KIT CARSON COUNTY, COLORADO

FINANCIAL STATEMENTS

December 31, 2025

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Blair and Associates, P.C.
Cedaredge, Colorado

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Kit Carson County, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Kit Carson County, Colorado, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Kit Carson County, Colorado'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 business-type activities, each major fund, and the aggregate remaining fund information of the Kit Carson County, Colorado, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Kit Carson County, Colorado and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Certified Public Accountants
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In performing an audit in accordance with generally accepted auditing standards and *Government 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 Kit Carson County, Colorado'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 Kit Carson County, Colorado's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages B1-B7 and E1-E7 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 Kit Carson County, Colorado's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, Local Highway Finance Report and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 combining and individual nonmajor fund financial statements, Local Highway Finance Report and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2026, on our consideration of the Kit Carson County, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Kit Carson County, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kit Carson County, Colorado's internal control over financial reporting and compliance.

Blair and Associates, P.C.

Cedaredge, Colorado
September 15, 2026

KIT CARSON COUNTY
Management's Discussion and Analysis
Fiscal Year Ended December 31, 2025

As management of Kit Carson County (the "County"), we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information provided in the financial statements.

FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities by $38,686,526 (i.e. net assets) as of December 31, 2025, an increase of $13,082,237 in comparison to the prior year.
- Governmental funds reported combined fund balances of $24,233,835, an increase of $12,586,905 in comparison with the prior year.
- The County's fund balance for the General Fund was $20,453,121, an increase of $12,336,201 in comparison to the prior year.
- Total long-term liabilities increased by $265,620 during the 2025 fiscal year.
- General property tax and other totaled $8,705,877, or 92% of general revenues.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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, liabilities and deferred inflows of resources with the difference between the two being reported as net position. Over time, the increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the County include general government, public safety, health and welfare, public works, recreation and culture.

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. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The County's funds can be divided into two categories: Governmental 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 *short-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 short-term financing requirements. The accounting method is called *modified accrual* accounting.

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 activities in the *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 short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains five major government funds: the General, Human Services, Road and Bridge, Public Health Agency, and the Solid Waste Funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for those funds.

Proprietary Funds: The County maintains one type of proprietary fund. Enterprise fund is used to report the functions presented as business-type activities in the government-wide financial statements. The County Government used an enterprise fund to account for the Ambulance Fund.

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

The basic fiduciary fund financial statements can be found on pages C10 and C11 of this report.

Notes to Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements begin on page D1 to D15 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position

As noted previously, net positions may serve over time as a useful indicator of the County's financial position. For the year ended December 31, 2025, the County's combined assets exceeded liabilities and deferred inflows of resources by $38,686,526. Of this amount, $21,608,596 is unrestricted and available to meet the County's ongoing financial obligations.

By far the largest portion of net position is the investment in capital assets (net of related debt) of $16,280,525 (42% of net assets). This amount reflects the investment in all capital assets (e.g. infrastructure, land, buildings, and equipment) less any related debt used to acquire those assets that are still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although investment in capital assets is reported net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources since capital assets themselves cannot be used to liquidate these liabilities.

The following table summarizes the County's governmental activities net position for 2024 and 2025:

	Governmental Activities		Business-Type Activities		Totals	
Assets	2024	2025	2024	2025	2024	2025
Current and other assets	$ 19,881,591	$ 33,744,727	$ 44,617	$ 264,358	$ 19,926,208	$ 34,009,085
Capital assets	15,041,481	15,503,649	654,770	776,876	15,696,251	16,280,525
Total assets	34,923,072	49,248,376	699,387	1,041,234	35,622,459	50,289,610
Liabilities						
Current Liabilities	172,373	162,790	13,567	13,567	185,940	176,357
Long-Term Liabilities						
Outstanding	1,543,987	1,809,607	7,861	7,861	1,551,848	1,817,468
Total liabiities	1,716,360	1,972,397	21,428	21,428	1,737,788	1,993,825
Deferred inflow of resources	8,062,288	9,348,103	218,094	261,156	8,280,382	9,609,259
Net Position						
Investment in capital assets						
net of related debt	15,112,298	15,503,649	654,770	776,876	15,767,068	16,280,525
Restricted	723,191	797,405	-	-	723,191	797,405
Unrestricted	9,308,935	21,626,822	(194,905)	(18,226)	9,114,030	21,608,596
Total net position	$ 25,144,424	$ 37,927,876	$ 459,865	$ 758,650	$ 25,604,289	$ 38,686,526

An additional portion of net assets, $797,405, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, $21,608,596 (56% of net position), may be used to meet the government's ongoing obligations to citizens and creditors.

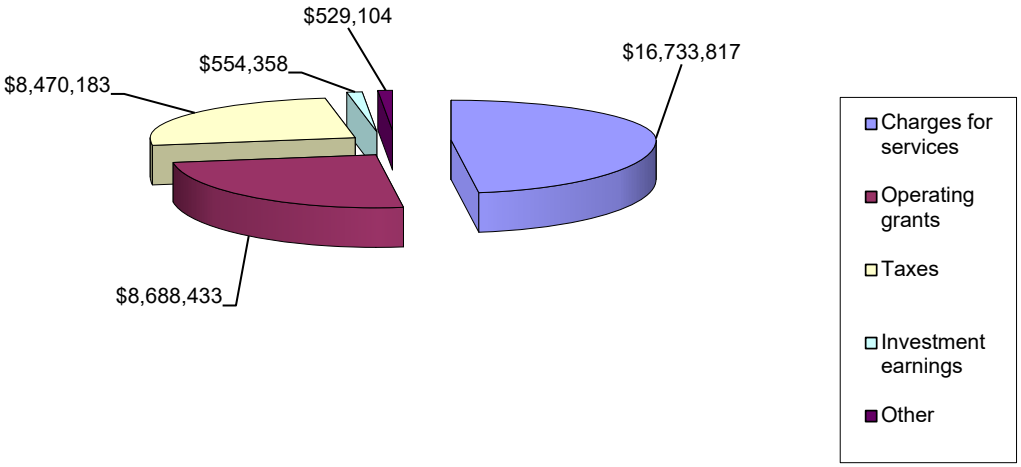
Change in Net Position

Governmental activities increase the County's net position by $12,783,452 in 2025.

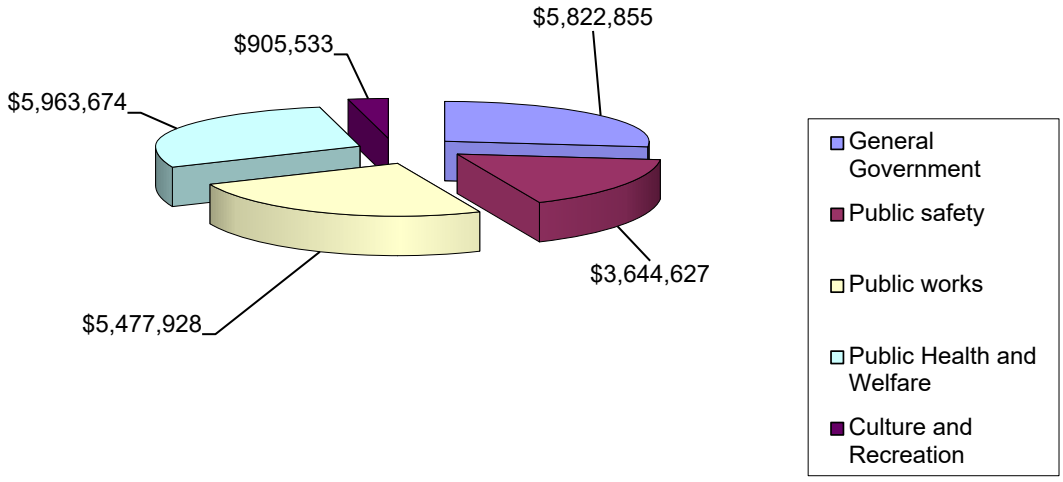
	Governmental Activities		Business- Type Activities		Totals	
Revenues	2024	2025	2024	2025	2024	2025
Program revenues						
Charges for services	$ 2,936,466	$ 16,733,817	$ 697,517	$ 1,091,156	$ 3,633,983	$ 17,824,973
Operating grants	8,795,941	8,688,433	-	-	8,795,941	8,688,433
Capital grants	-	-	-	-	-	-
General Revenues					-	
Taxes	9,332,194	8,470,183	256,030	235,694	9,588,224	8,705,877
Interest income	320,693	554,358		-	320,693	554,358
Other	515,095	529,104	7,092	27,275	522,187	556,379
Gain or (Loss) on sale of assets	(458,352)	(377,826)		62,033	(458,352)	(315,793)
Transfers	(209,528)	-	209,528	-	-	-
Total Revenues	21,232,509	34,598,069	1,170,167	1,416,158	22,402,676	36,014,227
Expenses						
General government	5,031,511	5,822,855		-	5,031,511	5,822,855
Public safety	3,443,092	3,644,627	1,045,072	1,117,373	4,488,164	4,762,000
Public works	5,252,959	5,477,928		-	5,252,959	5,477,928
Public Health and Welfare	6,432,578	5,963,674		-	6,432,578	5,963,674
Culture and recreation	620,013	905,533		-	620,013	905,533
Total Expenses	20,780,153	21,814,617	1,045,072	1,117,373	21,825,225	22,931,990
Increase (decrease) in Net Positio	452,356	12,783,452	125,095	298,785	577,451	13,082,237
Beginning- net position	24,692,068	25,144,424	334,770	459,865	25,026,838	25,604,289
Ending- net position	$ 25,144,424	$ 37,927,876	$ 459,865	$ 758,650	$ 25,604,289	$ 38,686,526

Governmental Activities

Revenues by Source-Governmental Activities



Expenses by Department-Governmental Activities



FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

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

As of the end of 2025, the County's governmental funds reported combined ending fund balances of $24,233,835, an increase of $12,586,905 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 81% of this total amount, $19,526,240, constitutes unassigned fund balance, which is available for appropriation at the County's discretion. The remainder of the fund balances are reserved for the State constitution mandated emergency reserve, trust funds and inventory or committed for other purposes.

The County has five major governmental funds, General, Human Services, Road and Bridge, Public Health Agency, and Solid Waste Funds. At the end of 2025, the unassigned fund balance of the General Fund was $19,827,772. 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. The fund balance of the County's General Fund increased by $12,336,201 during 2025.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County budgeted $12,434,082 for 2024 expenditures. The actual expenditure was $10,253,238.

CAPITAL ASSET AND DEBT ADMINISTRATION

The County's investment in capital assets for its governmental activities as of December 31, 2025, was $15,503,649. As required by GASB 34, investment in capital assets includes land, buildings, building improvements, equipment and furniture and infrastructure assets.

Long-term Debt

As of December 31, 2025, the County had long-term debt as follows:

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Governmental Activities					
Landfill closure and post closure cost	$ 1,060,430	$ 211,137	$ -	$ 1,271,567	$ -
Intangible right to use subscriptions	114,795	-	(66,712)	48,083	31,830
Right to use leases	269,441	250,796	(113,841)	406,396	105,703
Compensated absences	99,321	-	(15,760)	83,561	41,781
	$ 1,543,987	$ 461,933	$ (196,313)	$ 1,809,607	$ 179,314

ECONOMIC FACTORS AND FUTURE YEAR'S BUDGET

Future expenditures include updating paved roads as funds are available. Kit Carson County has a strategic plan that outlines upcoming expenditures planned for the next 5 years available upon request.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If the reader has any questions about this report or would like to request additional information, contact the County Administrator at Kit Carson County, P.O. Box 160, Burlington, Colorado 80807 or (719) 346-8133 extension 220.

BASIC FINANCIAL STATEMENTS

KIT CARSON COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 22,397,576	$ (476,066)	$ 21,921,510
Receivables			
Accounts	-	301,092	301,092
Interest	7,034	-	7,034
Due from other governments	710,272	-	710,272
Property taxes receivable	9,348,103	261,156	9,609,259
Inventory of supplies	868,950	135,967	1,004,917
Internal balances	(42,208)	42,209	-
Cash and investments - Restricted	455,000	-	455,000
CAPITAL ASSETS			
Capital assets, not being depreciated			
Land, water rights and construction in progress	200,725	-	200,725
Capital assets, net of accumulated depreciation			
Buildings, equipment and infrastructure	15,302,924	776,876	16,079,800
Total Assets	49,248,376	1,041,234	50,289,609
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Liabilities			
Accounts payable and accrued liabilities	2,934	13,567	16,501
Unearned revenues	133,582	-	133,582
Health insurance claims payable	26,274	-	26,274
Noncurrent liabilities			
Due within one year	179,314	7,861	187,175
Due in more than one year	1,630,293	-	1,630,293
Total Liabilities	1,972,397	21,428	1,993,825
Deferred inflows of resources			
Deferred property tax revenues and other	9,348,103	261,156	9,609,259
Net Position			
Invested in capital assets	15,503,649	776,876	16,280,525
Restricted for:			
Emergency reserves	735,617	-	735,617
Conservation Trust	61,788	-	61,788
Unrestricted	21,626,822	(18,226)	21,608,596
Total net position	$ 37,927,876	$ 758,650	$ 38,686,526

The accompanying notes are an integral part of this statement.

KIT CARSON COUNTY, COLORADO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Activities:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total
Governmental:						
General Government	$ 5,822,855	$ 13,654,291	$ 858,104	$ 8,689,540	$ -	$ 8,689,540
Public Safety	3,644,627	25,375	71,329	(3,547,923)	-	(3,547,923)
Public Works	5,477,928	180	3,286,092	(2,191,656)	-	(2,191,656)
Public Health and Welfare	5,963,674	2,380,552	4,446,362	863,240	-	863,240
Culture and Recreation	905,533	673,419	26,546	(205,568)	-	(205,568)
Total governmental activities	21,814,617 -	16,733,817 -	8,688,433	3,607,633	-	3,607,633
Business-type						
Ambulance	1,117,373	1,091,156	-	-	(26,217)	(26,217)
Total Business-type activities	1,117,373 -	1,091,156 -	-	-	(26,217)	(26,217)
Total Delta County, Colorado	$ 22,931,990 $-	$ 17,824,973 $-	$ 8,688,433	3,607,633	(26,217)	3,581,416
General revenues						
Property and specific ownership taxes				8,470,183	235,694	8,705,877
Investment earnings				554,358	-	554,358
Other				529,104	27,275	556,379
Gain (Loss) on sale of assets and disposals				(377,826)	62,033	(315,793)
Total general revenues and transfer				9,175,819	325,002	9,500,821
Change in Net Position				12,783,452	298,785	13,082,237
Net position, beginning				25,144,424	459,865	25,604,289
Net position, ending				$ 37,927,876	$ 758,650	$ 38,686,526

The accompanying notes are an integral part of this statement.

KIT CARSON COUNTY, COLORADO
BALANCE SHEET- GOVERNMENTAL FUNDS
DECEMBER 31, 2025

ASSETS	GENERAL	HUMAN SERVICES	ROAD AND BRIDGE	PUBLIC HEALTH AGENCY	SOLID WASTE	NON MAJOR GOV FUNDS	TOTALS 2025
Cash and investments	$ 20,033,407	$ (416,067)	$ 149,629	$ (75,853)	$ 2,032,578	$ 673,882	$ 22,397,576
Cash and investments- Restricted	-	-	-	-	-	455,000	455,000
Receivables							
Interest	7,034	-	-	-	-	-	7,034
Due from other funds	111,992	-	-	-	-	-	111,992
Due from other governments	-	427,039	283,233	-	-	-	710,272
Property taxes receivable	6,920,626	187,249	1,979,072	-	261,156	-	9,348,103
Inventories	344,732	-	440,348	35,965	47,905	-	868,950
Total Assets	$ 27,417,791	$ 198,221	$ 2,852,282	$ (39,888)	$ 2,341,639	$ 1,128,882	$ 33,898,927
LIABILITIES AND FUND EQUITY							
Liabilities							
Accounts payable	$ 1,184	$ (450)	$ 2,620	$ (522)	$ 102	$ -	$ 2,934
Due to other funds	-	44,994	-	109,205	-	-	154,199
Unearned revenue	16,586	-	-	116,996	-	-	133,582
Health Insurance claims payable	26,274	-	-	-	-	-	26,274
Total Liabilities	44,044	44,544	2,620	225,679	102	-	316,989
Deferred inflows of resources							
Deferred property tax revenues and other	6,920,626	187,249	1,979,072	-	261,156	-	9,348,103
Fund Equity							
Reserved:							
Non-spendable							
Inventory	344,732	-	440,348	35,965	47,905	-	868,950
Restricted							
Emergency reserves	280,617	-	-	-	-	455,000	735,617
Conservation trust	-	-	-	-	-	61,788	61,788
Public works	-	-	430,242	-	-	-	430,242
Public health and welfare	-	(33,572)	-	-	2,032,476	-	1,998,904
Public safety	-	-	-	-	-	357,658	357,658
Capital Projects	-	-	-	-	-	254,436	254,436
Unassigned	19,827,772	-	-	(301,532)	-	-	19,526,240
Total Fund Equity	20,453,121	(33,572)	870,590	(265,567)	2,080,381	1,128,882	24,233,835
Total Liabilities, deferred inflows of resources and fund Equity	$ 27,417,791	$ 198,221	$ 2,852,282	$ (39,888)	$ 2,341,639	$ 1,128,882	$ 33,898,927

The accompanying notes are an integral part of this statement.

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

Total fund balances-total governmental funds		$ 24,233,835
Amounts reported for governmental activities in the statement of activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		15,503,649
Noncurrent liabilities, including compensated absences, and those related to the landfill are not due and payable in the current period, and , therefore are not reports as fund liabilities		
Intangible right to use assets leases	$ (454,480)	
Compensated absences	(83,561)	
Landfill post closure costs	(1,271,567)	(1,809,608)
Net position of governmental activities		$ 37,927,876

The accompanying notes are an integral part of this statement.

KIT CARSON COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	GENERAL	HUMAN SERVICES	ROAD AND BRIDGE	PUBLIC HEALTH AGENCY	SOLID WASTE	NONMAJOR GOV FUNDS	TOTALS 2025
Revenues							
Taxes	$ 6,278,582	$ 169,444	$ 1,785,809	$ 767,108	$ 236,323	$ 25	$ 9,237,291
Fines and forfeitures	689	-	-	-	-	-	689
Licenses and permits	12,656,840	-	-	-	-	-	12,656,840
Intergovernmental	844,040	3,672,220	3,286,092	-	518	33,062	7,835,932
Charges for services	1,695,556	-	180	314,728	1,829,464	236,360	4,076,288
Interest	553,864	-	-	-	-	494	554,358
Miscellaneous	491,899	-	10,674	1,403	42,553	-	546,529
Total Revenues	22,521,470	3,841,664	5,082,755	1,083,239	2,108,858	269,941	34,907,927
Expenditures							
Current							
General Government	5,896,535	-	-	-	72,782	1,850	5,971,167
Public Safety	3,303,438	-	-	-	-	255,995	3,559,433
Public Works	-	-	6,023,697	-	-	-	6,023,697
Public Health and Welfare	73,380	3,882,442	-	1,163,194	645,350	-	5,764,366
Culture and Recreation	905,533	-	-	-	-	-	905,533
Capital Outlay	-	-	-	-	64,050	120,721	184,771
Total Expenditures	10,178,886	3,882,442	6,023,697	1,163,194	782,182	378,566	22,408,967
Excess of revenues over expenditures	12,342,584	(40,778)	(940,942)	(79,955)	1,326,676	(108,625)	12,498,960
Other financing sources (uses)							
Sale of Assets	-	-	19,976	-	-	-	19,976
Insurance recoveries	67,969	-	-	-	-	-	67,969
Transfers in	-	-	-	-	-	74,352	74,352
Transfers out	(74,352)	-	-	-	-	-	(74,352)
Total other financing sources (uses)	(6,383)	-	19,976	-	-	74,352	87,945
Excess of Revenues and Other Financing Sources over (under) expenditures and other financing uses	12,336,201	(40,778)	(920,966)	(79,955)	1,326,676	(34,273)	12,586,905
Fund Balance at beginning of year	8,116,920	7,206	1,791,556	(185,612)	753,705	1,163,155	11,646,930
Fund Balances at end of year	$20,453,121	$ (33,572)	$ 870,590	$ (265,567)	$ 2,080,381	$ 1,128,882	$ 24,233,835

The accompanying notes are an integral part of this statement.

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

Net change in fund balances - total governmental funds		$12,586,905
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as deprecation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital assets current additions	$ 2,501,312	
Depreciation expense	(1,641,342)	
Loss on disposal of capital assets	(397,803)	
Increase in capital outlay over depreciation		462,167
In the Statement of Activities, the proceeds of long-term capital leases is recognized as an increase in long term debt. The fund financial statements recognize proceeds as revenue		-
Some expenses not reported in the governmental funds that do not require the use of current financial resources and therefore are reported as expenditures in statement of activities.		
Right to use assets-Proceeds		(250,796)
Compensated absences		15,760
Principal payments debt service		180,553
Change the closure and post closure costs related to the remaining capacity and the estimated cost to close and monitor the landfill		(211,137)
Change in net position of governmental funds		$12,783,452

The accompanying notes are an integral part of this statement.

KIT CARSON COUNTY, COLORADO
STATEMENT OF NET POSITION - PROPRIETARY FUND
DECEMBER 31, 2025

		AMBULANCE
ASSETS		
Current Assets		
Cash and Investments	$	(476,066)
Receivables:		
Accounts		301,092
Inventories		135,967
Property taxes receivable		261,156
Interfund receivable		42,209
TOTAL CURRENT ASSETS		264,358
Noncurrent assets		
Capital Assets, net		776,876
TOTAL ASSETS	$	1,041,234
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts Payable	$	13,567
Accrued compensated absences		7,861
TOTAL LIABILITIES		21,428
DEFERRED INFLOW OF RESOURCES		
Deferred property tax revenues and other		261,156
NET POSITION		
Invested in capital assets		776,876
Unrestricted		(18,226)
TOTAL NET POSITION		758,650 -
TOTAL LIABILITIES AND NET POSITION	$	1,041,234

The accompanying notes are an integral part of this statement.

KIT CARSON COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2025

	AMBULANCE
Operating Revenues	
Taxes	$ 235,694
Charges for Services	1,091,156
Intergovernmental	62,033
Total operating revenues	1,388,883
Operating expenses	
Administrative & general	131,100
Operating expenses	870,706
Depreciation	115,567
Total operating expenses	1,117,373
Operating Income (Loss)	271,510
Transfers and Contributions	
Contributions and donations	27,275
Total Transfers and contributions	27,275
Change in Net Position	298,785
Net position, beginning of year	459,865
Net position, end of year	$ 758,650

The accompanying notes are an integral part of this statement.

KIT CARSON COUNTY, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2025

	AMBULANCE
Cash flows from operating activities:	
Cash received from customers	$ 1,281,325
Payments to supplies and employees	(1,068,666)
Net cash provided by operating activities	212,659
Cash flows from Noncapital Financing activities	
Donations	27,275
Net cash provided by noncapital financing activities	27,275
Cash flows from capital and related financing activities	
Purchases of capital assets	(237,673)
Net cash used by related financing activities	(237,673)
Net increase (decrease) in cash and cash equivalents	2,261
Cash and cash equivalents, beginning of year	(478,326)
Cash and cash equivalents, end of year	$ (476,065)
Reconciliation of operating income (loss) to net cash provided by operating income	
Operating Income (loss)	$ 271,510
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
Depreciation expense	115,567
Changes in assets and liabilities related to operation:	
Decrease (increase) in accounts receivable	(107,558)
Decrease (increase) in inventory	(66,860)
Increase (decrease) in accounts payable	-
Total adjustments	(58,851)
Net cash provided by operating activities	$ 212,659

The accompanying notes are an integral part of this statement.

KIT CARSON COUNTY, COLORADO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2025

	Custodial Funds				
	Custodial Treasurer's and Property Tax Fund	Clerk and Recorder	Detention Facility Funds	Public Trustee	Total
ASSETS					
Current assets					
Cash and Investments	$ (689,713)	$ 344,207	$ 5,282	$ 15,904	$ (324,320)
Due from other funds	8,700,000	-	-	-	8,700,000
Total Assets	8,010,287	344,207	5,282	15,904	8,375,680
LIABILITIES AND NET POSITION					
Current Liabilities					
Taxes paid in advance		-	-	-	-
Due to Other governmental Entities	(689,713)	333,796	-	-	(355,917)
Deposits and Escrow Balances	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	(689,713)	333,796	-	-	(355,917)
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	8,700,000	-	-		8,700,000
Net Position					
Restricted for individuals, organizations and other governments	$ -	$ 10,411	$ 5,282	$ 15,904	$ 31,597

The accompanying notes are an integral part of this statement.

KIT CARSON COUNTY, COLORADO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2025

	Custodial Funds				
	Custodial Treasurer's and Property Tax Fund	Clerk and Recorder	Detention Facility Funds	Public Trustee	Total
ADDITIONS					
Tax collections for other governments	$ 18,342,831	$ -	$ -	$ -	$18,342,831
County Clerk and Recorder collections	-	3,787,564	-	-	3,787,564
Deposits from inmates	-	-	72,577	-	72,577
Office of the Public Trustee receipts	-	-	-	74,194	74,194
Miscellaneous collections	-	-	-	-	-
Total Additions	18,342,831	3,787,564	72,577	74,194	22,277,166
DEDUCTIONS					
Payments of taxes to other governments	18,342,831	-	-	-	18,342,831
County Clerk and Recorder payments	-	3,795,229	-	-	3,795,229
Payments on behalf of inmates	-	-	79,496	-	79,496
Office of the Public Trustee disbursements	-	-	-	83,263	83,263
Other	-	-	-		-
Total Deductions	18,342,831	3,795,229	79,496	83,263	22,300,819
Net increase (decrease) in fiduciary net position	-	(7,665)	(6,919)	(9,069)	(23,653)
Net position - Beginning	-	18,076	12,201	24,973	55,250
Net position - Ending	$ -	$ 10,411	$ 5,282	$ 15,904	$ 31,597

NOTE 1 - DEFINITION OF REPORTING ENTITY

Kit Carson County, Colorado (County) is a political subdivision organized under the statutes of the State of Colorado. The County is governed by a three-member elected Board of County Commissioners (Board), responsible for setting policy, appointing administrative personnel, and the adoption of an annual budget in accordance with State statutes. The County also has five additional elected officials, the Assessor, Clerk and Recorder, Sheriff, Coroner and Treasurer. The County provides the following services: public safety, health and welfare, fairground facilities construction and maintenance, construction and maintenance of roads and bridges, and general administrative services.

The County follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's reporting entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. Based on the application of these criteria, there are no other entities included in the County's reporting entity. In addition, the County is not included in any other governmental reporting entity.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County conform to generally accepted accounting principles (GAAP) as applicable to government units. The following is a summary of the more significant policies.

Government-wide and Fund Financial Statements
The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all activities of the primary government except for the fiduciary activities. During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities' column. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and County general revenues, from the business-type activities, which are generally financed in whole or part with fees charged to external customers. The comparison of direct expenses with program revenues identifies the extent to which governmental functions and each identifiable business type activity is self-financing or draws from general revenues.

The statement of net position reports all financial and capital resources of the primary government. The difference between the assets, liabilities, and deferred inflows of resources of the County is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. The County has determined that expenditure-driven grants should be recognized as soon as all eligibility criteria have been met. For this purpose, the County considers grant revenues to be available if they are anticipated to be collected within a year after the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, sales taxes, intergovernmental revenues, and grant funding. All other revenue items are considered measurable and available only when cash is received by the County. Expenditures are generally recorded when the liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

Proprietary funds, like the government-wide statements, are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of this fund are included on the statements of net position. The statements of changes in fund net position present increases (i.e. Revenues) and decreases (i.e. expenses) in net position. The statement of cash flows provides information about how the County finances and meets the cash needs of its proprietary activity.

Fiduciary funds consist of four fund types. The County reports only custodial funds fund type. Resources in this fund type are held in a temporary and essentially custodial capacity belonging to third parties or individuals. Custodial Funds are accounted for using the *economic resources measurement focus and the accrual basis of accounting*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

General Fund
The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Colorado. The Contingency Fund has been combined to comply with the reporting requirements of GASB 54 Fund Balance Reporting And Governmental Fund Type Definitions.

Special Revenue Funds
The *Road and Bridge Fund* accounts for the proceeds of restricted revenue to be used for maintaining road and bridge operations. These revenues include a portion of the County's property taxes and State Highway User Tax Fund revenues.

The *Human Services Fund* accounts for federal and state resources received by the County for various social programs as well as a portion of the County property taxes designated for this purpose.

The *Public Health Agency Fund* This fund accounts for public health services provided to residents of the County paid for by dedicated State and Federal grants and charges for services.

The *Solid Waste Fund* This fund accounts for the operation of the County's landfill and related collection activities using revenues from a portion of the County's property taxes and charges to users of the landfill.

Budgets
In accordance with the State Budget Law, the County Commissioners hold public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures plus other financing uses level, and lapses at year end. The County Commissioners can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each governmental and proprietary fund, but not fiduciary funds. After consultation with the State of Colorado and GASB, management believes that there is no requirement for the custodial funds to adopt a budget. Funds are recorded on their basis of accounting unless otherwise indicated. The enterprise fund does not use the same basis of accounting in preparing its budget. Amounts expended for capital are included in budgeted expenses, while depreciation of capital assets is not. The County could be in violation of Colorado Budget Law because actual expenditures exceeded budgetary amounts in the Ambulance Fund.

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

Cash and Investments - All cash is deposited with the County Treasurer. The Treasurer invests the funds to achieve the best possible return on the investment while ensuring the principal is maintained.

All funds record cash and investments as cash and investments with County Treasurer. Net investment income is allocated to the General, Human Services, Conservation Trust Fund, in accordance with statutory requirements. Cash equivalents are defined as investments with original maturities of three months or less. Investments are stated at fair value, with the exception of the local government investment pool, which is stated at the net asset value of the shares owned.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Accounts Receivable – Accounts receivable relate to amounts collected in 2025 which the County earned or were entitled to during the 2024 fiscal year. The County has recorded an allowance for doubtful accounts of $183,675 in the Ambulance Fund. The County believes all the remaining accounts receivable will be collected.

Inventories - Inventories of supplies held for consumption by the General, Road and Bridge, Public Health, and Solid Waste Funds are valued at cost using the first-in, first out (FIFO) method. The cost of inventory is recorded as expenditure at the time individual inventory items are used. Reported inventories are equally offset by a fund balance reserve which indicates they do not constitute available spendable resources even though they are a component of assets.

Capital Assets - Capital assets, which include property, equipment, and infrastructure (e.g., roads and similar items), are reported in the government-wide financial statements and the Enterprise Funds. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Capital assets of the County are depreciated using the straight-line method over the estimated economic useful lives:

Buildings and improvements	50 - 100 years
Furniture and fixtures	7-12 years
Machinery, equipment, and vehicles	5-12 years
Infrastructure	75 years

Unearned Revenues – Unearned revenues consist of advances received on grants and fees received in advance of performing services that are recognized as revenue when the terms of the grant are fulfilled, or the services are performed.

Compensated Absences – Full-time employees hired are allowed sick leave of 12 days per year. Up to 125 days may be accumulated. Upon separation of employment, employees hired before April 1, 2011 may be paid out 25% of accumulated days at the employee's current pay level. No more than 40 hours will be paid out upon termination. There is no pay out of sick or vacation leave for employees hired after April 1, 2011. Full time employees accrue vacation immediately at a rate of 1 day per month. Employees receive vacation based on years of service as follows:

Employees Hired Before 01/01/2015		Employees Hired After 01/01/2015	
Years of Service	Vacation days Received	Years of Service	Vacation days Received
0-5	8	0-5	8
6-10	9	6-10	9
11-20	12	11-20	10
21 and above	17	21 and above	11

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Compensated Absences-Continued

Leave must be taken in the subsequent year, and the maximum annual carryover is 80 hours. No more than 40 hours to be paid upon termination.

A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee terminations or retirements.

Long-Term Debt – In the government-wide financial statements and the enterprise funds, long-term debt and other long-term obligations are reported as liabilities. The governmental fund financial statements recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. At December 31, 2025, the County reports no deferred outflows of resources. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes levied for use in a subsequent period totaling $9,609,259.

Net Position – In the government-wide and proprietary fund financial statements, the net position is reported in three components: 1) net investment in capital assets 2) restricted and 3) unrestricted. Net investment in capital assets represents the County's total investment in capital assets, net of depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets, if any. In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances – At December 31, 2025, both the Public Health and Ambulance Funds have negative unrestricted/unassigned equity. While both funds have total positive equity, the Public Health Fund has a non-spendable amount for inventory resulting in a negative unassigned fund balance of $377,845. The Ambulance Fund negative unrestricted net position of $18,226. These deficits will be funded through operating revenues and transfers from other funds in future years.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

In the fund financial statements, governmental funds report fund balance in five different classifications:

Nonspendable – Amounts that cannot be spent either because they are in nonspendable form (i.e., inventories or prepaid items) or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – Amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners, as it is the highest level of decision-making body for the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board.

Assigned – Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Only the Board may assign fund balances for specific purposes.

Unassigned – Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

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

Property Taxes
Property taxes are levied by the Board. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to put a tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the County's taxes and taxes for other entities within the County during the ensuing calendar year. The collection and remittance of taxes for other entities is accounted for in a custodial fund. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November.

Property taxes levied in the previous year, but collected in subsequent year, are recorded as taxes receivable and a deferred inflow of resources in the year there is an enforceable lien, and the amount is measurable. Amounts deferred are subsequently recorded as revenue in the year they are available or collected.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Prior Year Amounts
Certain prior year amounts have been reclassified to conform to the current year presentation.

Estimates
The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2025, are classified in the accompanying financial statements as follows:

Governmental activities:		
Cash and investments	$	21,921,510
Cash and investments - Restricted		455,000
Total cash and investments - Governmental activities		22,376,510
Fiduciary activities:		
Cash and investments		(324,320)
Total cash and investments	$	22,052,190
Cash and investments as of December 31, 2025 consists of the following:		
Cash on Hand and over drawn accounts	$	(828,244)
Deposits with financial institutions		16,154,368
Investments		6,726,066
Total cash and investments	$	22,052,190

Deposits with Financial Institutions
Custodial credit risk-deposits. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Bank Commissioner is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. As of December 31, 2025, the County's cash deposits had a bank balance of $16,642,880 and a carrying balance of $16,154,368.

As of December 31, 2025, of the County’s deposits $1,250,000 was covered by the Federal Deposit Insurance Corporation (FDIC), $15,392,880 was covered by the PDPA.

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Investments
The County does not have a formal investment policy but follows State of Colorado Statute.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

Concentration of credit risk. The County generally limits its concentration of investments to certain mutual funds who invest in, and securities issued by or guaranteed by the U.S. or its agencies.

Interest rate risk. The County's generally investments of operating funds limits maturities to five years or less unless approved by the Board of County Commissioners in a separate action. Such actions are generally associated with a debt service reserve or sinking fund requirements. At December 31, 2025, 84% of its portfolio is invested in U.S. Government Bonds which mature in 1 to 5years.

Fair Value Hierarchy. 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. Part of the investments of the County is a temporary cash account called the Dreyfus Govt Cash Mngt Inv Sh., which had $31,563. The fund has a constant net asset value of $1. The County is not required to value this type of investment using the fair value hierarchy. The County's investment in U.S. Treasury Securities, with a carrying value of $4,557,419 and U.S. Bonds with a carrying value $2,137,084 are valued using level 2 inputs, other significant observable inputs.

Of the U.S. Treasuries and Bonds, 100% are rated AAA. The Dreyfus Govt Cash Mngt Inv Sh. does not have a credit rating. This Fund does not have any unfunded commitments, redemption restrictions or redemption notice periods.

Restricted Cash and Investments
The County considers cash related to contingencies to be restricted by the State of Colorado statutes. Those amounts total $455,000 as of December 31, 2025. In previous years this amount was reported in the Contingency special revenue fund which was used to fund the TABOR emergency reserve which is more fully described in Note 12 to these financial statements. At December 31, 2025, the majority of this account, $455,000, was used to fund the emergency reserve.

NOTE 4 - CAPITAL ASSETS

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

Governmental Activities	Reinstated Balance 12/31/2024	Additions	Dispositions	Balance 12/31/2025
Capital assets not being depreciated				
Land	$ 200,725	$ -	$ -	$ 200,725
	200,725	-	-	200,725
Capital assets being depreciated				
Buildings and improvements	9,480,498	450,338	-	9,930,836
Equipment and furniture	18,926,412	1,748,770	(972,695)	19,702,487
Right to use assets	603,668	250,796	(307,929)	546,535
Intangible right to use subscription asset	475,262	51,408	(246,936)	279,734
	29,485,840	2,501,312	(1,527,560)	30,459,592
Less accumulated depreciation				
Buildings and improvements	(4,207,202)	(135,183)	-	(4,342,385)
Equipment and furniture	(9,823,035)	(1,260,269)	574,893	(10,508,411)
Right to use assets	(344,954)	(111,702)	307,929	(148,727)
Intangible right to use subscription asset	(269,893)	(134,188)	246,936	(157,145)
	(14,645,084)	(1,641,342)	1,129,758	(15,156,668)
Capital assets being depreciated, net	14,840,756	859,970	(397,802)	15,302,924
Total governmental Activities capital assets	$ 15,041,481	$ 859,970	$ (397,802)	$ 15,503,649

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

General government	$ 439,250
Public safety	208,144
Public health and welfare	208,258
Public works	785,690
Total depreciation expense	$ 1,641,342

NOTE 4 - CAPITAL ASSETS (CONTINUED)

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Business - Type Activities				
Capital assets, being depreciated:				
Building and Improvements'	$ 533,302	$ -	$ -	$ 533,302
Equipment and Furniture	1,349,578	237,673	-	1,587,251
Total capital assets, being depreciated	1,882,880	237,673	-	2,120,553
Less accumulated depreciation for:				
Building and Improvements'	(75,848)	(7,111)		(82,959)
Equipment and Furniture	(1,152,262)	(108,456)	-	(1,260,718)
Total accumulated depreciation	(1,228,110)	(115,567)	-	(1,343,677)
Total capital assets, being depreciated, net	654,770	122,106	-	776,876
Capital assets, net	$ 654,770	$ 122,106	$ -	$ 776,876

The depreciation expense of $115,567 is recorded in the Ambulance Fund.

NOTE 5 - LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the County's long-term obligations for the year ended December 31, 2025.

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Governmental Activities					
Landfill closure and post closure cost	$ 1,060,430	$ 211,137	$ -	$ 1,271,567	$ -
Intangible right to use subscriptions	114,795	-	(66,712)	48,083	31,830
Right to use leases	269,441	250,796	(113,841)	406,396	105,703
Compensated absences	99,321	-	(15,760)	83,561	41,781
	$ 1,543,987	$ 461,933	$ (196,313)	$ 1,809,607	$ 179,314

Landfill closure-post closure costs. 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 functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The amounts are based upon what it would cost to perform all closure and post closure care in 2025.

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

State regulations require the County to prepare updated cost estimates every five years and cost estimates were last updated in June 2020 and have been adjusted for inflation. At December 31, 2025, the closure and post closure costs are estimated to be $1,271,567. At December 31, 2025, the landfill was at 71.34% capacity. The County currently has a filled pit known as Cell A which is in the process of being closed and is opening a new pit, Cell B, which is unused. The County is treating Cell A as fully utilized. The County estimates that Cell B will last approximately 14 more years.

As of 12/31/2025, Kit Carson County, CO had 8 active subscriptions. The subscriptions have payments that range from $5,976 to $25,404 and interest rates that range from 0% to 2.8470%. As of 12/31/2025, the total combined value of the subscription liability is $48,083, and the total combined value of the short-term subscription liability is $31,830. The combined value of the right to use assets, as of 12/31/2025 of $279,734 with accumulated amortization of $157,145.

As of 12/31/2024, Kit Carson County, CO had 4 active leases. The leases have payments that range from $24,718 to $66,000 and interest rates that range from 0.0000% to 5.9400%. As of 12/31/2025, the total combined value of the lease liability is $406,396, the total combined value of the short-term lease liability is $105,703. The combined value of the right to use assets, as of 12/31/2025 of $546,535 with accumulated amortization of $148,727.

Compensated absences are generally liquidated in the fund which pays the employee.

Intangible right to use subscription assets

Principal and Interest Requirements to Maturity

	Governmental Activities		
Fiscal Year	Principal	Interest	Total Payments
2026	$31,830	$1,262	$33,092
2027	8,029	395	8,424
2028	8,224	200	8,424
Total Principal Payments	$48,083	$1,857	$49,940

Leases - the right to use assets

Principal and Interest Requirements to Maturity

	Governmental Activities		
Fiscal Year	Principal	Interest	Total Payments
2026	$105,703	$ 13,350	$119,053
2027	110,695	9,207	119,903
2028	89,657	4,837	94,493
2029	68,450	2,227	70,677
2030	31,891	-	31,891
Totals	$406,396	$29,621	$436,017

NOTE 7 - PENSION PLAN

The County has adopted a multiple employer defined contribution pension plan administered by Colorado Retirement Association (CRA) which covers substantially all employees meeting the minimum eligibility requirements of 20 or more hours of work per week and no less than 1,040 hours in a 12-month period. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The minimum monthly contribution by the employee is 3% with the County making a 3% match.

Employees vest 20% a year until their 6th year, when they become fully vested. In addition, if an employee is aged 55 or older on the date of hire or before the 6th year vesting period, the employee is immediately vested.

Both the County and the employees contributed 3% of eligible gross wages to the Plan during 2024. Information regarding the pension plan contributions for 2024, 2023, and 2022 are as follows:

	2025	2024	2023
Base Salary- eligible	$ 6,134,333	$ 6,178,033	$ 5,937,733
County Contribution	184,030	185,341	178,132

During the twelve months ending December 31, 2025, the County received $7,865 in forfeitures.

NOTE 8 - DEFERRED COMPENSATION PLAN

The County has a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. This plan is also administered by CRA. Participation in the plan is optional for all employees. The plan allows the employees to defer a portion of their salary until future years in accordance with Internal Revenue Service guidelines. The County does not make any contributions to the plan.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Grants The County participates in various federal grant programs, the principal of which may be subject to program compliance audits pursuant to the Single Audit Act as amended or oversight by the grantor agencies. Accordingly, the government's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the government anticipates such amounts, if any, will not have a material effect on the County's financial statements.

NOTE 10 - TRANSFERS/INTERFUND RECEIVABLES AND PAYABLES

Interfund transfers for the year ended December 31, 2025, are as follows:

	Transfers	
Funds	In	Out
General Fund	$ -	$ 74,352
Contingency Fund	74,352	-
Totals	$ 74,352	$ 74,352

NOTE 10 - TRANSFERS/INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

	Interfund Receivables	Interfund Payables
General	$ 111,990	$ -
Human Services	-	44,994
Public Health Agency	-	109,205
Ambulance	42,209	-
	$ 154,199	$ 154,199

All funds of the County are pooled together along with any amounts received but not yet remitted to the taxing districts. At the end of the six-month and annual reporting periods, the County's General Fund lends money to the Public Health Agency and Ambulance Funds to ensure that no funds report a negative cash balance.

NOTE 11 - RISK MANAGEMENT

Colorado Counties Casualty and Property Pool (CAPP)

The County is exposed to various risks of loss related to property and casualty losses. The County joined together with other counties in the State of Colorado to form the 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 CAPP for its property and casualty insurance coverage. The inter-governmental 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 that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

On December 31, 2025, CAPP had assets of 34,299,751 liabilities of $26,669,759 (including $25,875,070 reserved for losses and claims), and members' equity of $7,629,992. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2025, amounted to $15,980,540 and total expenses were $16,505,993, resulting in net loss before return of surplus of $525,453.

Colorado Workers' Compensation Pool (CWCP)

The County is exposed to various risks of loss related to injuries of employees while on the job. The County has joined together with other counties in the State of Colorado to form the Colorado Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage.

NOTE 11 - RISK MANAGEMENT (CONTINUED)

The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

On December 31, 2025, CWCP had assets of $56,337,912, liabilities of $31,725,236 (including $25,077,488 reserved for losses and claims) and members' equity of $24,612,676. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2025, amounted to $10,668,172, total expenses were $6,989,274, resulting in net income before return of surplus of $3,678,898.

Self-Funded Health Insurance Plan

The County carries a high-deductible health insurance plan and has agreed to fund the employees' share of the deductible up to $5,000 annually. This employee benefit plan is administered by the County.

NOTE 12 - TAX, SPENDING AND DEBT LIMITATIONS

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local government Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

The initial base for local government spending and revenue limits is 1992 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

The County's management believes it is in compliance with the provisions of the Taxpayer Bill of Rights (TABOR). However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation. Accordingly, the possibility exists that the County's interpretation of certain TABOR provisions may subsequently be determined to be incorrect. This could result in a potential refund of revenue unless voters approve retention of such revenue. The ultimate outcome of these matters cannot presently be determined and no provision for any liability for a refund of revenue has been made in these financial statements.

During November 1997, a majority of the County's electors authorized Kit Carson County to retain or expend all revenue not withstanding any restrictions imposed by Article X, Section 20 of the Colorado constitution.

NOTE 12 - TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

The initial base for local government spending and revenue limits is 1992 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

The County's management believes it is in compliance with the provisions of the Taxpayer Bill of Rights (TABOR). However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation. Accordingly, the possibility exists that the County's interpretation of certain TABOR provisions may subsequently be determined to be incorrect. This could result in a potential refund of revenue unless voters approve retention of such revenue. The ultimate outcome of these matters cannot presently be determined and no provision for any liability for a refund of revenue has been made in these financial statements.

During November 1997, a majority of the County's electors authorized Kit Carson County to retain or expend all revenue not withstanding any restrictions imposed by Article X, Section 20 of the Colorado constitution.

The State Constitution also requires local governments to establish emergency reserves equal to at least 3% of fiscal year spending as defined in the amendment. These emergency reserves cannot be used to compensate for economic conditions, revenue shortfalls or salary and benefit increases. As of December 31, 2025, the amount required as an emergency reserve in compliance with the amendment is $735,617 and is shown as a restriction of equity in the General and Contingency Funds and also in the Statement of Net Position.

NOTE 13 – RESTATEMENT OF NET POSITION

Restatement of Beginning Net Position

In 2025, The County restated net position as follows:

Governmental Activities	$(66,472)

This was a decrease of net position for reinstated right to use assets amount and accumulated depreciation and beginning debt amount owed for 2024.

The following funds were restated:

Right to use asset capital asset amount	$(70,817)
Right to use asset debt amount	4,345
Total	$(66,472)

KIT CARSON COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
Revenues				
Taxes	$ 6,382,246	$ 6,382,246	$ 6,278,582	$ (103,664)
Fines and forfeitures	1,200	1,200	689	(511)
Licenses and permits	11,088,550	11,088,550	12,656,840	1,568,290
Intergovernmental	848,821	848,821	844,040	(4,781)
Charges for services	1,097,000	1,097,000	1,695,556	598,556
Interest	300,000	300,000	553,864	253,864
Miscellaneous	464,742	464,742	491,899	27,157
Total Revenues	20,182,559	20,182,559	22,521,470	2,338,911
Expenditures				
General Government				
General Government	5,381,075	5,381,075	5,896,535	(515,460)
Public Safety	3,769,175	3,769,175	3,303,438	465,737
Culture and Recreation	663,787	663,787	905,533	(241,746)
Public Health and Welfare	75,802	75,802	73,380	2,422
Total Expenditures	9,889,839	9,889,839	10,178,886	(289,047)
Excess of revenues over expenditures	10,292,720	10,292,720	12,342,584	2,049,864
Other financing sources (uses)				
Insurance recoveries	-	-	67,969	67,969
Transfers out	(480,243)	(480,243)	(74,352)	405,891
Total other financing sources (uses)	(480,243)	(480,243)	(6,383)	473,860
Net Change in Fund Balances	9,812,477	9,812,477	12,336,201	2,523,724
Fund Balance at beginning of year	7,938,641	7,938,641	8,116,920	178,279
Fund Balances at end of year	$ 17,751,118	$17,751,118	$ 20,453,121	$ 2,702,003

KIT CARSON COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Taxes				
Property Taxes	$ 5,807,246	$ 5,807,246	$ 5,707,798	$ (99,448)
Specific Ownership Taxes	575,000	575,000	570,784	(4,216)
Total taxes	6,382,246	6,382,246	6,278,582	(103,664)
Fines and forfeitures	1,200	1,200	689	(511)
Licenses and Permits				
Liquor and other licenses and permits	11,088,550	11,088,550	12,656,840	1,568,290
Total Licenses and permits	11,088,550	11,088,550	12,656,840	1,568,290
Intergovernmental				
VALE grant	13,000	13,000	13,000	-
VOCA	59,235	59,235	58,329	(906)
Other intergovernmental revenues	776,586	776,586	772,711	(3,875)
Total intergovernmental	848,821	848,821	844,040	(4,781)
Charges for Services				
Sheriff	16,000	16,000	24,686	8,686
Clerk	140,000	140,000	294,818	154,818
Treasurer	490,000	490,000	630,917	140,917
Public trustee fees	12,500	12,500	53,204	40,704
Fair and Rodeo	413,000	413,000	673,419	260,419
Other	25,500	25,500	18,512	(6,988)
Total Charges for Services	1,097,000	1,097,000	1,695,556	598,556
Interest	300,000	300,000	553,864	253,864
Miscellaneous revenues				
Donations and contributions	74,400.00	74,400	85,389	10,989
Other	390,342	390,342	406,510	16,168
Total Miscellaneous Revenues	464,742	464,742	491,899	27,157
Other financing sources				
Insurance recoveries	-	-	67,969	67,969
Total other financing sources	-	-	67,969	67,969
Total Revenues	$ 20,182,559	$ 20,182,559	$ 22,589,439	$ 2,406,880

KIT CARSON COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
EXPENDITURES				
General Government				
Office of commissioners	$ 666,813	$ 666,813	$ 801,647	$ (134,834)
County Attorney	102,491	102,491	28,982	73,509
Planning and zoning	29,397	29,397	34,079	(4,682)
Clerk and recorder	558,523	558,523	476,262	82,261
Clerk and recorder Elections	197,687	197,687	143,169	54,518
Clerk and recorder electronic filing fee	64,900	64,900	62,114	2,786
Clerk and recorder ERTF	4,500	4,500	-	4,500
County treasurer	358,233	358,233	305,565	52,668
County assessor	385,844	385,844	319,585	66,259
Maintenance of grounds and buildings	1,224,232	1,224,232	1,679,944	(455,712)
Health insurance deductible	400,000	400,000	398,063	1,937
Colorado state university extension	247,413	247,413	277,453	(30,040)
ECCOG	38,183	38,183	31,853	6,330
Administrator	169,208	169,208	166,178	3,030
Community programs	355,293	355,293	342,895	12,398
Public Trustee	7,660	7,660	9,645	(1,985)
Central data processing	360,698	360,698	496,422	(135,724)
Other administration	10,000	10,000	11,862	(1,862)
Treasurer's fee	200,000	200,000	310,817	(110,817)
Total General Government	5,381,075	5,381,075	5,896,535	(515,460)
Public safety- Sheriff				
Victim Advocate	130,414	130,414	118,754	11,660
County sheriff	1,198,655	1,198,655	1,084,773	113,882
County jail	1,324,149	1,324,149	1,040,279	283,870
County coroner	169,136	169,136	125,249	43,887
County security	139,434	139,434	139,657	(223)
Emergency management	124,875	124,875	85,378	39,497
Emergency communications and operations	682,512	682,512	709,348	(26,836)
Total Public Safety- Sheriff	3,769,175	3,769,175	3,303,438	465,737
Culture and Recreation				
Fair	445,587	445,587	695,918	(250,331)
Rodeo	218,200	218,200	209,615	8,585
Total Culture and recreation	663,787	663,787	905,533	(241,746)
Public health and welfare				
Veterans officer	75,802	75,802	73,380	2,422
Transfers out	480,243	480,243	74,352	405,891
Total Public health and welfare	556,045	556,045	147,732	408,313
Total Expenditures	$ 10,370,082	$ 10,370,082	$ 10,253,238	$ 116,844

KIT CARSON COUNTY, COLORADO
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Taxes	$ 2,085,624	$ 2,085,624	$ 1,785,809	$ (299,815)
Intergovernmental	3,359,387	3,359,387	3,286,092	(73,295)
Charges for services	4,000	4,000	180	(3,820)
Other Income	4,000	4,000	10,674	6,674
Total Revenues	5,453,011	5,453,011	5,082,755	(370,256)
EXPENDITURES				
General government	75,000	75,000	81,527	(6,527)
Public Works				
District number 1	2,121,613	2,121,613	1,860,587	261,026
District number 2	1,731,349	1,731,349	1,450,835	280,514
District number 3	1,632,250	1,632,250	1,413,432	218,818
Other	783,000	783,000	1,136,179	(353,179)
Weed District	121,771	121,771	81,137	40,634
Total Expenditures	6,464,983	6,464,983	6,023,697	441,286
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,011,972)	(1,011,972)	(940,942)	71,030
Other Financing Sources (uses)				
Sale of general capital assets	29,000	29,000	19,976	(9,024)
Total other financing sources (uses)	29,000	29,000	19,976	(9,024)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(982,972)	(982,972)	(920,966)	62,006
Fund Balance, beginning of year	1,164,829	1,164,829	1,791,556	626,727
Fund Balance, end of year	$ 181,857	$ 181,857	$ 870,590	$ 688,733

KIT CARSON COUNTY, COLORADO
HUMAN SERVICES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Taxes	$ 172,064	$ 172,064	$ 169,444	$ (2,620)
Intergovernmental	4,267,160	4,267,160	3,672,220	(594,940)
Total Taxes	4,439,224	4,439,224	3,841,664	(597,560)
EXPENDITURES				
Public health and welfare	4,120,192	4,120,192	3,882,442	237,750
Total expenditures	4,120,192	4,120,192	3,882,442	237,750
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	319,032	319,032	(40,778)	(359,810)
Fund Balance, beginning of year	(273,578)	(273,578)	7,206	280,784
Fund Balance, end of year	$ 45,454	$ 45,454	$ (33,572)	$ (79,026)

KIT CARSON COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC HEALTH SPRECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Intergovernmental	$ 1,374,976	$ 1,374,976	$ 767,108	$ (607,868)
Charges for services	340,763	340,763	314,728	(26,035)
Other	32,438	32,438	1,403	(31,035)
Total Revenues	1,748,177	1,748,177	1,083,239	(664,938)
EXPENDITURES				
General government	362,967	362,967	271,234	91,733
Public health	1,275,811	1,275,811	891,960	383,851
Total Expenditures	1,638,778	1,638,778	1,163,194	475,584
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	109,399	109,399	(79,955)	(189,354)
FUND BALANCE, BEGINNING	(6,037)	(6,037)	(185,612)	(179,575)
FUND BALANCE, ENDING	$ 103,362	$ 103,362	$ (265,567)	$ (368,929)

KIT CARSON COUNTY, COLORADO
SOLID WASTE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Taxes	$ 244,644	$ 244,644	$ 236,323	$ (8,321)
Intergovernmental	450	450	518	68
Charges for services	500,000	500,000	1,829,464	1,329,464
Miscellaneous income	125	125	42,553	42,428
Total revenues	745,219	745,219	2,108,858	1,363,639
EXPENDITURES				
General governmental	67,835	67,835	72,782	(4,947)
Public health	665,628	665,628	645,350	20,278
Capital Outlay	140,000	140,000	64,050	75,950
Contingency	200,000	200,000	-	200,000
Total Expenditures	1,073,463	1,073,463	782,182	291,281
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(328,244)	(328,244)	1,326,676	1,654,920
Fund Balance beginning of year	665,109	665,109	753,705	88,596
Fund Balance end of year	$ 336,865	$ 336,865	$ 2,080,381	$ 1,743,516

KIT CARSON COUNTY, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	CONSERVATION TRUST	E911	CAPITAL	CONTINGENCY	TOTAL
ASSETS					
Cash and investments	$ 61,788	$ 357,658	$ 254,436	$ 455,000	$ 1,128,882
Property taxes receivable	-	-	-	-	-
Total Assets	$ 61,788	$ 357,658	$ 254,436	$ 455,000	$ 1,128,882
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts Payable	$ -	$ -	$ -	$ -	$ -
Total Liabilities	-	-	-	-	-
Deferred inflows of resources					
Deferred property taxes	-	-	-	-	-
Fund equity					
Restricted					
Emergency reserves	-	-	-	455,000	455,000
Conservation trust	61,788	-	-	-	61,788
Assigned					
Public safety	-	357,658	-	-	357,658
Capital Project	-	-	254,436	-	254,436
Total fund Equity	61,788	357,658	254,436	455,000	1,128,882
Total Liabilities and fund equity	$ 61,788	$ 357,658	$ 254,436	$ 455,000	$ 1,128,882

KIT CARSON COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	CONSERVATION TRUST	E911	CAPITAL	CONTINGENCY	TOTAL
REVENUES					
Taxes	$ -	$ -	$ 25	$ -	$ 25
Intergovernmental	26,546	6,516	-	-	33,062
Charges for services	-	236,360	-	-	236,360
Investment income	494	-	-	-	494
Total Revenue	27,040	242,876	25	-	269,941
EXPENDITURES					
General Government	-	1,849	1	-	1,850
Public safety	27,178	228,817	-	-	255,995
Capital Outlay	-	-	120,721		120,721
Total Expenditures	27,178	230,666	120,722	-	- 378,566
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(138)	- 12,210	- (120,697)	-	- (108,625)
OTHER FINANCING SOURCES (USES)					
Transfers in/ (out)	-	-	-	74,352	74,352
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(138)	- 12,210	- (120,697)	74,352	- (34,273)
FUND BALANCE, BEGINNING	61,926	345,448	375,133	380,648	1,163,155
FUND BALANCE, ENDING	$ 61,788	$- $ 357,658	$- $ 254,436	$ 455,000	$- $ 1,128,882

KIT CARSON COUNTY, COLORADO
CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES			
Intergovernmental	$ 28,000	$ 26,546	$ (1,454)
Interest	400	494	94
Total Revenues	28,400	27,040	(1,360)
EXPENDITURES			
Culture and Recreation	28,400	27,178	1,222
Total Expenditures	28,400	27,178	1,222
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(138)	(138)
FUND BALANCE, BEGINNING	55,269	61,926	6,657
FUND BALANCE, ENDING	$ 55,269	$ 61,788	$ 6,519

KIT CARSON COUNTY, COLORADO
E911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Intergovernmental	$ 6,900	$ 6,900	$ 6,516	$ (384)
Charges for services	192,000	192,000	236,360	44,360
Total Revenues	198,900	198,900	242,876	43,976
EXPENDITURES				
General government	1,000	1,500	1,849	349
Public Safety	166,611	166,111	228,817	62,706
Total Expenditures	167,611	167,611	230,666	63,055
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	31,289	31,289	12,210	(19,079)
FUND BALANCE, BEGINNING	332,527 [1]	332,527	345,448	12,921
FUND BALANCE, ENDING	$ 363,816 [1]	$ 363,816	$ 357,658	$ (6,158)

KIT CARSON COUNTY, COLORADO
CONTINGENCY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES			
Miscellaneous	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
General Government			
Capital outlay	380,000	-	380,000
Total Expenditures	380,000	-	380,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(380,000)	-	380,000
OTHER FINANCING SOURCES (USES)			
Transfers in/ (out)	-	74,352	-
FUND BALANCE, BEGINNING	380,648	380,648	-
FUND BALANCE, ENDING	$ 648	$ 455,000	$ 380,000

KIT CARSON COUNTY, COLORADO
CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES			
Taxes	$ -	$ 25	$ 25
Total Revenues	-	25	25
EXPENDITURES			
General Government	3,500	1	3,499
Capital outlay	110,000	120,721	(10,721)
Total Expenditures	113,500	120,722	(7,222)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(113,500)	(120,697)	(7,197)
FUND BALANCE, BEGINNING	300,250	375,133	74,883
FUND BALANCE, ENDING	$ 186,750 $-	$ 254,436 $-	$ 67,686

KIT CARSON COUNTY, COLORADO
AMBULANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Taxes				
Property Taxes	$ 218,094	$ 218,094	$ 214,155	$ (3,939)
Specific Ownership Taxes	12,000	12,000	21,539	9,539
Total taxes	230,094	230,094	235,694	5,600
Intergovernmental	334,360	334,360	62,033	(272,327)
Charges for services	500,000	500,000	1,091,156	591,156
Donations and contributions	5,748	5,748	27,275	21,527
Total Revenues	1,070,202	1,070,202	1,416,158	345,956
EXPENDITURES				
Administrative & General	123,916	123,916	131,100	(7,184)
Operating costs	797,793	797,793	804,138	(6,345)
Capital outlay	525,840	525,840	304,241	221,599
Total Expenditures	1,447,549	1,447,549	1,239,479	208,070
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(377,347)	(377,347)	176,679	554,026
OTHER FINANCING SOURCES (USES)				
Sale of assets	3,500	3,500	-	(3,500)
Total other financing sources	3,500	3,500	-	(3,500)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(373,847)	(373,847)	176,679	550,526
AVAILABLE RESOURCES, BEGINNING	(476,603)	(476,603)	(194,905)	281,698
AVAILABLE RESOURCES, ENDING	$ (850,450)	$ (850,450)	$ (18,226)	$ 832,224

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT

This Information From The Records Of: Kit Carson County

Prepared By: Theresa E. Korbelik

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes
1. Total receipts available		
2. Minus amount used for collection expenses		
3. Minus amount used for nonhighway purposes		
4. Minus amount used for mass transit		
5. Remainder used for highway purposes		

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	$ 1,783,759.63
4. Miscellaneous local receipts (from page 2)	$ 32,864.69
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	$ -
7. Total (1 through 6)	$ 1,816,624.32
B. Private Contributions	
C. Receipts from State government	
(from page 2)	$ 3,266,792.22
D. Receipts from Federal Government	
(from page 2)	$ -
E. Total receipts (A.7 + B + C + D)	$ 5,083,416.54

III. EXPENDITU

IT
A. Local highway exper
1. Capital outlay (from
2. Maintenance:
3. Road and street se
a. Traffic control op
b. Snow and ice re
c. Other
d. Total (a. throug
4. General administra
5. Highway law enforc
6. Total (1 through 5)
B. Debt service on loca
1. Bonds:
a. Interest
b. Redemption
c. Total (a. + b.)
2. Notes:
a. Interest
b. Redemption
c. Total (a. + b.)
3. Total (1.c + 2.c)
C. Payments to State fo
D. Payments to toll faci
E. Total expenditures (A

	Form Approved
	OMB No. 2125-0032
STATE:	
COLORADO	
YEAR ENDING (mm/yy):	
12/2025	

GOVERNMENT EXPENDITURE

C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
[redacted]	

RES FOR ROAD AND STREET PURPOSES

TEM	AMOUNT
nditures:	[redacted]
page 2)	$ 2,213,425.96
	$ 81,521.20
rvices:	[redacted]
perations	$ 8,935.25
moval	
	$ 1,462,951.10
h c.)	$ 1,471,886.35
tion & miscellaneous	$ 2,280,921.89
cement and safety	
	$ 6,047,755.40
l obligations:	[redacted]
	$ -
	[redacted]
	$ -
	$ -
r highways	
lities	
A.6 + B.3 + C + D)	$ 6,047,755.40

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued
A. Bonds (Total)		
1. Bonds (Refunding Portion)		
B. Notes (Total)		

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DI

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements
	$ 1,791,556.00	$ 5,083,416.54	$ 6,047,755.40

Notes and Comments:

Redemptions	Closing Debt
	$ -
	$ -
	$ -

SBURSEMENTS ONLY)

D. Ending Balance	E. Reconciliation
$ 827,217.14	$ (0.00)

Excel (Next Page)

LOCAL HIGHWAY FINANCE REPORT

II. RECEIPTS FOR ROAD AND STREET PURPOSES -

ITEM	AMOUNT	ITE
A.3. Other local imposts:		**A.4. Miscellaneous loc**
a. Property Taxes and Assesments	$ 1,617,461.20	a. Interest on investmer
b. Other local imposts:		b. Traffic Fines & Penal
1. Sales Taxes		c. Parking Garage Fees
2. Infrastructure & Impact Fees		d. Parking Meter Fees
3. Liens		e. Sale of Surplus Prop
4. Licenses		f. Charges for Services
5. Specific Ownership &/or Other	$ 166,298.43	g. Other Misc. Receipts
6. Total (1. through 5.)	$ 166,298.43	h. Other
c. Total (a. + b.)	$ 1,783,759.63	i. Total (a. through h.)
(Carry forward to page 1)		*(C*

ITEM	AMOUNT	ITE
C. Receipts from State Government		**D. Receipts from Fede**
1. Highway-user taxes (from Item I.C.5.)	$ 3,262,877.84	1. FHWA (from Item
2. State general funds		2. Other Federal age
3. Other State funds:		a. Forest Service
a. State bond proceeds		b. FEMA
b. Project Match		c. HUD
c. Motor Vehicle Registrations	$ 3,914.38	d. Federal Transit
d. DOLA Grant	$ -	e. U.S. Corps of E
e. Other		f. Other Federal
f. Total (a. through e.)	$ 3,914.38	g. Total (a. through
4. Total (1. + 2. + 3.f)	$ 3,266,792.22	3. Total (1. + 2.g)
(Carry forward to page 1)		*(C*

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments:

STATE:	
COLORADO	
YEAR ENDING (mm/yy):	
12/2025	

DETAIL

EM	AMOUNT
cal receipts:	
nts	
ties	
s	
erty	$ 19,976.12
	$ 180.00
	$ 4,863.64
	$ 7,844.93
	$ 32,864.69

Carry forward to page 1)

EM	AMOUNT
eral Government	
I.D.5.)	
ncies:	
Administration	
ngineers	
ARPA	
n f.)	$ -
	$ -

Carry forward to page 1)

OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
	$ -
	$ -
	$ -
	$ -
$ 1,163,519.65	$ 1,163,519.65
$ 1,049,906.31	$ 1,049,906.31
$ 2,213,425.96	$ 2,213,425.96
$ 2,213,425.96	$ 2,213,425.96

FORM FHWA-536			

