

CHAFFEE COUNTY, COLORADO

FINANCIAL STATEMENTS
AND THE INDEPENDENT AUDITOR'S REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2025

CHAFFEE COUNTY, COLORADO
ELECTED AND APPOINTED OFFICIALS
December 31, 2025

ELECTED OFFICIALS

Gina Lucrezi Commissioner District #1
David Armstrong, Commissioner District #2
P.T. Wood, Commissioner District #3
Jolene Ellis, County Treasurer
Jeffery Graf, County Coroner
Lori Mitchell, County Clerk and Recorder
Janie Williams, County Assessor
Andy Rohrich, County Sheriff

MANAGEMENT

Beth Helmke, County Administrator
Dan Short, Director of Finance and Personnel

INDEPENDENT AUDIT FIRM

DMC Auditing and Consulting, LLC

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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Chaffee County, Colorado
Salida, Colorado

Report on the Audit of the Financial Statements

Opinions

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

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

Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of County'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 County'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 and the required supplementary information listed in the table of contents 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 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 County's basic financial statements. The accompanying combining and individual nonmajor fund statements, the budgetary comparison schedules, local highway finance report, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the 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 combining and individual nonmajor fund financial statements, the budgetary comparison schedules, local highway finance report, and the schedule of expenditures of federal awards, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2026, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

DMC Auditing and Consulting, LLC

September 30, 2026
Bailey, Colorado

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Chaffee County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Chaffee County for the fiscal year ended December 31, 2025.

Financial Highlights

- The assets and deferred outflows of the County exceeded their liabilities and deferred inflows at the close of the most recent fiscal year by $56,727,959 (net position). Of this amount, $15,940,399 is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors in accordance with the County's fund designation and fiscal policies.
- The County's total net position decreased by $8,926.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of $25,731,033, a decrease of $2,801,670 in comparison with the prior year. Approximately thirty-one percent (40%) of this total amount, or $10,335,077, is available for use within the County's policies (unassigned fund balance).
- At the end of the current fiscal year, the unassigned fund balance for the general fund represented forty-seven percent (41%) of total general fund expenditures and other financing uses.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private sector business.

The s*tatement of net position* presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The s*tatement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, community and economic development, public safety, health and welfare, public works, parks and recreation, and airport operations. The business-type activities of the County include solid waste landfill operations, emergency services and sewer debt recovery operations.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the Chaffee County Facilities Corporation (Facilities Corporation) which was created with the sole purpose of facilitating County financings. The Facilities Corporation is included in the County's financial statements because the County has financial accountability for the Facilities Corporation and they, in turn, are fiscally dependent upon the County. The Facilities Corporation activities are reported as a debt service fund.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflow and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, road and bridge fund, health and human services fund, airport fund, and capital expenditures fund, all of which are considered to be major funds. Data from the other sixteen nonmajor governmental funds (conservation trust fund, retirement fund, contingent reserve fund, asset replacement fund, lodging visitors bureau fund, American Rescue Plan fund, animal shelter fund, marijuana excise tax fund, forest health fund, rural conservation fund, recreation impact fund, planning special grant fund, unallocated 2018 1A fund, lodging tax reallocation fund, and Chaffee County Facilities Corporation fund) are combined into a single, aggregate presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same function presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its solid waste landfill operations, emergency services, and sewer debt recovery operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for the cost of insurance and estimated damaged property claims allocated to County departments. Because this cost allocation predominately effects governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Chaffee County's own programs. The accounting used for fiduciary funds in much like that used for proprietary funds.

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

Required Supplemental Information. In addition to the basic financial statements and accompanying notes, this report also presents certain other required supplemental information. The County adopts an annual appropriated budget for its general fund and major special revenue funds. Budgetary comparison statements have been provided for the general fund, road and bridge fund, airport fund, and health and human services fund to demonstrate compliance with these budgets.

Other Supplemental Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented under other supplemental information immediately following the required supplemental information. Individual fund statements and schedules and other miscellaneous schedules can also be found under other supplemental information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Chaffee County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $56,727,959 as of December 31, 2025.

A large portion of the County's net position (46%) reflects its investment in capital assets (land, construction in progress, buildings and improvements, vehicles, and machinery and equipment), net of any related debt used to acquire those assets that is still outstanding. The County uses these assets to provide services to citizens, consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (26%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* $13,476,050 may be used to meet the County's ongoing obligations to citizens and creditors.

Condensed Net Position

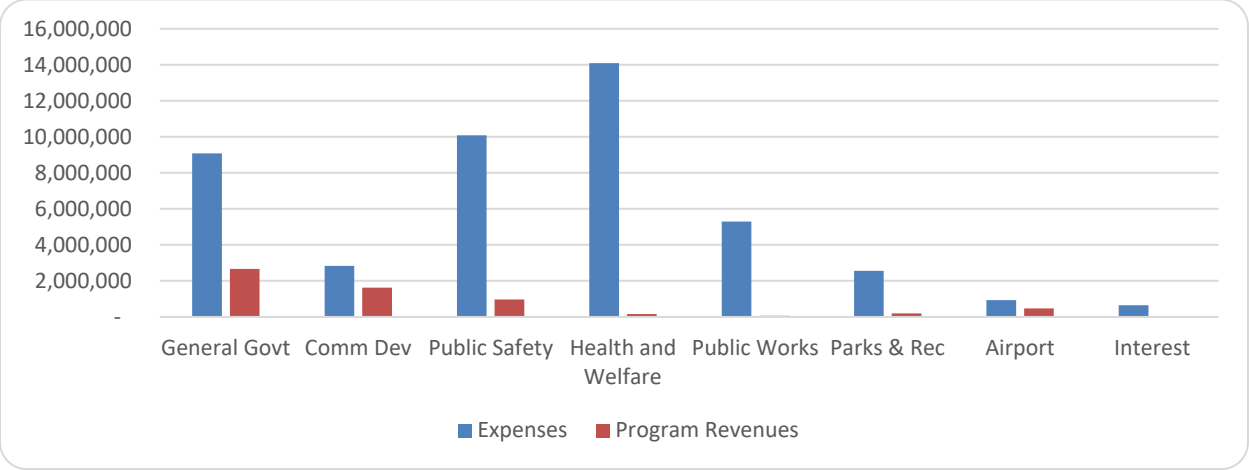
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	$ 36,236,681	$ 39,931,851	$ 4,020,195	$ 4,445,441	$ 40,256,876	$ 44,377,292
Capital Assets, net	42,347,584	39,571,049	4,896,572	4,574,878	47,244,156	44,145,927
Total Assets	78,584,265	79,502,900	8,916,767	9,020,319	87,501,032	88,523,219
Deferred Outflows of Resources	-	38,627	-	-	-	38,627
Other Liabilities	3,363,595	4,307,043	281,100	685,883	3,644,695	4,992,926
Noncurrent Liabilities	19,465,634	19,901,043	1,188,400	669,549	20,654,034	20,570,592
Total Liabilities	22,829,229	24,208,086	1,469,500	1,355,432	24,298,729	25,563,518
Deferred Inflows of Resources	6,474,344	6,261,443	-	-	6,474,344	6,261,443
Net Position:						
Net Investment in Capital Assets	24,096,055	19,708,633	4,559,106	4,223,089	28,655,161	23,931,722
Restricted	14,596,748	16,419,802	-	-	14,596,748	16,419,802
Unrestriced	10,587,889	12,943,563	2,888,161	3,441,798	13,476,050	16,385,361
Total Net Position	$ 49,280,692	$ 49,071,998	$ 7,447,267	$ 7,664,887	$ 56,727,959	$ 56,736,885

Change in Net Position

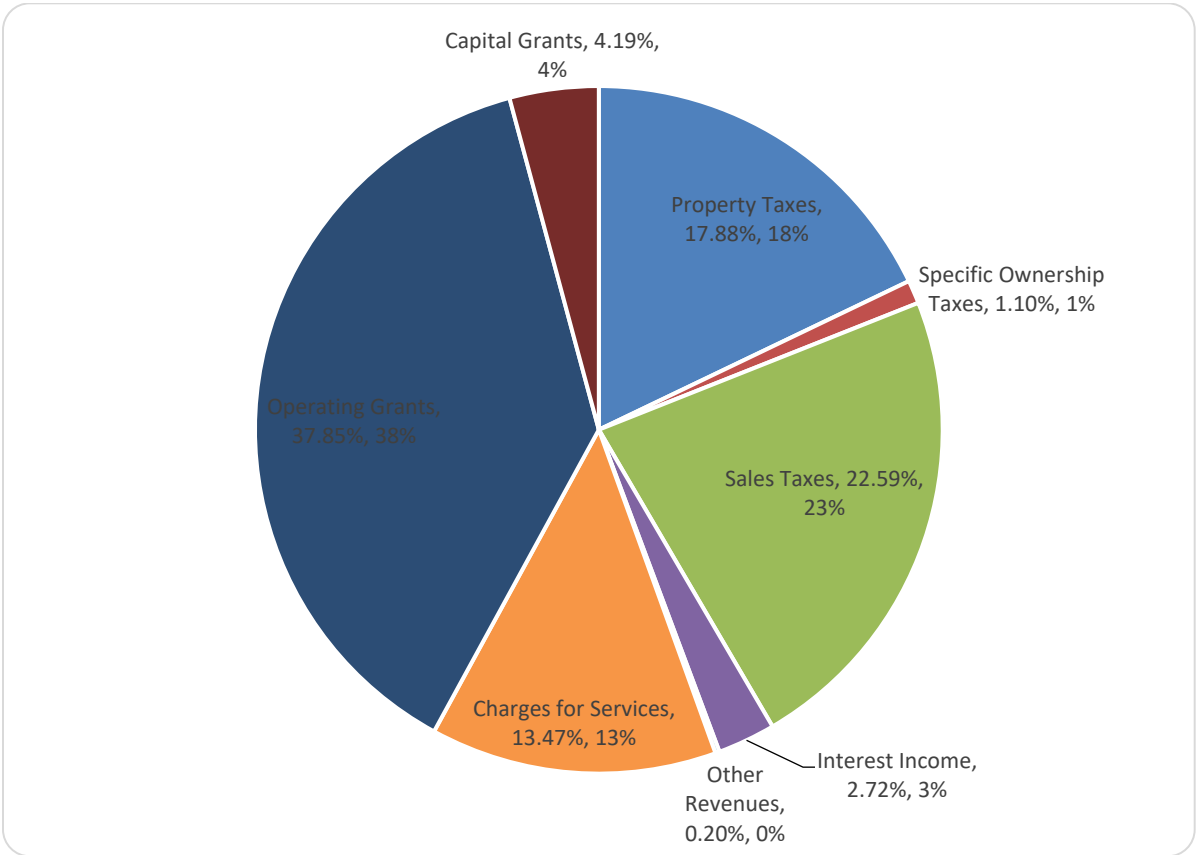
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues:						
Charges for Services	$ 6,107,903	$ 6,147,026	$ 4,097,276	$ 3,558,279	$ 10,205,179	$ 9,705,305
Operating Grants and Contributions	17,161,332	17,031,547	4,000	48,679	17,165,332	17,080,226
Capital Grants and Contributions	1,900,353	6,034,647	-	-	1,900,353	6,034,647
General Revenues:						
Taxes						
Property Taxes	8,108,712	7,631,022	-	-	8,108,712	7,631,022
Sales and Lodging Taxes	10,243,346	10,022,768	3,831,149	3,666,443	14,074,495	13,689,211
Other Taxes	497,583	456,027	-	-	497,583	456,027
Unrestricted Investment Earnings	1,235,090	1,608,438	62,820	78,355	1,297,910	1,686,793
Miscellaneous	89,266	130,485	235,694	113,510	324,960	243,995
Total Revenues	45,343,585	49,061,960	8,230,939	7,465,266	53,574,524	56,527,226
EXPENSES						
Program Activities:						
General Government	9,079,331	9,861,437	-	-	9,079,331	9,861,437
Community/Economic Development	2,826,965	2,118,385	-	-	2,826,965	2,118,385
Public Safety	10,083,916	9,082,269	-	-	10,083,916	9,082,269
Health and Welfare	14,091,161	13,178,689	-	-	14,091,161	13,178,689
Public Works	5,292,181	4,886,221	-	-	5,292,181	4,886,221
Parks and Recreation	2,558,365	2,765,746	-	-	2,558,365	2,765,746
Airport Operations	929,109	903,337	-	-	929,109	903,337
Interest on Long-Term Debt	640,863	221,278	-	-	640,863	221,278
Business-type Activities					-	-
Landfill Operations	-	-	2,125,495	1,920,906	2,125,495	1,920,906
Emergency Services	-	-	5,922,575	5,486,415	5,922,575	5,486,415
Sewer Enteprise	-	-	33,489	32,850	33,489	32,850
					-	-
Total Expenses	45,501,891	43,017,362	8,081,559	7,440,171	53,583,450	50,457,533
					-	-
Excess (Deficiency) Before Transfers and Contributions	(158,306)	6,044,598	149,380	25,095	(8,926)	6,069,693
Transfers In (Out)	367,000	609,000	(367,000)	(609,000)	-	-
Increase (Decrease) in Net Position	208,694	6,653,598	(217,620)	(583,905)	(8,926)	6,069,693
Net Position, Beginning, as Restated	49,071,998	42,418,400	7,664,887	8,248,792	56,736,885	50,667,192
Net Position, Ending	$ 49,280,692	$ 49,071,998	$ 7,447,267	$ 7,664,887	$ 56,727,959	$ 56,736,885

Governmental Activities. Governmental activities increased the County's net position by $208,694 in 2025. The cost of all governmental activities in 2025 was $45,501,891, a 5.4% increase from the prior year. Revenues from governmental activities decreased 8% from the prior year.

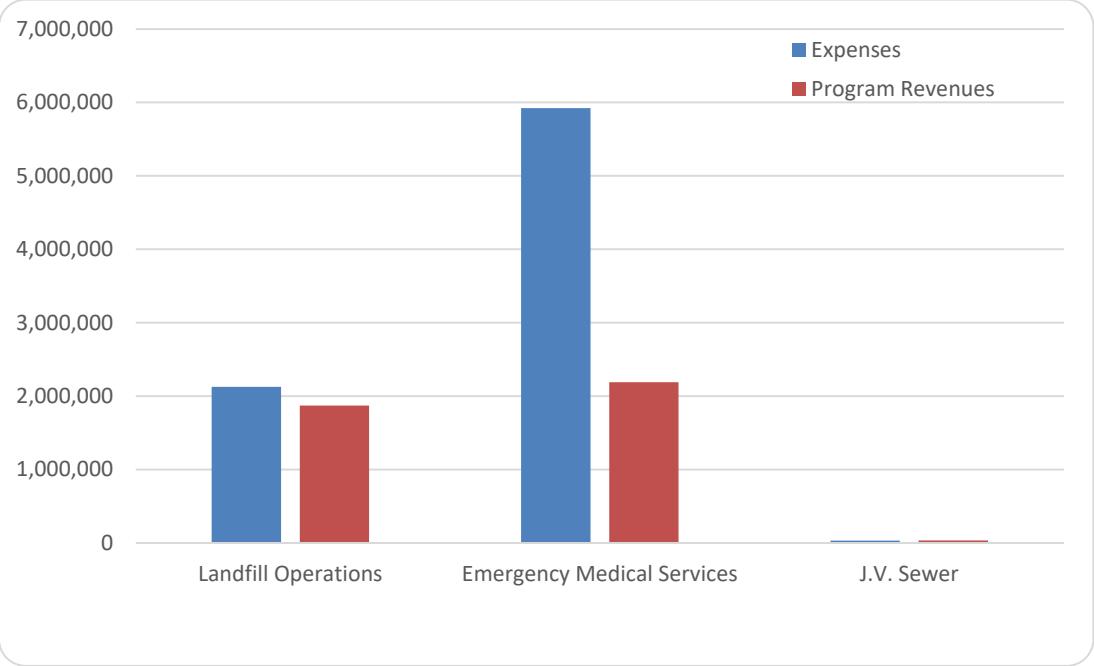
Expenses and Program Revenues – Governmental Activities



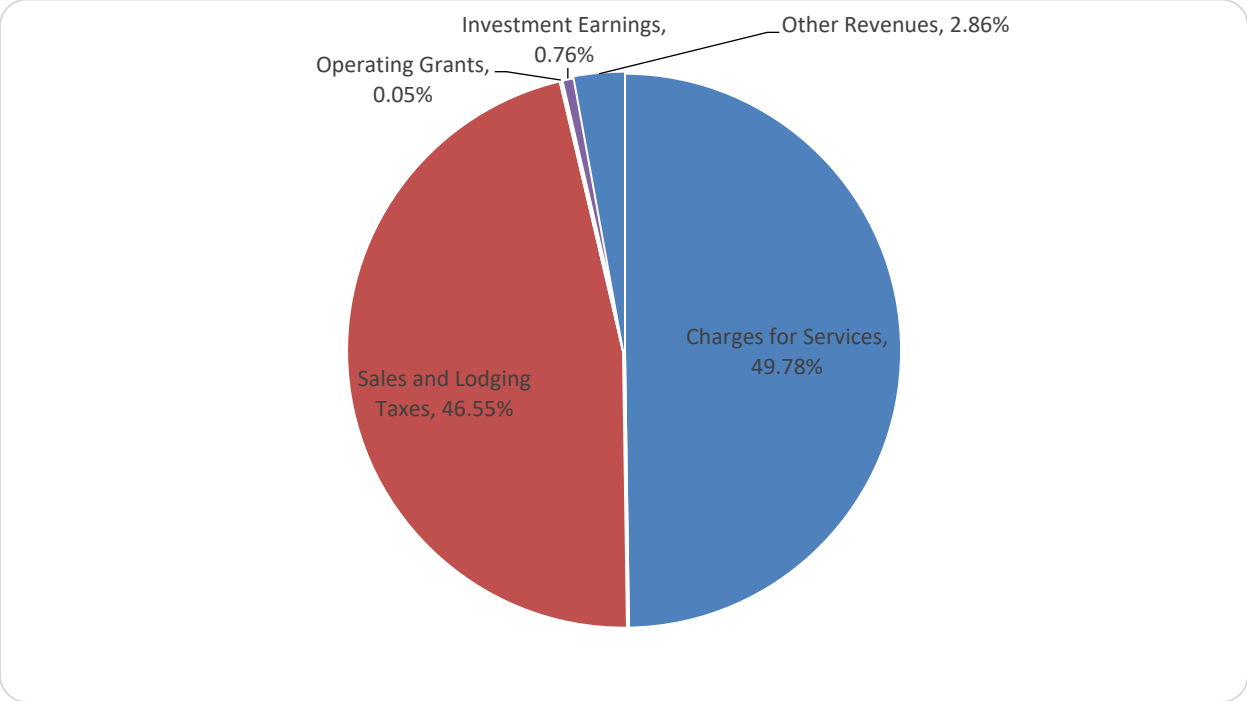
Revenues by Source – Governmental Activities



Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the County's Funds

The following schedule presents a summary of governmental fund revenues for the year ended December 31, 2025, and the amount and percentage of increases and decreases in relation to the prior year.

Revenues	2025 Amount	Percent of Total	2024 Amount	Amount of Increase (Decrease)	Percent Increase (Decrease)
Taxes	$18,780,434	41.44%	$18,109,817	670,617	3.70%
Licenses and Permits	1,742,241	3.84%	1,937,374	(195,133)	(10.07%)
Intergovernmental	19,020,640	41.97%	22,707,669	(3,687,029)	(16.24%)
Charges for Services	3,383,699	7.47%	2,837,433	546,266	19.25%
Fines and Forfeitures	241,618	0.53%	215,800	25,818	11.96%
Investment Earnings	1,235,090	2.73%	1,608,438	(373,348)	(23.21%)
Miscellaneous	914,216	2.02%	1,661,678	(747,462)	(44.98%)
Total	$45,317,938	100.00%	$49,078,209	-$3,760,271	

The following schedule presents a summary of governmental fund expenditures for the year ended December 31, 2025, and the amount and percentage of increases and decreases in relation to the prior year.

Expenditures	2025 Amount	Percent of Total	2024 Amount	Amount of Increase (Decrease)	Percent Increase (Decrease)
Current					
General Government	$8,047,876	16.31%	$9,075,222	(1,027,346)	(11.32%)
Community / Economic Development	2,816,311	5.71%	2,103,621	712,690	33.88%
Public Safety	9,373,099	19.00%	8,835,267	537,832	6.09%
Health and Welfare	14,049,743	28.48%	13,123,245	926,498	7.06%
Public Works	4,810,256	9.75%	4,501,403	308,853	6.86%
Parks and Recreation	2,424,925	4.92%	2,598,105	(173,180)	(6.67%)
Airport Operations	656,876	1.33%	689,123	(32,247)	(4.68%)
Arbitrage Rebate	0	0.00%	54,208	(54,208)	(100.00%)
Capital Outlay	5,307,110	10.76%	14,339,978	(9,032,868)	(62.99%)
Debt Service – Principal	1,158,193	2.35%	754,165	404,028	53.57%
Debt Service – Interest	684,219	1.39%	492,976	191,243	38.79%
Total	$49,328,608	100%	$56,567,313	-$7,238,705	

Fund Balances

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources at the end of the year.

The County's governmental funds reported combined ending fund balances of $25,731,033, a decrease of $2,801,670 from the prior year. Of this total, $14,599,746 is restricted due to external limitations on its use, such as by debt covenants and legal restrictions. A total of 312,289 is considered nonspendable, because it has been used for prepaid items and inventories. A total of $325,477 has been committed or assigned, meaning there are limitations resulting from its intended use, such as construction of capital assets, and for other purposes. The remaining $10,335,077 is unassigned and can be used for any lawful purpose.

The general fund is the main operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was $10,335,077. The fund balance of the general fund decreased by $803,572 or 6.1%, in 2025. As a measure of the general fund's liquidity, it can be useful to compare unassigned fund balances to total fund expenditures. Unassigned fund balance represents 41% of total fund expenditures or the equivalent of just under 5 months of operations. The County's fund balance provides the resources necessary to be financially adaptable to unforeseen circumstances.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of December 31, 2025, totals $47,244,156 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, vehicles, and machinery and equipment (see table below). The total increase in the County's net capital assets for the current fiscal year was 54%.

Major capital assets purchased or placed in service during the current fiscal year include the Airport new fuel farm ($2,084,417), airport taxiway A ($351,638), Valley View School renovation ($74,788), Touber Building Improvements ($201,694), Fairgrounds improvements ($91,875), nine defibrillator monitors and various vehicles and equipment.

County's Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 2,654,478	$ 2,654,478	$ 281,526	$ 281,526	$ 2,936,004	$ 2,936,004
Construction in Progress	2,436,054	11,666,893	658,603	-	3,094,657	11,666,893
Buildings and Improvements	48,030,694	20,085,414	3,271,490	1,354,163	51,302,184	21,439,577
Utility Lines	-	-	710,584	317,218	710,584	317,218
Vehicles	5,958,406	1,495,523	2,699,315	1,394,671	8,657,721	2,890,194
Machinery and Equipment	8,346,490	3,084,309	5,722,029	1,227,301	14,068,519	4,311,610
Right-to-Use Assets	620,232	492,139	-	-	620,232	492,139
SBITAs	237,324	92,293	-	-	237,324	92,293
Total	$ 68,283,678	$ 39,571,049	$ 13,343,547	$ 4,574,879	$ 81,627,225	$ 44,145,928

Bonds Payable At the end of the current fiscal year, the County had total bonds payable outstanding in the amount of $11,632,468. Of this amount, $11,895,000 are Certificates of Participation which evidence assignments of proportionate interests in the right to receive payments pursuant to annually renewable lease agreements. The remainder of the County's bonds payable $337,468, represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

County's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue Bonds	$ -	$ -	$ 337,468	$ 351,791	$ 337,468	$ 351,791
Certificates of Participation	11,295,000	11,895,000	-	-	11,295,000	11,895,000
Total	$ 11,295,000	$ 11,895,000	$ 337,468	$ 351,791	$ 11,632,468	$ 12,246,791

The County's total outstanding debt decreased by a net $614,323 during the current fiscal year. The County issued no new debt during the fiscal year. All scheduled debt service payments on long-term debt obligations were made during the current fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's fiscal management. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chaffee County Finance Department, 132 Crestone, Salida, CO 81201.

BASIC FINANCIAL STATEMENTS

CHAFFEE COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2025

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	$ 25,704,379	$ 2,973,344	$ 28,677,723
Accounts Receivable	-	450,391	450,391
Taxes Receivable	8,360,466	596,460	8,956,926
Grants Receivable	1,859,547	-	1,859,547
Inventory	284,196	-	284,196
Prepaid Expenses	28,093	-	28,093
Capital Assets, Not Being Depreciated	5,090,532	940,129	6,030,661
Capital Assets, Net of Accumulated Depreciation	37,257,052	3,956,443	41,213,495
TOTAL ASSETS	78,584,265	8,916,767	87,501,032
LIABILITIES			
Accounts Payable	1,577,871	116,568	1,694,439
Retainage Payable	289,725	-	289,725
Accrued Liabilities	2,000	-	2,000
Accrued Salaries and Benefits	656,735	163,298	820,033
Accrued Interest Payable	88,555	1,234	89,789
Unearned Revenues	748,709	-	748,709
Noncurrent Liabilities			
Due Within One Year	1,383,900	14,973	1,398,873
Due in More Than One Year	18,081,734	1,173,427	19,255,161
TOTAL LIABILITIES	22,829,229	1,469,500	24,298,729
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	6,474,344	-	6,474,344
NET POSITION			
Net Investment in Capital Assets	24,096,055	4,559,106	28,655,161
Restricted for:			
Emergencies	1,100,000	-	1,100,000
Roads and Bridges	1,433,590	-	1,433,590
Forest Health and Conservation	2,168,958	-	2,168,958
Social Services	674,304	-	674,304
Capital Projects	5,363,232	-	5,363,232
Retirement	1,501,579	-	1,501,579
Purposes of Voters/Grantors	118,476	-	118,476
Community/Economic Development	2,239,607	-	2,239,607
Unrestricted	10,584,891	2,888,161	13,473,052
TOTAL NET POSITION	$ 49,280,692	$ 7,447,267	$ 56,727,959

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

CHAFFEE COUNTY, COLORADO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

FUNCTIONS / PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION: PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION: PRIMARY GOVERNMENT: BUSINESS-TYPE ACTIVITIES	NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION: PRIMARY GOVERNMENT: TOTAL
PRIMARY GOVERNMENT							
Governmental Activities							
General Government	$ 9,079,331	$ 2,657,745	$ 1,950,011	$ -	$ (4,471,575)	$ -	$ (4,471,575)
Community/Economic Development	2,826,965	1,618,257	152,729	-	(1,055,979)	-	(1,055,979)
Public Safety	10,083,916	962,974	592,029	-	(8,528,913)	-	(8,528,913)
Health and Welfare	14,091,161	158,806	11,167,193	-	(2,765,162)	-	(2,765,162)
Public Works	5,292,181	53,380	2,365,576	83,599	(2,789,626)	-	(2,789,626)
Parks and Recreation	2,558,365	187,334	768,794	47,719	(1,554,518)	-	(1,554,518)
Airport Operations	929,109	469,407	165,000	1,769,035	1,474,333	-	1,474,333
Interest on Long-Term Debt	640,863	-	-	-	(640,863)	-	(640,863)
Total Governmental Activities	45,501,891	6,107,903	17,161,332	1,900,353	(20,332,303)	-	(20,332,303)
Business-Type Activities							
Landfill Operations	2,125,495	1,871,380	-	-	-	(254,115)	(254,115)
Emergency Medical Services	5,922,575	2,190,076	4,000	-	-	(3,728,499)	(3,728,499)
Sewer	33,489	35,820	-	-	-	2,331	2,331
Total Business-Type Activities	8,081,559	4,097,276	4,000	-	-	(3,980,283)	(3,980,283)
TOTAL PRIMARY GOVERNMENT	$ 53,583,450	$ 10,205,179	$ 17,165,332	$ 1,900,353	(20,332,303)	(3,980,283)	(24,312,586)
	GENERAL REVENUES						
	Property Taxes				8,108,712	-	8,108,712
	Specific Ownership Taxes				497,583	-	497,583
	Sales Taxes				10,243,346	3,831,149	14,074,495
	Investment Earnings				1,235,090	62,820	1,297,910
	Other Revenues				89,266	235,694	324,960
	Transfers				367,000	(367,000)	-
	TOTAL GENERAL REVENUES				20,540,997	3,762,663	24,303,660
	CHANGE IN NET POSITION				208,694	(217,620)	(8,926)
	NET POSITION, Beginning				49,071,998	7,664,887	56,736,885
	NET POSITION, Ending				$ 49,280,692	$ 7,447,267	$ 56,727,959

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

CHAFFEE COUNTY, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

	GENERAL	ROAD AND BRIDGE	PUBLIC WELFARE
ASSETS			
Cash and Investments	$ 11,498,232	$ 1,488,497	$ 833,400
Due from Other Governments	397,335	181,730	326,390
Taxes Receivable	5,427,564	218,851	1,004,891
Prepaid Expenditures	28,093	-	-
Inventories	-	249,130	-
TOTAL ASSETS	$ 17,351,224	$ 2,138,208	$ 2,164,681
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 66,262	$ 186,926	$ 3,139
Retainage Payable	-	-	-
Accrued Liabilities	-	2,000	-
Salaries and Benefits Payable	466,702	47,711	132,725
Unearned Revenues	399,087	-	349,622
TOTAL LIABILITIES	932,051	236,637	485,486
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	4,138,109	218,851	1,004,891
FUND BALANCES			
Nonspendable Balances	28,093	249,130	-
Restricted for:			-
Emergencies	1,100,000	-	-
Roads and Bridges	-	1,433,590	-
Forest Health and Conservation	-	-	-
Social Services	-	-	674,304
Capital Projects	-	-	-
Retirement	783,546	-	-
Purposes of Voters/Grantors	34,348	-	-
Community/Economic Development	-	-	-
Committed to:			
Airport	-	-	-
Assigned for:			
Capital Improvements	-	-	-
Debt Service	-	-	-
Unassigned	10,335,077	-	-
TOTAL FUND BALANCES	12,281,064	1,682,720	674,304
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 17,351,224	$ 2,138,208	$ 2,164,681

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

CAPITAL EXPENDITURE	AIRPORT	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
$ 5,785,919	$ 350,824	$ 4,952,106	$ 24,908,978
-	930,261	23,831	1,859,547
218,851	-	1,490,309	8,360,466
-	-	-	28,093
-	35,066	-	284,196
$ 6,004,770	$ 1,316,151	$ 6,466,246	$ 35,441,280
$ 315,234	$ 930,772	$ 36,401	$ 1,538,734
107,453	182,272	-	289,725
-	-	-	2,000
	9,597	-	656,735
-	-	-	748,709
422,687	1,122,641	36,401	3,235,903
218,851	-	893,642	6,474,344
-	35,066	-	312,289
-	-	-	1,100,000
-	-	-	1,433,590
-	-	2,168,958	2,168,958
-	-	-	674,304
5,363,232	-		5,363,232
-	-	718,033	1,501,579
-	-	84,128	118,476
		2,239,607	2,239,607
-	158,444	-	158,444
-	-		
-	-	253,594	253,594
-	-	71,883	71,883
-	-	-	10,335,077
5,363,232	193,510	5,536,203	25,731,033
$ 6,004,770	$ 1,316,151	$ 6,466,246	$ 35,441,280

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

CHAFFEE COUNTY, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2025

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:		
Total Fund Balances of Governmental Funds	$	25,731,033
Capital assets and lease right-to-use assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		42,347,584
Internal Service Funds are blended into Governmental Activities		756,264
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:		
COPs Payable		(11,295,000)
Financed Purchases Payable		(5,761,347)
Leases Payable		(403,013)
COP Premium		(792,169)
Accrued Interest Payable		(88,555)
Accrued Compensated Absences		(1,214,105)
Total Net Position of Governmental Activities	$	49,280,692

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

	GENERAL	ROAD AND BRIDGE	PUBLIC WELFARE
REVENUES			
Taxes	$ 12,816,226	$ 178,507	$ 1,036,588
Licenses and Permits	1,720,236	22,005	-
Intergovernmental	4,298,944	2,471,850	9,974,619
Charges for Services	2,905,592	8,700	-
Fines and Forfeitures	241,618	-	-
Investment Earnings	782,121	87,996	2,501
Miscellaneous	768,035	7,008	-
TOTAL REVENUES	23,532,772	2,776,066	11,013,708
EXPENDITURES			
General Government	7,431,450	-	-
Community/Economic Development	1,625,231	-	-
Public Safety	9,373,099	-	-
Health and Welfare	2,393,524	-	11,656,219
Public Works	1,426,591	3,383,665	-
Parks and Recreation	556,123	-	-
Airport Operations	-	-	-
Capital Outlay	39,549	318,436	-
Debt Service			
Principal	94,595	52,035	-
Interest	24,882	7,900	-
TOTAL EXPENDITURES	22,965,044	3,762,036	11,656,219
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	567,728	(985,970)	(642,511)
OTHER FINANCING SOURCES (USES)			
Proceeds from Financed Purchase	-	-	-
Transfers In	763,700	1,000,000	-
Transfers Out	(2,135,000)	-	(162,000)
TOTAL OTHER FINANCING SOURCES (USES)	(1,371,300)	1,000,000	(162,000)
CHANGE IN FUND BALANCES	(803,572)	14,030	(804,511)
FUND BALANCES, Beginning, as Originally Stated	12,557,753	1,838,497	1,478,815
Reclassification of Funds for Reporting Purposes	692,522	-	-
Reclassification from Nonmajor to Major Fund	-	-	-
Restatement - Correction of Errors	(165,639)	(169,807)	-
FUND BALANCES, Beginning, as Restated	13,084,636	1,668,690	1,478,815
FUND BALANCES, Ending	$ 12,281,064	$ 1,682,720	$ 674,304

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

CAPITAL EXPENDITURE	AIRPORT	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
$ 227,666	$ 23,401	$ 4,498,046	$ 18,780,434
-	-	-	1,742,241
47,719	1,934,035	293,473	19,020,640
-	469,407	-	3,383,699
-	-	-	241,618
201,954	-	160,518	1,235,090
-	6,447	132,726	914,216
477,339	2,433,290	5,084,763	45,317,938
6,236	-	610,190	8,047,876
-	-	1,191,080	2,816,311
-	-	-	9,373,099
-	-	-	14,049,743
-	-	-	4,810,256
-	-	1,868,802	2,424,925
-	656,876	-	656,876
1,712,606	2,646,172	590,347	5,307,110
-	-	1,011,563	1,158,193
-	-	651,437	684,219
1,718,842	3,303,048	5,923,419	49,328,608
(1,241,503)	(869,758)	(838,656)	(4,010,670)
-	-	842,000	842,000
-	736,843	2,108,000	4,608,543
(120,000)	-	(1,824,543)	(4,241,543)
(120,000)	736,843	1,125,457	1,209,000
(1,361,503)	(132,915)	286,801	(2,801,670)
6,559,096	-	6,268,349	28,702,510
-	-	(692,522)	-
-	326,425	(326,425)	-
165,639	-	-	(169,807)
6,724,735	326,425	5,249,402	28,532,703
$ 5,363,232	$ 193,510	$ 5,536,203	$ 25,731,033

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

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

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:		
Net Change in Fund Balances of Governmental Funds	$	(2,801,670)
Governmental funds report capital outlays and leases as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as:		
Depreciation Expense		(1,934,952)
Amortization Expense		(186,970)
Capital Outlay		4,856,969
Loss on Disposal of Capital Assets		(128,319)
Internal Service Funds activities are blended into Governmental Activities		22,812
Some revenues and expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes the changes in the following:		
Financed Purchase Proceeds		(842,000)
Principal on COPs Payable, Leases Payable, and Financed Purchases Payable		1,158,193
Amortization of COP Premium		97,941
Amortization of Loss on Refunding		(38,627)
Accrued Interest Payable		(15,958)
Accrued Compensated Absences		21,275
Change in Net Position of Governmental Activities	$	208,694

CHAFFEE COUNTY, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2025

	BUSINESS-TYPE ACTIVITIES		
	WASTE DISPOSAL	EMERGENCY SERVICES	J.V. SEWER
ASSETS			
Current Assets			
Cash and Investments	$ 825,838	$ 2,046,558	$ 100,948
Accounts Receivable	169,499	253,980	26,912
Taxes Receivable	-	596,460	-
Total Current Assets	995,337	2,896,998	127,860
Noncurrent Assets			
Capital Assets, *Not Being Depreciated*	794,281	139,848	6,000
Capital Assets, *Being Depreciated, Net*	1,703,998	1,952,991	299,454
Total Noncurrent Assets	2,498,279	2,092,839	305,454
TOTAL ASSETS	3,493,616	4,989,837	433,314
LIABILITIES			
Current Liabilities			
Accounts Payable	99,218	17,350	-
Accrued Salaries and Benefits	25,138	138,160	
Accrued Interest Payable	-	-	1,234
Total Current Liabilities	124,356	155,510	1,234
Noncurrent Liabilities			
Due Within One Year	-	-	14,973
Due in More Than One Year	565,951	284,983	322,493
Total Noncurrent Liabilities	565,951	284,983	337,466
TOTAL LIABILITIES	690,307	440,493	338,700
NET POSITION			
Net Investment in Capital Assets	2,498,279	2,092,839	(32,012)
Unrestricted	305,030	2,456,505	126,626
TOTAL NET POSITION	$ 2,803,309	$ 4,549,344	$ 94,614

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

BUSINESS-TYPE ACTIVITIES	GOVERNMENTAL ACTIVITIES
TOTAL	INTERNAL SERVICE FUND
$ 2,973,344	$ 795,401
450,391	-
596,460	-
4,020,195	795,401
940,129	-
3,956,443	-
4,896,572	-
8,916,767	795,401
116,568	39,137
163,298	-
1,234	-
281,100	39,137
14,973	-
1,173,427	-
1,188,400	-
1,469,500	39,137
4,559,106	-
2,888,161	756,264
$ 7,447,267	$ 756,264

CHAFFEE COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2025

	BUSINESS-TYPE ACTIVITIES		
	WASTE DISPOSAL	EMERGENCY SERVICES	J.V. SEWER
OPERATING REVENUES			
Charges for Services	$ 1,871,380	$ 2,190,076	$ 35,820
Miscellaneous	23,548	219,072	-
TOTAL OPERATING REVENUES	1,894,928	2,409,148	35,820
OPERATING EXPENSES			
Cost of Operations	1,749,729	5,465,558	-
Depreciation	375,766	457,017	17,764
TOTAL OPERATING EXPENSES	2,125,495	5,922,575	17,764
NET OPERATING INCOME (LOSS)	(230,567)	(3,513,427)	18,056
NONOPERATING REVENUES (EXPENSES)			
Sales Tax	-	3,831,149	-
Investment Earnings	62,820	-	-
Gain (Loss) on Sale of Capital Assets	-	(6,926)	-
Grants	-	4,000	-
Interest Expense	-	-	(15,725)
TOTAL NONOPERATING REVENUES (EXPENSES)	62,820	3,828,223	(15,725)
NET INCOME (LOSS) BEFORE TRANSFERS	(167,747)	314,796	2,331
TRANSFERS			
Transfers In	500,000	-	-
Transfers Out	(40,000)	(827,000)	-
TOTAL TRANSFERS	460,000	(827,000)	-
CHANGE IN NET POSITION	292,253	(512,204)	2,331
NET POSITION, Beginning	2,511,056	5,061,548	92,283
NET POSITION, Ending	$ 2,803,309	$ 4,549,344	$ 94,614

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

BUSINESS-TYPE ACTIVITIES	GOVERNMENTAL ACTIVITIES
TOTAL	INTERNAL SERVICE FUND
$ 4,097,276	$ 1,209,977
242,620	24,510
4,339,896	1,234,487
7,215,287	1,236,899
850,547	-
8,065,834	1,236,899
(3,725,938)	(2,412)
3,831,149	-
62,820	25,647
(6,926)	-
4,000	-
(15,725)	-
3,875,318	25,647
149,380	23,235
500,000	-
(867,000)	-
(367,000)	-
(217,620)	23,235
7,664,887	733,029
$ 7,447,267	$ 756,264

CHAFFEE COUNTY, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2025

	BUSINESS-TYPE ACTIVITIES		
	WASTE DISPOSAL	EMERGENCY SERVICES	J.V. SEWER
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	$ 1,854,389	$ 2,435,620	$ 17,816
Cash Payments to Employees	(632,373)	(3,335,066)	-
Cash Payments to Vendors and Suppliers	(1,050,111)	(2,107,308)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	171,905	(3,006,754)	17,816
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales Tax Received	-	3,815,943	-
Grants Received	-	4,000	-
Net Transfers from (to) Other Funds	460,000	(827,000)	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	460,000	2,992,943	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(912,240)	(466,608)	-
Proceeds from the Sale of Capital Assets	-	199,681	-
Payment on debt principal	-	-	(14,325)
Payment on debt interest	-	-	(15,670)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(912,240)	(266,927)	(29,995)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Earnings	62,820	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(217,515)	(280,738)	(12,179)
CASH AND CASH EQUIVALENTS, Beginning	1,043,353	2,327,296	113,127
CASH AND CASH EQUIVALENTS, Ending	$ 825,838	$ 2,046,558	$ 100,948
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Net Operating Income (Loss)	$ (230,567)	$ (3,513,427)	$ 18,056
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	375,766	457,017	17,764
Changes in Assets and Liabilities:			
Accounts Receivable	(40,539)	(11,437)	(18,004)
Accounts Payable	39,536	281	-
Accrued Closure and Post-Closure Costs	28,710	-	-
Accrued Payroll	1,693	22,903	-
Compensated Absences Payable	(2,694)	37,909	-
Total Adjustments	402,472	506,673	(240)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 171,905	$ (3,006,754)	$ 17,816

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

BUSINESS-TYPE ACTIVITIES	GOVERNMENTAL ACTIVITIES
TOTAL	INTERNAL SERVICE FUND
$ 4,307,825	$ 1,234,487
(3,967,439)	-
(3,157,419)	(1,198,185)
(2,817,033)	36,302
3,815,943	-
4,000	-
(367,000)	-
3,452,943	-
(1,378,848)	-
199,681	-
(14,325)	-
(15,670)	-
(1,209,162)	-
62,820	25,647
(510,432)	61,949
3,483,776	733,452
$ 2,973,344	$ 795,401
$ (3,725,938)	$ (2,412)
850,547	-
(69,980)	-
39,817	38,714
28,710	-
24,596	-
35,215	-
908,905	38,714
$ (2,817,033)	$ 36,302

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

CHAFFEE COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2025

	CUSTODIAL FUNDS			
	COUNTY TREASURER	PUBLIC TRUSTEE	EXTENSION	DETENTION CENTER
ASSETS				
Cash and Investments	$ 1,628,389	$ 47,662	$ 22,624	$ 82,630
NET POSITION				
Restricted for Other Governments	253,621	47,662	22,624	82,630
Funds Held for Others	1,374,768	-	-	-
TOTAL NET POSITION	$ 1,628,389	$ 47,662	$ 22,624	$ 82,630

CUSTODIAL FUNDS	TOTAL
COUNTY FAIRGROUNDS	FIDUCIARY FUNDS
$ 48,592	$ 1,829,897
48,592	455,129
-	1,374,768
$ 48,592	$ 1,829,897

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

CHAFFEE COUNTY, COLORADO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Year Ended December 31, 2025

	CUSTODIAL FUNDS			
	COUNTY TREASURER	PUBLIC TRUSTEE	EXTENSION	DETENTION CENTER
ADDITIONS				
Taxes and Fees Collected for Other Governments	$ 59,039,872	$ 65,315	$ -	$ -
Fines and Fees Collected for Other Governments	-	-	12,214	1,308,650
TOTAL ADDITIONS	59,039,872	65,315	12,214	1,308,650
DEDUCTIONS				
Taxes and Fees Disbursed to Other Governments	58,864,830	47,128	-	-
Fines and Fees Disbursed to Other Governments	-	-	13,679	1,277,310
TOTAL DEDUCTIONS	58,864,830	47,128	13,679	1,277,310
CHANGE IN NET POSITION	175,042	18,187	(1,465)	31,340
NET POSITION, Beginning	1,453,347	29,475	24,089	51,290
NET POSITION, Ending	$ 1,628,389	$ 47,662	$ 22,624	$ 82,630

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

CUSTODIAL FUNDS COUNTY FAIRGROUNDS	TOTAL FIDUCIARY FUNDS
$ -	$ 59,105,187
156,347	1,477,211
156,347	60,582,398
-	58,911,958
135,024	1,426,013
135,024	60,337,971
21,323	244,427
27,269	1,585,470
$ 48,592	$ 1,829,897

NOTE 1: Summary of Significant Accounting Policies

Chaffee County (the County) was formed in 1879 and is governed by applicable Colorado Statutes. The County is managed by three Commissioners and provides the following services: public safety, highways and roads, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, tax and license assessments and collections, sewer debt recovery, a solid waste landfill, emergency services, an airport and general administrative services.

The accounting policies of the County conform to generally accepted accounting principles applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the County's significant policies.

Reporting Entity

The financial reporting entity consists of the County, organizations for which the County is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the County. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the County. Legally separate organizations for which the County is financially accountable are considered part of the reporting entity. Financial accountability exists if the County appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the County.

The Public Trustee is a State statutorily mandated position, appointed by the Board of County Commissioners, but whose financial transactions are independent of the County. However, all expenditures and associated funding transactions relating to the operations of the County Office of the Public Trustee are included in the General Fund, except those required to be accounted for in a Custodial Fund.

Blended Component Units

The *Chaffee County Facilities Corporation (Corporation)* was created as a nonprofit corporation in 2001 in order to assist in the financing of various County facilities. The Corporation's activities are reported as a debt service fund. The Corporation is included in the County's financial statements because the Corporation is fiscally dependent upon the County. This component unit does not issue separate financial statements.

The *Chaffee County Sewer Enterprise Fund* was created to finance and construct a wastewater distribution system in an area of the County known as "Johnson Village".

Government-wide and Fund Financial Statements

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements (Continued)

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

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

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

The *Road and Bridge Fund* is used to account for the operations of the County Road Department. Financing is provided by transfers, state contributions and other miscellaneous revenues.

The *Health and Human Services Fund* is used to account for the operations of the County Welfare Department. Financing is provided by state grants and property taxes.

The *Capital Expenditures Fund* is used to account for capital additions. Financing is provided by federal and state grants, property taxes and occasional transfers.

The *Airport Fund* is used to account for the activities of the Harriet Alexander Field airport. This is a special revenue fund.

The County reports the following major proprietary funds:

The *Waste Disposal Fund* is used to account for the activities involved in operating the County's solid waste landfill.

The *Emergency Services Fund* is used to account for the operations of the County's ambulance and related emergency services.

The *J.V. Sewer Fund* (a blended component unit of the County) is used to account for the collection of monies and subsequent payment of debt service related to a wastewater distribution system construction in an area of the County known of Johnson Village.

Additionally, the County reports the following fund types:

The *Fiduciary Funds* account for Custodial Fund assets held by the County in a custodial capacity or as an agent on behalf of others. *Fiduciary Funds* are accounted for using the accrual basis of accounting. The County's Custodial Funds include the Treasurer's Office, the Public Trustee, the Extension Activity Fund, the Detention Center and the County Fairgrounds Fund.

The *Insurance Fund* is an internal service fund. This fund charges other County funds for their allocated cost of insurance premiums and estimated damaged property claims not covered by insurance.

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements (Continued)

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

Taxes, intergovernmental revenues, grants, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the County.

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

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

When both restricted and unrestricted resources are available for a specific use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balance / Net Position

Cash and Investments – Cash and investments of each of the County's funds are pooled and invested by the County into liquid investment with maturities of three months or less. Investments are reported at fair value. For purposes of the statement of cash flows, cash equivalents include investments with original maturities of three months or less.

Receivables – Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied in the current year for collection in the subsequent year are recorded as receivables and deferred inflows of resources at year end. Taxes are due in the subsequent year on April 30, or in two installments on February 28 and June 15. Taxes are collected by the County Treasurer and remitted to the County on a monthly basis. Grant reimbursements not received before year-end for which eligibility has been met and expenditures have been incurred are reported as grants receivable.

Prepaid Expenses / Expenditures – Certain payments to vendors reflect costs applicable to future years and reported as prepaid expenditures or prepaid expenses using the consumption method.

Inventories – Inventories are stated at cost on a lower average cost or market. The costs of inventories are recorded as expenditures or expenses when consumed rather than when purchased.

Capital Assets – Capital assets include property, equipment, and infrastructure. These are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. They are also reported in the proprietary funds in the fund financial statements.

Capital assets are defined as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balance / Net Position (Continued)

Donated capital assets are recorded at the acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Buildings and Improvements	15 – 50 years
Improvements Other Than Buildings	10 – 50 years
Infrastructure	40 – 50 years
Vehicles	3 – 20 years
Machinery and Equipment	5 – 20 years

Deferred Inflows of Resources – This separate financial statement element represents an acquisition of net assets by the County that is applicable to a future reporting period. Deferred inflows of resources in the governmental fund financial statements include the property taxes not available as current financial resources.

Long-Term Debt – In the government-wide financial statements, long-term debt and other long-term obligations, including financed purchases, are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refundings are deferred and amortized over the life of the debt using the effective interest method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Leases – The County determines if an arrangement is a lease at inception. For leasing arrangements where the County is the lessee, leases are reported as right-to-use assets and noncurrent liabilities in the statement of net position.

Lease assets represent the County's control of the right-to-use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date on the initial measurement of the lease liabilities, plus any payment made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. Leased assets are defined by the County as assets with an initial, individual cost of more than $5,000.

Lease liabilities represent the County's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

For individual lease contracts where information about the discount rate implicit in the lease is not included, the County has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

Compensated Absences – It is the County's policy to permit employees to accumulate earned but unused vacation and certain sick pay benefits. Unused accumulated leave benefits are paid upon separation/termination at their current pay rate. A long-term liability is reported in the government-wide financial statements for the accrued compensated absences when earned. Governmental funds recognize a liability only when payment is due.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balance / Net Position (Continued)

Net Position/Fund Balances – In the government-wide financial statements, net position is restricted when constraints placed on the use of resources are externally imposed. Governmental fund balances are classified as restricted when constraints are placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments. Committed fund balances include resources which are subject to limitations the County imposes on itself by action of the Board of County Commissioners through ordinances. Committed fund balances also include contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Commitments may be established, modified, or rescinded only through ordinances approved by the Board of County Commissioners. Assigned fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of County Commissioners has provided otherwise in its commitment or assignment actions.

Property Taxes

Property taxes normally attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30, or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the County on a monthly basis. When taxes become delinquent, the property is sold on the tax sale date.

NOTE 2: Cash and Investments

At December 31, 2025, the County had the following cash and investments:

Cash on Hand	$ 4,336
Deposits	6,245,463
Investments	24,257,821
Total	$ 30,507,620

Cash and cash equivalents are reported in the financial statements as follows:

Primary Government	$ 28,677,723
Fiduciary Funds	1,829,897
Total	$ 30,507,620

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2025, the County had bank deposits of $5,859,593 collateralized with securities held by the financial institution's agent but not in the County's name.

NOTE 2: Cash and Investments (Continued)

Investments

The County is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

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

At December 31, 2025, the County had the following investments:

			Maturity			
Investment Type	NSRO Rating	Fair Value	Less Than One Year	1-5 Years	Percentage of Investments	Fair Value Hierarchy
Local Government Investment Pools	Aaa-mf	$ 17,848,780	$ 17,848,780	$ -	73.58%	NAV
U.S. Agency Securities	AA+	2,080,199	813,129	1,267,070	8.58%	Level 1
U.S. Treasury Securities	AA+	2,687,977	758,401	1,929,576	11.08%	Level 1
Corporate Bonds	AA+	705,439	300,835	404,604	2.91%	Level 1
Money Market	Aaa-m	52,555	52,555	-	0.22%	Level 2
Commercial Paper	A-1	99,325	99,325	-	0.41%	Level 1
Corporate Stocks	N/A	783,546	783,546	-	3.23%	Level 1
Total Investments		$ 24,257,821	$ 20,656,571	$ 3,601,250	100.00%	

Fair Value Measurements - At December 31, 2025, the County's investments in the local government investment pools reported at the net asset value per share.

The fair value measurements are categorized by the fair value hierarchy. Valuation inputs are used to measure the fair value of the asset to determine the appropriate category. The categories range from Level 1, which is the highest priority, to Level 3, which is the lower priority and are based on the following criteria:

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in the active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Interest Rate Risk – State statutes generally limit investments to an original maturity of five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk – State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations (NRSROs).

NOTE 2: Cash and Investments (Continued)

Investments (Continued)

Concentration of Credit Risk - State statutes do not limit the amount the County may invest in a single issuer of investment securities, except for corporate securities.

Local Government Investment Pools – At December 31, 2025, the County had $11,022,913 invested in the Colorado Surplus Asset Fund Trust (CSAFE), and $6,825,866 invested in the Colorado Local Government Liquid Asset Trust (ColoTrust) (the Pools), investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Pools. The Pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7. The Pools are reported at the net asset value per share, with each share valued at $1. ColoTrust is rated AAAm by S&P Global Ratings and CSAFE is rating Aaa-mf by Fitch Ratings. Investments of the Pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

NOTE 3: Interfund Balances and Transfers

During the year end December 31, 2025, the County transferred the following amounts between funds:

Transfers Out	Transfers In	Purpose	Amount
General	Road and Bridge	Capital Projects	$ 1,000,000
General	Airport	Capital Projects	165,000
General	County Facilities Corp.	Debt Service	470,000
General	Waste Disposal	Landfill	500,000
Capital Expenditures	County Facilities Corp.	Debt Service	120,000
EMS	County Facilities Corp.	Debt Service	818,000
EMS	General	Administration	9,000
Waste Disposal	General	Administration and Engineering	40,000
Retirement	General	County Pension Contributions	450,000
Lodging Visitors Bureau	General	Administration	2,700
Asset Replacement	General	Capital Projects	100,000
Public Welfare	General	Administration	162,000
ARPA	Airport	Capital Projects	571,843
Unallocated 2018 1A	Rural Conservation	Parks and Recreation	200,000
Unallocated 2018 1A	Recreation Impact	Parks and Recreation	500,000
Total			$ 5,108,543

The General Fund transferred $1,000,000 and $165,000 to the Road and Bridge Fund and Airport Fund, respectively, to finance capital projects. The Asset Replacement Fund transferred $100,000 to the General Fund for cost reimbursement. The ARPA Fund transferred $571,843 to the Airport Fund to finance a capital project. The General Fund charged administration fees to the Lodging Visitors Bureau Fund, EMS Fund, Public Welfare Fund, and the Waste Disposal Fund. The Retirement Fund reimbursed the General Fund using property taxes collected for employer contributions. The General Fund, Capital Expenditure Fund, and EMS Fund transferred $470,000, $120,000, and $818,000, respectively, to the County Facilities Corporation to cover the annual debt service on the certificates of participation. The Unallocated 2018 1-A Fund contributed $200,000 and $500,000 to the Rural Conservation Fund and Forest Health Fund, respectively, to finance projects.

NOTE 4: Capital Assets

Capital asset activity for the year ended December 31, 2025, is summarized below:

	Restated Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	$ 2,654,478	$ -	$ -	$ 2,654,478
Construction in Progress	11,666,893	3,095,428	12,326,267	2,436,054
Total Capital Assets, Not Being Depreciated	14,321,371	3,095,428	12,326,267	5,090,532
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	35,317,947	12,712,747	-	48,030,694
Vehicles	5,459,008	859,223	359,825	5,958,406
Machinery and Equipment	8,898,405	515,838	1,067,753	8,346,490
Right-to-Use Assets	620,232	-	-	620,232
SBITAs	237,324	-	-	237,324
Total Capital Assets, Being Depreciated/Amortized	50,532,916	14,087,808	1,427,578	63,193,146
Less Accumulated Depreciation/Amortization:				
Buildings and Improvements	(15,062,726)	(982,879)	-	(16,045,605)
Vehicles	(3,963,485)	(425,629)	(231,506)	(4,157,608)
Machinery and Equipment	(5,814,096)	(526,444)	(1,067,753)	(5,272,787)
Right-to-Use Assets	(128,093)	(107,862)	-	(235,955)
SBITAs	(145,031)	(79,108)	-	(224,139)
Total Accumulated Depreciation/Amortization	(25,113,431)	(2,121,922)	(1,299,259)	(25,936,094)
Capital Assets, Being Depreciated/Amortized, Net	25,419,485	11,965,886	128,319	37,257,052
Capital Assets, Governmental Activities, Net	$ 39,740,856	$ 15,061,314	$ 12,454,586	$ 42,347,584

Depreciation and amortization expense was allocated for governmental activities as follows:

General Government	$ 471,435
Community/Economic Development	10,654
Public Safety	710,817
Public Works	481,925
Health and Welfare	41,418
Parks and Recreation	133,440
Airport	272,233
Total	$ 2,121,922

NOTE 4: Capital Assets (Continued)

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	$ 281,526	-	-	$ 281,526
Construction in Progress	-	658,603	-	658,603
Total Capital Assets, Not Being Depreciated	281,526	658,603	-	940,129
Capital Assets, Being Depreciated:				
Buildings and Improvements	3,413,087	160,137	301,734	3,271,490
Utility Lines	710,584	-	-	710,584
Vehicles	2,713,517	-	14,202	2,699,315
Machinery and Equipment	5,544,407	560,108	382,486	5,722,029
Total Capital Assets, Being Depreciated	12,381,595	720,245	698,422	12,403,418
Less Accumulated Depreciation:				
Buildings and Improvements	(2,058,924)	(126,289)	(95,126)	(2,090,087)
Utility Lines	(393,366)	(17,764)	-	(411,130)
Vehicles	(1,318,846)	(290,096)	(14,202)	(1,594,740)
Machinery and Equipment	(4,317,106)	(416,398)	(382,486)	(4,351,018)
Total Accumulated Depreciation	(8,088,242)	(850,547)	(491,814)	(8,446,975)
Total Capital Assets, Being Depreciated, Net	4,293,353	(130,302)	206,608	3,956,443
Capital Assets, Business-Type Activities, Net	$ 4,574,879	$ 528,301	$ 206,608	$ 4,896,572

NOTE 5: Long-Term Debt

The following is a summary of long-term debt for the year ended December 31, 2025.

	Balance 12/31/2024	Additions	Reductions	Balance 12/31/2025	Due Within One Year
Governmental Activities					
Certificates of Participation	$ 11,895,000	$ -	$ 600,000	$ 11,295,000	$ 625,000
Premium on COPs	890,110	-	97,941	792,169	-
Compensated Absences	1,235,380	-	21,275	1,214,105	-
Financed Purchases	5,347,498	842,000	428,151	5,761,347	655,846
Lease Liabilities	497,609	-	94,596	403,013	103,054
SBITA (Tyler)	35,446	-	35,446	-	-
Total Governmental Activities	$ 19,901,043	$ 842,000	$ 1,277,409	$ 19,465,634	$ 1,383,900
Business-Type Activities					
USDA Revenue Bonds	351,791	-	14,323	337,468	14,975
Compensated Absences	317,760	35,215	-	352,975	-
Total Business-Type Activities	$ 669,551	$ 35,215	$ 14,323	$ 690,443	$ 14,975

The change in compensated absences is reported net of the difference.

NOTE 5: Long-Term Debt (Continued)

Certificates of Participation

In 2009, the County issued Certificates of Participation in order to finance the County's share of the acquisition and renovation of a Community Services Complex. On May 25, 2018, the County issued $1,395,000 of Series 2018A Taxable Refunding Certificates of Participation, Series 2018A, with interest rates ranging from 3.417% to 4.05% per annum in order to refund the outstanding Certificates of Participation, Series 2009, in the aggregate principal amount of $1,490,000.

On May 25, 2018, the County issued Certificates of Participation, Series 2018B, in the amount of $3,920,000 with interest rates ranging from 3.0% to 4.0% per annum to finance the acquisition, construction, installation, and equipping of various public improvements.

On July 20, 2021 the County issued Certificates of Participation, Series 2021, in the amount of $8,265,000 in order to (a) finance the construction, improvement and equipping of various County capital improvement projects, including, but not limited to, the construction of improvements to the County's Emergency Medical Services building, the remodeling of the County Assessor's office, the construction of a new facility for the County's Road and Bridge Department and the construction of a new addition to the County's administrative building. In the event of default, the Certificates of Participation are collateralized by the related property.

Certificate of Participation payments to maturity are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 625,000	$ 399,923	$ 1,024,923
2027	665,000	375,068	1,040,068
2028	690,000	348,450	1,038,450
2029	715,000	324,150	1,039,150
2030	745,000	295,550	1,040,550
2031-2035	4,175,000	1,032,900	5,207,900
2036-2040	3,130,000	344,650	3,474,650
2041	550,000	16,500	566,500
Total	$ 11,295,000	$ 3,137,191	$ 14,432,191

Financed Purchases

In 2021, the County entered into a financed purchase agreement for the purchase of John Deere equipment. The financed purchase agreement includes an imputed interest rate of 2.25% per annum, with five annual payments of $59,935 from 2021 to 2025, with a final payment of $295,453 on April 5, 2026. The equipment was capitalized by the County and will be depreciated using the straight-line method over its useful life.

In December 2024, the County entered into a financed purchase agreement for the purchase of equipment. The County borrowed initial funds of $5,000,000 with an interest rate of 4.67% per annum. Proceeds began to be used to purchase the equipment in 2025. This equipment will be capitalized by the County and will be depreciated using the straight-line method over its useful life.

In December 2025, the County entered into a financed purchase agreement for the purchase of police vehicles in the amount of $842,000. The financed purchase agreement includes an interest rate of 4.99% per annum, with four annual payments of $226,116 from May 2025 to 2028. The equipment was capitalized by the County and will be depreciated using the straight-line method over its useful life.

NOTE 5: Long-Term Debt (Continued)

Financed Purchases (Continued)

Financed purchase payments to maturity are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 655,846	$ 263,945	$ 919,791
2027	375,133	239,772	614,905
2028	395,368	221,598	616,966
2029	190,000	202,444	392,444
2030	200,000	193,571	393,571
2031-2035	1,130,000	820,753	1,950,753
2036-2040	1,420,000	530,512	1,950,512
2041-2044	1,395,000	166,718	1,561,718
Total	$ 5,761,347	$ 2,639,313	$ 8,400,660

Lease Liabilities (Equipment)

During the year ended December 31, 2023, the County entered into a long-term lease agreement as the lessee for the acquisition and use of voting equipment. The County is required to make increasing principal and interest payments through 2031. The lease has an implied interest rate of 5% per annum. Upon the initiation of the lease, the County recognized a lease liability and an equal right-to-use asset of $182,078. The right-to-use asset was amortized using the straight-line method over the term of the lease.

During the year ended December 31, 2024, the County entered into a long-term lease agreement for the purchase of public safety technology and equipment. The County is required to make increasing principal and interest payments through 2028. The lease has an implied interest rate of 5% per annum. Upon the initiation of the lease, the County recognized a lease liability and an equal right-to-use asset of $438,154. The right-to-use asset will be amortized using the straight-line method over the term of the lease. In 2025, amortization expense was $107,862 and accumulated amortization at December 31, 2025, was $235,955 for both lease-related right-to-use assets. Lease payments to maturity are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 103,054	$ 20,151	$ 123,205
2027	112,075	14,998	127,073
2028	121,691	9,394	131,085
2029	20,532	3,310	23,842
2030	22,036	2,283	24,319
2031	23,625	1,181	24,806
Total	$ 403,013	$ 51,317	$ 454,330

NOTE 5: Long-Term Debt (Continued)

Subscription-Based Information Technology Arrangement (SBITA)

In 2023, the County entered into subscription-based information technology arrangement (SBITA) involving a software as a service (SaaS) agreement for an enterprise resource planning (ERP) system for its financial management and human resources management systems. Upon the initiation of the subscription, the County recognized a SBITA of $106,424 and a corresponding right-to-use asset of $237,324, due to a prepayment of $130,900. This SBITA was paid in full in 2025. The right-to-use asset will be amortized using the straight-line method over the term of the subscription. In 2025, amortization expense was $79,108 and accumulated amortization at December 31, 2025, was $224,139. The remaining $13,185 will be amortized over the first three months of 2026 to coincide with the service period of this SBITA.

USDA Revenue Bonds

In 2017, the County issued bonds through the United States Department of Agriculture – Rural Development in order to finance the construction of a sewage collection line to be used by customers of a local sanitation district, Buena Vista Sanitation, in an area of the County known as Johnson Village. In order to repay the debt, the Sewer Enterprise entered into an intergovernmental agreement with the Buena Vista Sanitation District whereby the Sewer Enterprise would develop a monthly surcharge to be imposed on the property owners in Johnson Village who are connected to the sewage collection line. Interest rate accrues at 4.5% per annum. Payments are made semi-annually in the amount of $14,997 due on June 1 and December 1, through 2042.

Bond payments to maturity are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 14,975	$ 15,019	$ 29,994
2027	15,656	14,338	29,994
2028	16,368	13,626	29,994
2029	17,113	12,881	29,994
2030	17,892	12,496	30,388
2031-2035	102,440	51,989	154,429
2036-2040	127,968	27,572	155,540
2041-2042	25,056	2,783	27,839
Total	$ 337,468	$ 150,704	$ 488,172

NOTE 6: Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. Settlements did not exceed coverage in the last three years.

County Worker's Compensation Pool

In 1986, the County joined together with other Counties in the State of Colorado to form the County Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage. The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

NOTE 6: Risk Management (Continued)

Colorado Counties Casualty and Property Pool

In 1986, the County was unable to obtain property and liability insurance at a cost it considered to be economically justifiable. Therefore, the County joined together with other Counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP) for its property and casualty insurance coverage. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

County Health Pool

The County is a member of the County Health Pool (CHP) which is administered by County Technical Services, Inc. The CHP provides medical, dental, vision and life insurance benefits to more than 5,300 employees for 73 local government agencies. CHP is the only county-owned health plan provider in Colorado with benefits, contribution rates, and coverage determined by representatives from member counties. The CHP board meets every other month to discuss the industry, plan changes, coverages, and renewal, as well as vote on appeals.

All three of the above plans are administered by County Technical Services, Inc.

NOTE 7: Employee Retirement Plans

Defined Contribution Plan

The County participates in the Colorado County Officials and Employee Retirement Association (CCOERA), a multi-employer defined contribution retirement plan, of which there were 316 participants as of December 31, 2025. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Six months of service are required prior to participation in CCOERA.

Employees contribute 6% of their salary to the plan with an equal amount contributed by the County. Employees may contribute up to an additional 10% of base salary on a post-tax basis. The County does not match these additional contributions. Vesting occurs at the rate of 20% per year. In addition, if an employee reaches normal retirement age, dies, or becomes totally and permanently disabled their account becomes fully vested regardless of length of service. County contributions for, and earnings forfeited by, employees who leave employment before fully vesting are returned to the County. During 2025 employer contributions were $1,098,476. The County had no outstanding liability for this plan at year end. The seven-member Governing Board of the Association makes all necessary rules and is responsible for the administration of the funds in the Retirement Plan.

Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees, permits them to defer a portion of their salary until future years. The plan is administered by CCOERA and allows eligible participants the opportunity to accumulate additional retirement savings with certain tax advantages. Deposits into the plan are not subject to state or federal income taxes at the time of deposit, and earnings on these deposits are deferred until withdrawn. As of December 31, 2025, there were 56 participants in the plan.

NOTE 8: Commitments and Contingencies

Claims and Judgments

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

Tabor Amendment

In November 1992, Colorado voters passed Article X, Section 20 (the Amendment) to the State Constitution which limits state and local government taxing powers and imposes spending limits. The County is subject to the Amendment.

In 2008, the registered voters of the County approved the County's request to retain its excess revenue for fiscal year spending. As such the fiscal year spending limitations and refunding of excess revenue to its citizens as defined by the Amendment no longer apply. However, the County remains subject to other provisions of the Amendment.

The Amendment requires the County to establish a reserve for emergencies, representing 3% of qualifying expenditures. At December 31, 2025, the County's emergency reserve was reported as restricted fund balance in the General Fund in the amount of $1,100,000.

Litigation

The County from time to time is involved in various legal matters. In the opinion of the County's counsel, there are no pending legal issues that would have a material adverse effect on the financial condition of the County.

NOTE 9: Landfill Closure and Post-Closure Liability

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County is required to maintain, in written documented form, current cost estimates to close its landfill site and to conduct post- closure care of this site. Financial assurance is required to be established in amounts sufficient to ensure payment of such costs. Chaffee County uses the "Local Government Financial Test" as its financial mechanism to financially assure full payment of all closure, post-closure, and if applicable, corrective action estimated costs. Although the closure and post-closure costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The landfill closure and post-closure care liability at December 31, 2025, was $497,959. This liability consists of closure and post-closure cost of $252,251 and $245,708, respectively, and represents the cumulative amount reported to date based on the use of approximately 20.35% of the estimated capacity of the landfill.

The County will recognize the remaining estimated costs of closure and post-closure care of approximately $1,948,503 as the remaining estimated capacity of the landfill is used. Closure costs are based on an estimate of the closure cost in 2025 dollars as adjusted for inflation. Post-closure costs are calculated based on the present value in 2025 dollars of the future annual cost to perform post-closure care over an eighty-nine-year period. Actual costs may be higher or lower due to unknown factors such as changes in technology or regulations. It is estimated that the County landfill has a remaining useful life of eighty-nine years.

NOTE 10: Restatement and Reclassification

The County identified corrections of errors to the beginning net position and fund balances related to the governmental activities, general fund, road and bridge fund, and capital expenditure fund. The corrections of errors were related to revenue and retainage payable. Additionally, capital assets were restated to include the expenditures related to retainage payable.

The airport fund was reclassified from a nonmajor to a major fund as a change within the reporting entity. In addition, the County reclassified the beginning fund balance of the Contingency fund to the General Fund to comply with GASBS No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* This was because the Contingency Fund did not meet the criteria of GASBS No. 54.

The County restated fund balances for the corrections of errors for the fiscal year ended December 31, 2024, as follows:

	General Fund	Road and Bridge Fund	Capital Expenditure Fund	Airport Fund	Nonmajor Funds	Total Governmental Funds	Governmental Activities
Governmental Activities							
Net Position/Fund Balance, Beginning, as Originally Stated	$ 12,557,753	$ 1,838,497	$ 6,559,096	$ -	$ 6,268,349	$ 28,702,510	$ 49,071,998
Revenue	(165,639)	-	165,639	-	-	-	-
Retainage Payable	-	(169,807)	-	-	-	(169,807)	(169,807)
Capital Assets	-	-	-	-	-	-	169,807
Reclassification of Funds	692,522	-	-	-	(692,522)	-	-
Reclassification from Nonmajor to Major Fund	-	-	-	326,425	(326,425)	-	-
Net Position/Fund Balance, Beginning, as Restated	$ 13,084,636	$ 1,668,690	$ 6,724,735	$ 326,425	$ 5,249,402	$ 28,532,703	$ 49,071,998

REQUIRED SUPPLEMENTARY INFORMATION

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 12,541,409	$ 12,846,409	$ 12,816,226	$ (30,183)
Licenses and Permits	1,861,000	1,861,000	1,720,236	(140,764)
Intergovernmental	3,986,880	4,176,880	4,298,944	122,064
Charges for Services	2,270,800	2,540,800	2,905,592	364,792
Fines and Forfeitures	200,000	200,000	241,618	41,618
Investment Income	864,800	864,800	782,121	(82,679)
Miscellaneous	1,090,900	1,090,900	768,035	(322,865)
TOTAL REVENUES	22,815,789	23,580,789	23,532,772	(48,017)
EXPENDITURES				
General Government	8,078,029	8,333,029	7,431,450	901,579
Community/Economic Development	1,843,000	1,843,000	1,625,231	217,769
Public Safety	8,965,112	9,510,112	9,373,099	137,013
Health and Welfare	2,390,290	2,390,290	2,393,524	(3,234)
Public Works	1,362,990	1,512,990	1,426,591	86,399
Parks and Recreation	485,360	585,360	556,123	29,237
Debt Service				
Principal	-	-	94,595	(94,595)
Interest	-	-	24,882	(24,882)
Capital Outlay	-	-	39,549	(39,549)
TOTAL EXPENDITURES	23,124,781	24,174,781	22,965,044	1,209,737
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(308,992)	(593,992)	567,728	1,161,720
OTHER FINANCING SOURCES (USES)				
Transfers In	1,123,700	1,123,700	763,700	(360,000)
Transfers Out	(1,920,000)	(2,485,000)	(2,135,000)	350,000
TOTAL OTHER FINANCING SOURCES (USES)	(796,300)	(1,361,300)	(1,371,300)	(10,000)
CHANGE IN FUND BALANCE	(1,105,292)	(1,955,292)	(803,572)	1,151,720
FUND BALANCE, Beginning as Originally Stated	9,704,587	9,704,587	12,557,753	2,853,166
Reclassification of Funds	692,522	692,522	692,522	-
Restatement - Correction of Errors	-	-	(165,639)	(165,639)
FUND BALANCE, Beginning, as Restated	10,397,109	10,397,109	13,084,636	2,687,527
FUND BALANCE, Ending	$ 9,291,817	$ 8,441,817	$ 12,281,064	$ 3,839,247

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
ROAD AND BRIDGE FUND
Year Ended December 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes	$ 217,000	$ 178,507	$ (38,493)
Licenses and Permits	7,000	22,005	15,005
Intergovernmental	2,330,000	2,471,850	141,850
Charges for Services	20,000	8,700	(11,300)
Investment Earnings	72,000	87,996	15,996
Miscellaneous	-	7,008	7,008
TOTAL REVENUES	2,646,000	2,776,066	130,066
EXPENDITURES			
Current:			
Public Works	3,870,600	3,383,665	486,935
Capital Outlay	300,000	318,436	(18,436)
Debt Service			
Principal	-	52,035	(52,035)
Interest	-	7,900	(7,900)
TOTAL EXPENDITURES	4,170,600	3,762,036	408,564
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,524,600)	(985,970)	538,630
OTHER FINANCING SOURCES (USES)			
Transfers In	1,100,000	1,000,000	(100,000)
CHANGE IN FUND BALANCE	(424,600)	14,030	438,630
FUND BALANCE, Beginning, as Originally Stated	2,355,853	1,838,497	(517,356)
Restatement - Correction of Errors	-	(169,807)	(169,807)
FUND BALANCE, Beginning, as Restated	2,355,853	1,668,690	(687,163)
FUND BALANCE, Ending	$ 1,931,253	$ 1,682,720	$ (248,533)

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
HEALTH AND HUMAN SERVICES FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 951,467	$ 951,467	$ 1,036,588	$ 85,121
Intergovernmental	9,482,378	9,482,378	9,974,619	492,241
Investment Earnings	-	-	2,501	2,501
TOTAL REVENUES	10,433,845	10,433,845	11,013,708	579,863
EXPENDITURES				
Health and Welfare	10,488,905	11,288,905	11,656,219	(367,314)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(55,060)	(855,060)	(642,511)	212,549
OTHER FINANCING SOURCES (USES)				
Transfers Out	(162,000)	(162,000)	(162,000)	-
CHANGE IN FUND BALANCE	(217,060)	(1,017,060)	(804,511)	212,549
FUND BALANCE, Beginning	1,233,336	1,233,336	1,478,815	245,479
FUND BALANCE, Ending	$ 1,016,276	$ 216,276	$ 674,304	$ 458,028

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
AIRPORT FUND
Year Ended December 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes	$ -	$ 23,401	$ 23,401
Intergovernmental	3,489,558	1,934,035	(1,555,523)
Charges for Services	362,400	469,407	107,007
Miscellaneous	1,832	6,447	4,615
TOTAL REVENUES	3,853,790	2,433,290	(1,420,500)
EXPENDITURES			
Current			
Airport Operations	383,490	374,411	9,079
Fuel Purchases	230,000	282,465	(52,465)
Capital Outlay	3,994,000	2,646,172	1,347,828
TOTAL EXPENDITURES	4,607,490	3,303,048	1,304,442
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(753,700)	(869,758)	(116,058)
OTHER FINANCING SOURCES (USES)			
Transfers In	702,468	736,843	34,375
CHANGE IN FUND BALANCE	(51,232)	(132,915)	(81,683)
FUND BALANCE, Beginning	259,412	326,425	67,013
FUND BALANCE, Ending	$ 208,180	$ 193,510	$ (14,670)

NOTE 1: Stewardship, Compliance, and Accountability

Budgetary Information

Budgets are adopted for all funds on a basis consistent with generally accepted accounting principles. The County adheres to the following procedures to establish the budgetary information reflected in the financial statements.

- Prior to October 15th, the Director of Finance and Personnel submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of an ordinance or resolution.
- The County Commissioners approve all budget transfers or revisions.
- Budgets are legally adopted for all funds of the County except the Fiduciary Funds. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except for certain interfund transactions that are reported as revenues and expenditures on the budgetary basis but not the GAAP basis of accounting. Budgetary comparisons presented for the Proprietary Funds are presented on a non-GAAP budgetary basis. Debt principal is recognized as an expenditure for budgetary purposes. Capital outlay is budgeted as an expenditure, and depreciation and amortization are not budgeted.
- County's budgetary control is at the fund level.
- All budget appropriations lapse at fiscal year-end.

Budget Compliance

At December 31, 2025, the County's Public Welfare Fund, Conservation Trust Fund, Asset Replacement Fund, Animal Shelter Fund, Planning Special Grant Fund, J.V. Sewer Fund, Unallocated 2018 1A Fund, and Insurance Fund actual expenditures / expenses exceeded budgeted appropriations in the amount of $367,314, $4,500, $826,821, $40,718, $83,322, $46, $16,498, and $21,599. These may be a violation of state statutes.

Accountability

At December 31, 2025, the County's Animal Shelter Fund had a negative fund balance in the amount of $49,352. This may be a violation of state statutes.

COMBINING AND INDIVIDUAL NONMAJOR FUND STATEMENTS AND BUDGETARY COMPARISON SCHEDULES

CHAFFEE COUNTY, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2025

	AIRPORT	CONSERVATION TRUST	RETIREMENT	CONTINGENT RESERVE	ASSET REPLACEMENT	LODGING VISITORS BUREAU	AMERICAN RESCUE PLAN
ASSETS							
Cash and Investments	$ -	$ 410,756	$ 718,033	$ -	$ 253,594	$ 1,200,445	$ -
Taxes Receivable	-	-	437,702	-	-	114,599	
Due from Other Governments	-	-	-	-	-	-	
TOTAL ASSETS	-	410,756	1,155,735	-	253,594	1,315,044	-
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	-	-	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES							
Property Taxes	-	-	437,702	-	-	-	-
FUND BALANCES							
Restricted for:							
Retirement	-	-	718,033	-	-	-	-
Purposes of Voters/Grantors	-	-	-	-	-	-	-
Community/Economic Development	-	-	-	-	-	1,315,044	-
Forest Health and Conservation	-	410,756	-	-	-	-	-
Committed to:							
Unanticipated Obligations	-	-	-	-	-	-	-
Assigned for:							
Capital Improvements	-	-	-	-	253,594	-	-
Debt Service	-	-	-	-	-	-	-
TOTAL FUND BALANCES	-	410,756	718,033	-	253,594	1,315,044	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ -	410,756	1,155,735	-	253,594	1,315,044	-

ANIMAL SHELTER	MARIJUANA EXCISE TAX	FOREST HEALTH	RURAL CONSERVATION	RECREATION IMPACT	UNALLOCATED 2018 1A	PLANNING SPECIAL GRANT	LODGING TAX REALLOCATION	CHAFFEE COUNTY FACILITIES CORPORATION	TOTAL
$ 2,998	$ 72,190	$ 229,558	$ 202,211	$ 242,535	$ 785,666	$ 99,664	$ 662,573	$ 71,883	$ 4,952,106
455,940	11,938	74,558	74,558	14,912	134,204	-	171,898	-	1,490,309
-	-	-	-	-	-	23,831	-	-	23,831
458,938	84,128	304,116	276,769	257,447	919,870	123,495	834,471	71,883	6,466,246
-	-	-	-	-	-	36,401	-	-	36,401
455,940	-	-	-	-	-	-	-	-	893,642
-	-	-	-	-	-	-	-	-	718,033
-	84,128	-	-	-	-	-	-		84,128
2,998	-	-	-	-	-	87,094	834,471	-	2,239,607
-	-	304,116	276,769	257,447	919,870	-	-	-	2,168,958
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	253,594
-	-	-	-	-	-	-	-	71,883	71,883
2,998	84,128	304,116	276,769	257,447	919,870	87,094	834,471	71,883	5,536,203
458,938	84,128	304,116	276,769	257,447	919,870	123,495	834,471	71,883	6,466,246

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

	AIRPORT	CONSERVATION TRUST	RETIREMENT	CONTINGENT RESERVE	ASSET REPLACEMENT	LODGING VISITORS BUREAU	AMERICAN RESCUE PLAN
REVENUES							
Taxes	$ -	$ -	$ 456,272	$ -	$ -	$ 645,386	$ -
Intergovernmental	-	123,057	-	-	-	-	-
Investment Earnings	-	17,879	35,876	-	16,496	47,358	-
Miscellaneous	-		3,628	-	-	-	-
TOTAL REVENUES	-	140,936	495,776	-	16,496	692,744	-
EXPENDITURES							
General Government	-	-	-	-	-	-	-
Community/Economic Development	-	-	-	-	-	474,223	-
Parks and Recreation	-	79,500	-	-	-	-	-
Capital Outlay	-	-	-	-	590,347	-	-
Debt Service							
Principal	-	-	-	-	261,563	-	-
Interest and Fiscal Charges	-	-	-	-	1,772	-	-
TOTAL EXPENDITURES	-	79,500	-	-	853,682	474,223	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	61,436	495,776	-	(837,186)	218,521	-
OTHER FINANCING SOURCES (USES)							
Financed Purchase Proceeds	-	-	-	-	842,000	-	-
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	(450,000)	-	(100,000)	(2,700)	(571,843)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(450,000)	-	742,000	(2,700)	(571,843)
CHANGES IN FUND BALANCES	-	61,436	45,776	-	(95,186)	215,821	(571,843)
FUND BALANCES, Beginning, as Originally Stated	326,425	349,320	672,257	692,522	348,780	1,099,223	571,843
Reclassification for Reporting Purposes	-	-	-	(692,522)	-	-	-
Reclassification from Nonmajor to Major Fund	(326,425)	-	-	-	-	-	-
FUND BALANCES, Beginning	-	349,320	672,257	-	348,780	1,099,223	571,843
FUND BALANCES, Ending	$ -	$ 410,756	$ 718,033	$ -	$ 253,594	$ 1,315,044	$ -

ANIMAL SHELTER	MARIJUANA EXCISE TAX	FOREST HEALTH	RURAL CONSERVATION	RECREATION IMPACT	UNALLOCATED 2018 1A	PLANNING SPECIAL GRANT	LODGING TAX REALLOCATION	CHAFFEE COUNTY FACILITIES CORPORATION	TOTAL
$ 477,591	$ 35,143	$ 478,894	$ 478,894	$ 95,780	$ 862,009	$ -	$ 968,077	$ -	$ 4,498,046
-	-	-	-	-	-	170,416	-	-	293,473
-	-	-	-	-	42,909	-	-	-	160,518
-	-	69,739	-	15,799	-	-	43,560	-	132,726
477,591	35,143	548,633	478,894	111,579	904,918	170,416	1,011,637	-	5,084,763
476,868	50,000	-	-	-	-	83,322	-	-	610,190
-	-	-	-	-	-	-	716,857	-	1,191,080
-	-	482,323	779,685	486,496	40,798	-	-	-	1,868,802
-	-	-	-	-	-	-	-	-	590,347
-	-	-	-	-	-	-	-	750,000	1,011,563
-	-	-	-	-	-	-	-	649,665	651,437
476,868	50,000	482,323	779,685	486,496	40,798	83,322	716,857	1,399,665	5,923,419
723	(14,857)	66,310	(300,791)	(374,917)	864,120	87,094	294,780	(1,399,665)	(838,656)
-	-	-	-	-	-	-	-	-	842,000
-	-	-	200,000	500,000	-	-	-	1,408,000	2,108,000
-	-	-	-	-	(700,000)	-	-	-	(1,824,543)
-	-	-	200,000	500,000	(700,000)	-	-	1,408,000	1,125,457
723	(14,857)	66,310	(100,791)	125,083	164,120	87,094	294,780	8,335	286,801
2,275	98,985	237,806	377,560	132,364	755,750	-	539,691	63,548	6,268,349
-	-	-	-	-	-	-	-	-	(692,522)
-	-	-	-	-	-	-	-	-	(326,425)
2,275	98,985	237,806	377,560	132,364	755,750	-	539,691	63,548	5,249,402
$ 2,998	$ 84,128	$ 304,116	$ 276,769	$ 257,447	$ 919,870	$ 87,094	$ 834,471	$ 71,883	$ 5,536,203

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
CAPITAL EXPENDITURES FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 225,900	$ 225,900	$ 227,666	$ 1,766
Intergovernmental	83,000	260,000	47,719	(212,281)
Investment Earnings	70,000	354,000	201,954	(152,046)
TOTAL REVENUES	378,900	839,900	477,339	(362,561)
EXPENDITURES				
General Government	6,000	6,000	6,236	(236)
Arbitrage Rebate	250,000	250,000	-	250,000
Capital Outlay	2,400,000	5,100,000	1,712,606	3,387,394
TOTAL EXPENDITURES	2,656,000	5,356,000	1,718,842	3,637,158
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,277,100)	(4,516,100)	(1,241,503)	3,274,597
OTHER FINANCING SOURCES (USES)				
Financed Purchase Proceeds	4,975,000	4,975,000	-	(4,975,000)
Transfers Out	(120,000)	(120,000)	(120,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	4,855,000	4,855,000	(120,000)	(4,975,000)
CHANGE IN FUND BALANCE	2,577,900	338,900	(1,361,503)	(1,700,403)
FUND BALANCE, Beginning, as Originally Stated	1,773,441	1,773,441	6,559,096	4,785,655
Restatement - Correction of an Error	-	-	165,639	165,639
FUND BALANCE, Beginning as Restated	1,773,441	1,773,441	6,724,735	4,951,294
FUND BALANCE, Ending	$ 4,351,341	$ 2,112,341	$ 5,363,232	$ 3,250,891

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

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Intergovernmental	$ 130,000	$ 123,057	$ (6,943)
Investment Earnings	15,000	17,879	2,879
TOTAL REVENUES	145,000	140,936	(4,064)
EXPENDITURES			
Parks and Recreation	75,000	79,500	(4,500)
CHANGE IN FUND BALANCE	70,000	61,436	(8,564)
FUND BALANCE, Beginning	331,458	349,320	17,862
FUND BALANCE, Ending	$ 401,458	$ 410,756	$ 9,298

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
RETIREMENT FUND
Year Ended December 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes	$ 452,353	$ 456,272	$ 3,919
Investment Earnings	46,647	35,876	(10,771)
Miscellaneous	-	3,628	3,628
TOTAL REVENUES	499,000	495,776	(3,224)
OTHER FINANCING SOURCES (USES)			
Transfers Out	(570,000)	(450,000)	120,000
CHANGE IN FUND BALANCE	(71,000)	45,776	116,776
FUND BALANCE, Beginning	642,173	672,257	30,084
FUND BALANCE, Ending	$ 571,173	$ 718,033	$ 146,860

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
ASSET REPLACEMENT FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Investment Earnings	$ 15,000	$ 15,000	$ 16,496	$ 1,496
EXPENDITURES				
Capital Outlay	(3,139)	26,861	590,347	(563,486)
Debt Service				
Principal	-	-	261,563	(261,563)
Interest	-	-	1,772	(1,772)
TOTAL EXPENDITURES	(3,139)	26,861	853,682	(826,821)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	18,139	(11,861)	(837,186)	(825,325)
OTHER FINANCING SOURCES (USES)				
Financed Purchase Proceeds	-	-	842,000	842,000
Proceeds from Sale of Assets	133,000	133,000	-	(133,000)
Transfers Out	(100,000)	(100,000)	(100,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	33,000	33,000	742,000	709,000
CHANGE IN FUND BALANCE	51,139	21,139	(95,186)	(116,325)
FUND BALANCE, Beginning	366,976	366,976	348,780	(18,196)
FUND BALANCE, Ending	$ 418,115	$ 388,115	$ 253,594	$ (134,521)

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
LODGING VISITORS BUREAU FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 500,000	$ 600,000	$ 645,386	$ 45,386
Investment Earnings	-	-	47,358	47,358
Miscellaneous	13,000	13,000	-	(13,000)
TOTAL REVENUES	513,000	613,000	692,744	79,744
EXPENDITURES				
Economic Development	480,200	580,200	474,223	105,977
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	32,800	32,800	218,521	185,721
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(2,700)	(2,700)
CHANGE IN FUND BALANCE	32,800	32,800	215,821	183,021
FUND BALANCE, Beginning	922,832	922,832	1,099,223	176,391
FUND BALANCE, Ending	$ 955,632	$ 955,632	$ 1,315,044	$ 359,412

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
AMERICAN RESCUE PLAN FUND
Year Ended December 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
OTHER FINANCING SOURCES (USES)			
Transfers Out	(602,468)	(571,843)	30,625
CHANGE IN FUND BALANCE	(602,468)	(571,843)	30,625
FUND BALANCE, Beginning	602,468	571,843	(30,625)
FUND BALANCE, Ending	$ -	$ -	$ -

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
ANIMAL SHELTER FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 473,100	$ 473,100	$ 477,591	$ 4,491
EXPENDITURES				
General Government	468,500	488,500	476,868	11,632
CHANGE IN FUND BALANCE	4,600	(15,400)	723	16,123
FUND BALANCE, Beginning	7,356	7,356	2,275	(5,081)
FUND BALANCE, Ending	$ 11,956	$ (8,044)	$ 2,998	$ 11,042

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
MARIJUANA EXCISE TAX FUND
Year Ended December 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Taxes	$ 50,000	$ 35,143	$ (14,857)
EXPENDITURES			
General Government	78,000	50,000	28,000
CHANGE IN FUND BALANCE	(28,000)	(14,857)	13,143
FUND BALANCE, Beginning	94,344	98,985	4,641
FUND BALANCE, Ending	$ 66,344	$ 84,128	$ 17,784

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOREST HEALTH FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 447,000	$ 447,000	$ 478,894	$ 31,894
Miscellaneous	-	-	69,739	69,739
TOTAL REVENUES	447,000	447,000	548,633	101,633
EXPENDITURES				
Parks and Recreation	945,500	945,500	482,323	463,177
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(498,500)	(498,500)	66,310	564,810
OTHER FINANCING SOURCES (USES)				
Transfers In	400,000	400,000	-	(400,000)
CHANGE IN FUND BALANCE	(98,500)	(98,500)	66,310	164,810
FUND BALANCE, Beginning	219,023	219,023	237,806	18,783
FUND BALANCE, Ending	$ 120,523	$ 120,523	$ 304,116	$ 183,593

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
RURAL CONSERVATION FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 447,000	$ 447,000	$ 478,894	$ 31,894
EXPENDITURES				
Parks and Recreation	410,000	810,000	779,685	30,315
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	37,000	(363,000)	(300,791)	62,209
OTHER FINANCING SOURCES (USES)				
Transfers In	150,000	220,000	200,000	(20,000)
CHANGE IN FUND BALANCE	187,000	(143,000)	(100,791)	42,209
FUND BALANCE, Beginning	292,298	292,298	377,560	85,262
FUND BALANCE, Ending	$ 479,298	$ 149,298	$ 276,769	$ 127,471

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
RECREATION IMPACT FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 89,000	$ 89,000	$ 95,780	$ 6,780
Miscellaneous	-	-	15,799	15,799
TOTAL REVENUES	89,000	89,000	111,579	22,579
EXPENDITURES				
Parks and Recreation	590,000	590,000	486,496	103,504
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(501,000)	(501,000)	(374,917)	126,083
OTHER FINANCING SOURCES (USES)				
Transfers In	500,000	500,000	500,000	-
CHANGE IN FUND BALANCE	(1,000)	(1,000)	125,083	126,083
FUND BALANCE, Beginning	314,654	314,654	132,364	(182,290)
FUND BALANCE, Ending	$ 313,654	$ 313,654	$ 257,447	$ (56,207)

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
UNALLOCATED 2018 1A FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 802,000	$ 802,000	$ 862,009	$ 60,009
Investment Earnings	20,000	20,000	42,909	22,909
TOTAL REVENUES	822,000	822,000	904,918	82,918
EXPENDITURES				
Parks and Recreation	24,300	24,300	40,798	(16,498)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	797,700	797,700	864,120	66,420
OTHER FINANCING SOURCES (USES)				
Transfers Out	(1,050,000)	(1,050,000)	(700,000)	350,000
CHANGE IN FUND BALANCE	(252,300)	(252,300)	164,120	416,420
FUND BALANCE, Beginning	406,267	406,267	755,750	349,483
FUND BALANCE, Ending	$ 153,967	$ 153,967	$ 919,870	$ 765,903

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
PLANNING SPECIAL GRANT FUND
Year Ended December 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ 170,416	$ 170,416
EXPENDITURES			
General Government	-	83,322	(83,322)
CHANGE IN FUND BALANCE	-	87,094	87,094
FUND BALANCE, Beginning	-	-	-
FUND BALANCE, Ending	$ -	$ 87,094	$ 87,094

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
LODGING TAX REALLOCATION FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
REVENUES				
Taxes	$ 750,000	$ 790,000	$ 968,077	$ 178,077
Miscellaneous	-	-	43,560	43,560
TOTAL REVENUES	750,000	790,000	1,011,637	221,637
EXPENDITURES				
Community/Economic Development	731,500	771,500	716,857	54,643
CHANGE IN FUND BALANCE	18,500	18,500	294,780	276,280
FUND BALANCE, Beginning	408,523	408,523	539,691	131,168
FUND BALANCE, Ending	$ 427,023	$ 427,023	$ 834,471	$ 407,448

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
CHAFFEE COUNTY FACILITIES CORPORATION
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
EXPENDITURES				
Debt Service				
Principal	$ 750,000	$ 750,000	$ 750,000	$ -
Interest and Fiscal Charges	639,000	679,000	649,665	29,335
TOTAL EXPENDITURES	1,389,000	1,429,000	1,399,665	29,335
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,389,000)	(1,429,000)	(1,399,665)	29,335
OTHER FINANCING SOURCES (USES)				
Transfers In	1,390,000	1,390,000	1,408,000	18,000
CHANGE IN FUND BALANCE	1,000	(39,000)	8,335	47,335
FUND BALANCE, Beginning	62,233	62,233	63,548	1,315
FUND BALANCE, Ending	$ 63,233	$ 23,233	$ 71,883	$ 48,650

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
WASTE DISPOSAL FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
OPERATING REVENUES				
Charges for Services - Garbage Collection Fees	$ 1,624,000	$ 1,624,000	$ 1,871,380	$ 247,380
Miscellanous	-	-	23,548	23,548
TOTAL OPERATING REVENUES	1,624,000	1,624,000	1,894,928	270,928
OPERATING EXPENDITURES				
Operations	1,955,900	1,955,900	1,749,729	206,171
Capital Outlay	515,000	1,315,000	912,240	402,760
TOTAL OPERATING EXPENDITURES	2,470,900	3,270,900	2,661,969	608,931
NET OPERATING INCOME (LOSS)	(846,900)	(1,646,900)	(767,041)	879,859
NONOPERATING REVENUES (EXPENDITURES)				
Intergovernmental	295,000	295,000	-	(295,000)
Investment Earnings	50,000	50,000	62,820	12,820
TOTAL NONOPERATING REVENUES (EXPENDITURES)	345,000	345,000	62,820	(282,180)
NET INCOME (LOSS) BEFORE TRANSFERS	(501,900)	(1,301,900)	(704,221)	597,679
TRANSFERS				
Transfers In	-	500,000	500,000	-
Transfers Out	-	-	(40,000)	(40,000)
TOTAL TRANSFERS IN (OUT)	-	500,000	460,000	(40,000)
CHANGE IN NET POSITION, Budgetary Basis	$ (501,900)	$ (801,900)	(244,221)	$ 557,679
RECONCILIATION TO GAAP BASIS:				
Capital Outlay			912,240	
Depreciation			(375,766)	
CHANGE IN NET POSITION, GAAP Basis			$ 292,253	

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
EMERGENCY SERVICES FUND
Year Ended December 31, 2025

	BUDGET			VARIANCE Positive
	ORIGINAL	FINAL	ACTUAL	(Negative)
OPERATING REVENUES				
Charges for Services				
Ambulance Fees	$ 1,800,000	$ 1,800,000	$ 1,622,318	$ (177,682)
E911 Dispatch	567,500	567,500	456,000	(111,500)
Wildland Reimbursement	-	90,000	111,758	21,758
Miscellaneous	20,000	110,000	219,072	109,072
TOTAL OPERATING REVENUES	2,387,500	2,567,500	2,409,148	(158,352)
OPERATING EXPENDITURES				
Emergency Medical Services	4,255,500	4,545,500	3,988,096	557,404
Communication Center	1,391,100	1,391,100	1,286,195	104,905
Emergency Management	200,900	200,900	191,267	9,633
Capital Outlay	-	50,000	466,609	(416,609)
TOTAL OPERATING EXPENDITURES	5,847,500	6,187,500	5,932,167	255,333
NET OPERATING INCOME (LOSS)	(3,460,000)	(3,620,000)	(3,523,019)	96,981
NONOPERATING REVENUES (EXPENDITURES)				
Sales Tax	$ 3,640,000	$ 3,800,000	$ 3,831,149	$ 31,149
Proceeds from Sale of Capital Assets	200,000	200,000	199,682	(318)
Grants	-	-	4,000	4,000
TOTAL NONOPERATING REVENUES (EXPENDITURES)	3,840,000	4,000,000	4,034,831	34,831
NET INCOME (LOSS) BEFORE TRANSFERS	380,000	380,000	511,812	131,812
TRANSFERS				
Transfers Out	(800,000)	(800,000)	(827,000)	(27,000)
CHANGE IN NET POSITION, Budgetary Basis	$ (420,000)	$ (420,000)	$ (315,188)	$ 104,812
RECONCILIATION TO GAAP BASIS:				
Capital Outlay			466,609	
Disposal on Capital Assets			(206,608)	
Depreciation			(457,017)	
CHANGE IN NET POSITION, GAAP Basis			(512,204)	

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
J.V. SEWER FUND
Year Ended December 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
OPERATING REVENUES			
Charges for Services - Sewer Surcharge	$ 35,600	$ 35,820	$ 220
NONOPERATING REVENUES (EXPENDITURES)			
Debt Service			
Principal	(14,323)	(14,323)	-
Interest	(15,677)	(15,725)	(48)
TOTAL NONOPERATING REVENUES (EXPENDITURES)	(30,000)	(30,048)	(48)
CHANGE IN NET POSITION, Budgetary Basis	$ 5,600	5,772	$ 172
RECONCILIATION TO GAAP BASIS:			
Principal Paid on Revenue Bonds		14,323	
Depreciation		(17,764)	
CHANGE IN NET POSITION, GAAP Basis		$ 2,331	

CHAFFEE COUNTY, COLORADO
BUDGETARY COMPARISON SCHEDULE
INSURANCE RESERVE FUND
Year Ended December 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
OPERATING REVENUES			
Charges for Services	$ 1,130,000	$ 1,209,977	$ 79,977
Miscellaneous	29,000	24,510	(4,490)
TOTAL OPERATING REVENUES	1,159,000	1,234,487	75,487
OPERATING EXPENDITURES			
Cost of Operations	1,215,300	1,236,899	(21,599)
NET OPERATING INCOME (LOSS)	(56,300)	(2,412)	53,888
NONOPERATING REVENUES (EXPENDITURES)			
Investment Earnings	-	25,647	25,647
CHANGE IN NET POSITION, Budgetary Basis and GAAP Basis	$ (56,300)	$ 23,235	$ 79,535

COMPLIANCE SECTION

SINGLE AUDIT

DMC
AUDITING AND CONSULTING, LLC
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of County Commissioners
Chaffee County, Colorado
Salida, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Chaffee County, Colorado (the County) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County and have issued our report thereon dated September 30, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the County's internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 to be material weaknesses.

Board of County Commissioners
Chaffee County, Colorado

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

DMC Auditing and Consulting, LLC

September 30, 2026
Bailey, Colorado

DMC
AUDITING AND CONSULTING, LLC
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE, AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of County Commissioners
Chaffee County, Colorado
Salida, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Chaffee County, Colorado's (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2025. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and to express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Board of County Commissioners
Chaffee County, Colorado

Our consideration of the County's internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

DMC Auditing and Consulting, LLC

September 30, 2026
Bailey, Colorado

CHAFFEE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Pass-Through to Subrecipients	Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through State Department of Human Services				
SNAP Cluster				
Supplemental Nutrition Assistance Program	10.551	N/A	$ -	612
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	-	264,016
Subtotal SNAP Cluster			-	264,628
Passed Through State Department of Treasury				
Forest Service Schools and Roads Cluster				
Schools and Roads - Grants to States - National Forest Reserve	10.665	N/A	39,675	$ 59,475
Subtotal Forest Service Schools and Roads Cluster			39,675	59,475
TOTAL U.S. DEPARTMENT OF AGRICULTURE			39,675	324,103
U.S. DEPARTMENT OF TRANSPORTATION				
Direct from the Federal Aviation Administration				
Airport Improvement Program	20.106	N/A	-	1,322,366
Highway Safety Cluster				
National Priority Safety Programs	20.616	24-HTS-ZL-00186	-	94,693
Subtotal Highway Safety Cluster			-	94,693
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			-	1,417,059
U.S. DEPARTMENT OF TREASURY				
Direct				
Local Assistance and Tribal Consistency Fund	21.032	N/A	-	571,843
Passed Through State Department of Human Services				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	80,435
TOTAL U.S. DEPARTMENT OF TREASURY			-	652,278
U.S. SMALL BUSINESS ADMINISTRATION				
Passed Through State Office of Economic Development and International Trade				
Small Business Development Centers	59.037	SBAOEDSB230007	-	137,479
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through State Department of Human Services				
Guardianship Assistance	93.090	N/A	-	3,521
Injury Prevention and Control Research and State and Community Based Programs	93.136	N/A	-	4,420
The Healthy Brain Initiative	93.334	N/A	-	1,200
Title IV-E Kinship Navigator Program	93.471	N/A	-	130,498
Title IV-E Prevention Program	93.472	N/A	-	55,589
CCDF Cluster				
Child Care and Development Block Grant	93.575	N/A	-	93,652
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	-	58,184
Subtotal CCDF Cluster			-	151,836
Temporary Assistance for Needy Families (TANF)	93.558	N/A	-	382,727
Child Support Enforcement	93.563	N/A	-	333,639
Low-Income Energy Assistance	93.568	N/A	-	5,844
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	-	32,641
Foster Care Title IV-E	93.658	N/A	-	255,661
Adoption Assistance	93.659	N/A	-	34,920
Social Services Block Grant	93.667	N/A	-	73,021
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	N/A	-	2,642
Medicaid Cluster				
Medical Assistance Program	93.778	N/A	-	287,933
Subtotal Medicaid Cluster			-	287,933
Passed Through State Department of Public Health and Environment				
Public Health Emergency Preparedness	93.069	N/A	-	29,164
Grants to States to Support Oral Health Workforce Activities	93.236	N/A	-	47,602
Immunization Cooperative Agreements	93.268	N/A	-	37,020
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	N/A	-	8,554
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	-	95,674
CDC's Collaboration with Academia to Strengthen Public Health	93.967	N/A	-	96,046
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	N/A	-	4,904
Preventive Health and Health Services Block Grant	93.991	N/A	-	13,518
Maternal and Child Health Services Block Grant to the States	93.994	N/A	-	10,219
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			-	2,098,793
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 39,675	$ 4,629,712

The accompanying notes are an integral part of the schedule of expenditures of federal awards.

NOTE 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, using the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements. The County does not charge a de minimis indirect cost rate. Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or fund balance, or cash flows of the County.

NOTE 2: Summary of Significant Accounting Policies

Governmental fund types account for the majority of the County's federal grant activity. Expenditures reported in the schedule of expenditures of federal awards are recognized on a modified basis of accounting. Subrecipient expenditures are recorded on a cash basis. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement.

NOTE 3: Indirect Cost Rate

The County has not elected to use the 15% de minimis cost rate.

NOTE 4: Value of Non-Cash Awards

Supplemental Nutrition Assistance Program (SNAP) electronic benefit transfers of $4,067,468 are not reported in the Public Welfare Fund and not reported in the Schedule of Expenditures of Federal Awards. SNAP benefits are provided exclusively by the electronic benefits method (EBT) and processed and determined by the State of Colorado. Therefore, SNAP benefits are not considered the County's federal award and not reported on the County's Schedule of Expenditures of Federal Awards.

CHAFFEE COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2025

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP): Unmodified

Internal control over financial reporting:

• Material weaknesses identified?	☒ Yes	☐ No
• Significant deficiencies identified?	☐ Yes	☒ None Reported

Noncompliance material to the financial statements noted?	☒ Yes	☐ No

Federal Awards
Internal control over major federal programs:

• Material weaknesses identified?	☒ Yes	☐ No
• Significant deficiencies identified?	☐ Yes	☒ None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	☒ Yes	☐ No

Identification of major federal programs:

ALN Number	Name of Federal Cluster/Program
21.032	Local Assistance and Tribal Consistency Fund
20.106	Airport Improvement Program

Dollar threshold used to distinguish Between Type A and Type B programs: $1,000,000

Auditee qualified as low-risk auditee?	☐ Yes	☒ No

SECTION II: FINANCIAL STATEMENT FINDINGS

2025-001: Material Audit Adjusting Journal Entries with a Restatement of Prior Year Financial Statements (Repeat Finding)

Criteria: AU-C Section 265, A.11 in part states that indicators of material weaknesses in internal control include the following:

- A restatement of previously issued financial statements to reflect the correction of a material misstatement due to fraud or error.
- Identification by the auditor of a material misstatement of the financial statements under audit in circumstances that indicate that the misstatements would not have been detected and corrected by the entity's internal control.

Condition: We have identified several corrections that were material to the prior year financial statements in addition to the significant number of material audit corrections in the current year financial statements. A significant number of these corrections related to year-end accruals and closing journal entries. The County is required to identify revenues and expenditures that need to be accrued at year-end in order to report the financial statements on a modified accrual and full-accrual basis based on accounting principles generally accepted in the United States of America (GAAP).

In addition, we identified that the County's cash and investments were not properly reconciled at year-end between the County's accounting system and the treasurer's accounting system. Material audit adjustments were required to make the necessary corrections.

Cause: The County's internal controls over financial reporting are not operating effectively. In prior years, the County has not recorded many of the year-end closing journal entries, which required the previous audit firm to record material audit adjustments. Based on our recommendation in the prior year, the County has performed some of the year-end closing procedures. However, a significant number of year-end closing journal entries were still not recorded prior to the start of the audit, which continued to cause multiple material audit adjustments to the County's accounting records. In addition, the County did not set up processes to reconcile County's cash and investments to the Treasurer's system reports when the new accounting system (Tyler ERP) was implemented.

Effect: The County had many audit adjusting journal entries. As a result, the County has a material weakness in financial reporting, which also caused the schedule of expenditures of federal awards to be inaccurate and require corrections to the grant amounts. Please note that the County did prepare the information for some of these journal entries and asked the auditors to record them. In addition, the County's cash and investments balance may have been inaccurate as a result of the cash and investments not fully reconciling to the Treasurer's system on a monthly basis.

Repeat Finding: Yes (2024-001).

Recommendation: We recommend that the County continue to implement a year-end closing process that involves recording all year-end accruals in accordance with GAAP, including grants receivable, accounts receivable, accounts payable, capital assets, property tax deferral, etc. In addition, we recommend that the County reconcile and review balance sheet accounts in all funds to make sure they are accurate prior to beginning of the audit process to avoid material audit adjustments and material weaknesses in internal controls. The County needs to reconcile cash and investments to the Treasurer's accounting system on a monthly basis to avoid material audit adjustments and proper internal controls over cash and investments. If the County is not able to implement these recommendations, the County may want to consider obtaining additional accounting help.

Corrective Action Plan: Reported on page 74.

2025-002: Material Weakness Over Internal Controls with the Schedule Expenditures of Federal Awards (Repeat Finding)

Criteria: 2 CFR 200.508 states that the auditee must prepare a schedule of expenditures of Federal awards (SEFA) for the period covered by the auditee's financial statements. In addition, 2 CFR 200.303 in part states that a recipient of a Federal award must establish, document, and maintain effective internal control over the Federal awards.

Condition: The expenditure amounts related to the 21.032 and 20.106 federal programs provided for the SEFA were materially misstated compared to the County's accounting records. The County provides information to the auditors to assist with the preparation of the financial statements and the schedule of expenditure of federal awards. However, the information provided to the auditors for the SEFA required material audit adjustments.

Cause: Lack of internal controls over financial reporting of the SEFA and federal expenditures. The County made significant improvements to the SEFA reporting. However, certain grants, such as health department grants, need to be reconciled and properly recorded in an accrual basis at year-end.

Effect: This caused material audit adjustments to the financial statements and the significant corrections to the SEFA and potential for unidentified misstatements and lack of reporting of Federal awards on the SEFA.

Repeat Finding: Yes (2024-002).

Recommendation: We recommend that the County establish internal controls over grants management and SEFA preparation processes during that year to make sure that the Federal expenditures are properly reflected on the information used to prepare the SEFA and match the accounting records.

Corrective Action Plan: Reported on page 74.

SECTION III: FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No federal awards findings and questioned costs identified.

Chaffee County Board of Commissioners

P.O. Box 699/104 Crestone Ave.
Salida, CO 81201
719.539.2218/www.chaffeecounty.org

September 30, 2026

Corrective Action Plan:

Finding: 2025-001

Type of Finding: Financial Statement

- Chaffee County had a Material Audit Adjusting Journal Entries with a Restatement of Prior Year Financial Statements (Repeat Findings)

Chaffee County concurs with finding 2025-001 and will implement the following corrective steps:

- The County will continue to implement a year-end closing process that involves accrual entries prior to the start of the Audit process. The County will reconcile cash and investments to the Treasurer's accounting system on a monthly basis. (Dan/Dane)

Responsible Officials: Dan Short and Dane DeVoy

Estimated implementation date: December 31, 2026

Finding: 2025-002

Type of Finding: Federal Awards Findings and Questioned Costs

- Material weakness over internal controls with the Schedule Expenditures of Federal Awards

Chaffee County concurs with finding 2024-002 and will implement the following corrective steps:

- The County made significant improvements to the SEFA reporting. However, certain grants were not reconciled and recorded in an accrual basis at year-end. A new staff position was hired in July 2026 (Tara Reed) and she will be responsible for this reporting moving forward.

Responsible Officials: Tara Reed

Estimated implementation date: December 31, 2026

Chaffee County
Director of Finance

2024-001: Material Audit Adjusting Journal Entries in the Financial Statements

Condition: We have identified several material corrections in the prior year financial statements related to various financial statements, including corrections related to revenue recognition as required by GASB Statement No. 33, recording expenditures in the correct fiscal year, and missing assets / bank accounts from the County's accounting records in prior years. In addition, we have identified other material misstatements in the County's financial statements as of December 31, 2024, related to various items, including, but not limited to, various revenue and expenditure accruals, deferrals, and corrections to various accounts.

Status: Corrective action was partially taken, and the prior audit finding repeated as of December 31, 2025.

2024-002: Significant Deficiency Over Compliance with Procurement and Suspension and Debarment

Condition: We have selected and tested vendors for suspension and debarment with expenditures in excess of $25,000 for the Bridge CR-397 and EMS projects for compliance with suspension and debarment. We identified that two vendors were not properly verified for suspension and debarment prior to the contract execution date.

Status: Corrective action was taken, and the prior audit finding has been resolved as of December 31, 2025.

2024-003: Material Weakness Over Internal Controls with the Schedule Expenditures of Federal Awards

Federal Program: Local Assistance and Tribal Consistency Fund and Coronavirus State and Local Fiscal Recovery Funds

Federal Assistance Listing Number(s): 21.032 and 21.027

Federal Agency: U.S. Department of Transportation and U.S. Department of Treasury

Pass-through Entity: Colorado Department of Transportation (20.205 only)

Condition: The expenditure amounts related to the 21.032 and 21.027 federal programs provided for the SEFA were materially misstated compared to the County's accounting records. The County provides information to the auditors to assist with the preparation of the financial statements and the schedule of expenditure of federal awards. However, the information provided to the auditors for the SEFA did not match the information in the accounting records. Therefore, the County had material misstatements and prior year corrections (restatements) related to grants and federal awards.

Status: Corrective action was partially taken, and the prior audit finding repeated as of December 31, 2025

STATE COMPLIANCE

LOCAL HIGHWAY FINANCE REPORT

STATE: COLORADO

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

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from Local Sources:	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
c. Total (a + b)	
2. General Fund Appropriations	
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 200,512.00
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ 1,103,704.00
5. Transfers from Toll Facilities	
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a + b + c)	$ -
7. Total (1 through 6)	$ 1,304,216.00
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	$ 2,406,208.00
D. Receipts from Federal government (from page 1, Item II.D.3)	$ 65,642.00
E. Total receipts (A.7 + B + C + D)	$ 3,776,066.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ 488,243.00
2. Maintenance:	3,277,220.00
3. Road and Street Services:	
a. Snow and Ice Removal	87,468.00
b. Other & Traffic Control Operations	18,977.00
c. Total (a + b)	$ 106,445.00
4. General Administration & Miscellaneous	
5. Highway Law Enforcement and Safety	
6. Total (1 through 5)	$ 3,871,908.00
B. Debt Service on Local Obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
2. Notes:	
a. Interest	7,900.00
b. Redemption	52,035.00
c. Total (a + b)	$ 59,935.00
3. Total (1c + 2c)	$ 59,935.00
C. Payments to State for Highways	
D. Payments to Toll Facilities	
E. Total Expenditures (A6 + B3 + C + D)	$ 3,931,843.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

ITEM	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)		$ -	$ -	$ -
1. Bonds (Refunding Portion)		$ -		
B. Notes (Total)		$ -	$ 52,035.00	$ (52,035.00)

LOCAL HIGHWAY FINANCE REPORT

STATE:		
COLORADO		
THIS INFORMATION FROM THE RECORDS OF:	**PREPARED BY:**	**REPORT YEAR ENDING DATE(mm/yyyy):**
(MUNICIPALITY OR COUNTY NAME)	STAFF PERSON'S NAME EMAIL ADDRESS	12/2025

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other Local Imposts:		**A.4. Miscellaneous Local Receipts:**	
a. Property Taxes and Assesments	178,507.00	a. Interest on investments	87,996.00
b. Non-property Taxes and Assessments Imposts	22,005.00	b. Other Misc. Local Receipts	1,015,708.00
c. Total (a + b)	$ 200,512.00	**c. Total (a + b)**	$ 1,103,704.00
ITEM	**AMOUNT**	**ITEM**	**AMOUNT**
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	2,258,815.00	1. FHWA (from Item I.D.5.)	
2. State General Funds		2. Other Federal Agencies:	65,642.00
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds	147,393.00		
c. Total (a + b)	$ 147,393.00		
4. Total (1 + 2 + 3c)	$ 2,406,208.00	**3. Total (1 + 2)**	$ 65,642.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT
A.1. Capital outlay:	
a. Right-Of-Way Costs	
b. Engineering Costs	
c. Construction Costs	488,243.00
d. Total Capital Outlay (a+ b + c)	$ 488,243.00