten years has had a 0.5% sales tax which is utilized exclusively for the construction, reconstruction, repair, and maintenance of streets and other public rights of way within the City. This sales tax is set to sunset on December 31, 2025, unless renewed by vote at the combined general election to be held November 4, 2025. If not renewed, the City will cease receiving approximately \$375,000 annually dedicated to these types of project.

The current tax has been in place since 2015. Prior to this, the City had a 0.5% sales tax dedicated to funding the municipal pool and other recreation.

The first step in this process is approval of the language to be printed on the ballot. This language has been reviewed and approved by the Department of Revenue.

Financial Impact

The 0.5% sales tax generates approximately \$375,000 in revenue annually.

Attachments:

- Ordinance No. 6-2025

Suggested Motion:

Adopt Ordinance No. 6-2025, Ordinance setting the ballot language to be used at the November 4, 2025, coordinated general election as follows: Shall the City of Florence's existing 0.5% sales and use tax, scheduled to sunset on December 31, 2025, be extended until December 31, 2035, with all revenue to be used exclusively for the construction, reconstruction, repair, and maintenance of streets and other public rights of way within the City; and shall the City be authorized to collect, retain, and spend such revenue as a voter-approved revenue change under article x, section 20 of the Colorado Constitution?

ORDINANCE NO. 6- 2025

SHALL THE CITY OF FLORENCE’S EXISTING 0.5% SALES AND USE TAX, SCHEDULED TO SUNSET ON DECEMBER 31, 2025, BE EXTENDED UNTIL DECEMBER 31, 2035, WITH ALL REVENUE TO BE USED EXCLUSIVELY FOR THE CONSTRUCTION, RECONSTRUCTION, REPAIR, AND MAINTENANCE OF STREETS AND OTHER PUBLIC RIGHTS OF WAY WITHIN THE CITY; AND SHALL THE CITY BE AUTHORIZED TO COLLECT, RETAIN, AND SPEND SUCH REVENUE AS A VOTER-APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

WHEREAS, the condition of City streets and other public rights of way deteriorate with increased use and age; and

WHEREAS, the City’s revenues are insufficient to address the growing need for street repairs and maintenance while meeting other essential budgetary obligations; and

WHEREAS, in 2015, Florence voters approved dedicating a 0.5% sales and use tax to street and rights of way improvements, which is scheduled to sunset December 31, 2025; and

WHEREAS, the City Council finds it in the best interest of the City to submit this question to the voters as required by Article X, Section 20 of the Colorado Constitution (TABOR);

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

Section 1. There shall be submitted to the registered electors of the City of Florence, Colorado, at the coordinated general election to be held on Tuesday, November 4, 2025, a ballot issue seeking approval to extend the existing 0.5% sales and use tax, currently scheduled to expire on December 31, 2025, for an additional ten years, with all revenues to be used exclusively for the construction, reconstruction, repair, and maintenance of City streets and other public rights of way.

Section 2. At said election, the official ballot shall state the substance of the question to be voted upon in substantially the following form, which shall constitute the ballot title, designation, and submission clause:

SHALL THE CITY OF FLORENCE’S EXISTING 0.5% SALES AND USE TAX, SCHEDULED TO SUNSET ON DECEMBER 31, 2025, BE EXTENDED UNTIL DECEMBER 31, 2035, WITH ALL REVENUE TO BE USED EXCLUSIVELY FOR THE CONSTRUCTION, RECONSTRUCTION, REPAIR, AND MAINTENANCE OF STREETS AND OTHER PUBLIC RIGHTS OF WAY WITHIN THE CITY; AND SHALL THE CITY BE AUTHORIZED TO COLLECT, RETAIN, AND SPEND SUCH REVENUE AS A VOTER-APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

YES

NO

Section 3.

If a majority of the votes cast on the ballot issue are in favor of the measure, the City Council shall take all necessary actions to:

A. Amend the Florence Municipal Code to continue the 0.5% sales and use tax rate, effective January 1, 2026, with such rate to sunset on December 31, 2035, unless further extended by the voters; and

B. Ensure that all revenue generated by the continued 0.5% sales and use tax shall be used exclusively for the construction, reconstruction, repair, and maintenance of City streets and other public rights of way, and that such revenue shall be appropriated annually for these purposes until the tax sunsets.

Introduced as an ordinance, passed on its first reading, assigned an ordinance number, and ordered published in *The Daily Record*, the City's official newspaper on this ____ day of _____, 2025.

Mayor

ATTEST:

City Clerk

(SEAL)

Ordinance published in full on _____, 2025, in *The Daily Record*.

Passed and adopted on its second reading this ____ day of 2025.

Mayor

ATTEST:

City Clerk

(SEAL)

Ordinance published by title on _____, 2025 in *The Daily Record*.



CITY OF FLORENCE

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

City Manager Report

May 30, 2025 – June 12, 2025

Meetings with agencies, boards, and committees:

- ***Board of Zoning Adjustment (Wednesday, June 4, 2025)***
 - Attended the June 2025 meeting for the City of Florence's Board of Zoning Adjustment.

Final Report

This will be my final City Manager Report as the City Manager for the City of Florence, Colorado, as I have tendered my resignation and will complete my final day with the City of Florence on Thursday, June 26, 2025.

The past two years with the City of Florence have provided excellent opportunities for both personal and professional growth. The City of Florence has an amazing Staff and Council, and I am very proud of all that we have accomplished during the time I have spent as your City Manager.

Though this report lacks brevity, I wanted to take the opportunity to highlight just some of these accomplishments – specifically those that have a significant impact on the community, the City as an organization, or the City itself.

None of these accomplishments would have been possible without Staff tirelessly working together and a supportive Council committed to being informed and educated prior to making major decisions to improve the community, and pushing for Staff to provide the information needed for such decision making in a transparent and easily understandable manner.

I am proud to have played a role in what we have accomplished together, and thank you for your trust and belief in me that allowed me this opportunity.

Policies/Procedures/Documentation Created:

- ***City Council Rules of Procedure*** - The *City Council Rules of Procedure* (CCROP) document is passed by the Florence City Council by Ordinance and is incorporated into the Florence, Colorado Municipal Code (FMC) by reference and provides the necessary guidelines for the conduct of orderly meetings of the Florence City Council. It contains rules and procedures found in City ordinances and includes best practices used by a wide variety of municipal governments. The CCROP consists of five (5) chapters, each covering a variety of topics related to the efficient and orderly conduct of City Council meetings.; and information regarding the format of the City Council agenda.



CITY OF FLORENCE

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- **Purchasing Policy** -The *Purchasing Policy* (Policy) document is adopted by the Florence City Council by Resolution and provides the necessary guidelines for the conduct of efficient purchasing, source selection, competitive bidding, and use of procurement cards. It provides rules and procedures for these and other items typically associated with purchasing and includes best practices used by a wide variety of municipal governments. The Policy consists of eleven (11) sections, each covering a variety of topics related to the efficient and orderly conduct of City purchasing.
- **Personnel Policy** - The *Personnel Policy* (Policy) document is adopted by the Florence City Council by Resolution and provides the necessary guidelines for the establishment of a uniform and efficient personnel management system in order to ensure fair treatment of applicants and employees in all aspects of personnel administration. It provides rules and procedures for items typically associated with personnel management and includes best practices used by a wide variety of municipal governments. The Policy consists of nine (9) sections, each covering a variety of topics related to the efficient and orderly administration of personnel matters.
- **Timekeeping Policy** – The *Timekeeping Policy* is an administrative policy which does not require Council adoption or approval. Timekeeping records constitute the basis for payment of wages and city-authorized paid leave practices (vacation, sick, or compensatory leaves). This policy is intended to promote the efficient processing of payroll.
- **Travel Policy** - The *Travel Policy* is an administrative policy which does not require Council adoption or approval. Section 4-104.3 of the City of Florence’s *Personnel Policies* requires that a travel request form be completed for all travel more than fifty (50) miles from the City of Florence’s City Hall. This policy is intended to promote the efficient, consistent processing of travel request forms, for which accuracy is essential.
- **Attendance Policy** - The *Attendance Policy* is an administrative policy which does not require Council adoption or approval. Consistent attendance is crucial for the efficient functioning of every department in the City of Florence. This policy aims to promote consistent administration of attendance-related record keeping, clarifying accurate and timely recording and reporting of absences is essential.

Florence Municipal Code Updates Completed:

- **Board of Zoning Adjustments (BOZA) related Code** – moved this section of the Code from Title 17 to Title 2 and made additions and clarifications including Clarification of the powers of the BOZA; clarification of the role of BOZA in making policy determinations; clarification of the makeup of the BOZA; membership, selection, clarification of meeting logistics, and clarification of the roles of City staff with regard to the BOZA. These changes are adopted by the City Council by Ordinance.
- **Planning Commission related Code** – performed a holistic revision of FMC Chapter 2.20, Planning Commission, to provide clarification with regard to how the Planning Commission



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conducts business including Clarification of the purpose, powers, and duties of the Planning Commission; clarification of the makeup of the Planning Commission; membership, selection, clarification of meeting logistics, clarification that the Planning Commission serves in an advisory capacity, and clarification of the roles of City staff with regard to the Planning Commission. These changes are adopted by the City Council by Ordinance.

- ***Florence, Colorado Municipal Code Title 2 – Administration and Personnel*** – performed a holistic revision of FMC Title 2 – Administration and Personnel declaring, establishing, amending and creating codes, procedures and policies for administration and personnel, including the City Council, City Manager, City Attorney, Municipal Courts, purchase of City property, and salaries, amending chapters 2.04, 2.08, 2.12, 2.16, 2.40, and 2.44, and repealing chapters 2.22, 2.28, 2.32, 2.34, 2.36, 2.48, 4.50, 2.51, and 2.52 of Title 2 to modernize and clean up this section of the Code, which forms the basis for City governance. These changes are adopted by the City Council by Ordinance.

Programs Developed:

- ***ARPA Tree Program*** – Developed the ARPA Tree Maintenance Program Overview (Program) document provides the necessary guidelines for the establishment of a one-time program for the mitigation of hazardous trees and associated sidewalk damage. The Program document provides rules and procedures for allocating funding and is based on feedback for goals and criteria of the program as provided by the City Council during the March 18, 2024, City Council workshop regarding trees. A subsequent amendment modified the program to provide guidelines on tree replacement locations. This program is adopted by the Council by Resolution.
- ***Pavement Management Program and Street Needs Assessment*** - As part of the 2024 budget process, the City of Florence City Council selected a Street Needs Assessment (Project # PW 2023 -06) as one of the Capital Improvement Plan (CIP) projects to be conducted in 2024 in order to develop a long term plan for preventative maintenance and remove bias from the project selection process. Once completed, the Assessment was posted to the City's website. Information on how to provide comments on the assessment was included in the accompanying FAQ. A Constant Contact notification was sent out as well. At the September 16, 2024, City Council Meeting, the City Council voted to accept the Street Needs Assessment, which was utilized to develop a street rankings list, formed the basis of the City of Florence's first pavement management program. This list is crucial to utilizing the budgeted money for street improvement CIP projects appropriately. This helps the City to better prioritize where funding should be utilized, based on objective data as well as decades of combined professional experience from the City's Public Works Department and will be the main deciding factor in which projects funding for routine larger scale maintenance and reconstruction projects is utilized for. These items were accepted by vote of the Council.
- ***Outside Agency Funding Requests Program*** - The Outside Agency Funding Requests Program Overview (Program) document provides the necessary guidelines for the establishment of a uniform and efficient personnel management system in order to ensure fair treatment of applicants and equitable consideration during the budgeting process. The Program document



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provides rules and procedures for allocating funding based on feedback for goals and criteria of the program as provided by the City Council during the March 4, 2024 City Council workshop regarding non-profit funding. The Program document consists of five (5) sections, each covering a variety of topics related to the efficient and equitable distribution of funding to outside agencies. This program is adopted by the Council by Resolution.

- **Electronic billing** – Implemented an electronic billing system to reduce the administrative burden of paper billing, reduce postage cost, and reduce Staff time spent on billing and bill collection. This modern system allows for multiple means of payment and allows Water Customers to be better able to pay their bills on their schedule and at their convenience.
- **Electronic timekeeping** – Switched from a fully paper timekeeping system to an electronic clocking and timekeeping system. This makes the payroll process significantly more efficient and the use of an electronic clocking system helps to reduce documentation errors.
- **Constant Contact** – Added Constant Contact as a communications tool for the City to utilize to aid in providing information about various City services, events, and other topics important to Citizens. Constant Contact is utilized in conjunction with the City's various social media platforms and other methods of outreach.

Budget Items:

- **Implemented the City's first Capital Improvement Plan (CIP)** - The Capital Improvement Program is a 5-year plan for capital expenditures. It is a funding plan for public improvements such as infrastructure, parks, and facilities critical to the community's future. The CIP selection process begins with the identification of community needs. The comprehensive Plan, master plans, input for citizens, staff expertise, and development activity all assist with the identification of community needs. Once community needs are identified, departments develop project proposals and cost estimates. Departments submit a prioritized list of their proposed projects, which are reviewed for financial feasibility and alignment with the City Council's strategic goals. The CIP is then adjusted based on direction from the Governing Body and incorporated into the budget document. After a public hearing, the proposed budget and CIP are adopted by the Governing Body.
- **American Rescue Plan Act (ARPA) Obligations completed by December 31, 2024** – Staff ensured all ARPA money would be obligated by the updated December 31, 2024, deadline for obligation to ensure this irreplaceable funding would not be lost, losing these important upcoming community projects with it. Staff followed strict selection guidelines and the City Council voted at a Special Meeting on December 30, 2024, to obligate the funding to various, existing projects in order to free up General Fund money for the Pioneer Park restroom redesign and replacement project.

Compensation-Related Items:

- **Health Insurance changes** – Explored and subsequently offered additional options for Health Insurance coverage for employees which provided alternative, lower cost plans offering savings



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for both employees and the City. These changes were part of the City's benefits contribution strategy, included as part of the annual Budget process.

- **Salary Schedule** - Created a new base salary structure for the City of Florence, Colorado, based on position classifications, replacing the previous Salary Schedule utilized by the City of Florence, which was based on a modified step system which was difficult to administrate. The updated pay schedule classifies Staff positions into one of eight (8) salary ranges. While all positions in each range may be different, these positions have been found to be similar in terms of factors including level of responsibility, level of authority, autonomy expected, supervisory responsibility, inherent risk assumed, and basic skill level required. This pay schedule is intended to ensure better internal and external equity when determining pay. These changes are adopted by the City Council by Ordinance.
- **Officer pay** – Reviewed Officer pay for external equity and increased base pay to be more competitive in the area.
- **Holiday pay** – Developed an innovative approach to Holiday pay which recognizes the City of Florence as a multi-faceted operation with business needs which vary significantly between departments. Different Holiday pay guidelines were developed for different types of operations (seven-day-per-week, traditional operations, four ten-hour days, etc.) to maintain equity, meet the goal of keeping employees whole with Holiday pay but not adding additional days of work, and ensure ongoing fiscal responsibility. These changes were included as part of the Personnel Policies adopted by the City Council by Resolution.
- **On call pay** – Created policies around on-call pay and call back pay to ensure equity between departments and proper compensation for employees expected to perform on-call responsibilities. These changes were included as part of the Personnel Policies adopted by the City Council by Resolution.

Major Projects Completed or in Process:

- **North Pikes Peak water lines (A,B, and C)**- Replacement of the waterline along North Pikes Peak Avenue starting at Main Street, including but not limited to the replacement of curb and gutter, sidewalk replacement, mill and overlay, waterline replacement, and connection.
- **South Pikes Peak reconstruction**- South Pikes Peak was the worst-rated street in the Street Ranking based on the Street Needs Assessment as approved by the Florence City Council on February 18, 2025. This project included reconstruction of the road, as well as curb and gutter and sidewalk. While this entire section of South Pikes Peak (roadway) was closed to traffic for the duration of the project; sidewalk and business access via sidewalk remained open, minimizing impacts to businesses in the area to the greatest degree possible while still allowing the project to be completed in a timely manner.
- **North McCandless reconstruction** - North McCandless Avenue was identified as the third worst-rated street in the Street Ranking based on the Street Needs Assessment as approved by the Florence City Council on February 18, 2025. This ranking focused specifically on the intersections of 4th, 5th, 6th, and 7th Streets of McCandless. This project is ongoing and includes a complete



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mill and three-inch (3") overlay of the road, with reconstruction of curb and gutter as required in certain areas. This project includes the 400 Block of East 4th Street, and McCandless from East 4th Street through 7th Street, including all intersections in this area.

- **Pioneer Park Bathrooms** – The process of a full redesign, removal and replacement of the Pioneer Park bathrooms has started, with Council approving a contract for design at the May 5, 2025, City Council meeting. This is a CIP project identified as very important to the community.
- **Master Plan update** – The Master Plan update process has started, with the City Council approving a contract engaging a consultant to facilitate the project at the May 5, 2025, City Council meeting. The Master Plan update will help to guide the community's vision for the future and will involve considerable community and stakeholder input.

Miscellaneous Items:

- **Water Intergovernmental Agreement (IGA)** – Assisted in development of an IGA with Fremont County for the use of water. This was voted on for approval by the City Council
- **Safety Barricades for Fourth of July** – The City purchased safety barricades for the "wet" portion of the annual Wet and Dry parade to enhance safety and to facilitate continued insurance coverage for the event.
- **Cash in Lieu (5th Addendum)** – Created the Fifth Addendum for tap fees for the Regional Water Agreement in order to put safeguards around the use of cash in lieu of shares for water tap purchases to help to protect the viability of the Regional Water System for the future.
- **Combined Regional Communications Authority (CRCA) contribution strategy** – Reviewed the contribution obligations for CRCA and proposed an alternative calculation based on rolling averages of real data rather than a snapshot in time. This is anticipated to be considered by CRCA during the 2025 Budget process.
- **Technology Updates** – Obtained a mini-grant to replace some of the aged AV equipment in the Council Chambers, updated the antiquated phone system to meet modern needs, and enhanced technology usage for improved efficiency across multiple departments.
- **Agenda Packet Enhancements** – Updated the contents of Agenda Packets, requiring the development and Use of Council Action Forms for all items to provide all stakeholders and interested parties with significant context, background, and information about all items coming before Council for enhanced transparency and accountability, and to better provide the City Council with necessary information for decision making. This also facilitates efficient conduct of Council business.
- **Planning Commission and Board of Zoning Adjustments handbooks** – Created handbooks for PC and BOZA members to help them to better understand their roles and responsibilities as members.