AGENDA - PALISADE IRRIGATION DISTRICT – ~~draft~~

Date: June 05, 2025 – Board Meeting – Regular Meeting at Office @ 7pm [posted website 05/23/25]

Attendance:

Visitors:

Guest Business:

Community Comments:

Agenda 06/05/25 [posted 05/23/25]:

Financial Reports:

*GVB Checking Balance $_____as of 06/05/25
*GVB MM-checking $_____as of 05/31/25 [Interest 0.65%]
*HLSB-MM Premier $_____as of 05/31/25 [Interest 3.25%]
*Water Assessments $_____as of 06/10/25
[ytd rec'd WA $] [MC Treasurer has until the 7th/month to get reports]
*Peaks Invms/LPL-MorganStanley $_____as of 05/31/25/25 [Interest 4.65% - matures 02/23/26]
*Peaks Investments/LPL-FHLB $_____as of 05/31/25/25 [Interest 5.00% - matures 10/30/29]
*Peaks Investments/LPL-WFB $_____as of 05/31/25/25 [Interest 5.10% - matures 06/11/26]
*Peaks Investments/LPL-Cash MM $_____as of 05/31/25/25 [Interest 0.70%]
*ColoTrust Plus+ $_____as of 05/31/25/25 [Interest 4.3-4.4%+/-{30d/yield}]
*ColoTrust Prime $_____as of 05/31/25/25 [Interest 4.2%+/-{30d/yield}]

- Transfers –
- Pay Bills
- Payroll/ May 2025 – ER taxes $xx + SIRA $xx = $xx
- [OT/Hrs xx=$xx]

Minutes of last PID Board Meeting: May 08, 2025

Old Business:

- USDA Water Savings Commodity Program (WSC) – update
- Pauline Piping
- H142 – Church update
- GVB-PDPA update – new number, letter/email to delete old pid, mcid, salinity PDPA #
- Miscellaneous PID business and operations updates – updating water heater/boiler to electric-discussion

New Business:

- 2024 Audit Review and Approval

District O&M Update

- CDOT-Clifton/Palisade Updates -
- CO River Update –

scd

Next PID Board Meeting is scheduled for: July 10, 2025 at 7 p.m. –

Adjourned:
Board Member - Rick Miller - Region1/GJ-Fruitvale – west of I70 Business Loop
Board Member – Kent Brumback – Region 2/Clifton – east of I70 Business Loop
Board Member – Paul Young – Region 3/Palisade

GVWUA - Grand Valley Water Users Assoc						
2024overageInv-ok'd per DC	Bill	05/29/2025	-407.15			
	Bill Pmt -Check	05/31/2025	-407.15	407.15		
Home Loan State Bank - Credit Card						
	Check	06/03/2025	-6,312.94			
JDF-JohnDeereFinancial-Murdoch's	Bill Pmt -Check	06/03/2025	-6,312.94	6312.94		
	Bill	05/13/2025	-19.99			
	Bill Pmt -Check	05/22/2025	-19.99	19.99		
Jiffy Lube #3703-GJ						
2012f250-oilchange	Bill	05/12/2025	-64.32			
	Bill Pmt -CCard	05/31/2025	-64.32		64.32	
MFCP, INC						
CrisMar & 29 3/8 Rd projects motion flow control	Bill	05/16/2025	-245.49			
	Bill Pmt -CCard	05/31/2025	-245.49		245.49	
Misc PID Expenses						
Victra-DC cell accessories - dc-cc	Credit Card Charge	05/12/2025	-381.33		381.33	
alcan spring-2016f250 springs bolts,washers,nuts-dc-cc	Credit Card Charge	05/14/2025	-118.48		118.48	
Mountain Message & Pager Service, Inc.						
	Bill	05/15/2025	-155.00			
	Bill Pmt -Check	05/31/2025	-155.00	155		
Munro Companies Inc						
	Bill	05/06/2025	-46.41			
	Bill Pmt -CCard	05/31/2025	-46.41		46.41	
Nimbll						
websiteupdates05-25	Bill	05/13/2025	-150.00			
	Bill Pmt -Check	05/31/2025	-150.00	150		
Peachtree Hardware - True Value						
	Bill	05/07/2025	-40.76			
	Bill	05/07/2025	-30.97			
	Bill	05/20/2025	-15.47			
	Bill	05/20/2025	-40.98			
	Bill Pmt -CCard	05/31/2025	-128.18		128.18	
QuickBooks / Intuit Inc.						
monthlypayrollchecksfee	Credit Card Charge	05/05/2025	-77.00		77	
Rocky Mountain Air Solutions/USWelding						
	Bill	05/19/2025	-158.58			
	Bill Pmt -CCard	05/22/2025	-158.58		158.58	
Spectrum Bus. - Internet						
	Credit Card Charge	05/12/2025	-150.00		150	
State Farm SIRA - Ascensus						
	Liability Check	05/02/2025	-1,727.82	1727.82		
	Liability Check	05/16/2025	-1,687.99	1687.99		
	Liability Check	05/30/2025	-1,554.38	1554.38		
Teresa Bussell - Vendor						
cell,mileagereimbm	Bill	05/31/2025	-79.60			
	Bill Pmt -Check	05/31/2025	-79.60	79.6		
UNCC-Utility Notification Center of CO - Locates						
	Bill	05/31/2025	-263.07			
	Bill Pmt -Check	05/31/2025	-263.07	263.07		
Ute Water Conservancy District						
	Credit Card Charge	05/10/2025	-27.00		27	
Verizon Wireless						
	Credit Card Charge	05/23/2025	-643.83		643.83	
Walmart-Sam's Club						
water	Credit Card Charge	05/03/2025	-9.94		9.94	
brd snacks	Credit Card Charge	05/08/2025	-9.81		9.81	
3-cell car chargers for new phones	Credit Card Charge	05/13/2025	-79.11		79.11	
water	Credit Card Charge	05/13/2025	-10.92		10.92	
WEBROOT Software						
yrlyrenewal	Credit Card Charge	05/19/2025	-89.99		89.99	

PID Vendors 05/2025	Type	Date	Amount	ck	cc	totals
Berry's Garage Inc.						
2016f250suspensioninstalled	Bill	05/27/2025	-1,426.05			
	Bill Pmt -Check	05/31/2025	-1,426.05	1426.05		
CEBT-Health Ins						
	Bill	05/02/2025	-1,862.52			
	Bill Pmt -Check	05/02/2025	-1,862.52	1862.52		
CO Dept of Revenue - w/h						
	Liability Check	05/30/2025	-1,192.00	1192		
Colorado Concrete Accessories						
	Bill	05/09/2025	-38.34			
	Bill Pmt -CCard	05/31/2025	-38.34		38.34	
ColoradoWaterCongress[03-24]						
Endangered Species 2025 Contribution	Bill	05/01/2025	-1,300.00			
	Bill Pmt -CCard	05/30/2025	-1,300.00		1300	
CONOCO/Fleet Services/WEX Bank - fuel						
	Bill	05/31/2025	-1,324.23			
	Bill Pmt -Check	05/31/2025	-1,324.23	1324.23		
ConsolidatedElectricalDistributors,Inc						
	Bill	05/16/2025	-28.08			
	Bill Pmt -CCard	05/31/2025	-28.08		28.08	
Daniel Crabtree - Vendor						
cell reimbursement	Bill	05/31/2025	-60.00			
	Bill Pmt -Check	05/31/2025	-60.00	60		
Dufford, Waldeck, Milburn & Krohn.						
	Bill	05/08/2025	-400.00			
	Bill	05/08/2025	-40.00			
	Bill Pmt -Check	05/08/2025	-440.00	440		
EFTPS.GOV - fed payroll w/h taxes						
	Liability Check	05/01/2025	-2,734.46	2734.46		
	Liability Check	05/15/2025	-2,578.46	2578.46		
	Liability Check	05/29/2025	-2,491.06	2491.06		
	Liability Check	05/31/2025	45.90	45.9		
Elevate Web Designs						
ADAwebsiteYrlyRenewal043025	Bill	05/01/2025	-490.00	490		
Eric Pennal - GIS/Mapping						
	Bill Pmt -Check	05/31/2025	-133.00	133		
Fruita Consumers Co-Op Ass'n						
	Bill	05/01/2025	-8.59			
	Bill	05/01/2025	-117.98			
	Bill	05/01/2025	-26.99			
	Bill	05/11/2025	-58.99			
	Bill	05/14/2025	-10.00			
	Bill	05/14/2025	-3.25			
	Bill	05/14/2025	-7.75			
	Bill	05/14/2025	-11.25			
	Bill	05/16/2025	-6.27			
	Bill Pmt -CCard	05/27/2025	-251.07		251.07	
GJP-Grand Junction Pipe#2745						
	Bill	05/05/2025	-127.15			
	Bill	05/06/2025	-68.36			
	Bill	05/12/2025	-40.02			
	Bill	05/12/2025	-130.58			
	Bill	05/19/2025	-295.60			
	Bill	05/19/2025	-20.76			
	Bill	05/20/2025	-208.22			
	Bill	05/21/2025	-34.14			
	Bill	05/29/2025	-954.82			
	Bill	05/29/2025	-1,126.89			
	Bill Pmt -Check	05/31/2025	-3,006.54	3006.54		

Western Implement Co., Inc.						
	Bill	05/08/2025	-31.09			
	Bill	05/21/2025	-27.77			
	Bill	05/27/2025	-4.53			
	Bill Pmt -Check	05/31/2025	-63.39	63.39		
Western Slope Auto [Ford]						
2016f250weatherstripping	Bill	05/12/2025	-268.55			
	Bill Pmt -CCard	05/12/2025	-268.55		268.55	
2016f25o-springs nuts,bolts	Bill	05/12/2025	-141.63		141.63	
	Bill Pmt -CCard	05/12/2025	-141.63			
WESTFAX, Inc						
	Credit Card Charge	05/30/2025	-8.99		8.99	
Xcel Energy						
	Bill	05/30/2025	-87.54			
	Bill Pmt -Check	05/30/2025	-87.54	87.54		
			Subtotals	30293.09	4277.05	
			HL-cc Pymt-less -	-6312.94	0	
Totals			**Totals**	$23,980.15	$4,277.05	$28,257.20

777 35 3/10 Road, Palisade, CO 81526
970-464-4700 / Fax 970-464-1337 – M-F – 9am-3pm [mt]
Email: OFFICE@PALISADEIRRIGATIONDISTRICT.ORG - **MAIN**
office.palisadeirrigationdist@gmail.com – office/secondary
www.palisadeirrigationdistrict.org

PALISADE IRRIGATION DISTRICT - **Board Meeting Minutes**

Date: **May 08, 2025** – [updated dropbox 05/09/25]
Attendees: Board Members: Paul Young, Kent Brumback, Rick Miller
Employees: Dan Crabtree, Teresa Bussell

Guest[s]: None **Public Guest[s]/Comment**: None

Regular Meeting was called to order at 7:00p.m. by Kent Brumback.

Guest[s] Business: None

Agenda: 05/08/2025 agenda approved, Paul motioned and Rick seconded as advertised and presented.

Financials: Were given including balances on checking, money-markets, investments, and water assessments collected by Mesa County. The bills were discussed. Paul made a motion for payment. Rick seconded the motion for the bills to be approved as presented. All bills/invoices, paid receipts, reports/spreadsheets, bank statements [uploaded to Dropbox], were present at the meeting and approved as presented. Payroll updates were given and discussed.

Minutes: From April 03, 2025. Paul made a motion to approve the minutes as presented and Rick seconded the motion. The minutes were approved.

Old Business:

- USDA Drought Commodity Program [DCP] –No news, on hold, still.
- Miscellaneous PID business and operations updates: 1)2024 Audit, Paul Miller can call in on 06/05/24 or in person 07/10/25, discussion, Board says either will work and would like to review as soon as the audit is ready. 2)Board Meeting 07/03/25, discussion, decided to change date to 07/10/25 [posted on website 05/09/25].
- H142 – discussion from the Church/5th St/Clifton south to Front St, the church will donate an easement to GVDD, PID will purchase pipe, manhole, gravel and GVDD will install and maintain for perpetuity; it was also discussed about piping the area near the street crossing inlet. Dan will talk with GVDD; the board agreed since it will protect PID facilities; approved to spend up to $20k on project; will continue to investigate piping south of Front St/RR.

New Business:

- GVIC Sidewalk Easement – FYI, compensated by City of GJ, from 24 ½ Rd to 26 Rd, discussion.
- Pauline St/Ct & 32 ½ Rd piping – discussion, improvements being done by MC R&B from E Rd roundabout, E ½ Rd roundabout, and 32 ½ Rd north to RR. It may be to County's benefit to pipe delivery(ies) from the west side of 32 ½ Rd to the east side. Pauline lateral could be piped at that time or in the future using the USDA Grant if it happens.
- GVB & CO DORA/Banking PDPA – discussion, board member chosen to be Secretary/Treasurer on application, will be updated when roles or member updated; signed by Paul; Teresa will submit new application and get new PDPA#. Once the new number is received, then PID will submit, on PID letterhead to delete the prior PDPA 1990 and the Salinity PDPA#, all board members and MCID will need to sign.

District O&M Update –

- O&M – Water In – Easy startup.
- Mussel Update – no updates.
- CDOT/Clifton/US6 – work continues in Clifton installing and progressing with 36" storm and ½ done.
- Dan working/consulting with MC R&B - on the work from E ½ south to E Rd on 32 ½ Rd and reviewing their designs and talking with MC Engineers.
- Colorado River Update –runoff at even pace; snowpack above Cameo is 60%; precipitation in 6-14 days is projected to be below average chances of precipitation

Adjourned: 8:26 p.m.

Next meeting: Thursday, June 05, 2025, at 7 p.m.[updated website 05/09/25]

Board Member - Rick Miller - Region1/GJ-Fruitvale – west of I70 Business Loop to 28 ¾ Rd
Board Member – Kent Brumback – Region 2/Clifton – east of I70 Business Loop to the west side of 35 Rd
Board Member – Paul Young – Region 3/Palisade – east side of 35 Rd to the Colorado River

2025

COLORADO
Department of
Regulatory Agencies
Division of Banking

May 23, 2025

NOTICE OF ASSIGNMENT OF OFFICIAL CUSTODIAN
PUBLIC DEPOSIT PROTECTION ACT (PDPA)
IDENTIFICATION NUMBERS

Based upon the information provided in the application submitted to the Colorado Division of Banking, PDPA identification numbers have been assigned to:

Secretary Treasurer

as Official Custodian of public unit funds for:

Palisade Irrigation District

777 35 3/10 Rd

Palisade, CO 81526

Banks shall use the following number to identify (on their Monthly Public Depository Liability Report) all of the current accounts that have been established, and all of the future accounts that will be established in **TIME or SAVINGS deposit accounts** (time/certificate of deposit (CD), money market, savings or negotiable order of withdrawal (NOW) accounts), excluding any accounts that would fall under categories 1, 2, 3, or 4 on Page 2:

064094005101

Banks shall use the following number to identify (on their Monthly Public Depository Liability Report) all of the current accounts that have been established, and all of the future accounts that will be established in **interest-bearing and non interest-bearing DEMAND DEPOSIT accounts** (checking), excluding any accounts that fall under categories 1, 2, 3, or 4 on Page 2:

064094000101

Banks shall use the following number(s) to identify (on their Monthly Public Depository Liability Report) only public fund accounts that fall under categories 1, 2, 3, or 4, as these numbers are unique to each category of funds. Each type of public fund and its corresponding PDPA identification number can be moved from bank to bank. If, in the future, money is controlled for any other newly established funds that could be classified under categories: 1, 2, 3, or 4 on Page 2, a separate application must be made to the Colorado Division of Banking for assignment of the unique number(s) that will identify those newly created funds.

125 banks + off/Banks 2cd

CATEGORY 1 - Funds of a public unit which, by law or under a bond indenture, are required to be set aside to discharge a debt owed to the holders of notes or bonds issued by the public unit.

Not applicable at this time

CATEGORY 2 - Pension funds or other employee benefit (retirement) plan funds of the public unit.

Not applicable at this time

CATEGORY 3 - Funds of the public unit held in trust for others.

Not applicable at this time

CATEGORY 4 - Funds of the public unit which are commingled with the funds of another public unit, but which are not held in trust for others.

Not applicable at this time

****RETAIN THIS NOTICE FOR YOUR RECORDS****

Provide additional copies of this Notice to each bank that holds one or more of your accounts. Provide a cover letter specifically identifying the number that is assigned to each account established at that particular bank. When public deposit accounts are opened in the future, furnish the banker with a copy of this Notice to ensure those accounts will be classified by the bank as public deposits under the PDPA.

If, in the future, the public deposits are controlled by a new or additional Official Custodian, a separate application must be made to the Colorado Division of Banking.

The Colorado Division of Banking must be notified of any changes to the public unit's name, address, and/or any new or dissolved bond, pension/retirement, trust, or commingled funds.

The Colorado Division of Banking relies upon information provided in the "Application by Official Custodian for Assignment of PDPA Number for Public Funds Deposited in Banks" and does not independently verify Official Custodian plenary authority or public unit/entity designation.

D. If a public unit was named in Paragraph (A), will funds of the named public unit be placed in a **bank time or savings deposit account** (Time/Certificate of Deposit (CD), Savings, NOW or Money Market account)?

Yes	X	No	

E. If a public unit was named in Paragraph (A), will funds of the named public unit be placed in a **bank demand deposit account** (interest-bearing and noninterest bearing demand deposit account)?

Yes	X	No	

F. Identify an official custodian.

1. Identify an official custodian. An official custodian may be a designated position such as "Treasurer," or the official custodian may be a named person. Reapplication will not be necessary in the future if a particular position is designated the official custodian rather than a named person.

If **POSITION(S)** constitute(s) the official custodian:

BOARD MEMBER - SECRETARY TREASURER
Position Title (Print) | **(Optional) Other or Second Position Title (Print)**

OR if named **PERSON(S)** constitute the official custodian:

Name and Title (Print) | **(Optional) Other or Second Name and Title (Print)**

2. Signature(s) (of each person who is making this application on behalf of a position, or each person whose name and title was named in Paragraph (F)(1)).

Paul M Young
Signature | **Signature**

PAUL M. YOUNG
Print or Type Signature | **Print or Type Signature**

05/08/2025
Date | **Date**

3. Mailing address, telephone number and email address of **public unit or other entity** named in Paragraph (A).

Address: 777 35 3/10 RD	
City, State, ZIP Code: PALISADE, CO 81526	
Area Code/Telephone Number: 970-464-4700	**Email Address:** OFFICE@PALISADEIRRIGATIONDISTRICT.ORG

4. Mailing address, telephone number and email address of **official custodian**(s) (to be provided only if different from those of public unit or other entity named in Paragraph (A)).

Address:	
City, State, ZIP Code:	
Area Code/Telephone Number:	**Email Address:**

STATE OF COLORADO
DIVISION OF BANKING

PUBLIC DEPOSIT PROTECTION ACT

Instructions for Application for Assignment of PDPA Number for Public Funds Deposited in Banks

COLORADO
Department of Regulatory Agencies
Division of Banking

Purpose of Application. The Colorado Public Deposit Protection Act (PDPA), **Section 11-10.5-101, et seq., C.R.S.**, has as its purpose the preservation and protection of all public funds held on deposit by a bank that are either not insured by or are in excess of the insured limits of Federal Deposit Insurance Corporation (FDIC) insurance, and to ensure the expedited repayment of such funds in the event of default and subsequent liquidation of a bank which holds such deposits. **Section 11-10.5-107(5), C.R.S.**, states, briefly, that the PDPA requires banks in Colorado that are eligible depositories of public funds to pledge eligible collateral having a market value in excess of 102 percent of their aggregate uninsured public deposits to secure uninsured public funds on deposit. Thus, the PDPA provides protection of public deposits beyond FDIC insurance.

In order to achieve the purposes of the Act, PDPA places specific responsibilities on the Colorado State Banking Board (Banking Board), on banks that are eligible public depositories, and on official custodians of public funds.

Colorado State Banking Board. The PDPA requires the Banking Board to establish an account numbering system to be used universally by all official custodians of public funds who deposit funds in eligible public depositories. The numbering system designates unique numbers for accounts that are established by each official custodian so that the amount of public funds subject to FDIC insurance and the amount of public funds subject to the collateral requirements of the PDPA may be readily and more accurately determined.

Official Custodians. The PDPA requires each official custodian of public funds to apply to the Banking Board for the assignment of PDPA number(s). It is important to each Colorado public unit and entity and to the official custodian thereof, that the required application is submitted to the Banking Board. Failure of an official custodian to secure the required PDPA numbers may result in the inapplicability of the Act's protections to the uninsured public deposits under the control of the official custodian. The PDPA also provides in **Section 11-10.5- 111(4)(b), C.R.S.**, that any official custodian found to have violated the provisions of the PDPA is subject to a fine (which may not be reimbursed or paid by the public unit) and may be removed from office.

The Application by Official Custodian for Assignment of Public Deposit Protection Act (PDPA) Number(s) for Public Funds Deposited in Banks constitutes the PDPA number application required of the official custodian. The official custodian is generally defined in the PDPA, **Section 11-10.5-103(9), C.R.S.**, as a designee, with plenary authority, including "control" over public funds of a public unit or other public entity described in Section 11-10.5-103(9)(b), C.R.S. "Control" of public funds includes possession as well as the authority to establish accounts for the public funds in banks and to make deposits, withdrawals, or disbursements of the public funds. If the exercise of such authority requires the action or consent of two or more putative official custodians, they are treated as one official custodian with respect to those public funds.

The PDPA imposes other obligations on official custodians; the official custodian may wish to seek advice from the public unit or entity's attorney on these other obligations.

Eligible Public Depositories. The PDPA imposes a number of obligations on banks that are eligible public depositories, including use of the PDPA number system that has been developed by the Banking Board. The PDPA imposes various penalties on banks and banking officials for any violation of the PDPA.

SELECT DEFINITIONS FROM THE PUBLIC DEPOSIT PROTECTION ACT
Section 11-10.5-103

(6) "Eligible public depository" means: any bank which has been designated as an eligible public depository by the Banking Board.

(9) "Official custodian" means:

(a) A designee with plenary authority, including control over public funds of a public unit which the official custodian is appointed to serve. For purposes of this paragraph (a), "control" includes possession of public funds, as well as the authority to establish accounts for such public funds in banks and to make deposits, withdrawals, or disbursements of such public funds. If the exercise of plenary authority over the public funds of a public unit requires action by or the consent of two or more putative official custodians, then such official custodian shall be treated as one official custodian with respect to such public funds.

(b) A designee, other than a designee described in paragraph (a) of this subsection (9), with authority, including control, over public funds of an entity, including the state of Colorado; any institution, agency, instrumentality, authority, county, municipality, city and county, school district, special district, or other political subdivision of the state of Colorado, including any institution of higher education; any institution, department, agency, instrumentality, or authority of any of the foregoing, including any county or municipal housing authority; any local government investment pool organized pursuant to part 7 of article 75 of title 24, C.R.S.; any public entity insurance pool organized pursuant to state statute; any public body corporate created or established under the constitution of the state of Colorado or any state statute; and any other entity, organization, or corporation formed by intergovernmental agreement or other contract between or among any of the foregoing. For purposes of this paragraph (b), "control" includes possession of public funds, as well as the authority to establish accounts for such public funds in banks and to make deposits, withdrawals, or disbursement of such public funds. If the exercise of authority over such public funds requires action by or the consent of two or more putative official custodians, then such official custodians shall be treated as one official custodian with respect to such public funds.

INSTRUCTIONS FOR COMPLETION OF THE APPLICATION

Due to the legal nature of the requirements set out in the PDPA and in the FDIC laws, the official custodian may wish to obtain the advice of the public unit or entity's attorney in completing the application. The Banking Board does not separately determine whether the applicant is an official custodian or verify the accuracy of the determination of a "public unit" or "public entity." [An incorrect determination by the applicant may affect the adequacy of the amount of collateral that the eligible public depository pledges to secure the public deposits it holds.] Correct completion of the application is dependent upon an understanding of the definitions of various words and requirements appearing in the application, the PDPA, and FDIC laws and regulations.

Complete a separate application for each public unit and each other entity described in **Section 11-10.5- 103(9)(b), C.R.S.**, for which the applicant is an official custodian. The following comments relate to specific lettered paragraphs of the application:

A. Name the public unit or other entity for which the applicant is an official custodian of public funds, and include the statutory citation under which the public unit or entity was formed. The name should be the complete legal name of the entity. A separate application must be filled out for each public unit or other entity for which the applicant serves as an official custodian.

B. Because the FDIC insures official custodians of public units differently from official custodians of other entities, it is important to know whether the applicant is an official custodian for a public unit. The definition of public unit appears in Paragraph (B) of the application.

1. If the entity named in Paragraph (A) is a public unit, mark "yes" in the appropriate space and check the applicable category of public unit. If the entity is not a public unit, but is an entity described in **Section 11-10.5-103(9)(b), C.R.S.**, which citation is included with these instructions, mark "no" in the appropriate space and go to Paragraph (B)(2).

2. If the entity named in Paragraph (B) is not a public unit but is an entity described in **Section 11-10.5-103(9)(b), C.R.S.**, mark the one category listed in Paragraph (B)(2) that most specifically describes the legal status of the named entity. The categories of entities listed in Paragraph (B)(2) are the same as those listed in **Section 11-10.5-103(9)(b), C.R.S.**, excluding the public units listed in that subsection.

If more than one category accurately describes the entity, select and mark the one that most specifically describes the entity.

If the applicant has answered "no" to Paragraph (B)(1) and Paragraph (B)(2), the applicant is not an official custodian under the PDPA and does not need to complete or return this application; the entity named in Paragraph (A) may be a subordinate unit (but not a political subdivision) of the State, or a county or municipality. If so, the applicant is not entitled to a separate number. However, if the applicant has public funds in the applicant's possession, the applicant should contact an attorney for advice on who the official custodian of the funds is. The PDPA number of that official custodian should be used when the funds are deposited in an eligible public depository.

The FDIC provides separate insurance coverage for certain types of public funds held by an official custodian. Paragraphs (C), (D), and (E) describe these types of public funds. Because of the separate FDIC insurance provided, the PDPA numbering system will assign different PDPA numbers to each of these different types of public funds. Thus, the applicant must identify whether any of the public funds under his or her control fall within the described categories. The public unit or entity's attorney may need to assist in making these determinations. Advisory opinions from the FDIC may be of assistance.

C. C.1. Answer this question only if the applicant has stated in Paragraph (B)(1) that the entity named in Paragraph (A) is a public unit.

C.2. Answer this question if the entity named in Paragraph (A) is a public unity or an entity.

C.3. Answer this question if the entity named in Paragraph (A) is a public unit or an entity.

C.4. Answer this question if the entity named in Paragraph (A) is a public unit or entity.

D. Answer this question only if the applicant has stated in Paragraph (B)(1) that the entity named in Paragraph (A) is a public unit.

E. Answer this question only if the applicant has stated in Paragraph (B)(1) that the entity named in Paragraph (A) is a public unit.

F. In completing the "Position/Person" blocks, include the position title, and not the name, if a particular position (such as "Treasurer") constitutes the official custodian. Include both the name and title if a particular named individual constitutes the official custodian. If two or more positions/persons constitute one official custodian as provided in the definition of official custodian described below and in **Section 11-10.5-103(9), C.R.S.**, include the positions or names/titles of all such positions/persons.

2. Signature(s), Name(s) and Date(s) of each person who is making this application on behalf or a position, or each person whose name and title was named in Paragraph F.

3. & 4. Provide mailing and contact information as requested.

STATE OF COLORADO
COLORADO DIVISION OF BANKING

PUBLIC DEPOSIT PROTECTION ACT

Application by Official Custodian for Assignment of PDPA Number for Public Funds Deposited in Banks

COLORADO
Department of Regulatory Agencies
Division of Banking

Complete a separate application that identifies an "official custodian" of public funds deposited in a bank for each "public unit," as defined below, or other entity mentioned in Section 11-10.5-103(9)(b), C.R.S. Please refer to the accompanying instructions for information on completing the application. The definition of an official custodian appears in Section 11-10.5-103(9), C.R.S., a copy of which is included with the instructions. As discussed further in the instructions, failure to complete this application, or errors in the completion of this application, may result in the loss of protections otherwise applicable to public funds and/or official custodians.

Please note that this application **does not** apply to funds deposited in a savings and loan institution, credit union, or other exceptions.

After receipt and processing of the completed application, PDPA number(s) will be assigned and the official custodian will be notified of the number(s). **Please allow up to two (2) weeks to receive your number(s).** Regarding bank accounts, official custodians must notify the banker(s) in writing of the original PDPA number(s).

Return the completed application via email to:

DORA_PDPA@state.co.us
Public Deposit Protection Program
Colorado Division of Banking

5/9/25

PLEASE TYPE OR PRINT ALL INFORMATION

A.

Name of public unit or other entity: PALISADE IRRIGATION DISTRICT
Statutory citation under which the public unity or entity was created:

B. Identify the type of public unit or other entity named in paragraph (A).

1. Is the entity named in Paragraph (A) a public unit that, for the purposes of this application, includes only the State of Colorado, or a county, municipality, or political subdivision (defined below) thereof?

Yes	X	No	

"The term 'political subdivision' includes drainage, irrigation, navigation, improvement, levee, sanitary, school or power districts, bridge or port authorities, and other special districts created by state statute or compacts between the states. It also includes any subdivision of . . . [the State, county or municipality] or any principal department of . . . [the State, county, or municipality]:

(1) The creation of which subdivision or department has been expressly authorized by the law of such public unit;
(2) To which some functions of government have been delegated by such law, and
(3) Which is empowered to exercise exclusive control over funds for its exclusive use."

scd/emailed 5/9/25

If no, move to Paragraph (B)(2).

If yes, check the one category of the following that most specifically describes the type of public unit named and then move to Paragraph (C). If one of the categories is checked below, do not check any categories of Paragraph (B)(2).

a.	State of Colorado		g.	District formed by compact between Colorado and other state(s)	
b.	County		h.	Other "political subdivision" (refer to definition above) of the State of Colorado	
c.	City or town (statutory, home rule, or territorial charter)		i.	"Political subdivision" (refer to definition above) of a county	X
d.	City and county (combined)		j.	"Political subdivision" (refer to definition above) of a municipality	
e.	School district		k.	County housing authority	
f.	Special district created by or pursuant to state statute (not including a special improvement district)		l.	Municipal housing authority	

2. If the entity named is not a public unit, is it an "entity" as described in Section 11-10.5-103(9)(b), C.R.S.? Paragraphs (B)(2)(a) through (f) below list each entity, as described in Section 11-10.5-103(9)(b), C.R.S., that is not a public unit.

Yes		No	X

If yes, check the one category below that most specifically describes the type of entity named.

a.	Institution of higher education		d.	Public entity insurance pool organized pursuant to Colorado statute	
b.	Institution, department, agency, instrumentality, or authority of any of the foregoing described in Paragraph (B)(1) or Paragraph (B)(2)(a) Identify the statute or other legal authority under which such institution, department, agency, instrumentality or authority is organized: _____		e.	Public body corporate created under Colorado statute or constitution Identify the statute or constitutional provision under which such public body corporate is organized: _____	
c.	Local government investment pool organized pursuant to Section 24-75-701, C.R.S., et. seq.		f.	Other entity, organization, or corporation formed by intergovernmental agreement or other contract between or among any of the foregoing described in Paragraph (B)(1) and Paragraph (B)(2)	

If Paragraph (B)(1) and Paragraph (B)(2) were answered no, the official custodian designation does not apply under the PDPA. Do not complete or return this application. If the entity named is a subordinate unit of a public unit named in Paragraph (B) (1), but is not a political subdivision as defined above, identify that public unit: _____

A separate PDPA number will not be issued. Under these circumstances, if an individual is in possession of public funds, the official custodian of the parent public unit should be contacted. The PDPA number of that "official custodian" should be used when depositing funds in a bank.

C. What public funds are in custody?

1. If a public unit was named in Paragraph (A), do you have custody of any public funds of the named public unit that by law, or under a bond indenture, are required to be set aside to discharge a debt owed to the holders of notes or bonds issued by the public unit, as provided in Section 12 C.F.R. 330 15(c). A link to that site is also available on the Division of Banking Web Site.

Yes [ ] No [X]

If yes, identify each such fund or bond issue by the complete name(s) or descriptive title(s):

2. If a public unit or entity was named in Paragraph (A), do you have custody of any pension funds or other employee benefit retirement plan funds of the public unit or other entity named in Paragraph (A)?

Yes [ ] No [X]

If yes, identify the name(s) or descriptive title(s) of each such separate retirement fund:

3. If a public unit or entity was named in Paragraph (A), do you have custody of any other funds of the public unit or entity named that are not described in Paragraph (C)(1) or Paragraph (C)(2), but are held in trust for others under a written trust agreement or by statute, as provided in 12 C.F.R. Section 330.11. A link to that site is also available on the Division of Banking Web Site.

Yes [ ] No [X]

If yes, identify the name(s) or descriptive title(s) of each such separate trust fund, and describe the persons for whom the funds are held in trust (attach supplemental sheets to identify each such fund):

4. If a public unit or entity was named in Paragraph (A), do you have custody of any funds of the public unit or entity that are commingled with the funds of any other public unit or entity, but that are not held in trust for others?

Yes [ ] No [X]

If yes, identify the name(s) or descriptive title(s) of the commingled fund(s) and name the other public unit(s) or entity(ies) whose funds are commingled with those of the public unit or entity named in Paragraph (A):

PALISADE IRRIGATION DISTRICT

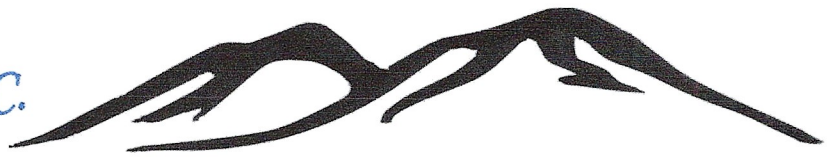
Financial Statements and
Independent Auditors' Report
For the Year ended December 31, 2024

PALISADE IRRIGATION DISTRICT

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Blair and Associates, P.C.



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Palisade Irrigation District
Palisade, CO

Opinions

We have audited the accompanying financial statements of the business-type activities, and the aggregate remaining fund information of the Palisade Irrigation District, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Palisade Irrigation District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, and the aggregate remaining fund information of the Palisade Irrigation District, 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. 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 Palisade Irrigation District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Certified Public Accountants

105 S.E. Frontier Ave. Suite A Cedaredge, CO 81413 | 970-856-7550 | 970-856-2122 | www.bandacpas.com

- 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 Palisade Irrigation District'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 Palisade Irrigation District'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 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Blair & Associates, P.C.

Cedaredge, CO
April 12, 2025

Our discussion and analysis of the Palisade Irrigation District's financial statements provides an overview of the District's financial activities for the fiscal year ended December 31, 2024.

Financial Analysis

Net Position

A condensed Statements of Position is included as **Table A**. The District's Net Position, the difference between assets and liabilities, is one way to measure the financial health of the District.

Increases or decreases in the District's Net Position are indicators of improving or deteriorating financial health. Certain consideration must be given to non-financial factors such as changes in economic conditions, population growth, and decline, zoning changes, legislative changes, or Policy changes.

TABLE A
Condensed Statements of Net Position

	2024	2023	Dollar Change	Total Percent Change
Current Assets	$ 3,838,636	$ 2,259,735	$ 1,578,901	41.13%
Non Current Assets	829,758	823,626	6,132	0.74%
Other Assets	744,262	1,738,189	(993,927)	-133.55%
Total Assets	5,412,656	4,821,550	591,106	-91.67%
Current Liabilities	17,155	8,140	9,015	52.55%
Deferred Inflow of Resources	950,000	701,568	248,432	0.00%
Investment in Capital Assets	829,758	823,627	6,131	0.74%
Unrestricted	3,615,743	3,288,215	327,528	9.06%
Total Net Position	$ 4,445,501	$ 4,111,842	$ 333,659	9.80%

As shown in **Table A** the District's Net Position increased $333,659 to $4,445,501 in 2024, an increase from $4,111,842 in 2023. The increase in Net Position is due to the increase in the Current Assets mainly due to an increase in investments.

The analysis of the District's Statements of Net Position displays the changes in the financial position of the District and the resulting Net Position. The Statements of Revenues, Expenses, and Changes in Net Position provide information as to the nature and the source of the changes seen in the Statements of Net Position.

Table B is a condensed version of the Statements of Revenues, Expenses, and Changes in Net Position. **Table B** shows that there was a $333,659 increase in Net Position over 2023.

TABLE B
Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2024	2023	Dollar Change	Total Percent Change
Total Operating Revenues	$ 726,006	$ 729,413	$ (3,407)	-0.47%
Total Operating Expenses	614,458	590,660	23,798	3.87%
Operating Income (Loss)	$ 111,548	$ 138,753	$ (27,205)	3.40%
Non-operating Revenue	$ 222,111	$ 159,695	$ 62,416	28.10%
Non-operating Expenses	-	-	-	0.00%
Total Non-Operating Revenue/(Loss)	222,111	159,695	62,416	28.10%
Change in Net Position	333,659	298,448	35,211	31.50%
Beginning Net Position	4,111,842	3,813,394	298,448	8.11%
Ending Net Position	$ 4,445,501	$ 4,111,842	$ 333,659	39.62%

A closer examination of the Condensed Statements of Revenues, Expenses, and Changes in Table B reveals the following:

Operating Revenue and Expense

- District's Operating Revenue for 2024 decreased $3,407, which is a decrease of .47% from 2023. This is due to a decrease in assessment income of $2,884.

- Operating Expenses for 2024 increased $23,798, which is a 3.87% increase from 2023. This was due to the increase in wages and canal maintenance expenses.

FINANCIAL STATEMENTS

The financial statements are designed to provide a broad overview of the District's finances, in a manner like a private-sector business.

The statements of Net Position present information on all the District's assets and liabilities, with the difference between the two reported as Net Position.

The statement of activities and changes in Net Position presents information showing how the District's revenues, expenses, and Net Position changed from the prior year to the current year.

FINANCIAL STATEMENTS-continued

The statement of cash flows presents information on the District's cash and cash equivalents showing increases or decreases in the various cash activities.

The financial statements report on the activities of the District that are principally funded by water user assessments. The District's function is to supply irrigation water to lands within the District boundaries.

NOTES TO THE FINANCIAL STATEMENTS

The notes provided additional information that is useful for the understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 10 through 16 of this report.

SUPPLEMENTARY INFORMATION

The schedule found on page 18 of these documents gives a comparison of the budget to actual for the District for the fiscal year 2024.

Financial Analysis

As noted earlier, assets of the District exceed liabilities of the District by $4,445,501.
The portion of the District's Net Position (18.66 %) is in capital assets (canal system, and equipment.) The District uses these capital assets to deliver irrigation water to the residence of the District.

Unrestricted cash reserves account for 70.92% in 2024 and 32.08% in 2023 of the District's total assets. These unrestricted reserves are used for irrigation system improvements and day-to-day operations.

Capital Asset and Debt Administration

CAPITAL ASSETS

As of December 31, 2024, the District's capital assets were $829,758 (Net of accumulated depreciation of $622,212). This investment in capital assets included equipment (i.e., Truck and equipment) and canal improvements.

Current Year's Budget Analysis

- Actual water assessment revenue was $465 more than budgeted.
- Capital outlays were $37,294 under budget due to the District's postponing projects until next year.

Next Year's Budgets and Rates

The following were considered in preparing the District's 2025 fiscal year budget.

- The District has five full-time employees. The District plans to maintain this staff in 2025.
- Interest income may increase due to investments.
- The replacement and/or operation and maintenance of guard valves, head gates, pressure regulating valves, spills, Automation {SCADA}, delivery valves, pipes, and boxes.
- Consideration of invasive species that may harm District infrastructure.
- The fuel costs, population growth, and facility mapping
- Underground lateral improvements
- Protection of underground facilities from excavation strikes.

Future Events of Financial Significance

- Urban growth and infrastructure improvement is taking place in and around the District at an increased rate. This compels the need for subdivision reviews, and utility locates beyond past requirements.
- In order to operate the District effectively, it is vitally important to know where all facilities are located. To accomplish this, the GIS Map will continue to be updated with current District information and the District's database will continue to be updated.
- To protect water resources on the Western Slope, and specifically, the District's water rights and water quality, the need for legal representation and associated cost will continue. The District pools resources with other Grand Valley water entities to optimize these efforts.
- The District, under an agreement with the Bureau of Reclamation, will maintain the Fish Passage through the District's diversion dam.
- The District will continue to perform the needed maintenance and replacement of worn valves, check gates, and other pipeline appurtenances. As the District's facilities continue to wear, additional attention is required to address emergency repairs, replacements, and maintenance (such as pipe and structure cleaning, using hydro vac units). This continues to require significant person-hours, parts and materials, equipment, and associated resources, in order to maintain effective delivery of irrigation water to the District.
- Recently invasive species have been increasing their presence in the Colorado River Basin, specifically Zebra Mussels have been found in the Government Highline Canal and Colorado River upstream of the District's diversion. These creatures can accumulate in pipes and underwater infrastructure and cause clogged pipes and other maintenance problems. The District is adding manholes in order to provide cleanout access along the Price Ditch and other facilities to be able to drain and dry the systems. The District is collaborating with other Grand Valley Water entities in order to assess potential invasive species impacts and perform remediation measures. The District is more proactive in cleaning the Price Ditch Pipeline of silt, mud, and shells using a hydro-vac contractor.

Contacting the District's Financial Management

This financial report provides an overview of the District's finances. Questions concerning the information provided in this report should be directed to the Management of Palisade Irrigation District, 777 35 3/10 Road, Palisade, CO. 81526. 970-464-4700.

PALISADE IRRIGATION DISTRICT
Statement of Net Position
As of December 31, 2024

Current assets	
Cash in bank and on hand	$ 497,870
Investment-COLOTRUST	2,361,063
Accounts receivable	500
Accrued interest income	6,988
Inventory-Canal parts	22,215
Assessments receivable	950,000
Total Current Assets	3,838,636
Noncurrent Assets	
Capital Assets (less accumulated depreciation)	
Building improvements	23,385
System improvements	742,151
Equipment	64,222
Total Noncurrent Assets	829,758
Other Assets	
Long-term CD's	744,262
TOTAL ASSETS	$ 5,412,656
Current Liabilities	
Accounts payable	$ 8,371
Payroll taxes payable	1,308
Accrued payroll	7,476
Total Current Liabilities	17,155
Deferred Inflow of Resources	
Water Assessments	950,000
Net Position	
Invested in capital assets	829,758
Unrestricted	3,615,743
Net Position	4,445,501
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 5,412,656

The notes to the financial statements are an integral part of this statement.

PALISADE IRRIGATION DISTRICT
Statement of Revenues and Expenses and Changes in Net Position
For the year ended December 31, 2024

Operating Revenue		
Water assessment	$	702,033
Miscellaneous income		23,973
		726,006
Operating Expenses		
General & administrative		227,474
Depreciation		40,575
Canal operation		346,409
Total Operating Expenses		614,458
Net income from Operations		111,548
Non-Operating Revenue (Expenses)		
O & M Reimbursement		60,000
Gain on sale of capital asset		950
Interest income		161,161
Total Non-Operating Revenue		222,111
Change in Net Position		333,659
Total Net Position -beginning		4,111,842
Total Net Position -ending	$	4,445,501

The notes to the financial statements are an integral part of this statement.

PALISADE IRRIGATION DISTRICT
Statement of Cash Flows
For the year ended December 31, 2024

Increase (Decrease) In Cash & Cash Equivalents		
Cash Flow From Operating Activities:		
Cash received from assessments	$	702,033
Cash received from miscellaneous source		83,973
Cash payments to and for employees		(326,549)
Cash payments to suppliers		(317,108)
Net Cash Provided by Operating Activities		142,349
Cash Flows from Capital & Related Financing Activities:		
Acquisition of capital assets		(46,706)
Proceeds from sale of Fixed Assets		950
Net Cash Used by Capital & Related Financing Activities		(45,756)
Cash Flows from Investing Activities:		
(Increase) Decrease in long-term CD's		(14,617)
Purchase of investment		(2,360,421)
Proceeds from sale of long-term CD		1,073,742
Interest income		155,884
Net Cash Provided by Investing Activities		(1,145,412)
Net Increase in Cash & Cash Equivalents		(1,048,819)
Cash-Beginning of year		1,546,689
Cash-End of year	$	497,870
Reconciliation of Operating Income to Net Position Provided by Operating Activities:		
Operating Income	$	111,548
Adjustment to reconcile operating income to net cash provided by operating activity		
Depreciation		40,575
Change in assets and liabilities		
(Increase) decrease in accounts receivable		339
(Increase) decrease in accrued interest income		(5,277)
(Increase) decrease in inventory		(13,287)
Increase (decrease) accounts payable		5,666
Increase (decrease) payroll taxes payable		1,026
Increase (decrease) accrued payroll		1,759
Total adjustments		30,801
Net Cash Provided by Operating Activities	$	142,349
Items not requiring Cash Flow:		
Market value adjustment	$	4,262

The notes to the financial statements are an integral part of this statement.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Palisade Irrigation District was established to provide irrigation water to the residents of the District. An annual assessment is levied per unit of land and collected by the Mesa County Treasurer's office. The District is an independent unit of local government established under the provisions of Colorado State law.

The District operates under the Board of Directors elected by the voters of the District. The District's financial statements include the accounts and operations of all the District's functions.

FINANCIAL REPORTING ENTITY

The Palisade Irrigation District (the District) was organized pursuant to provisions set forth in the Colorado Special District Act. The governing body of the district consists of a three-member Board of Directors that are elected by the registered voters within the District. The purpose of the District is to provide irrigation water to residents within the Palisade Irrigation District's boundaries. The Board is responsible for setting policy, appointing administrative personnel, and adopting an annual budget in accordance with state statutes.

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

Based on the criteria discussed above, the District's financial statements do not include any component units, nor do they exclude any potential component units requiring inclusion in the District's reporting entity, nor is the District a component unit of any other government. The District's financial statements include the accounts of all Districts operations.

BASIS OF PRESENTATION – FUND ACCOUNTING

The basic financial statements include fund financial statements for a Proprietary Fund. The District is a special-purpose government engaged only in business-type activities. For these governments, only enterprise fund financial statements are presented.

The accounts of the District are organized and operated on a fund basis. The operations are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, net position, revenues, and expenses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

BASIS OF PRESENTATION – FUND ACCOUNTING - CONTINUED

The focus of proprietary fund measurement is determination of operating income, changes in the Net Position, financial position, and cash flows. The generally accepted accounting principles applicable are those like business in the private sector, the District's Enterprise Fund is a proprietary fund type. Enterprise Funds are required to be used to account for operations for which a fee is changed to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third-party requirements that cost of providing services including capital costs, be recovered with fees and charges, or (c) has a pricing policy designed for the fees and charges of record similar costs.

Proprietary Fund operating revenue and expenses are related to providing management and operational services within the District. Revenues and expenses that arose from capital and non-capital financing activities and from investment activities are presented as non-operating revenues and expenses.

BASIS OF ACCOUNTING

The Proprietary Fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in return, consist of property and specific ownership taxes. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

CAPITAL ASSETS

The fund of the District is accounted for on a cost of service or "capital maintenance" measurement focus. This means that all assets and all liabilities associated with the activity of the District are included on the balance sheet. Equipment and property are recorded at cost. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation is provided over estimated useful lives of 5-40 years, using the straight-line method. Maintenance and repairs are charged to expense as incurred, while significant betterments and replacements are recorded as increases to equipment. As assets are retired or disposed of, the cost and associated accumulated depreciation are removed from the accounts, and gains or losses on these sales or disposals are included in the income.

It is the District's policy to capitalize assets having a cost of $2,500 or more and a life of at least one years.

COMPENSATED ABSENCES

There were no compensated absences on December 31, 2024.

ENCUMBRANCES

Encumbrance accounting is not used by District.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

USE OF ESTIMATES
The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

RISK MANAGEMENT
The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. To cover these losses the District, starting in 2007, joined the Colorado special districts Property & Liability Pool. They feel their coverage is adequate to cover the losses mentioned above except for employee injuries that the District covers by worker compensation insurance.

There is no self-insurance by the District.

TAX, SPENDING AND DEBT LIMITATIONS
Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The District believes it complies with the requirements of the law because it does not collect any taxes or other public funds and is, therefore, exempt from the provisions of the law. However, the District has made certain interpretations of the law's language in order to determine its compliance.

BUDGETARY BASIS OF ACCOUNTING
The District uses the following procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to October 15, the District's Secretary, or other qualified person appointed by the Board, submits to the Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. A "Notice of Budget" is published when the budget is received.

2. Public hearings are held to obtain taxpayer comments.

3. Prior to December 15, the Board shall adopt by resolution the budget for the ensuing fiscal year and shall certify the tax levy to the County Commissioners.

4. On or before December 31, the Board shall pass an annual appropriating ordinance in which such sums of money shall be appropriated, as the Board deems it necessary to defray all expenses and liabilities of the District during the ensuing year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED

BUDGETARY BASIS OF ACCOUNTING-continued

5. The budget for the fund is adopted on a basis consistent with state statutes for governmental units, which provide that debt principal payments and capital outlay are treated as expenditures.

6. After adoption of the budget ordinance, the District may make by ordinance the following changes: a) supplemental appropriations to the extent of revenues in excess of the estimated budget; b) emergency appropriations; c) reduction of appropriations for which originally estimated revenues are insufficient.

7. Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the total budget of any fund. Budget amounts included in the financial statements are based on the final, legally amended budget.

8. Budget appropriations lapse at the end of each year.

ACCRUED LIABILITIES

In general, payables and accrued liabilities are paid in a timely manner and in full, from current financial resources and are reported as current obligations for the fund.

CASH AND CASH EQUIVALENTS

For the Statement of Cash Flows for the proprietary fund, all short-term investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase they have a maturity date of no longer than three months.

RESTRICTED ASSETS/RESERVATIONS OF FUND BALANCES

Assets are reported as restricted when limitation on their use changes the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation. Reservations of fund balance arise from certain Board designations of fund balance, as well as the aforementioned constraints. It is the District's policy to use restricted funds for expenditures for which both restricted and unrestricted funds are available.

SUBSEQUENT EVENTS

Management has reviewed subsequent events through the date of the audit report.

FAIR VALUES OF FINANCIAL INSTRUMENTS

GASB Statement No. 72, Fair Value Measurement and Application, requires disclosure of fair value information about financial instruments. The District has a number of financial instruments, including cash and equivalents, receivables, accounts payable, none of which are held for trading purposes. The District estimates that the fair value of its financial instruments on December 31, 2024, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of Net Position.

NOTE 2 – CASH, EQUIVALENTS, AND INVESTMENTS

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. The eligible depository is required to pledge to the Colorado Division of Banking a pool of collateral having a market value that always exceeds 102% of the uninsured aggregate public deposits. The eligible collateral is determined by the PDPA, which includes obligations secured by first lien mortgages on real property located in the state. PDPA allows the institutions to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The State Regulatory Commission for banks and financial services is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. There is no custodial credit risk for public deposits collateralized under PDPA.

It is the policy of the District to invest public funds in a manner which will provide the highest investment return with the maximum security, meet the daily cash flow demands of the District, and conform to all federal, state, and local statutes governing the investment of public funds. This policy applies to the investment of all financial assets of all funds of the District over which it exercises financial control. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest that include:

Obligations of the United States and certain U.S. government agency securities, including securities issued by FNMA (Federal National Mortgage Association), GNMA (Government National Mortgage Association), FHLMC (Federal Home Loan Mortgage Corporation), the Federal Farm Credit Bank, the Federal Land Bank, the Export-Import Bank, and by the Tennessee Valley Authority, and certain international agency securities, including the World Bank.

General obligation and revenue bonds of U.S. local government entities, the District of Columbia, the territorial possessions of the U.S. rated in the highest two rating categories by two or more of the nationally recognized rating agencies.

Bankers' acceptances of certain banks

Certain securities lending agreements

Commercial paper

Written repurchase agreements collateralized by certain authorized securities.

Certain money market funds

Guaranteed investment contracts

Local government investment pools

investing in local government's own securities including certificates of participation and lease obligations.

NOTE 2 – CASH, EQUIVALENTS, AND INVESTMENTS - CONTINUED

Risk Disclosures

Additional investment and deposit disclosures for credit risk, interest rate risk, and foreign currency risk, as required by GASB Statement No. 40, Deposits, and Investment Risk Disclosures, are included in the notes below.

The concentration of credit risk, or risk of loss attributed to the magnitude of a government's investment in a single issuer, occurs when deposits are not diversified. The District's policy places no limit on the amount the District may invest in any one issuer; however, the district maintains general guidelines for investments to ensure proper diversification by security type and institution. All investments are issued or explicitly guaranteed by securities of the U.S. government or insured by the Public Depository Protection Act and therefore are not subject to concentration of credit risk.

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The District maintains an investment policy that limits investment maturities to three years as a means of managing its exposure to fair value losses arising from increasing interest rates and to avoid undue concentration in any sector of the yield curve. Exceptions to this structure may be allowed where maturities can be structured to accommodate readily identifiable cash flows as approved by the Board. As of December 31, 2024, the District had no investments that were subject to interest rate risk as described above.

Below is a list of the District's cash balances.

	Balance
Cash on Hand	$ 100
Cash in checking and money markets	497,770
	$ 497,870

The District also invested in Certificates of Deposits that mature beyond the three months used to determine cash and cash equivalents. These maturity dates range from one year to five years. The value of the CD's on December 31, 2024, was $744,262. FDIC insures the entire balance.

At year-end, the District had invested $2,361,063 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operates similarly to a money market fund and each share is equal in value to $1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. Substantially all securities owned by COLOTRUST 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 COLOTRUST. This pool is not required to and is not registered with the SEC. COLOTRUST funds are rated AAA by Standard and Poor's, an AAR/V1+ from Fitch's and an Aaa from Moody's rating services.

Summary of Investments Held by the District:

COLOTRUST (Measured at Fair Value)	$2,361,063

Note 6 – Deposits and Investments-continued

Fair Value

The District categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of input that may be used to measure fair value.

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for an asset or liability.

NOTE 3 - CHANGE IN CAPITAL ASSETS

	Balance 12/31/23	Increase	Decrease	Balance 12/31/24
Equipment	$ 133,745	$ 23,303	$ -	$ 157,048
Building Improvements	34,202	-	-	34,202
System Improvements	1,237,317	23,403	-	1,260,720
Total	1,405,264	46,706	-	1,451,970
Accumulated depreciation	(581,637)	(40,575)	-	(622,212)
Net	$ 823,627	$ 6,131	$ -	$ 829,758

Depreciation is computed on the straight-line method over the estimated useful lives of 7-40 years. Depreciation expense for the year ending December 31, 2024, was $ 40,575.

NOTE 4 – EMPLOYEE RETIREMENT

The District has a Simple IRA plan, which is administered by Primerica, for employees. Employees can contribute up to 12% of their gross wages and the District must match the contribution to 3%, but not less than 1% in no more than two out of every five years. During the year-end December 31, 2024, the District contributed $5,210 to the Plan. The employees are 100% vested in both the District's contribution and their own contribution from the time contributions are made. The District's Board of Directors can suspend and make changes (within IRS guidelines) to the plan at any time with sufficient notice to employees. The employee can elect to drop out or suspend their contribution upon notifying District. There were no unfunded contributions at year-end.

OTHER SUPPLEMENTAL INFORMATION

PALISADE IRRIGATION DISTRICT
Statement of Revenues and Expenses and Changes in Net Position
Actual and Budgeted -Budgetary Basis
For the year ended December 31, 2024

	Actual	Budget	Favorable (Unfavorable) Variance
Revenue			
Water assessments levied	$ 702,033	$ 701,568	$ 465
Total Operating Revenue	702,033	701,568	465
Expenses			
Director's fees and expense	4,200	3,600	(600)
Office wages	111,211	109,195	(2,016)
Field tech salary	161,401	170,446	9,045
Payroll taxes	21,649	24,255	2,606
Retirement	5,210	5,200	(10)
Insurance	38,106	65,672	27,566
Water purchases	12,174	8,800	(3,374)
Canal maintenance	128,431	165,500	37,069
GIS expense	2,589	2,500	(89)
Legal fees	8,118	13,000	4,882
Audit and accounting fees	8,032	8,200	168
Locates	4,099	8,000	3,901
Miscellaneous	3,475	5,900	2,425
Repairs & maintenance equipment	3,032	4,000	968
Office expense	25,247	25,300	53
Building expense	5,701	6,000	299
Vehicle expense	24,295	24,000	(295)
Total Expenses	566,970	649,568	82,598
Net Income Before Non-Operating Revenue (Expenses)	135,063	52,000	83,063
Non-Operating Revenues (Expenses)			
Miscellaneous revenue	23,973	-	23,973
O & M Reimbursement	60,000	60,000	-
Sale of assets	950	-	950
Interest income	161,161	20,000	141,161
Fish ladder income	-	5,000	(5,000)
Fish ladder Expense	(6,913)	(5,000)	(1,913)
Capital outlays	(46,706)	(84,000)	37,294
Total Non-Operating (Expenses)	192,465	(4,000)	196,465
Net Income (Loss)	327,528	$ 48,000	$ 279,528
Add back NON-GAAP expenditures:			
Capital Outlays	46,706		
Less GAAP expenses:			
Depreciation	(40,575)		
Change in Net Position	$ 333,659		

Call PM/Auditor - will call in for 61 Stmtg

Call PM to update his acct #s to PID (in yellow)

AJE06				
TO ADJSUT ACCRUED LIABILITIES TO YE EST				
5015	PAYROLL TAXES	2,111.42	0.00	
3321	STATE WITHHOLDING	0.00	39.00	
3371	STATE UNEMPLOYMENT PAY	0.00	361.42	
3378	SIMPLE IRA PAYABLE	0.00	1,519.52	
5010	SIMPLE IRA-EE LIABILITY	290.28	0.00	
5058	SIMPLE IRA ER	557.43	0.00	
4990	UNCATEGORIZED INCOME	0.00	1,039.19	
Total		**2,959.13**	**2,959.13**	**(1,919.94)**
AJE07				
WITTB				
3801	FUND BALANCE UNRESTRICTED	10,896.00	0.00	
4990	UNCATEGORIZED INCOME	0.00	10,896.00	
Total		**10,896.00**	**10,896.00**	**10,896.00**
CLE01				
TO RECORD ANNUAL DEPRECIATION				
2215	ACCUMULATED DEPREC. SYSTM	0.00	15,094.66	
2217.2	ACCUM DEPREC SYSTEM IMPROVEMENTS	0.00	6,861.43	
2225	ACCUM. DEPREC BLDG IMPROVE.	0.00	1,377.05	
2201	ACCUM. DEPREC. EQUIPMENT	0.00	17,242.09	
5390	DEPRECIATION	40,575.23	0.00	
Total		**40,575.23**	**40,575.23**	**(40,575.23)**
CLE02				
TO ADJUST INVENTORY TO YEAR END COUNT				
1305	INVENTORY	13,287.64	0.00	
5212	MATERIAL & PARTS	0.00	13,287.64	
Total		**13,287.64**	**13,287.64**	**13,287.64**
CLE03				
TO ADJUST FOR OLD AMTS				
1105	ALLOWANCE FOR B/D	2,577.31	0.00	
1100	ACCOUNTS RECEIVABLE	0.00	2,577.31	

Client:	PALISADE IRRIGATION DISTRICT			
Report:	AUDIT ADJUSTMENTS			
	12/31/2024			
Account	Description	Debit	Credit	Net Income Effect
AJE01				
TO ADJUST ACCRUED INTEREST ON CD'S TO YEAR END AMT.				
1600	ACCURED INTEREST RECEIVABLE	5,277.36	0.00	
4050	INTEREST INCOME	0.00	5,277.36	
Total		**5,277.36**	**5,277.36**	**5,277.36**
AJE02				
TO ADJUST TO MARKET AT YEAR END				
4051	MARKET VALUE CHANGE INVESTMENTS	0.00	4,261.79	
1059	CASH HOME LOAN CD #3	0.00	636.25	
1061	HOME LOAN #5	1,355.83	0.00	
1057	CD HOME LOAN #1	3,542.21	0.00	
Total		**4,898.04**	**4,898.04**	**4,261.79**
AJE03				
TO ADJUST TO 2025 ASSESSMENTS RECEIVBLE				
1500	DEFERRED WATER ASSESSMENTS RE	248,432.00	0.00	
3395	DEFERRED WATER ASSESSMENTS	0.00	248,432.00	
Total		**248,432.00**	**248,432.00**	**0.00**
AJE04				
TO ADJUST TO YE EST				
5002	FIELD TECH WAGE	1,758.88	0.00	
3385	ACCRUED WAGES	0.00	1,758.88	
Total		**1,758.88**	**1,758.88**	**(1,758.88)**
AJE05				
TO RECLASS SALE OF UTILITY TRAILER				
4990	UNCATEGORIZED INCOME	950.00	0.00	
8000	SALE OF FIXED ASSETS	0.00	950.00	
Total		**950.00**	**950.00**	**0.00**

Total		**2,577.31**	**2,577.31**	**0.00**
RJE01				
TO RECLASS AMOUNTS FOR CODING ERRORS AND DISPLAY				
2210	SYSTEM IMPROVEMENTS	5,207.08	0.00	
2216	SYSTEM IMPROVEMENTS-CANAL-OTHER	0.00	16,207.08	
5216-1	INVASIVE SPECIES CONTROL	109.46	0.00	
2218	SI- INVASIVE SPECIES	0.00	109.46	
5212	MATERIAL & PARTS	498.26	0.00	
7999	CAPITAL RESERVES (BUDGET)	0.00	21.44	
7999	CAPITAL RESERVES (BUDGET)	0.00	476.82	
2200	EQUIPMENT 2 trks / Inv Species / Pumps	11,000.00	0.00	
Total		**16,814.80**	**16,814.80**	**(109.46)**
RJE02				
TO RECLASS CAPITAL OUTLAYS				
2200	EQUIPMENT	12,281.64	0.00	
7999	CAPITAL RESERVES (BUDGET)	0.00	12,281.64	
2200	EQUIPMENT	21.15	0.00	
5212	MATERIAL & PARTS	0.00	21.15	
7999	CAPITAL RESERVES (BUDGET)	0.29	0.00	
7005	OTHER	0.00	0.29	
Total		**12,303.08**	**12,303.08**	**12,302.79**
RJE03				
TO RECLASS AMTS				
4010	PARTS INCOME NO	60,000.00	0.00	
4070	BOR REIMBURSEMENT yes	0.00	60,000.00	
4010	PARTS INCOME	60,569.11	0.00	
5207.1	INVASIVE SPECIES CONTROL	0.00	60,569.11	
Total		**120,569.11**	**120,569.11**	**0.00**
RJE04				
RECLASS CC PAYMENTS do AJE / eaacct + Reconcile ea/cc				
3011	CC H.L. #83DC	33,937.16	0.00	
3012	CC H.L. #91TB	67,861.17	0.00	

3010	C.C. HOME LOAN OTHER	0.00	101,798.33	
3010	C.C. HOME LOAN OTHER	0.00	2,354.19	
7005	OTHER	2,354.19	0.00	
Total		**104,152.52**	**104,152.52**	**(2,354.19)**
rje05				
TO RECLASS FOR 2024 ACTIVITY				
3801	FUND BALANCE UNRESTRICTED	6,130.54	0.00	
3901	INVESTEMNET IN FIXED ASSETS	0.00	6,130.54	
Total		**6,130.54**	**6,130.54**	**0.00**
GRAND TOTAL		**591,581.64**	**591,581.64**	**(692.12)**

Client:	PALISADE IRRIGATION DISTRICT						
Report:	FINANCIAL LINKS						
Code	Account	Description	Adjusted 12/31/2023	Unadjusted 12/31/2024	Adjusting JE 12/31/2024	Adjusted 12/31/2024	Adjusted Budget 12/31/2024
CA		Current Assets					
CA, CCE		Cash and cash equivalents					
	1010	PETTY CASH	100.00	100.00	0.00	100.00	0.00
	1030	CASH CHECKING	35,312.20	59,895.15	0.00	59,895.15	0.00
	1035	GVB MMDA	920,594.68	26,696.88	0.00	26,696.88	0.00
	1060	CASH HOME LOAN CD #4	566,745.81	411,177.60	0.00	411,177.60	0.00
	1063	PEAK M.M	23,936.35	0.00	0.00	0.00	0.00
CA, CCE Total			1,546,689.04	497,869.63	0.00	497,869.63	0.00
CA, DFOG		Due from other governments					
	1500	DEFERRED WATER ASSESSMENTS RE	701,568.00	701,568.00	248,432.00	950,000.00	0.00
CA, DFOG Total			701,568.00	701,568.00	248,432.00	950,000.00	0.00
CA, AR		Accounts receivable					
	1100	ACCOUNTS RECEIVABLE	3,416.51	3,077.31	(2,577.31)	500.00	0.00
	1105	ALLOWANCE FOR B/D	(2,577.31)	(2,577.31)	2,577.31	0.00	0.00
CA, AR Total			839.20	500.00	0.00	500.00	0.00
CA, I		Inventories					
	1305	INVENTORY	8,927.80	8,927.80	13,287.64	22,215.44	0.00
CA, I Total			8,927.80	8,927.80	13,287.64	22,215.44	0.00
CA, OR		Other receivables					
	1600	ACCURED INTEREST RECEIVABLE	1,710.83	1,710.83	5,277.36	6,988.19	0.00
CA, OR Total			1,710.83	1,710.83	5,277.36	6,988.19	0.00
CA, INVEST		INVESTMENTS					

Client:	PALISADE IRRIGATION DISTRICT						
Report:	FINANCIAL LINKS						
Code	Account	Description	Adjusted 12/31/2023	Unadjusted 12/31/2024	Adjusting JE 12/31/2024	Adjusted 12/31/2024	Adjusted Budget 12/31/2024
CA		Current Assets					
CA, CCE		Cash and cash equivalents					
	1010	PETTY CASH	100.00	100.00	0.00	100.00	0.00
	1030	CASH CHECKING	35,312.20	59,895.15	0.00	59,895.15	0.00
	1035	GVB MMDA	920,594.68	26,696.88	0.00	26,696.88	0.00
	1060	CASH HOME LOAN CD #4	566,745.81	411,177.60	0.00	411,177.60	0.00
	1063	PEAK M.M	23,936.35	0.00	0.00	0.00	0.00
CA, CCE Total			1,546,689.04	497,869.63	0.00	497,869.63	0.00
CA, DFOG		Due from other governments					
	1500	DEFERRED WATER ASSESSMENTS RE	701,568.00	701,568.00	248,432.00	950,000.00	0.00
CA, DFOG Total			701,568.00	701,568.00	248,432.00	950,000.00	0.00
CA, AR		Accounts receivable					
	1100	ACCOUNTS RECEIVABLE	3,416.51	3,077.31	(2,577.31)	500.00	0.00
	1105	ALLOWANCE FOR B/D	(2,577.31)	(2,577.31)	2,577.31	0.00	0.00
CA, AR Total			839.20	500.00	0.00	500.00	0.00
CA, I		Inventories					
	1305	INVENTORY	8,927.80	8,927.80	13,287.64	22,215.44	0.00
CA, I Total			8,927.80	8,927.80	13,287.64	22,215.44	0.00
CA, OR		Other receivables					
	1600	ACCURED INTEREST RECEIVABLE	1,710.83	1,710.83	5,277.36	6,988.19	0.00
CA, OR Total			1,710.83	1,710.83	5,277.36	6,988.19	0.00
CA, INVEST		INVESTMENTS					

	1036	COLOTRUST PLUS	504,592.81	1,642,319.14	0.00	1,642,319.14	0.00
	1037	COLOTRUST PRIME	503,950.77	718,743.97	0.00	718,743.97	0.00
	1057	CD HOME LOAN #1	243,850.46	245,000.00	3,542.21	248,542.21	0.00
	1059	CASH HOME LOAN CD #3	244,583.99	250,000.00	(636.25)	249,363.75	0.00
	1061	HOME LOAN #5	241,210.75	245,000.00	1,355.83	246,355.83	0.00
CA, INVEST Total			1,738,188.78	3,101,063.11	4,261.79	3,105,324.90	0.00
CA Total			**3,997,923.65**	**4,311,639.37**	**271,258.79**	**4,582,898.16**	**0.00**
CAPA		**Capital Assets**					
CAPA, LI		Land and improvements					
	2210	SYSTEM IMPROVEMENTS	999,251.73	999,251.73	5,207.08	1,004,458.81	0.00
	2215	ACCUMULATED DEPREC. SYSTM	(473,962.69)	(473,962.69)	(15,094.66)	(489,057.35)	0.00
	2216	SYSTEM IMPROVEMENTS-CANAL-OTHER	0.00	16,207.08	(16,207.08)	0.00	0.00
	2217	SYSTEM IMPROVEMENTS LATERAL	238,065.48	256,261.37	0.00	256,261.37	0.00
	2217.2	ACCUM DEPREC SYSTEM IMPROVEMENTS	(22,650.11)	(22,650.11)	(6,861.43)	(29,511.54)	0.00
	2218	SI- INVASIVE SPECIES	0.00	109.46	(109.46)	0.00	0.00
CAPA, LI Total			740,704.41	775,216.84	(33,065.55)	742,151.29	0.00
CAPA, B		Buildings					
	2220	BUILDING IMPROVEMENTS	34,202.32	34,202.32	0.00	34,202.32	0.00
	2225	ACCUM. DEPREC BLDG IMPROVE.	(9,440.44)	(9,440.44)	(1,377.05)	(10,817.49)	0.00
CAPA, B Total			24,761.88	24,761.88	(1,377.05)	23,384.83	0.00
CAPA, EF		Equipment and furniture					
	2200	EQUIPMENT	133,745.23	133,745.23	23,302.79	157,048.02	0.00
	2201	ACCUM. DEPREC. EQUIPMENT	(75,584.08)	(75,584.08)	(17,242.09)	(92,826.17)	0.00
CAPA, EF Total			58,161.15	58,161.15	6,060.70	64,221.85	0.00

CAPA Total			**823,627.44**	**858,139.87**	**(28,381.90)**	**829,757.97**	**0.00**
CL		**Current liabilities**					
CL, AP		Accounts payable					
	3000	ACCOUNTS PAYABLE	0.00	(422.61)	0.00	(422.61)	0.00
	3010	C.C. HOME LOAN OTHER	(2,704.66)	104,152.52	(104,152.52)	0.00	0.00
	3011	CC H.L. #83DC	0.00	(40,934.18)	33,937.16	(6,997.02)	0.00
	3012	CC H.L. #91TB	0.00	(68,812.68)	67,861.17	(951.51)	0.00
CL, AP Total			(2,704.66)	(6,016.95)	(2,354.19)	(8,371.14)	0.00
CL, APAY		Accrued payroll					
	3321	STATE WITHHOLDING	0.00	39.00	(39.00)	0.00	0.00
	3371	STATE UNEMPLOYMENT PAY	(143.45)	208.95	(361.42)	(152.47)	0.00
	3378	SIMPLE IRA PAYABLE	425.30	363.79	(1,519.52)	(1,155.73)	0.00
CL, APAY Total			281.85	611.74	(1,919.94)	(1,308.20)	0.00
CL, AW		Accrued wages					
	3385	ACCRUED WAGES	(5,717.26)	(5,717.26)	(1,758.88)	(7,476.14)	0.00
CL, AW Total			(5,717.26)	(5,717.26)	(1,758.88)	(7,476.14)	0.00
CL, UR		Unearned revenues					
	3395	DEFERRED WATER ASSESSMENTS	(701,568.00)	(701,568.00)	(248,432.00)	(950,000.00)	0.00
CL, UR Total			(701,568.00)	(701,568.00)	(248,432.00)	(950,000.00)	0.00
CL Total			**(709,708.07)**	**(712,690.47)**	**(254,465.01)**	**(967,155.48)**	**0.00**
EQ		**Equity**					
EQ, No Subcode							
	3801	FUND BALANCE UNRESTRICTED	(2,909,964.68)	(2,909,964.68)	17,026.54	(2,892,938.14)	0.00
	3900	RETAINED EARNINGS	(79,802.54)	(389,145.95)	0.00	(389,145.95)	0.00

	3901	INVESTEMNET IN FIXED ASSETS	(823,627.43)	(823,627.43)	(6,130.54)	(829,757.97)	0.00
EQ, No Subcode Total			(3,813,394.65)	(4,122,738.06)	10,896.00	(4,111,842.06)	0.00
EQ Total			**(3,813,394.65)**	**(4,122,738.06)**	**10,896.00**	**(4,111,842.06)**	**0.00**
R		**Revenues**					
R, CS		Charges for services					
	4000	WATER ASSESSMENTS	(704,916.73)	(702,032.91)	0.00	(702,032.91)	(701,568.00)
R, CS Total			(704,916.73)	(702,032.91)	0.00	(702,032.91)	(701,568.00)
R, MR		Miscellaneous revenue					
	4010	PARTS INCOME	(17,268.93)	(124,021.92)	120,569.11	(3,452.81)	0.00
	4011	CONTRACTOR SERVICES	(5,404.40)	(8,569.94)	0.00	(8,569.94)	0.00
	4012	EQUIPEMENT, SHOP, RENTALS	(750.00)	0.00	0.00	0.00	0.00
	4990	UNCATEGORIZED INCOME	(1,073.49)	(964.36)	(10,985.19)	(11,949.55)	0.00
R, MR Total			(24,496.82)	(133,556.22)	109,583.92	(23,972.30)	0.00
R, INTR		Interest renvenue					
	4050	INTEREST INCOME	(89,694.61)	(151,622.02)	(5,277.36)	(156,899.38)	(20,000.00)
	4051	MARKET VALUE CHANGE INVESTMENTS	0.00	0.00	(4,261.79)	(4,261.79)	0.00
R, INTR Total			(89,694.61)	(151,622.02)	(9,539.15)	(161,161.17)	(20,000.00)
R, GD		Grants and donations					
	4070	BOR REIMBURSEMENT	(60,000.00)	0.00	(60,000.00)	(60,000.00)	(60,000.00)
R, GD Total			(60,000.00)	0.00	(60,000.00)	(60,000.00)	(60,000.00)
R Total			**(879,108.16)**	**(987,211.15)**	**40,044.77**	**(947,166.38)**	**(781,568.00)**
NOR		**Nonoperating revenues**					
NOR, SAR		Sale of asset					

	8000	SALE OF FIXED ASSETS	(10,000.00)	0.00	(950.00)	(950.00)	0.00
NOR, SAR Total			(10,000.00)	0.00	(950.00)	(950.00)	0.00
NOR, FLR		FISH LADDER REIMBURSEMENT					
	5401	FISH PROJECT REIMBURSEMENT	0.00	0.00	0.00	0.00	(5,000.00)
NOR, FLR Total			0.00	0.00	0.00	0.00	(5,000.00)
NOR Total			**(10,000.00)**	**0.00**	**(950.00)**	**(950.00)**	**(5,000.00)**
CE		**Current Expenditures**					
CE, GG		General government					
	5251	CELL PHONE	5,545.75	5,563.80	0.00	5,563.80	10,000.00
	5252	INTERNET/FAX/PHONE	1,779.76	1,799.76	0.00	1,799.76	0.00
	5252-1	WESTFAX	107.88	107.88	0.00	107.88	0.00
	5301	BANK CHARGES	0.00	10.00	0.00	10.00	0.00
	5301-1	LATE FEES	73.66	0.00	0.00	0.00	0.00
	5303	ADVERTISEMENT	0.00	0.00	0.00	0.00	2,000.00
	5305	OFFICE EXPENSE	15,447.85	16,706.55	0.00	16,706.55	6,000.00
	5306	IT SERVICES	0.00	0.00	0.00	0.00	3,000.00
	5307	ANSWERING SERVICE	0.00	0.00	0.00	0.00	2,000.00
	5320	DUES	1,306.96	1,057.69	0.00	1,057.69	1,800.00
	5323	BAD DEBTS	2,577.31	0.00	0.00	0.00	0.00
	5335	LICENSES	0.00	0.00	0.00	0.00	500.00
CE, GG Total			26,839.17	25,245.68	0.00	25,245.68	25,300.00
CE, PW		Public works					
	5230	WATER CARRIAGE/ PURCHASE	6,447.57	12,173.88	0.00	12,173.88	8,800.00
CE, PW Total			6,447.57	12,173.88	0.00	12,173.88	8,800.00
CE, B		Benfits					
	5010	SIMPLE IRA-EE LIABILITY	0.00	(290.28)	290.28	0.00	0.00
	5058	SIMPLE IRA ER	4,959.71	4,652.46	557.43	5,209.89	5,200.00

CE, B Total			4,959.71	4,362.18	847.71	5,209.89	5,200.00
CE, F		Fees					
	5215	LOCATES	6,038.31	4,098.96	0.00	4,098.96	8,000.00
CE, F Total			6,038.31	4,098.96	0.00	4,098.96	8,000.00
CE, SW		Salaries and wages					
	5000	WAGES ON-CALL	9,325.00	9,175.00	0.00	9,175.00	8,389.00
	5002	FIELD TECH WAGE	145,970.50	150,467.11	1,758.88	152,225.99	116,832.00
	5003	FIELD TECH SEASONAL	0.00	0.00	0.00	0.00	45,225.00
	5004	OFFICE MANAGER WAGES	53,640.80	54,432.00	0.00	54,432.00	52,416.00
	5005	DIRECTORS' FEES	3,500.00	4,200.00	0.00	4,200.00	3,600.00
	5008	SUPERINTENDENT WAGE	54,075.06	56,778.80	0.00	56,778.80	56,779.00
CE, SW Total			266,511.36	275,052.91	1,758.88	276,811.79	283,241.00
CE, TB		Taxes and benefits					
	5015	PAYROLL TAXES	21,258.11	19,537.95	2,111.42	21,649.37	24,255.00
CE, TB Total			21,258.11	19,537.95	2,111.42	21,649.37	24,255.00
CE, OM		Operating maintenance					
	5202	SUPPLIES & TOOLS	804.01	0.00	0.00	0.00	1,500.00
	5203	MATERIALS & PARTS CANAL OPER	1,765.55	1,764.00	0.00	1,764.00	53,000.00
	5204	VAC OPERATIONS-CANALS	22,015.00	35,400.00	0.00	35,400.00	15,000.00
	5205-1	SCADA	1,150.00	330.00	0.00	330.00	7,000.00
	5205-2	SCADA PARTS	2,378.38	1,709.77	0.00	1,709.77	0.00
	5205-3	SCADA- MILEAGE PAID	50.63	30.82	0.00	30.82	0.00
	5206	HEADGATES & REPLACEMENTS	23,027.39	1,531.22	0.00	1,531.22	9,000.00
	5207	TREE/WEED/VEG CLEANING	2,131.60	2,941.44	0.00	2,941.44	3,000.00
	5207.1	INVASIVE SPECIES CONTROL	0.00	86,756.14	(60,569.11)	26,187.03	5,000.00
	5208	CONTRACTOR ASSIS-CANAL	805.00	4,798.76	0.00	4,798.76	8,000.00

	5209	CANAL SAFETY & SECURITY	0.00	0.00	0.00	0.00	2,000.00
	5211	SUPPIES & TOOLS-LATERAL OPERAT	3,071.92	1,097.66	0.00	1,097.66	3,000.00
	5212	MATERIAL & PARTS	14,487.81	28,316.97	(12,810.53)	15,506.44	13,000.00
	5213	CONTRACTORS-LABOR/REPAIRS	321.00	9,489.92	0.00	9,489.92	3,000.00
	5214	VAC OPERATION-LATERALS	22,290.00	24,720.00	0.00	24,720.00	35,000.00
	5216	CLEARING VEGETATION	1,943.85	1,995.41	0.00	1,995.41	3,000.00
	5216-1	INVASIVE SPECIES CONTROL	367.48	819.76	109.46	929.22	5,000.00
CE, OM Total			96,609.62	201,701.87	(73,270.18)	128,431.69	165,500.00
CE, CE		Capital expenditures					
	8600	EQUIPMENT PURCHASE	0.00	0.00	0.00	0.00	40,000.00
	8606	INVASIVE SPECIES MITIGATION	0.00	0.00	0.00	0.00	44,000.00
CE, CE Total			0.00	0.00	0.00	0.00	84,000.00
CE, AUD		AUDIT					
	5310	AUDIT EXPENSE	4,700.00	5,100.00	0.00	5,100.00	5,200.00
	5315	ACCOUNTING SERVICES	2,029.00	2,931.50	0.00	2,931.50	3,000.00
CE, AUD Total			6,729.00	8,031.50	0.00	8,031.50	8,200.00
CE, LEG		LEGAL					
	5360	LEGAL	15,180.00	8,118.00	0.00	8,118.00	13,000.00
CE, LEG Total			15,180.00	8,118.00	0.00	8,118.00	13,000.00
CE Total			**450,572.85**	**558,322.93**	**(68,552.17)**	**489,770.76**	**625,496.00**
OE		**Operating Expenses**					
OE, DEPREC		DEPRECIATION					
	5390	DEPRECIATION	39,039.70	0.00	40,575.23	40,575.23	0.00
OE, DEPREC Total			39,039.70	0.00	40,575.23	40,575.23	0.00

OE, CS		Contractual services					
	5240	EQUIPMENT EXPENSE OTHER	(1,559.00)	0.00	0.00	0.00	4,000.00
	5241	EQUIPMENT FUEL	797.90	455.88	0.00	455.88	0.00
	5242	EQUIPMENT MAINT & REPAIRS	3,689.89	2,576.44	0.00	2,576.44	0.00
OE, CS Total			2,928.79	3,032.32	0.00	3,032.32	4,000.00
OE, U		Utilities					
	5253	UTE WATER	294.00	285.00	0.00	285.00	0.00
	5254	XCEL ENERGY	2,917.95	1,809.60	0.00	1,809.60	0.00
	5255	TRASH/DUMPSTER	250.00	350.00	0.00	350.00	0.00
	5800	BUILDING MAINT & REPAIRS	5,620.96	3,255.55	0.00	3,255.55	6,000.00
OE, U Total			9,082.91	5,700.15	0.00	5,700.15	6,000.00
OE, OSE		Other supplies and expenses					
	5236	VEHICLE FUEL	16,900.26	13,781.72	0.00	13,781.72	20,000.00
	5237	VEHICLE R & M	5,571.33	10,513.21	0.00	10,513.21	4,000.00
OE, OSE Total			22,471.59	24,294.93	0.00	24,294.93	24,000.00
OE, ICE		Insurance claims and expenses					
	5020	WORKERS COMP INSURANCE	9,888.00	5,638.00	0.00	5,638.00	11,025.00
	5057	HEALTH INSURANCE	19,769.34	20,024.24	0.00	20,024.24	38,000.00
	5059	HEALTH & WELLNESS	0.00	0.00	0.00	0.00	2,647.00
	5350	INSURANCE	12,417.00	12,444.00	0.00	12,444.00	14,000.00
OE, ICE Total			42,074.34	38,106.24	0.00	38,106.24	65,672.00
OE, CO		Capital outlay					
	7999	CAPITAL RESERVES (BUDGET)	0.00	12,779.61	(12,779.61)	0.00	48,000.00
OE, CO Total			0.00	12,779.61	(12,779.61)	0.00	48,000.00
OE, MISC		MISCELLANEOUS					

	5225	EMPLOYEE CLOTHING	1,354.53	540.20	0.00	540.20	3,000.00
	5302	EDUCATION	0.00	500.00	0.00	500.00	2,000.00
	5321	WATER QUALITY PROGRAM	0.00	859.00	0.00	859.00	900.00
	5325	MISCELLANEOUS	0.00	(777.01)	0.00	(777.01)	0.00
	5330	REIMBURSEMENTS	41.87	0.00	0.00	0.00	0.00
	7005	OTHER	4,789.99	0.00	2,353.90	2,353.90	0.00
OE, MISC Total			6,186.39	1,122.19	2,353.90	3,476.09	5,900.00
OE, FL		FISH LADDER EXPENSE					
	5400	FISH PROJECT EXPENSE	16,693.80	6,912.67	0.00	6,912.67	5,000.00
OE, FL Total			16,693.80	6,912.67	0.00	6,912.67	5,000.00
OE, No Subcode							
	5220	GIS DEVELOPMENT	1,609.42	2,589.40	0.00	2,589.40	2,500.00
OE, No Subcode Total			1,609.42	2,589.40	0.00	2,589.40	2,500.00
OE Total			**140,086.94**	**94,537.51**	**30,149.52**	**124,687.03**	**161,072.00**
Financial Statement Groupings			**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
	Net Income (Loss)		**298,448.37**	**334,350.71**		**333,658.59**	**0.00**
	Total Assets		**4,821,551.09**	**5,169,779.24**	**242,876.89**	**5,412,656.13**	**0.00**
	Total Liabilities		**(709,708.07)**	**(712,690.47)**	**(254,465.01)**	**(967,155.48)**	**0.00**
	Total Equity		**(3,813,394.65)**	**(4,122,738.06)**	**10,896.00**	**(4,111,842.06)**	**0.00**
	Total Revenue		**(889,108.16)**	**(987,211.15)**	**39,094.77**	**(948,116.38)**	**(781,568.00)**
	Total Expense		**590,659.79**	**652,860.44**	**(38,402.65)**	**614,457.79**	**781,568.00**

Blair and Associates, P.C.

Recd. Email 5/12/25

April 12, 2025

Board of Directors
Palisade Irrigation District
777 35 3/10 Road
Palisade, Colorado 81526

We have audited the financial statements of the business-type activities and the aggregate remaining fund information of Palisade Irrigation District for the year ended December 31, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 3, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Palisade Irrigation District are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2024. We noted no transactions entered into by Palisade Irrigation District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

> Management's estimate of the depreciation expense is based on the useful life of the corresponding capital assets. We evaluated the key factors and assumptions used to develop the depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 12, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Palisade Irrigation District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Palisade Irrigation District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on budgetary comparison information, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the board of directors and management of Palisade Irrigation District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Blair and Associates, P.C.

777 35 3/10 Road, Palisade, CO 81526
970-464-4700 / Fax 970-464-1337 / M-F – 9am-3pm [mt]
Email: OFFICE@PALISADEIRRIGATIONDISTRICT.ORG- Office
office.palisadeirrigationdistr@gmail.com – office secondary email
www.palisadeirrigationdistrict.org

April 12, 2025

Blair and Associates, P.C.
105 SE Frontier Ave., Suite A
Cedaredge, Colorado 81413

This representation letter is provided in connection with your audit(s) of the financial statements of Palisade Irrigation District, which comprises the respective financial position of the business-type activities and the aggregate remaining fund information as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of April 12, 2025, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 3, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.

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

3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

SCD

6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10) Guarantees, whether written or oral, under which the district is contingently liable, if any, have been properly recorded or disclosed.

Information Provided
11) We have provided you with:
a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
b) Additional information that you have requested from us for the purpose of the audit.
c) Unrestricted access to persons within the district from whom you determined it necessary to obtain audit evidence.
d) Minutes of the meetings of the board of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
14) We have no knowledge of any fraud or suspected fraud that affects the district and involves—
□ Management,
□ Employees who have significant roles in internal control, or
□ Others where the fraud could have a material effect on the financial statements.
15) We have no knowledge of any allegations of fraud or suspected fraud affecting the district's financial statements communicated by employees, former employees, regulators, or others.
16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
18) We have disclosed to you the names of the district's related parties and all the related party relationships and transactions, including any side agreements.
Government-specific
19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
21) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
22) The district has no plans or intentions that may materially affect the carrying value or classification of

assets,
deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
24) We have appropriately disclosed all information for conduit debt obligations in accordance with .
1) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
1) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
1) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.
1) The district has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral.
1) The district has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
1) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest and properly disclose all other joint ventures and other related organizations.
1) The financial statements include all fiduciary activities required by , as amended.
1) The financial statements properly classify all funds and activities in accordance with , as amended.
1) All funds that meet the quantitative criteria in and for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
1) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
1) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
1) Provisions for uncollectible receivables have been properly identified and recorded.
1) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
1) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
1) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
1) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
1) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated, or amortized.
1) We have appropriately disclosed the district's policy regarding whether to first apply restricted or unrestricted
resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

1) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
1) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
1) With respect to the budgetary comparison information:
a) We acknowledge our responsibility for presenting the budgetary comparison information in accordance with accounting principles generally accepted in the United States of America, and we believe the budgetary comparison information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the budgetary comparison information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

Signature: Kent Brumback
Kent Brumback

Signature:
Dan Crabtree

Title: Board Member

Title: Superintendent

Date: 06-05-2025

PLEASE COPY ONTO YOUR LETTERHEAD

April 12, 2025

Blair and Associates, P.C.
105 SE Frontier Ave., Suite A
Cedaredge, Colorado 81413

This representation letter is provided in connection with your audit(s) of the financial statements of Palisade Irrigation District, which comprise the respective financial position of the business-type activities and the aggregate remaining fund information as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of April 12, 2025, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 3, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.

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

3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

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

7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.

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

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

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Information Provided

11) We have provided you with:

a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.

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

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

d) Minutes of the meetings of the board of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

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

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

14) We have no knowledge of any fraud or suspected fraud that affects the district and involves—

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

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

16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.

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

18) We have disclosed to you the names of the district's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

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

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

21) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

22) The district has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

24) We have appropriately disclosed all information for conduit debt obligations in accordance with .

1) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

1) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax

or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

1) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.

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

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

1) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest and properly disclose all other joint ventures and other related organizations.

1) The financial statements include all fiduciary activities required by , as amended.

1) The financial statements properly classify all funds and activities in accordance with , as amended.

1) All funds that meet the quantitative criteria in and for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

1) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

1) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.

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

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

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

1) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

1) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.

1) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated, or amortized.

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

1) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

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

1) With respect to the budgetary comparison information:

   a) We acknowledge our responsibility for presenting the budgetary comparison information in accordance with accounting principles generally accepted in the United States of America, and we believe the budgetary comparison information, including its form and content, is fairly presented in accordance with

accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the budgetary comparison information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

Signature: _____

Title: _____

Signature: _____

Title: _____