CUSTER COUNTY, COLORADO

WESTCLIFFE, COLORADO

BASIC FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

AND CERTAIN SUPPLEMENTAL INFORMATION

December 31, 2025

Table of Contents

	Page
Independent Auditor's Report	1 - 3
Management's Discussion and Analysis - required supplementary information	i - vii
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	4
Statement of Activities	5
Governmental Fund Financial Statements	
Balance Sheet	6
Reconciliation of Balance Sheet to Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balances	8
Reconciliation of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	9
Internal Service Fund Financial Statements	
Statement of Net Position	10
Statement of Revenues, Expenses and Changes in Net Position	11
Statement of Cash Flows	12
Fiduciary Fund Financial Statements	
Statement of Fiduciary Net Position	13
Statement of Revenues, Expenses and Changes in Fiduciary Net Position	14
Notes to Financial Statements	15 - 34
Budgetary Comparison Reporting - General Fund and Major Special Revenue Funds - Required Supplementary Information	
Budgetary Comparison Schedule - General Fund	35
Budgetary Comparison Schedule - Road and Bridge Fund	36
Budgetary Comparison Schedule - Contingent Fund	37
Budgetary Comparison Schedule - Capital Improvement Fund	38
Other Supplementary Information	
Combining Balance Sheet - Nonmajor Governmental Funds	39
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	40

Table of Contents (Continued)

	Page
Other Supplementary Information (Continued)	
Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Human Services Fund	41
Conservation Trust Fund	42
Emergency Services Fund	43
Airport Fund	44
Custer County Lodging and Tourism Fund	45
Insurance Fund	46
Health Insurance Fund	47
E-911 Authority Board	48
Additional Reports and Schedules	
Local Highway Finance Report for Roads, Bridges and Streets	49 - 50

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Independent Auditor's Report

September 29, 2026

Board of Commissioners
Custer County, Colorado
Westcliffe, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Custer County, Colorado as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, 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 for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate 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 budgetary comparison information on pages i - vii and 35-38 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, the budgetary comparison schedules for nonmajor funds, and the Local Highway Finance Report for Road, Bridges and Streets, 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 such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Harren, Ross & DeMarco, Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS
CUSTER COUNTY, COLORADO
December 31, 2025 and 2024

This section of the report provides readers with a narrative overview and analysis of the financial activities of Custer County for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Custer County's assets exceeded liabilities by $14,319,843 at the end of 2025. Of this amount, $3,833,662 may be used to meet the government's ongoing obligations to citizens and creditors. The remaining $10,486,181 is invested in capital assets or restricted.

The County's General Fund balance was $4,930,560 as of December 31, 2025. Of this amount, $175,400 is reserved for emergencies.

The 2025 General Fund balance is $57,553 less than the previous year. The total fund balance is 64% of 2025 General Fund operating expenditures plus net operating transfers. The County Commissioners' goal is to keep fund balance at no less than 5%.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including combining statements for non-major funds.

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 statement of net position presents information on all 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 County's financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the 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 the statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes.)

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 cost through user fees and charges (business-type activities). Custer County's governmental activities include general government, public safety, roads and bridges, auxiliary, and health and human services.

Overview of the Financial Statements (Continued)

The government-wide financial statements include not only Custer County itself (known as the primary government), but also legally separate entities which have a significant operational or financial relationship with the County. These entities, if any, are known as component units. The discreetly presented component unit is the E-911 Emergency Telephone Authority. In 2007, for the first time, the County began accounting for all transactions of the Custer County Airport Authority (now an advisory board) on its behalf, and, as such, it is now treated as a blended component unit for financial reporting purposes. More information on the functions of these activities can be found in Note 1 to the financial statements.

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. Custer 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 Custer County can be divided into three categories: governmental funds, internal services 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 inflows 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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Custer County maintains eight individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Road & Bridge Fund, Human Services Fund, Capital Improvements Fund, Emergency Services Fund, Contingent Fund, Conservation Trust Fund and the Lodging and Tourism Fund. The Custer County Airport Authority is also included as a blended component unit. The General Fund, Road & Bridge Fund, Capital Improvement Fund, and the Contingent Fund are the only funds that are considered major. Data from the other funds are combined into a single aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 6 through 9 of this report.

Proprietary Funds. There are two common types of Proprietary Funds commonly used in governmental activities. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements and Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. During the fiscal year 2025, Custer County utilized two internal service funds, the Insurance Fund and the Health Insurance Fund, for governmental activities.

Overview of the Financial Statements (Continued)

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support Custer County's own operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund statement of net position can be found on pages 13 - 14.

Budgetary Comparisons. Custer County adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for all major funds on pages 35 to 38 of this report. Budget to actual comparisons for each of the non-major funds are provided in other schedules elsewhere in this report.

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. The notes to the financial statements can be found on pages 15 through 34 of this report.

Other Information. The combining statements referred to earlier in connection with the internal service fund and the non-major governmental funds can be found on pages 10 through 12 and 39 through 48, respectively.

County-Wide Financial Analysis

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2024, assets exceeded liabilities by $14,319,843.

The following table provides a summary of the County's governmental and business-type net position for 2025 and 2024.

	2025	2024
Assets		
Current assets	$ 12,821,020	$ 12,326,274
Non-current assets	9,443,547	8,334,756
Total Assets	22,264,567	20,661,030
Liabilities		
Current liabilities	1,998,895	1,923,261
Non-current liabilities	2,764,540	2,713,851
Total Liabilities	4,763,435	4,637,112
Deferred Inflows	3,181,289	2,606,280
Net Position		
Invested in capital assets, net of related debt	7,753,048	6,729,851
Restricted	2,733,133	2,654,841
Unrestricted	3,833,662	4,032,946
Total Net Position	$ 14,319,843	$ 13,417,638

The portion of Custer County's net position (27%) represents unrestricted net position of $3,833,662, which may be used to meet the County's ongoing obligations to citizens and creditors.

County-Wide Financial Analysis (Continued)
A significant portion of Custer County's net position (54%) reflects its investment in capital assets. These assets include land, buildings, machinery, equipment and infrastructure. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the 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 $2,733,133 of the County's net position (19%) represents resources that are subject to external restriction on how they may be used. The amount reserved for TABOR is $308,700, $36,709 is grant restricted and the remaining $2,387,724 is restricted for use in special revenue funds.

At the end of 2025, Custer County had positive balances in all net position categories.

Changes in Net Position. Governmental activities increased the County's net position by $902,205 in 2025 and $1,126,525 in 2024. The following table summarizes the changes in Custer County's net position for governmental activities for the years ended December 31, 2025 and 2024.

	2025	2024
Revenue		
Program Revenue		
Charges for services	$ 1,486,884	$ 1,394,536
Operating grants and contributions	2,461,640	2,322,746
Capital grants and contributions	1,049,172	618,319
General Revenue		
Taxes	6,839,525	7,036,196
Gain (Loss) on sale of assets	67,256	4,501
Investment earnings	413,979	485,556
Total Revenue	12,318,456	11,861,854
Program Expenses		
General government	3,705,936	3,173,663
Public safety	2,989,151	2,841,857
Streets and highways	2,426,464	2,504,591
Health and welfare	1,242,360	1,412,839
Auxiliary	985,232	875,030
Miscellaneous	-	-
Interest expense, unallocated	67,108	46,287
Total Expenses	11,416,251	10,854,267
Change in Net Position	902,205	1,007,587
Net position beginning of year (Restated)	13,417,638	12,410,051
Net position end of year	$ 14,319,843	$ 13,417,638

Financial Analysis of the County's Funds
As noted earlier, Custer County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds Overview. The focus of County 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, unreserved fund balance may serve as a useful measure of a governments' net resources available for spending at the end of the fiscal year.

As of the end of 2025, the combined ending fund balances of County governmental funds were $7,934,345. Approximately 57% of this consists of unassigned fund balance which is available as working capital, and 18% is assigned/committed fund balance, which is available for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is reserved to indicate that it is not available for new spending because it is committed for the following purposes: 1) a state constitution mandated emergency reserve ($302,700); 2) grant requirements ($36,709); 3) restricted for use in special revenue funds ($2,387,724) and 4) inventory ($183,760).

The County has eight governmental funds. They are 1) General Fund; 2) Road & Bridge Fund; 3) Human Services Fund; 4) Capital Improvements Fund; 5) Emergency Service Fund; 6) Conservation Trust Fund; 7) Lodging and Tourism Fund and 8) Contingent Fund.

1. General Fund. This is the primary operating fund of the Custer County Government. It accounts for many of the County's core services, such as law enforcement, County General Fund activities, personnel costs, planning, and elections. Fund balance was $4,930,560 as of December 31, 2025. Of this amount, $175,400 was reserved for emergencies. The 2025 fund balance is $57,553 less than the previous year. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents about 62% of total 2025 expenditures, while total fund balance is 67% of the same amount. 2025 expenditures and transfers for general fund activities were more than budgeted by $625,769.
2. Road & Bridge Fund. The Road & Bridge fund is also state mandated. The fund records costs related to County road and bridge construction and maintenance. The Road & Bridge fund had $1,222,696 in fund balance at the end of 2025. This amount is $250,608 more than the previous year. 2025 expenditures for road projects were less than budgeted by $206,540.
3. Human Services Fund. The Human Services Fund is mandated by state statute. This fund accounts for the local share of many federal and state public welfare programs, plus various federal and state human services grants. The fund carried a fund balance of $255,334 at the end of 2025, which was $6,453 more than the previous year.
4. Capital Improvements Fund. The Capital Improvements Fund accounts for the acquisition of major capital facilities and equipment. These are the purchases of the Sheriff's vehicles, office and jail facility and several heavy equipment purchases for the Road and Bridge Department and the Landfill Operation.
5. Emergency Service Fund. The primary function of the Emergency Service Fund is to account for expenditures relating to auxiliary rural and County-wide health and medical services. This fund receives property tax revenues which help finance these services. This fund also accounts for monies received as grant funds through the Colorado Regional Trauma Advisory Council for the support of rural emergency medical services.
6. Conservation Trust Fund. Accounts for the receipt and expenditure of Colorado Lottery funds from the State of Colorado.

Financial Analysis of the County's Funds (Continued)

7. Lodging and Tourism Fund. The function of this fund is to account for lodging tourism tax revenue collected. The residents of Custer County approved a ballot issue in 2008 to implement a 2% tourism lodging tax assessed on persons renting a motel/hotel room or a campground space. The revenues from this tax will be used exclusively for advertising and marketing of local tourism.
8. Custer County Airport Advisory Board. The primary function of the Airport Advisory Board is to account for expenditures of the airport and related operating and grant revenues. It is included in the County's financial statements as a blended component unit due to its financial dependence.
9. Insurance Fund. (An internal service fund) This fund was established to account for County funds dedicated to general property loss and liability insurance, County official's errors and omissions insurance, and workers compensation insurance coverage.
10. Health Insurance Fund. (An internal service fund) This fund was established to account for County funds dedicated to health insurance coverage.

General Fund Budgetary Highlights

The County's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

For 2025, the Board of County Commissioners appropriated $7,045,500 for general fund expenditures and other financing uses. The budget was amended.

	Original Budget	Final Budget	Actual
Revenues	$ 6,273,257	$ 6,900,257	$ 7,613,716
Expenditures and transfers	$ 6,403,121	$ 7,672,500	$ 7,671,269

Actual expenditures were less than the anticipated budget and more than revenues, which caused the ending fund balance to decrease by $57,553, from the prior year.

Capital Asset and Debt Administration

Capital Assets. Custer County's investment in capital assets for its governmental activities as of December 31, 2025 totals $9,443,547 (net of accumulated depreciation). This investment includes all land, buildings, machinery, equipment, and infrastructure. It also includes $183,302 of right of use leased assets and $83,869 of subscription based information technology. The total increase in net capital assets for the current fiscal year was $1,108,791.

- Additional information on the County's capital assets can be found in Note 7 of this report.

Long-term Obligations. At December 31, 2025, Custer County had no bonded debt. There are other notes payable of $1,423,328, right of use leases and other noncurrent liabilities for post disclosure landfill costs and compensated absences of $1,833,882. Additional information can be found in Note 10.

Other Matters. The following factors are expected to have a significant effect on the County's financial position or results of operations and were taken into account in developing the 2026 budgets.

- Continued growth in Custer County caused increased demand in all service areas of the County, especially in public safety and road and bridge infrastructure.

Other Matters (Continued)

- Population growth has impacted the County's ability to provide public safety within our judicial system. The County courthouse combined courts system needs more physical space and a more secure facility for our citizens, victims, courthouse personnel and those accused of wrong doing. New State funds are being accessed to provide better courthouse security. The County needs a better designed, more functional jail that would complement the court facilities. The County is presently working with a planning grant from the Colorado Department of Local Affairs (DOLA) to improve the jail and justice facilities as well as other grant sources for the funding of a new justice center
- Airport runway and fuel projects and improvements are underway.
- The American Rescue Plan Act was fully granted to the County in 2022. A committee was formed to review applications and award monies to government entities, businesses and individuals within the County.

Requests for Information

This financial report is designed to provide a general overview of Custer County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in the report or for additional financial information should be addressed to the County HR/Finance Director, 205 South Sixth Street, Westcliffe, CO 81252.

BASIC FINANCIAL STATEMENTS

GOVERNMENT WIDE FINANCIAL STATEMENTS

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

	Primary Government	Component Unit
Assets	Governmental Activities	E-911 Authority
Cash and investments - unrestricted	$ 8,838,865	$ 503,503
Receivables	3,774,820	14,145
Accrued revenue	9,707	-
Inventories	183,760	-
Prepaid expenses	13,868	-
Capital Assets:		
Non-depreciable	1,679,186	-
Depreciable - net	7,764,361	9,262
Total Assets	22,264,567	526,910
Liabilities		
Accounts payable and accrued liabilities	369,699	
Due to the State of Colorado	29,258	-
Unearned revenue	1,107,268	-
Long-Term Liabilities:		-
Due within one year	492,670	-
Due in more than one year	2,764,540	-
Total Liabilities	4,763,435	-
Deferred Inflows		
Property taxes	2,973,249	-
Leases	208,040	-
Total Deferred Inflows	3,181,289	-
Net Position		
Investment in capital assets, net of related debt	7,753,048	9,262
Restricted	2,733,133	3,500
Unrestricted	3,833,662	514,148
Total Net Position	$ 14,319,843	$ 526,910

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

STATEMENT OF ACTIVITIES
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Unit: E-911 Authority
Governmental Activities						
General government	$ 3,705,936	$ 1,145,770	$ 923,995	$ 24,069	$ (1,612,102)	$ -
Public safety	2,989,151	163,326	537,596	811,119	(1,477,110)	-
Streets and highways	2,426,464	106,439	3,262	-	(2,316,763)	-
Health and welfare	1,242,360	-	886,263	-	(356,097)	-
Auxiliary	985,232	71,349	110,524	213,984	(589,375)	-
Interest expense, unallocated	67,108	-	-	-	(67,108)	-
Total Governmental Activities	$ 11,416,251	$ 1,486,884	$ 2,461,640	$ 1,049,172	(6,418,555)	-
Component Unit						
E-911 Authority	$ 102,466	$ 110,799	$ -	$ -		8,333
General Revenues						
Property taxes					2,570,357	-
Specific Ownership					351,686	-
Sales and use taxes					2,364,087	-
Highway users taxes					1,469,312	-
Lodging and tourism taxes					84,083	-
Gain on sale of assets					67,256	-
Earnings on investments					413,979	3,889
Total General Revenues and Transfers					7,320,760	3,889
Changes in Net Position					902,205	12,222
Net Position - January 1 (Restated)					13,417,638	514,688
Net Position - December 31					$ 14,319,843	$ 526,910

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

Assets	General Fund	Road & Bridge Fund	Contingent Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Cash	$ 5,930,732	$ 960,794	$ 446,588	$ 633,721	$ 676,555	$ 8,648,390
Receivables	1,940,426	1,023,979	-	69,598	718,653	3,752,656
Due from County funds	-	48,000	-	279,827	58,654	386,481
Accrued state revenue	-	-	-	-	-	-
Accrued federal revenue	-	-	-	-	9,707	9,707
Inventories	-	142,808	-	-	40,952	183,760
Prepaid expenses	13,868	-	-	-	-	13,868
Total Assets	7,885,026	2,175,581	446,588	983,146	1,504,521	12,994,862
Liabilities						
Accounts payable and accrued liabilities	240,332	65,083	-		50,806	356,221
Due to County funds	365,681	-	20,800	-	-	386,481
Due to State of Colorado	-	-	-	-	29,258	29,258
Unearned revenue	750,409	-	325,844	-	31,015	1,107,268
Total Liabilities	1,356,422	65,083	346,644	-	111,079	1,879,228
Deferred Inflows						
Property taxes	1,598,044	887,802	-	-	487,403	2,973,249
Leases	-	-	-	-	208,040	208,040
Total Deferred Inflows	1,598,044	887,802	-	-	695,443	3,181,289
Fund Balances						
Nonspendable	-	142,808	-	-	40,952	183,760
Restricted	212,109	1,079,888	-	983,146	451,990	2,727,133
Committed	180,237	-	-	-	-	180,237
Assigned	-	-	99,944	-	205,057	305,001
Unassigned	4,538,214	-	-	-	-	4,538,214
Total Fund Balances	$ 4,930,560	$ 1,222,696	$ 99,944	$ 983,146	$ 697,999	$ 7,934,345

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

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

CUSTER COUNTY, COLORADO

December 31, 2025

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	$ 7,934,345
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not considered current financial resources and, therefore, are not reported in the governmental funds.	9,176,376
Revenue receivable that does not provide current financial resources is not recorded in the governmental funds.	20,290
Long-term liabilities, including long-term debt are not due and payable in the current period and therefore are not reported in the governmental funds:	
Leases	(1,423,328)
Accrued interest	(13,478)
Compensated absences	(443,274)
Landfill closure costs	(1,123,437)
Internal service fund is used by management to account for health insurance and workers' compensation activities. The net activity of the internal service fund is reported with governmental activities.	192,349
Total Net Position - Governmental Activities	$ 14,319,843

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

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

	General Fund	Road & Bridge Fund	Contingent Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 3,339,580	$ 2,364,751	$ -	$ 561,629	$ 559,149	$ 6,825,109
Penalties	8,016	4,282	-	-	2,118	14,416
Federal Sources	869,245	1,425	40,000	-	286,618	1,197,288
State Sources	397,975	-	-	213,984	355,110	967,069
Local Sources	302,450	-	-	-	15,567	318,017
Licenses permits	302,720	-	-	-	-	302,720
Charges for services	974,209	106,439	-	33,272	70,244	1,184,164
Other income	1,419,521	105,466	-	71,691	5,031	1,601,709
Total Revenues	7,613,716	2,582,363	40,000	880,576	1,293,837	12,410,492
Expenditures						
General Government	3,069,897	165,344	40,000	46,381	-	3,321,622
Public Safety	2,460,999	5,105	-	19,642	193,234	2,678,980
Streets and Highways	-	2,160,709	-	-	-	2,160,709
Health and welfare	601,870	-	-	-	651,903	1,253,773
Auxiliary services	315,700	-	-	9,308	538,514	863,522
Capital outlay	817,203	-	-	1,127,920	110,765	2,055,888
Debt service - principal	77,189	482	-	249,621	3,026	330,318
Debt service - interest	16,411	115	-	51,948	548	69,022
Total Expenditures	7,359,269	2,331,755	40,000	1,504,820	1,497,990	12,733,834
Excess of Revenues Over (Under) Expenditures	254,447	250,608	-	(624,244)	(204,153)	(323,342)
Other Financing Sources (Uses)						
Transfers from (to) other funds	(312,000)	-	-	-	117,000	(195,000)
Proceeds from leases	-	-	-	415,913	-	415,913
Total Other Financing Sources (Uses)	(312,000)	-	-	415,913	117,000	220,913
Net Change in Fund Balance	(57,553)	250,608	-	(208,331)	(87,153)	(102,429)
Fund Balances - January 1 (Restated)	4,988,113	972,088	99,944	1,191,477	785,152	8,036,774
Fund Balances - December 31	$ 4,930,560	$ 1,222,696	$ 99,944	$ 983,146	$ 697,999	$ 7,934,345

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

RECONCILIATION OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

CUSTER COUNTY, COLORADO

For the year ended December 31, 2025

Total Change in Fund Balances - Governmental Funds		$ (102,429)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of these assets are allocated over their estimated useful lives as depreciation expense.		
Capital outlay	2,055,888	
Depreciation and amortization expense	(759,948)	1,295,940
In the government-wide statements, basis in capital assets that have been sold reduces income. In governmental funds the basis is not recognized.		(106,451)
Revenue not available to pay for current period expenditures are not recognized as revenue in the governmental funds.		
Grants		14,415
The issuance of long-term obligations provide current financial resources to the governmental funds, while repayment of the principal of long-term obligations consumes the current financial resources of the governmental funds. The net effect of these differences in the treatment of long-term obligations and related items.		
Proceeds from leases	(415,913)	
Principal payments on long-term obligations	249,621	
Change in interest accrual	1,914	(164,378)
Internal service fund is used by management to account for health insurance and workers' compensation activities. The net activity of the internal service fund is reported with governmental activities.		8,315
In the statement of activities, certain operating expenses - compensated absences (sick and vacation) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used or due (essentially, the amounts actually paid). This amount represents the net effect on the statement of activities.		(18,067)
In the government-wide statements, estimated landfill closure debt is recognized as long-term debt. In the government funds, the estimated cost nor the change in the estimate are included. Therefore, the change in the estimate is recognized.		(25,140)
Total Change in Net Position - Governmental Activities		$ 902,205

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

INTERNAL SERVICE FUNDS FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
INTERNAL SERVICE FUND
CUSTER COUNTY, COLORADO
December 31, 2025

	Internal Service Health Insurance Fund	Internal Service Insurance Fund	Totals
Assets			
Cash held by County Treasurer	$ 2,418	$ 188,057	$ 190,475
Taxes receivable	-	268,215	268,215
Total Assets	2,418	456,272	458,690
Liabilities			
Accounts payable	-	-	-
Deferred Inflow - property taxes	-	266,341	266,341
Net Position			
Reserved for emergency	-	8,400	8,400
Unrestricted	2,418	181,531	183,949
Total Net Position	$ 2,418	$ 189,931	$ 192,349

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

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUND
CUSTER COUNTY, COLORADO
December 31, 2025

	Internal Service Health Insurance Fund	Internal Service Insurance Fund	Totals
Operating Revenues			
Charges for services	$ -	$ -	$ -
Reimbursed expenses	-	45,041	45,041
Total Operating Revenues	-	45,041	45,041
Operating Expenses			
General government	72,582	229,095	301,677
Streets and Highways	-	129,801	129,801
Total Expenditures	72,582	358,896	431,478
Operating Income (Loss)	(72,582)	(313,855)	(386,437)
Nonoperating Revenues (Expenses)			
Property taxes	-	174,756	174,756
Specific ownership taxes	-	24,442	24,442
Penalties and Interest	-	554	554
Net Income (Loss) Before Other Financing Sources (Uses)	(72,582)	(114,103)	(186,685)
Operating transfers in (out)	75,000	120,000	195,000
Change in Net Position	2,418	5,897	8,315
Net Position - January 1	-	184,034	184,034
Net Position - December 31	$ 2,418	$ 189,931	$ 192,349

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

STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Internal Service Insurance Fund
Cash Flows From Operating Activities	
Cash received for reimbursed expenses	$ 45,041
Payments for services	(447,901)
Net Cash Used for Operating Activities	(402,860)
Cash Flows From Noncapital Financing Activities	
Cash received for property taxes	198,292
Transfers from other funds	195,000
Net Cash Provided by Noncapital Financing Activities	393,292
Net Increase (Decrease) in Cash	(9,568)
Cash - January 1	200,043
Cash - December 31	$ 190,475
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	$ (386,437)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
(Increase) decrease in accounts receivable	-
Increase (decrease) in warrants / accounts payable	(16,423)
Net Cash Provided (Used) by Operating Activities	$ (402,860)

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

FIDUCIARY FUND FINANCIAL STATEMENTS

STATEMENT OF FIDUCIARY NET POSITION
CUSTER COUNTY, COLORADO
December 31, 2025

	Custodial Funds
Assets	
Cash and cash equivalents	$ 325,808
Total Assets	325,808
Net Fiduciary Position	
Fiduciary net position - held for others	325,808
Total Net Fiduciary Position	$ 325,808

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

CUSTER COUNTY, COLORADO

December 31, 2025

	Custodial Funds
Additions	
Collections	$ 12,829,452
Deductions	
Distributions	12,746,239
Change in Net Position	83,213
Net Position - January 1	242,595
Net Position - December 31	$ 325,808

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

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

Custer County, Colorado ("County") was established in 1877 and operates under an elected commissioner form of government. The County provides a full range of services which include general government functions, public protection and safety, health, social services, public improvements, road and bridge operations, planning and zoning, and general administrative services.

The financial statements of the County are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Standards and Interpretations). The more significant accounting policies established in GAAP and used by the County follow:

A. Financial Reporting Entity

Custer County is a political subdivision of the State of Colorado, governed by an elected three-member Board of County Commissioners. There are also four other elected officials of Custer County (Assessor, Clerk and Recorder, Sheriff, and Treasurer).

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Discretely presented component units:

The E911 Emergency Telephone Service Authority Board was created by intergovernmental agreement under Colorado statutes that authorizes the County, municipalities within the County, and special districts within the County to enter into an agreement for the purpose of providing 911 emergency telephone services. According to Colorado statute the agreement creates a separate legal entity which is responsible for administering the operations of the 911 emergency telephone service program in Custer County.

Blended component units:

The Airport Authority was dissolved and replaced by an advisory board appointed by the County Commissioners. The activities of the Airport are reported in a special revenue fund.

Other related organizations

The following organizations are excluded from the accompanying financial statements because the County's accountability for these organizations does not extend beyond various appointments:

Custer County Library District - The County Commissioners appoint the seven-member Library District Board. The Library District Board has total autonomy under the State Library Act to incur debt, establish budgets, and levy property taxes to support the District's library system.

Colorado Counties Casualty and Property Pool (hereinafter referred to as "CAPP") - CAPP was formed by intergovernmental agreement by member counties as a separate and independent governmental and legal entity pursuant to provisions of the Colorado Constitution and Colorado Revised Statutes. Each member county in this governmental agreement has the power under Colorado law to make provision for the property and casualty coverage which constitute the functions and services jointly provided by means of the CAPP. The Insurance Commissioner of the State of Colorado has such authority with respect to the CAPP as is provided by applicable Colorado statutes.

Note 1 - Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

Other related organizations (Continued)

The purposes of the CAPP are to provide a risk management fund for defined property and casualty coverage and to assist members in controlling costs by providing specialized governmental risk management services and systems. It is the intent of the members to use member contributions to defend and indemnify, in accordance with its bylaws, any member against states liability or loss to the limit of the financial resources of the risk management fund. It is also the intent of the members to have CAPP provide needed coverage at reasonable costs. All income and assets of CAPP shall be at all times dedicated to the exclusive benefit of its members. Custer County, through its Insurance Internal Service Fund, recognizes an expense for any amounts paid to CAPP annually for these coverages.

Custer County is a member of CAPP.

B. Government-wide and Fund Financial Statements

The County's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the County as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

The statement of net position and the statement of activities display information about the County as a whole. In the government-wide statement of net position, the governmental activities are presented on a consolidated basis. These statements include the activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The government-wide statement of activities reflect both the direct expenses and net cost of each function of the County's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods and services offered by the program. Grants and contributions that are restricted to meeting the operational and capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program are included in operating grants and contributions, or capital grants and contributions. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the County.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the later is excluded from the government-wide financial statements. Major governmental funds (General Fund, Road and Bridge, Human Services and Capital Improvement) are reported as separate columns in the fund financial statements.

Reconciliation of Government-Wide and Fund Financial Statements

The governmental funds balance sheet includes a reconciliation between fund balances - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities.

Note 1 - Summary of Significant Accounting Policies (Continued)

B. Government-wide Financial Statements (Continued)
Reconciliation of Government-Wide and Fund Financial Statements (Continued)
These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis were eliminated from the governmental fund statements during the consolidation of governmental activities.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation
The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are reported 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.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there may be both restricted and unrestricted resources available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants if any, and then general revenues.

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. 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 and claims and judgments, are recorded when payment is due.

Property and specific ownership taxes are reported as receivables and unearned revenue when levied and as revenues when due for collection in the following year and determined to be available.

Grants and entitlement revenues are recognized when compliance with matching requirements are met. A receivable is established when the related expenditures exceed revenue receipts.

D. Fund Accounting
The financial transactions of the County are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category - governmental and fiduciary are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and presented as non-major funds.

The County reports the following major government funds:

Note 1 - Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

- The *General Fund* is the general operating fund of the County which accounts for all financial resources that are not accounted for in other funds. Operations of the County such as public safety, planning and zoning, property valuation, tax collection and distribution, vehicle licensing, County administration and other activities financed from taxes and general revenues are reflected in this fund.

- The *Road and Bridge Fund* records costs related to County road and bridge construction and maintenance. By State law, Colorado counties are required to maintain a Road and Bridge Fund and a portion of road and bridge taxes is allocated to cities and towns for use in their road and street activities.

- The *Contingent Fund* is used for expenditures caused by unforeseen events or circumstances (other than Tabor).

- The *Capital Improvement Fund* is used to account for and report financial resources that are restricted, committed, or assigned funds expended for the purpose of improving, equipping and furnishing the County's buildings and other property. Financing sources are from sales tax revenue and grants.

The County also reports the following fund types:

- The *Internal Service Funds* account for the financing of goods or services provided by one department or agency to departments or agencies of the County on a cost reimbursement basis. The County's internal service fund reports on self-insurance programs for employee health, risk management, unemployment, and other insurance used by County departments.

- Services provided and used by internal service funds are not entirely eliminated from the government-wide state of activities. The primary government program expenses on the government-wide statement of activities are decreased to eliminate revenue over expenditures in internal service funds and increased to eliminate expenditures over revenues in internal service funds.

- The *Custodial Fund* accounts for assets held by the County as an agent for individuals, private organizations and other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County holds funds for monies collected, principally tax collections.

The County has adopted the provisions of GASB Statement No. 84, Fiduciary Activities

E. Assets and Liabilities

Cash and Investments

The Custer County Treasurer maintains a cash and investment pool that is available for use by all County funds except for some custodial funds. Each fund's portion of this pool is displayed as "cash and cash equivalents". Accrued interest receivable is displayed separately. The amount of interest gained through secured investments is credited to the County's general fund per Colorado State Statutes, with the exception of the E-911 Authority. Cash and cash equivalents are stated at fair value.

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Assets and Liabilities (Continued)

Cash and Investments (Continued)

The County considers cash and cash equivalents to be cash on hand and demand deposits. In addition, because the treasury pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Cash equivalents are short term, liquid investments that are quickly converted to known cash amounts and that have maturities of three months or less so as to minimize the risk of value changes.

The County's policy is to state investments at their fair value and categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs.

All investment income is reported as investment income in the County's financial statements.

Cash and investments are subject to Colorado State statutes as described in Note 3.

Receivables

General receivables are reported at gross amounts unless management has determined there to be a significant uncollectible amount. The majority of the receivable balances related to sales and use taxes due the County at year end.

Leases

In June 2017, the GASB issued Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principal that leases are financings of the right to use an underlying asset. Under this standard, a lease is required to recognize a liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The County adopted the requirements of the guidance effective January 1, 2023 and has applied the provisions of this standard to the beginning of the period of adoption. There was no effect on beginning net position since the right to use asset equals the right to use lease liability.

Subscription Based IT Agreements

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. This standard requires the recognition of a right-to-use subscription, an intangible asset, and a corresponding liability. A subscription liability is recognized at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is initially measured at present value of subscription payments expected to be made during the subscription term. Future payments are discounted using the interest rate that the SBITA vendor charges the government, which may be implicit, or the County's incremental borrowing rate if the interest rate is not readily determinable. Amortization of the discount is recognized as an outflow of resources in subsequent reporting periods. The asset is measured as the sum of the initial liability, payments made to the vendor before commencement of the subscription term, and capitalizable implementation costs, less any incentives received. Amortization of the asset is recognized as an outflow of resources over the subscription term.

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Assets and Liabilities (Continued)

Inventories

Purchased inventories of Road and Bridge Fund and Airport Fund are stated at cost using the first in, first- out method of determining inventories on hand. Perpetual inventory records are maintained for road and bridge supplies and airport fuel. Physical counts were made of all inventories as of December 31, 2025. Inventories were adjusted to reflect the amounts determined by physical counts.

Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in the government-wide financial statements and fund statements if significant.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and a useful life of more than one year.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. All reported capital assets are depreciated, except for land and land improvements. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20 - 50 years
Improvements	20 years
Infrastructure - bridges	50 years
Infrastructure - roads	20 years
Office Equipment	3 - 7 years
Heavy equipment	10 - 20 years

GASB Statement 34 allows small governments to begin reporting infrastructure assets in the year of implementation. The County has not elected to retroactively report infrastructure assets as permitted by GASB Statement 34.

Unearned Revenue

Unearned revenue in the government-wide and the fund financial statements consists primarily of unearned program revenue in the human services fund and unearned grant revenue in the general fund and contingent fund.

Accounts Payable

Accounts payable represent obligations due to vendors for goods delivered or services rendered prior to December 31, 2025.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes were levied on December 15 and are payable either in two installments due on February 28 and June 15, or in full on April 30. Delinquent taxes may be assessed penalties and interest by the County. The County, through the Custer County Treasurer, bills and collects its own property taxes, as well as property taxes for all other taxing authorities within the County.

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Assets and Liabilities (Continued)

Property Taxes (Continued)

Property taxes which have been levied for 2025 which will not be collected until 2026 have been accrued as a receivable at December 31, 2025. An offsetting liability for deferred inflows of resources - unearned property tax revenue has been recorded on the statement of net position.

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of net position and/or balance sheets will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net assets by the County that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net assets by the County that is applicable to future reporting periods. Both deferred inflow and deferred outflows are reported in the statement of net position but are not reported as revenue or expenditures until the period(s) to which they relate.

Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable, and are recognized as an inflow of resources in the period they are collected.

Deferred inflows related to leases have been recorded as of December 31, 2025, which is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that related to future periods

Compensated Absences

The County adopted a new Paid Time Off (PTO) Plan as of July 16, 2023. The PTO plan is available for all employees and provides flexibility in the usage of paid leave to meet personal needs. Immediately upon hire accrual of PTO starts accruing each pay period. This accrual will increase after completing continuous years of service. Accrual will range from 10 hours to 25 hours per pay period depending on length of service. Part time employees will accrue 4 hours every pay period without any consideration of length of service. Maximum hours that can be accrued is 300 hours.

As of July 16, 2023 all employees of the County will continue to have available to them their current sick and vacation hours that had been earned under the old plan. These hours must be used by December 31, 2025. At that time any unused sick leave will be lost and any unused vacation hours will roll into the PTO. If that causes the PTO to be in excess of the maximum 300 hours it will be allowed, however no additional PTO will accrue until the hours fall below the maximum amount.

Ultimate payment of these benefits, or liability of the County to the employee, if any, is payable only in conjunction with the employee's termination. Any such payments of vested benefits are made in a lump sum at termination.

The unpaid PTO at the end of the period will generally not be paid with expendable and available resources and, as such, the liability is generally not reflected in the governmental fund financial statements. The entire liability for compensated absences is reported on the government-wide financial statements.

Elimination of Internal Activity and Classification of Internal Service Funds Revenue and Expenditures

Transactions between funds that would be treated as revenues or expenditures, they were to involve entities external to the County, are accounted for as revenues or expenditures in the funds. At year-end, outstanding balances between funds are reported in the fund financial statements. Amounts reported in the funds as due to or from other funds are eliminated in the governmental activities column of the statement of net position.

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Assets and Liabilities (Continued)

Elimination of Internal Activity and Classification of Internal Service Funds Revenue and Expenditures (Continued)

The County eliminates its internal service activity in the statement of activities. This is accomplished by eliminating the revenues and expenditures of the internal service fund among the various functions based upon the volume of activity they had during the year with the internal service fund.

Net Position

In the government-wide financial statements net position represents the difference between assets and liabilities. It is divided into three components. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by any outstanding borrowing used for the acquisition or construction of improvements of those assets. Restricted net position is presented to reflect any restrictions imposed on its use by enabling legislation, restrictions imposed by grantors, laws or regulations of other governments. All other amounts are reported as unrestricted net position. The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balances

The County presents fund balances in clearly defined categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. In the fund financial statements the following classifications describe the relative strength of the spending constraints.

- *Non-spendable fund balance* - The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or is legally or contractually required to be maintained intact.

- *Restricted fund balance* - The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

- *Committed fund balance* - The portion of fund balance constrained for a specific purpose according to limitations imposed by the County's highest level of decision making authority, Board of Commissioners, prior to the end of the current year. The constraint may be removed or changed only through formal action of the Board of Commissioners.

- *Assigned fund balance* - The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Board of Commissioners or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of the particular fund.

- *Unassigned fund balance* - The residual portion of fund balance that does not meet any of the above criteria. The County will only report a positive unassigned fund balance in the General Fund.

If both restricted and unrestricted amounts of fund balance are available for use when an expenditure is incurred, it is County policy to use restricted amounts first. Unrestricted fund balance will be used in the following order; committed, assigned and unassigned.

Note 1 - Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Adoption of Accounting Principles

The County implemented the following new pronouncements for the year ended December 31, 2025:

GASB Statement No. 102, *Certain Risk Disclosures*. This statement will provide users of government financial statements with essential information about risk related to a government's vulnerabilities due to certain concentrations or constraints. The County adopted this standard on January 1, 2025, using the facts and circumstance in place at the time of adoption. The implementation of this statement did not affect beginning net position.

Future Changes in Accounting Principles

The GASB also issued Statement No. 103, *Financial Reporting Model Improvements*. This statement's objective is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The County first expects to apply GASB 103 during the year ending December 31, 2026, using the facts and circumstances in place at the time of adoption. The impact of applying this statement has not been determined.

The GASB also issued Statment No. 104, *Disclosures of Certain Capital Assets*. This statement will provide users of government financial statements with essential information about certain types of capital assets. The County first expects to apply GASB 104 during the fiscal year ending December 31, 2026, using facts and circumstances in place at the time of adoption. The impact of applying this statement has not been determined.

Note 2 - Stewardship, Compliance, and Accountability

A. Budgetary Information

An annual budget and appropriation ordinance is adopted by the Board of County Commissioners in accordance with Colorado State Budget Act. The budget is prepared on a basis consistent with generally accepted accounting principles.

Budgets are established for all governmental funds and internal service funds. Formal budgetary accounting is employed as a management control device during the year to monitor the individual departments.

The fund level is the level of classification at which expenditures may not legally exceed appropriations. During the year, several supplemental appropriations were necessary. All annual appropriations lapse at year end. The County does not recognize encumbrances.

Note 2 - Stewardship Compliance, and Accountability (Continued)

B. Expenditures in Excess of Budget Amounts

During 2025 the component unit had expenditures which exceeded budgeted amounts, which may be a violation of Colorado Local Government Budget Law.

	Actual	Budget	Excess
E911	$ 100,985	$ 72,026	$ (28,959)

C. Tax, Spending, and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The County believes it is in compliance with the Amendment. However, the County has made certain interpretations of the Amendment's language in order to determine its compliance.

D. Grant Funding

The County receives funding from Federal, State and foundation grants which may be subject to regulatory or other oversight by granting agencies. Such oversight may include audit or other compliance procedures. Any adjustments made by a granting agency would become a liability to the County. There are no such proceedings presently in progress.

E. Risk Management

County Worker's Compensation Pool - The County is exposed to various risks of loss related to injuries of employees while on the job. The County participates, with other counties in the State of Colorado, in a 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 worker's 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 specified self-insurance retention, which is determined each policy year.

Colorado Counties Casualty and Property Pool - The County is exposed to various risks of loss to property and casualty losses. The County participates, with other counties in the State of Colorado, in a Colorado Counties Casualty and Property Pool (CAPP), 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 Colorado Counties, Inc. 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.

Note 3 - Cash Deposits and Investments

Deposits

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility.

Note 3 - Cash Deposits and Investments (Continued)

Deposits (Continued)

Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be equal to 102% of the aggregate uninsured deposits.

As of December 31, 2025, the County had deposits over $250,000 in the amount of $980,043. These deposits are required to be collateralized under State statutes.

Custodial Credit Risk. There is a risk that, in the event of a bank failure, the County's deposits may not be returned. The County's policy for custodial credit risk parallels Colorado statutes.

A summary of cash and deposits held at year-end follows:

Cash and Deposits		Carrying Amounts	Less Than One Year	Less Than Five Years
Deposits:				
Cash on hand		$ 2,323	$ 2,323	$ -
Checking		595,903	595,903	-
Savings		498,830	498,830	-
Investments:				
Certificate of deposit		12,207	-	12,207
State investment pool (Colo Trust)		8,558,913	8,558,913	-
	Total	$ 9,668,176	$ 9,655,969	$ 12,207
Governmental Activities		$ 8,838,865		
Component Unit		503,503		
Fiduciary Fund		325,808		
		$ 9,668,176		

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. The law outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government agency securities, certain bonds of political subdivisions, bankers' acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, negotiable certificates of deposit fully covered by FDIC Insurance and guaranteed insurance contracts. The statute also includes a provision limiting any investment to a five year maturity unless the governing body authorizes a longer period.

The County has invested $8,558,913 in the Colorado Government Liquid Asset Trust (ColoTrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. ColoTrust operates similarly to a money market fund and each share is equal in value to $1. Investments of ColoTrust consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities.

Note 3 - Cash Deposits and Investments (Continued)

Investments (Continued)

A designated custodial bank provides safekeeping and depository services to ColoTrust in connection with the direct investment and withdrawal functions of ColoTrust. Substantially all securities owned by ColoTrust are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by ColoTrust.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of December 31, 2025:

- Certificates of deposit are valued using a matrix pricing model (Level 2 inputs).
- Investment in ColoTrust are reported at fair value. However, this investment is not subject to the fair value hierarchy.

Interest Rate Risk - The County's policy of limiting investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates parallels Colorado statutes. Specifically all securities are limited to a maximum maturity of five years from date of purchase unless the governing body authorizes a longer period.

Credit Risk - The County does not have a policy which would further limit its investment choices beyond the requirements of Colorado statutes. As of December 31, 2025 the County's investment in Colo Trust rates AAAm by Standard and Poor's and Aaa by Moody's.

Note 4 - Receivables

Receivables at December 31, 2025 consisted of taxes, accounts, and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose fo the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of Federal funds. A summary of the principal items of receivables follows:

General Fund		
Taxes	$ 1,809,212	
Grants	117,360	
Accounts receivable other	13,854	$ 1,940,426
Road and Bridge Fund		
Taxes	1,021,262	
Accounts receivable other	2,717	1,023,979
Capital Improvement		
Taxes		69,598

Note 4 - Receivables (Continued)

Non-major Funds		
Taxes	$ 501,001	
Accounts receivable - other	9,612	
Leases	208,040	$ 718,653
Totals Governmental Funds Balance Sheet		3,752,656
Accounts receivable - long term - general and internal service fund		22,164
Total Statement of Net Position - Governmental Activities		$ 3,774,820

Note 5 - Interfund Balances and Transfers

A summary of the interfund receivables and payables at December 31, 2025 as reported in the balance sheet for government funds follows:

	Due From Other Funds	Due To Other Funds
General Fund	$ -	$ 386,481
Nonmajor Governmental Funds	58,654	-
Major Governmental Funds	327,827	-
Total All Funds	$ 386,481	$ 386,481

The County reports interfund balances between some of its funds. Balances result from the time lag between the dates when interfund goods or services are provided, transactions are recorded in the accounting system and the payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

Transfers and allocations are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers during the fiscal year ending December 31, 2025 are summarized below:

	Transfers In	Transfers Out
General Fund	$ -	$ 312,000
Health Insurance Fund	75,000	-
Insurance Fund	120,000	-
Emergency Services Fund	48,000	-
Airport Fund	69,000	-
Total All Funds	$ 312,000	$ 312,000

Note 6 - Leases

The County, acting as lessor, leases property to various individuals and/or businesses for the use of hangars at the airport under long-term noncancellable lease agreements. The leases expire at various dates through 2044. During the year ended December 31, 2025, the County recognized $6,391 in lease revenue, pursuant to the contracts. The leases provide for future increases to minimum annual rental payments based on contracts.

Note 6 - Leases (Continued)

Total future minimum lease payments to be received under the lease agreements are as follows:

Fiscal Year Ending December 31	Principal	Interest	Total
2026	$ 6,812	$ 10,402	$ 17,214
2027	7,153	10,061	17,214
2028	7,511	9,704	17,215
2029	7,886	9,328	17,214
2030	8,280	8,934	17,214
2031 - 2044	170,398	70,602	241,000
Total	$ 208,040	$ 119,031	$ 327,071

Note 7 - Capital Assets

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

Governmental Activities	Balances January 1	Additions	Deletions	Balances December 31
Non Depreciable Assets				
Land	$ 929,687	$ -	$ -	$ 929,687
Assets in progress	520,489	300,960	71,950	749,499
Total Non Depreciable Assets	1,450,176	300,960	71,950	1,679,186
Depreciable Assets				
Buildings and improvements	5,786,509	149,060	303,320	5,632,249
Vehicles and heavy equipment	11,334,183	1,581,799	1,474,359	11,441,623
Office equipment	1,334,599	24,069	1,024,799	333,869
Infrastructure	356,198	-	161,151	195,047
Leased assets	401,892	-	-	401,892
SBITA	106,519	-	-	106,519
Total Depreciable Assets	19,319,900	1,754,928	2,963,629	18,111,199
Less Accumulated Depreciation				
Buildings and improvements	3,097,480	159,108	303,320	2,953,268
Vehicles and heavy equipment	7,698,755	539,158	1,439,858	6,798,055
Office equipment	1,228,549	56,053	1,024,799	259,803
Infrastructure	249,994	5,629	161,151	94,472
Leased assets	158,115	60,475	-	218,590
SBITA	2,427	20,223	-	22,650
Total Accumulated Depreciation	12,435,320	840,646	2,929,128	10,346,838
Total Capital Assets, Net	$ 8,334,756	$ 1,215,242	$ 106,451	$ 9,443,547
Component Unit E 911				
Depreciable Assets				
Equipment	$ 659,952	$ -	$ 421,622	$ 238,330
Less Accumulated Depreciation				
Equipment	649,209	1,481	421,622	229,068
Total Capital Assets, Net	$ 10,743	$ (1,481)	$ -	$ 9,262

Note 7 - Capital Assets (Continued)

Depreciation expense was charged to the following functions/programs of the primary government as follows:

General government	$	207,139
Public safety		235,733
Streets and highways		180,664
Health and welfare		18,698
Auxiliary		117,714
Total - Governmental Activities		759,948
Component Unit - E 911		1,481
Total Depreciation Expense	$	761,429

Note 8 - Defined Contribution Plan

The County provides pension benefits for all of its officials and employees through a defined contribution plan administered by the Colorado County Officials and Employees Retirement Association. Benefit terms, including contribution requirements, for the Plan are established and may be amended by the Board of Commissioners.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings and forfeitures, if any. Officials are eligible to participate immediately upon taking office. Employees are eligible to participate upon the completion of six months of service and attaining age twenty-one (21). As required by the terms of the plan, the County must contribute 4% of compensation to the plan and officials and employees must match employer contributions. In addition, officials and employees may make additional voluntary contributions not to exceed 10% of compensation. Officials are immediately vested 100% in employer contributions and earnings. Employees are vested at 20% per year, becoming fully vested after five years, in employer contributions and earnings. Employer contributions forfeited by an employee before becoming fully vested are returned to the County.

The County's total payroll for the year ended December 31, 2025 was $4,886,603. The County's contributions were calculated using the base earnings of eligible, participating employees of $4,480,288. The County's required 4% contribution for 2025 was $179,212, officials and employees required 4% contribution was $179,212, for a total of $358,424.

The plan held no securities of the County or other related parties during the year or as of the end of the year.

Note 9 - Deferred Compensation Plan

The County offers its officials and employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457.

The plan, available to all County officials and employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to officials and employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan are deposited with the Colorado County Officials and Employees Retirement Association. Deferred compensation for the year ended December 31, 2025 was $59,673.

Note 10 - Long-Term Obligations

Changes in long-term liabilities for the County were as follows:

	Obligations Outstanding January 1	Additions	Retirements and Repayments	Obligations Outstanding December 31	Due Within One Year
Notes payable and other	$ 1,257,036	$ 415,913	$ 249,621	$ 1,423,328	$ 303,835
Leases	243,777	-	60,475	183,302	56,782
Subscription based IT	104,092	-	20,223	83,869	21,234
Compensated absences	425,207	18,067	-	443,274	110,819
Other obligations	1,098,297	25,140	-	1,123,437	-
Totals	$ 3,128,409	$ 459,120	$ 330,319	$ 3,257,210	$ 492,670

Notes payable and other obligations consisted of the following:

John Deere Finance Two JD672G motor graders, four annual payments of $64,050 and final lump sum payment of $299,379 includes interest at 2.49%.	$ 347,918
First State Bank of Colorado 2020 Dodge Durango, $8,381.03 per year for six years dated November 12, 2020, with an effective interest rate of 3.25%	8,037
Farmers State Bank Three trucks, four annual payments of $26,422, Lease dated November 25, 2025 with an effective interest rate of 4.92%	93,852
United Business Bank Tana H260 Landfill Compactor, five annual payments of $138,858, Lease dated October 30, 2024 with an effective interest rate of 5.00%.	491,559
2007 Caterpillar 623G Scraper, five annual payments of $68,461.25, Lease dated December 19, 2025 with an effective interest rate of 4.50%.	300,000
Chet Haga Trust Vacant land, 6.68 acres, $50,000 per year plus interest at 2% for ten years with a final payment of $31,962 plus interest.	181,962
Total Notes and Other Obligation	1,423,328
Leases Various leases for office, technology and other equipment.	183,302
Subscription Based IT Agreements Various multi year software agreements	83,869
Compensated Absences Accumulated vacation and sick leave benefits for eligible employees.	443,274
Other Obligations Estimated closure and postclosure costs of solid waste landfill	1,123,437
Total Long Term Obligations	$ 3,257,210

Note 10 - Long-Term Liabilities (Continued)

Future years repayment schedule:

Fiscal Year Ending December 31	Principal	Interest	Total
2026	$ 303,835	$ 55,893	$ 359,728
2027	542,491	42,649	585,140
2028	259,609	25,771	285,380
2029	251,919	13,183	265,102
2029	65,474	2,987	68,461
Total	$ 1,423,328	140,483	1,563,811

Leases

The County has entered into numerous lease agreements for the use of office, technology and other equipment. The lease terms vary between three and ten years and include interest at rates ranging from 3% to 5%. Lease payment obligations to maturity for the existing obligations follows:

Fiscal Year Ending December 31	Principal	Interest	Total
2026	$ 56,782	$ 8,843	$ 65,625
2027	24,710	5,993	30,703
2028	21,635	4,858	26,493
2029	18,294	3,852	22,146
2030	13,863	3,094	16,957
2031 - 2033	48,018	4,914	52,932
Total	$ 183,302	$ 31,554	$ 214,856

Subscription Based IT Agreements

The County has entered into multi-year agreements for software and related technology use. The terms range from two to five years and include interest imputed at 5.00%. Future obligations to maturity follows:

Fiscal Year Ending December 31	Principal	Interest	Total
2026	$ 21,234	$ 4,193	$ 25,427
2027	19,868	3,132	23,000
2028	20,862	2,138	23,000
2029	21,905	1,095	23,000
Total	$ 83,869	$ 10,558	$ 94,427

Note 11 - Closure and Postclosure Care Cost

The County began operating a solid waste landfill in April of 1994. 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. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs in its financial statements in each year based on landfill capacity used as of each balance sheet date. These costs are measured on the accrual basis and reported in the general long-term debt account group until they become current liabilities expected to be liquidated with expendable available resources of the County.

The most recent engineering report available was completed in October 2024. Estimates of closure costs were $331,706 and thirty year postclosure maintenance costs of $766,591 for a total of $1,098,297. The $1,123,437 reported as landfill closure and postclosure liability at December 31, 2025 in the government-wide financial statements represents the cumulative amount reported to date based on the use of approximately 99% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care as the remaining estimated capacity is filled. The estimated remaining landfill life is approximately 2 years based on current use estimates. The estimated dollar amounts are based on what it would cost to perform all closure and postclosure care in 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

At December 31, 2025, there are no assets restricted for payment of closure and postclosure care costs. The County paid $0 of costs in 2024. Current regulations permit local governments to meet financial assurance requirements by satisfying certain financial tests as defined in the Regulations. The County believes it is in compliance with and satisfies these tests as of December 31, 2025.

Note 12 - Net Position and Fund Balance Classifications

The specific purposes for each Net Position classification on the Statement of Financial Position are detailed in the table below:

	Primary Government	Component Unit	Totals
Invested in capital assets net of related debt	$ 7,753,048	$ 9,262	$ 7,762,310
Restricted			
Tabor	308,700	3,500	312,200
Grant restrictions	36,709	-	36,709
Restricted	2,387,724	-	2,387,724
Total Restricted	2,733,133	3,500	2,736,633
Unrestricted	3,833,662	514,148	4,347,810
Total Net Position	$ 14,319,843	$ 526,910	$ 14,846,753

Note 12 - Net Position and Fund Balance Classifications (Continued)

The specific purposes for each fund balance classification on the balance sheet are detailed in the table below:

	General	Road and Bridge	Contingent Fund	Capital Improvement	Other Government Funds	Totals
Non-spendable Inventory	$ -	$ 142,808	$ -	$ -	$ 40,952	$ 183,760
Restricted						
Tabor	175,400	74,400	-	24,400	28,500	302,700
Grants	36,709	-	-	-	-	36,709
Restricted	-	1,005,488	-	958,746	423,490	2,387,724
Total Restricted	212,109	1,079,888	-	983,146	451,990	2,727,133
Committed	180,237	-	-	-	-	180,237
Assigned	-	-	99,944	-	205,057	305,001
Unassigned	4,538,214	-	-	-	-	4,538,214
Total Fund Balances	$ 4,930,560	$ 1,222,696	$ 99,944	$ 983,146	$ 697,999	$ 7,934,345

Note 13 - EBT Authorizations, Warrant Expenditures and Total Expenditures

	A	B	C	D	E
Program	County EBT Authorizations	County Share of Authorizations	Expenditures By County Warrant	County EBT Authorizations Plus Expenditures by County Warrant *	Total Expenditures**
Old Age Pension	$ 59,869	-	-	$ 59,869	$ -
Low-Income Energy Assistance Program	153,665	-	-	153,665	-
Temporary Assistance For Needy Families	24,252	11,426	-	24,252	11,426
Regular Administration	10,397	1,740	549,207	559,604	550,947
Child Welfare	149,463	65,443	-	149,463	65,443
IV-E and parental fees	-	-	-	-	-
Aid to the Needy Disabled	9,654	2,413	-	9,654	2,413
Child Care	34,577	8,503	-	34,577	8,503
Core Services	7,458	860	-	7,458	-
General Assistance	-	-	14,108	14,108	14,108
Subtotal	449,335	90,385	563,315	1,012,650	653,700
Food Assistance	961,241	-	-	961,241	-
Grand Total	$ 1,410,576	$ 90,385	$ 563,315	$ 1,973,891	$ 653,700

* (Column A + Column C)
**(Column B + Column C)

Note 13 - EBT Authorizations, Warrant Expenditures and Total Expenditures (Continued)

A. Payments for human service programs authorized by the Custer County Department of Human Services, net of refunds. These County authorizations are paid by the Colorado Department of Human Services by electronic benefit transfer (EBT) using electronic funds transfer (EFT).

B. County share of EBT authorizations. These amounts are settled monthly by a reduction of State cash advances to the County.

C. Expenditures made by County warrants or other County payment methods.

D. This represents the total cost of the welfare programs that are administered by Custer County.

E. This total matches the expenditures on the Human Services Fund - Statement of Revenues, Expenditures and Changes in Fund Balance.

Note 14 - Prior Period Adjustment

During the current year a misclassification in federal revenues was detected. Revenues which should have been recognized as deferred were recognized as restricted fund balance. A prior period adjustment was required to correctly classify deferred federal revenues.

		Government Wide Net Position	Fund Balance General Fund
Originally reported at 12/31/2024		$ 13,536,576	$ 5,107,051
Correct classification of federal revenues		(118,938)	(118,938)
	Restated	$ 13,417,638	$ 4,988,113

REQUIRED SUPPLEMENTARY INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Taxes	$ 3,144,451	$ 3,144,451	$ 3,339,580	$ 195,129
Penalties	-	-	8,016	8,016
Federal Sources	872,859	872,859	869,245	(3,614)
State Sources	474,191	474,191	397,975	(76,216)
Local Sources	157,316	157,316	302,450	145,134
Licenses and permits	311,400	311,400	302,720	(8,680)
Charges for services	900,827	900,827	974,209	73,382
Miscellaneous	412,213	1,039,213	1,419,521	380,308
Total Revenues	6,273,257	6,900,257	7,613,716	713,459
Expenditures				
General Government	3,032,068	3,290,393	3,069,897	220,496
Public Safety	2,167,424	2,374,522	2,460,999	(86,477)
Health and welfare	706,968	706,968	601,870	105,098
Auxiliary services	286,712	337,511	315,700	21,811
Capital outlay	21,949	649,936	817,203	(167,267)
Debt service - principal	-	-	77,189	(77,189)
Debt service - interest	-	-	16,411	(16,411)
Total Expenditures	6,215,121	7,359,330	7,359,269	61
Excess of Revenues Over (Under) Expenditures	58,136	(459,073)	254,447	713,520
Other Financing Sources (Uses)				
Proceeds from leases	-	-	-	-
Transfers to other funds	(188,000)	(313,170)	(312,000)	1,170
Total Other Financing Sources	(188,000)	(313,170)	(312,000)	1,170
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(129,864)	(772,243)	(57,553)	714,690
Fund Balances - January 1 (Restated)	6,058,027	6,058,027	4,988,113	(1,069,914)
Fund Balances - December 31	$ 5,928,163	$ 5,285,784	$ 4,930,560	$ (355,224)

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Taxes	$ 2,407,380	$ 2,407,380	$ 2,364,751	$ (42,629)
Penalties	1,500	1,500	4,282	2,782
Federal sources	18,000	18,000	1,425	(16,575)
State sources	-		-	-
Charges for services	88,500	88,500	106,439	17,939
Miscellaneous	1,600	1,600	105,466	103,866
Reimbursed expenses	-	-	-	-
Total Revenues	2,516,980	2,516,980	2,582,363	65,383
Expenditures				
General Government	169,066	189,740	165,344	24,396
Public Safety	5,000	5,000	5,105	(105)
Streets and Highways	2,266,494	2,343,555	2,160,709	182,846
Capital outlay	-	-	-	-
Debt service - principal	-	-	482	(482)
Debt service - interest	-	-	115	(115)
Total Expenditures	2,440,560	2,538,295	2,331,755	206,540
Excess of Revenues Over (Under) Expenditures	76,420	(21,315)	250,608	271,923
Other Financing Sources (Uses)				
Proceeds from leases	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	76,420	(21,315)	250,608	271,923
Fund Balances - January 1	1,109,564	1,109,564	972,088	(137,476)
Fund Balances - December 31	$ 1,185,984	$ 1,088,249	$ 1,222,696	$ 134,447

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CONTINGENT FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Federal sources	$ -	$ -	$ 40,000	$ 40,000
Miscellaneous	-	-	-	-
Total Revenues	-	-	40,000	40,000
Expenditures				
General Government	-	40,000	40,000	-
Excess of Revenues Over (Under) Expenditures	-	(40,000)	-	40,000
Other Financing Sources (Uses)				
Operating transfers in (out)	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	(40,000)	-	40,000
Fund Balance - January 1	99,944	99,944	99,944	-
Fund Balance - December 31	$ 99,944	$ 59,944	$ 99,944	$ 40,000

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Taxes	$ 400,000	$ 400,000	$ 561,629	$ 161,629
State sources	61,000	61,000	213,984	152,984
Charges for services	35,000	35,000	33,272	(1,728)
Other income	-	-	71,691	71,691
Total Revenues	496,000	496,000	880,576	384,576
Expenditures				
General government	188,600	192,225	46,381	145,844
Public safety	-	8,812	19,642	(10,830)
Auxiliary services	-	-	9,308	
Capital outlay	222,000	1,220,048	1,127,920	92,128
Debt service - principal	65,000	65,000	249,621	(184,621)
Debt service - interest	20,000	20,000	51,948	(31,948)
Total Expenditures	495,600	1,506,085	1,504,820	1,265
Excess of Revenues Over (Under) Expenditures	400	(1,010,085)	(624,244)	385,841
Other Financing Sources (Uses)				
Operating transfers in (out)	-	(11,000)	-	11,000
Proceeds from leases	-	-	415,913	415,913
Total Other Financing Sources (Uses)	-	(11,000)	415,913	426,913
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	400	(1,021,085)	(208,331)	812,754
Fund Balance - January 1	1,106,288	1,106,288	1,191,477	85,189
Fund Balance - December 31	$ 1,106,688	$ 85,203	$ 983,146	$ 897,943

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

OTHER SUPPLEMENTARY INFORMATION

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

	Human Services Fund	Conservation Trust Fund	Emergency Services Fund	Airport Fund	Custer County Lodging and Tourism	Totals
Assets						
Cash	$ 319,832	$ 80,424	$ 148,621	$ 30,703	$ 96,975	$ 676,555
Receivables	194,904	3,912	301,118	208,040	10,679	718,653
Due from other County funds	3,872	-	54,782	-	-	58,654
Accrued state revenue	-	-	-	-	-	-
Accrued federal revenue	9,707	-	-	-	-	9,707
Inventories	-	-	-	40,952	-	40,952
Total Assets	528,315	84,336	504,521	279,695	107,654	1,504,521
Liabilities						
Accounts payable and accrued liabilities	18,102	-	2,693	21,877	8,134	50,806
Due to State of Colorado	29,258	-	-	-	-	29,258
Unearned revenue	31,015	-	-	-	-	31,015
Total Liabilities	78,375	-	2,693	21,877	8,134	111,079
Deferred Inflows						
Property taxes	194,606	-	292,797	-	-	487,403
Leases	-	-	-	208,040	-	208,040
Total Deferred Inflows	194,606	-	292,797	208,040	-	695,443
Fund Balances						
Nonspendable	-	-	-	40,952	-	40,952
Restricted	255,334	84,336	10,600	2,200	99,520	451,990
Assigned	-	-	198,431	6,626	-	205,057
Unassigned	-	-	-	-	-	-
Total Fund Balances	$ 255,334	$ 84,336	$ 209,031	$ 49,778	$ 99,520	$ 697,999

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
CUSTER COUNTY, COLORADO
December 31, 2025

	Human Services Fund	Conservation Trust Fund	Emergency Services Fund	Airport Fund	Custer County Lodging and Tourism	Totals
Revenues						
Taxes	$ 197,621	$ -	$ 277,445	$ -	$ 84,083	$ 559,149
Penalties and interest	554	-	1,564	-	-	2,118
Federal sources	222,114	-	64,504	-	-	286,618
State sources	233,209	52,165	69,736	-	-	355,110
Local sources	6,655	3,912	-	-	5,000	15,567
Charges for services	-	-	-	70,244	-	70,244
Other income	-	2,169	2,410	202	250	5,031
Total Revenues	660,153	58,246	415,659	70,446	89,333	1,293,837
Expenditures						
General government	-	-	-	-	-	-
Public safety	-	-	193,234	-	-	193,234
Health ad welfare	651,903	-	-	-	-	651,903
Auxiliary	-	55,500	241,296	120,211	121,507	538,514
Capital outlay	-	-	110,765	-	-	110,765
Debt service - principal	1,512	-	1,514	-	-	3,026
Debt service - interest	285	-	263	-	-	548
Total Expenditures	653,700	55,500	547,072	120,211	121,507	1,497,990
Excess of Revenues Over (Under) Expenditures	6,453	2,746	(131,413)	(49,765)	(32,174)	(204,153)
Other Financing Sources (Uses)						
Operating transfers in (out)	-	-	48,000	69,000	-	117,000
Proceeds from leases	-	-	-	-	-	-
Total Other Financing Sources	-	-	48,000	69,000	-	117,000
Net Change in Fund Balance	6,453	2,746	(83,413)	19,235	(32,174)	(87,153)
Fund Balance - January 1	248,881	81,590	292,444	30,543	131,694	785,152
Fund Balance - December 31	$ 255,334	$ 84,336	$ 209,031	$ 49,778	$ 99,520	$ 697,999

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
HUMAN SERVICES FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Taxes	$ 197,689	$ 197,689	$ 197,621	$ (68)
Penalties	-	-	554	554
Federal Sources	251,323	251,323	222,114	(29,209)
State Sources	222,177	222,177	233,209	11,032
Local Sources	-	-	6,655	6,655
Miscellaneous	-	-	-	-
Total Revenues	671,189	671,189	660,153	(11,036)
Expenditures				
Health and welfare	766,356	801,356	651,903	149,453
Capital outlay	-	-	-	-
Debt service - principal	-	-	1,512	(1,512)
Debt service - interest	-	-	285	(285)
Total Expenditures	766,356	801,356	653,700	147,656
Excess of Revenues Over (Under) Expenditures	(95,167)	(130,167)	6,453	136,620
Other Financing Sources (Uses)				
Proceeds from leases	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(95,167)	(130,167)	6,453	136,620
Fund Balance - January 1	414,324	414,324	248,881	(165,443)
Fund Balance - December 31	$ 319,157	$ 284,157	$ 255,334	$ (28,823)

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CONSERVATION TRUST FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
State sources	$ 55,500	$ 55,500	$ 52,165	$ (3,335)
Local sources	-	-	3,912	3,912
Miscellaneous	-	2,169	2,169	-
Total Revenues	55,500	57,669	58,246	577
Expenditures				
Auxiliary services	55,500	55,500	55,500	-
Excess of Revenues Over (Under) Expenditures	-	2,169	2,746	577
Other Financing Sources (Uses)				
Operating transfers in (out)	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	2,169	2,746	577
Fund Balance - January 1	67,474	67,474	81,590	14,116
Fund Balance - December 31	$ 67,474	$ 69,643	$ 84,336	$ 14,693

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EMERGENCY SERVICES FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Taxes	$ 276,253	$ 276,253	$ 277,445	$ 1,192
Penalties and interest	500	500	1,564	1,064
Federal sources	65,000	65,000	64,504	(496)
State sources	86,500	86,500	69,736	(16,764)
Miscellaneous	-	-	2,410	2,410
Total Revenues	428,253	428,253	415,659	(12,594)
Expenditures				
Public Safety	200,000	200,000	193,234	6,766
Auxiliary services	210,407	269,407	241,296	28,111
Capital outlay	15,000	114,000	110,765	3,235
Debt service - principal	-	-	1,514	(1,514)
Debt service - interest	-	-	263	(263)
Total Expenditures	425,407	583,407	547,072	36,335
Excess of Revenues Over (Under) Expenditures	2,846	(155,154)	(131,413)	23,741
Other Financing Sources (Uses)				
Operating transfers in (out)	-	-	48,000	48,000
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	2,846	(155,154)	(83,413)	71,741
Fund Balance - January 1	301,558	301,558	292,444	(9,114)
Fund Balance - December 31	$ 304,404	$ 146,404	$ 209,031	$ 62,627

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CUSTER COUNTY AIRPORT
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Charges for services	$ 44,300	$ 44,300	$ 70,244	$ 25,944
Miscellaneous	2,500	2,500	202	(2,298)
Total Revenues	46,800	46,800	70,446	23,646
Expenditures				
Auxiliary services	112,595	120,245	120,211	34
Capital outlay	-	-	-	-
Total Expenditures	112,595	120,245	120,211	34
Excess of Revenues Over (Under) Expenditures	(65,795)	(73,445)	(49,765)	23,680
Other Financing Sources (Uses)				
Operating transfers in (out)	69,000	69,000	69,000	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	3,205	(4,445)	19,235	23,680
Fund Balance - January 1	45,191	45,191	30,543	(14,648)
Fund Balance - December 31	$ 48,396	$ 40,746	$ 49,778	$ 9,032

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CUSTER COUNTY LODGING AND TOURISM FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Taxes	$ 75,000	$ 75,000	$ 84,083	$ 9,083
State sources	20,000	20,000	-	(20,000)
Local sources	-	-	5,000	5,000
Miscellaneous	1,000	1,000	250	(750)
Total Revenues	96,000	96,000	89,333	(6,667)
Expenditures				
Auxiliary services	95,800	149,000	121,507	27,493
Capital outlay	-	-	-	-
Total Expenditures	95,800	149,000	121,507	27,493
Excess of Revenues Over (Under) Expenditures	200	(53,000)	(32,174)	20,826
Fund Balance - January 1	120,338	120,338	131,694	11,356
Fund Balance - December 31	$ 120,538	$ 67,338	$ 99,520	$ 32,182

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
INSURANCE FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final budget Favorable
	Original	Final	Actual	(Unfavorable)
Operating Revenues				
Charges for services	$ -	$ -	$ -	$ -
Reimbursed Expenses	37,000	37,000	45,041	8,041
Total Operating Revenues	37,000	37,000	45,041	8,041
Operating Expenditures				
General government	205,000	205,000	229,095	(24,095)
Streets and Highways	154,000	182,000	129,801	52,199
Total Expenditures	359,000	387,000	358,896	28,104
Operating Income (Loss)	(322,000)	(350,000)	(313,855)	36,145
Nonoperating Revenues (Expenses)				
Property taxes	174,698	174,698	174,756	58
Specific ownership taxes	22,000	22,000	24,442	2,442
Penalties and interest	500	500	554	54
Total Nonoperating Revenues (Expenses)	197,198	197,198	199,752	2,554
Net Income (Loss) Before Other Financing Sources (Uses)	(124,802)	(152,802)	(114,103)	38,699
Other Financing Sources (Uses)				
Operating transfers in (out)	130,000	250,000	120,000	(130,000)
Change in Net Assets	5,198	97,198	5,897	(91,301)
Fund Balance - January 1	156,609	156,609	184,034	27,425
Fund Balance - December 31	$ 161,807	$ 253,807	$ 189,931	$ (63,876)

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
HEALTH INSURANCE FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final budget Favorable
	Original	Final	Actual	(Unfavorable)
Operating Revenues				
Charges for services	$ -	$ -	$ -	$ -
Reimbursed Expenses	-	-	-	-
Total Operating Revenues	-	-	-	-
Operating Expenditures				
General government	-	75,000	72,582	2,418
Streets and Highways	-	-	-	-
Total Expenditures	-	75,000	72,582	2,418
Operating Income (Loss)	-	(75,000)	(72,582)	2,418
Other Financing Sources (Uses)				
Operating transfers in (out)	-	75,000	75,000	-
Change in Net Assets	-	-	2,418	2,418
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	$ -	$ -	$ 2,418	$ 2,418

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
E-911 AUTHORITY BOARD
CUSTER COUNTY, COLORADO
For the year ended December 31, 2025

	Budgeted Amount			Variance With Final budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Charges for services	$ 114,282	$ 114,282	$ 110,799	$ (3,483)
Other	-	-	3,889	3,889
Total Operating Revenues	114,282	114,282	114,688	406
Expenditures				
Public Safety	72,026	72,026	100,985	(28,959)
Capital outlay	-	-	-	-
Total Expenditures	72,026	72,026	100,985	(28,959)
Excess of Revenues Over (Under) Expenditures	42,256	42,256	13,703	(28,553)
Fund Balance - January 1	-	-	503,945	503,945
Fund Balance - December 31	$ 42,256	$ 42,256	$ 517,648	$ 475,392

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

ADDITIONAL REPORTS AND SCHEDULES

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO
THIS INFORMATION FROM THE RECORDS OF:	PREPARED BY:	REPORT YEAR ENDING DATE(mm/yyyy):
Custer County Colorado	Vernon Roth-Director of Fin: vernon@custercounty-co.gov	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	828,045.57	a. Interest on investments	0.00
b. Non-property Taxes and Assessments Imposts	108,363.97	b. Other Misc. Local Receipts	211,904.39
c. Total (a + b)	$ 936,409.54	**c. Total (a + b)**	$ 211,904.39
ITEM	**AMOUNT**	**ITEM**	**AMOUNT**
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	1,469,312.00	1. FHWA (from Item I.D.5.)	
2. State General Funds		2. Other Federal Agencies:	1,425.30
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds	0.00		
c. Total (a + b)	$ -		
4. Total (1 + 2 + 3c)	$ 1,469,312.00	**3. Total (1 + 2)**	$ 1,425.30

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

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	0.00
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 936,409.54
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ 211,904.39
5. Transfers from Toll Facilities	0.00
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	0.00
b. Bonds - Refunding Issues	0.00
c. Notes	0.00
d. Total (a + b + c)	$ -
7. Total (1 through 6)	$ 1,148,313.93
B. Private Contributions	0.00
C. Receipts from State government (from page 1, Item II.C.4)	$ 1,469,312.00
D. Receipts from Federal government (from page 1, Item II.D.3)	$ 1,425.30
E. Total receipts (A.7 + B + C + D)	$ 2,619,051.23

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ -
2. Maintenance:	1,452,883.30
3. Road and Street Services:	
a. Snow and Ice Removal	707,826.21
b. Other & Traffic Control Operations	5,104.59
c. Total (a + b)	$ 712,930.80
4. General Administration & Miscellaneous	202,032.89
5. Highway Law Enforcement and Safety	0.00
6. Total (1 through 5)	$ 2,367,846.99
B. Debt Service on Local Obligations:	
1. Bonds:	
a. Interest	0.00
b. Redemption	0.00
c. Total (a + b)	$ -
2. Notes:	
a. Interest	114.93
b. Redemption	481.59
c. Total (a + b)	$ 596.52
3. Total (1c + 2c)	$ 596.52
C. Payments to State for Highways	0.00
D. Payments to Toll Facilities	0.00
E. Total Expenditures (A6 + B3 + C + D)	$ 2,368,443.51

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

ITEM	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	0	$ -	$ -	$ -
1. Bonds (Refunding Portion)		$ -		
B. Notes (Total)	2,634	$ -	$ 481.59	$ 2,152.41