SAGUACHE COUNTY, COLORADO

FINANCIAL STATEMENTS

December 31, 2025



Wall,
Smith,
Bateman Inc.
Certified Public Accountants

SAGUACHE COUNTY, COLORADO
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INDEPENDENT AUDITORS' REPORT

Wall, Smith, Bateman Inc.

To the Board of County Commissioners
Saguache County, Colorado
Saguache, 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 Saguache County, Colorado (the County), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

Basis 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 Auditors' 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.

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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate 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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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

information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining nonmajor fund financial schedules, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Local Highway Finance Report, 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 schedules, the schedule of expenditures of federal awards, and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 04, 2026 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

September 04, 2026

SAGUACHE COUNTY, COLORADO

BASIC FINANCIAL STATEMENTS

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

	Primary Government		
	Governmental Activities	Business-Type Activities	TOTAL
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 15,794,348	$ 358,043	$ 16,152,391
Accounts Receivable	103,622	-	103,622
Property Taxes Receivable	2,620,131	-	2,620,131
PPP Receivable	-	80,000	80,000
Due from Other Governments	745,724	-	745,724
Inventory	987,250	-	987,250
Prepaid Expenses	202,642	-	202,642
Total Current Assets	20,453,717	438,043	20,891,760
Noncurrent Assets:			
Capital assets not being depreciated	570,348	114,000	684,348
Capital assets, net of accumulated depreciation	7,347,512	207,451	7,554,963
Total Noncurrent Assets	7,917,860	321,451	8,239,311
TOTAL ASSETS	28,371,577	759,494	29,131,071
LIABILITIES			
Current Liabilities:			
Accounts Payable	596,945	-	596,945
Security Deposits	155,000	12,577	167,577
Unearned Grant Revenue	3,093,451	-	3,093,451
Notes Payable	-	14,600	14,600
Leases Payable	45,077	-	45,077
Compensated Absences	267,611	-	267,611
Total Current Liabilities	4,158,084	27,177	4,185,261
Noncurrent Liabilities:			
Notes Payable	-	195,544	195,544
Leases Payable	187,476	-	187,476
Compensated Absences	171,352	-	171,352
Closure and Post Closure Costs	875,232	-	875,232
Total Noncurrent Liabilities	1,234,060	195,544	1,429,604
TOTAL LIABILITIES	5,392,144	222,721	5,614,865
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Property Tax	2,620,131	-	2,620,131
Unavailable Revenue - Grants	87,036	-	87,036
Unavailable Revenue - PPP Arrangement	-	158,400	158,400
TOTAL DEFERRED INFLOWS OF RESOURCES	2,707,167	158,400	2,865,567
NET POSITION			
Net Investment in Capital Assets	7,685,307	111,307	7,796,614
Restricted for TABOR	465,000	-	465,000
Unrestricted	12,121,959	267,066	12,389,025
TOTAL NET POSITION	$ 20,272,266	$ 378,373	$ 20,650,639

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

SAGUACHE COUNTY, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grants & Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: TOTAL
Primary Government:							
Governmental Activities:							
General Government	$ 5,868,492	$ 1,022,096	$ 921,069	$ -	$ (3,925,327)	$ -	$ (3,925,327)
Public Safety	2,977,694	215,410	214,405	-	(2,547,879)	-	(2,547,879)
Health and Welfare	6,808,199	271,986	6,062,483	21,128	(452,602)	-	(452,602)
Public Works	3,803,163	514,028	3,411,347	-	122,212	-	122,212
Culture and Recreation	394,338	-	82,323	-	(312,015)	-	(312,015)
Interest on Long-Term Debt	7,872	-	-	-	(7,872)	-	(7,872)
Total Governmental Activities	19,859,758	2,023,520	10,691,627	21,128	(7,123,483)	-	(7,123,483)
Business-Type Activities:							
Housing Authority	284,724	180,583	115,559	-	-	11,418	11,418
Total Business-Type Activities	284,724	180,583	115,559	-	-	11,418	11,418
Total Primary Government	$ 20,144,482	$ 2,204,103	$ 10,807,186	$ 21,128	(7,123,483)	11,418	(7,112,065)
		General Revenues:					
		Taxes:					
		General Property Taxes - Net			2,591,669	-	2,591,669
		Sales Taxes			1,973,537	-	1,973,537
		Other Taxes			620,293	-	620,293
		Payment in Lieu of Taxes			1,330,837	-	1,330,837
		Interest on Investments			609,089	687	609,776
		Miscellaneous			427,998	23,721	451,719
		Transfers			(18,930)	18,930	-
		Total General Revenues and Transfers			7,534,493	43,338	7,577,831
		Change in Net Position			411,010	54,756	465,766
		Net Position - Beginning of Year			19,861,256	323,617	20,184,873
		Net Position - Ending			$ 20,272,266	$ 378,373	$ 20,650,639

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

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

	GENERAL FUND	ROAD AND BRIDGE FUND	SOCIAL SERVICES FUND	PUBLIC SAFETY FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and Investments	$ 7,276,293	$ 2,550,641	$ 814,242	$ 3,790,168	$ 1,363,004	$ 15,794,348
Accounts Receivable	-	-	1,000	-	102,622	103,622
Property Taxes Receivable	2,190,601	-	371,485	-	58,045	2,620,131
Due from Other Funds	1,050,000	74,047	-	-	-	1,124,047
Due from Other Governments	427,710	280,174	37,840	-	-	745,724
Inventory	-	987,250	-	-	-	987,250
Prepaid Expenses	-	-	-	202,642	-	202,642
TOTAL ASSETS	$ 10,944,604	$ 3,892,112	$ 1,224,567	$ 3,992,810	$ 1,523,671	$ 21,577,764
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Accounts Payable	$ 471,467	$ 104,345	$ 5,362	$ -	$ 15,771	$ 596,945
Security Deposits	155,000	-	-	-	-	155,000
Due to Other Funds	74,047	-	-	1,050,000	-	1,124,047
Unearned Grant Revenue	2,770,022	-	263,400	-	60,029	3,093,451
TOTAL LIABILITIES	3,470,536	104,345	268,762	1,050,000	75,800	4,969,443
DEFERRED INFLOWS OF RESOURCES						
Unearned Revenue - Property Tax	2,190,601	-	371,485	-	58,045	2,620,131
Unavailable Revenue - Grants	87,036	-	-	-	-	87,036
TOTAL DEFERRED INFLOWS OF RESOURCES	2,277,637	-	371,485	-	58,045	2,707,167
FUND BALANCE						
Nonspendable	-	987,250	-	202,643	-	1,189,893
Restricted	465,000	-	-	-	-	465,000
Committed	1,327,984	2,800,517	584,320	2,740,167	1,389,826	8,842,814
Unassigned	3,403,447	-	-	-	-	3,403,447
TOTAL FUND BALANCE	5,196,431	3,787,767	584,320	2,942,810	1,389,826	13,901,154
TOTAL LIABILITIES AND FUND BALANCE	$ 10,944,604	$ 3,892,112	$ 1,224,567	$ 3,992,810	$ 1,523,671	$ 21,577,764

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

SAGUACHE COUNTY, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO THE STATEMENT OF NET POSITION
December 31, 2025

Total governmental fund balances		$ 13,901,154
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets and leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		7,917,860
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated Absences	$ (438,963)	
Landfill Closure and Post-Closure Costs	(875,232)	
Leased Purchase Agreements Payable	(232,553)	
		(1,546,748)
Net position of governmental activities		$ 20,272,266

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

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

	GENERAL FUND	ROAD AND BRIDGE FUND	SOCIAL SERVICES FUND	PUBLIC SAFETY FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes	$ 2,796,257	$ -	$ 420,538	$ 1,072,934	$ 895,770	$ 5,185,499
Intergovernmental Revenue	2,603,330	3,322,953	5,645,040	-	499,766	12,071,089
Licenses and Permits	230,319	39,698	-	-	-	270,017
Charges for Services	1,326,795	428,745	-	-	265,986	2,021,526
Interest on Deposits	609,078	-	11	-	-	609,089
Miscellaneous	278,440	138,667	10,891	-	-	427,998
TOTAL REVENUES	7,844,219	3,930,063	6,076,480	1,072,934	1,661,522	20,585,218
EXPENDITURES						
Current Expenditures:						
General Government	5,938,664	-	-	-	-	5,938,664
Public Safety	2,361,380	-	-	153,236	340,699	2,855,315
Health and Welfare	9,042	-	6,080,011	-	747,565	6,836,618
Public Works	-	3,288,702	-	-	235,367	3,524,069
Culture and Recreation	29,659	-	-	-	364,679	394,338
Capital Outlay	660,711	29,124	63,571	98,913	-	852,319
Debt Service	30,340	-	-	-	-	30,340
TOTAL EXPENDITURES	9,029,796	3,317,826	6,143,582	252,149	1,688,310	20,431,663
Excess (deficiency) of revenues over expenditures	(1,185,577)	612,237	(67,102)	820,785	(26,788)	153,555
OTHER FINANCING SOURCES (USES)						
Transfers In	1,050,000	-	-	-	-	1,050,000
Transfers Out	(18,930)	-	-	(1,050,000)	-	(1,068,930)
Sale of Fixed Assets	-	-	-	-	-	-
Lease Proceeds	-	-	63,571	-	-	63,571
TOTAL OTHER FINANCING SOURCES (USES)	1,031,070	-	63,571	(1,050,000)	-	44,641
Net Change in Fund Balance	(154,507)	612,237	(3,531)	(229,215)	(26,788)	198,196
Fund Balance at Beginning of Year	5,350,938	3,175,530	587,851	3,172,025	1,416,614	13,702,958
Fund Balance at End of Year	$ 5,196,431	$ 3,787,767	$ 584,320	$ 2,942,810	$ 1,389,826	$ 13,901,154

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

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

Net change in fund balances - total governmental funds			$ 198,196
Amounts reported for governmental activities in the statements 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 depreciation expense. This is the activity in capital and lease assets in the current period.			
Capital asset additions	$ 957,789		
Depreciation and amortization expense	(756,125)		
Deletions net of accumulated depreciation	-		
Lease asset additions	63,571		
			265,235
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Repayment of principal include:			
Lease payments	38,944		
Lease proceeds	(63,571)		
			(24,627)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Compensated absences	33,238		
Landfill closure and post-closure costs	(61,032)		
			(27,794)
Change in net position of governmental activities			$ 411,010

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

SAGUACHE COUNTY, COLORADO
PROPRIETARY FUND TYPES
STATEMENT OF NET POSITION
December 31, 2025

	Business-type Activities
	HOUSING AUTHORITY
ASSETS	
Current Assets:	
Cash and Cash Equivalents	$ 358,043
Accounts Receivable	-
PPP Receivable	80,000
Total Current Assets	438,043
Noncurrent Assets:	
Capital Assets:	
Capital assets not being depreciated	114,000
Capital assets, net of accumulated depreciation	207,451
Total Noncurrent Assets	321,451
TOTAL ASSETS	759,494
LIABILITIES	
Current Liabilities:	
Accounts Payable	-
Unearned Revenue	-
Security Deposit	12,577
Notes Payable (current portion)	14,600
Total Current Liabilities	27,177
Noncurrent Liabilities:	
Notes Payable	195,544
Total Noncurrent Liabilities	195,544
TOTAL LIABILITIES	222,721
DEFERRED INFLOWS OF RESOURCES	
Unavailable Revenue- PPP Arrangement	158,400
NET POSITION	
Net Investment in Capital Assets	111,307
Unrestricted	267,066
TOTAL NET POSITION	$ 378,373

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

SAGUACHE COUNTY, COLORADO
PROPRIETARY FUND TYPES
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended December 31, 2025

	Business-type Activities
	HOUSING AUTHORITY
OPERATING REVENUES	
Rent from Tenants	$ 180,583
HUD Operating Subsidy	115,559
Contributions and Donations	-
Other Revenue	22,121
Total Charges for Services	318,263
Total operating revenues	318,263
OPERATING EXPENSES	
Administrative	128,530
Utilities	63,253
Operating and Maintenance	32,709
Insurance	38,007
Depreciation Expense	14,995
Total operating expenses	277,494
Operating Income (Loss)	40,769
NONOPERATING REVENUES (EXPENSES)	
Interest on Investments	687
Grant Revenue	-
Interest Expense	(7,230)
Miscellaneous	1,600
Total Nonoperating Revenues (Expenses)	(4,943)
OPERATING TRANSFERS	
Transfers In	18,930
Total Operating Transfers	18,930
Changes in Net Position	54,756
Net Position, Beginning of Year	323,617
Net Position, End of Year	$ 378,373

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

SAGUACHE COUNTY, COLORADO
PROPRIETARY FUND TYPES
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2025

	Business-type Activities
	HOUSING AUTHORITY
Cash flows from operating activities:	
Cash received from tenants and others	$ 203,092
Cash received from HUD operating subsidy	115,559
Cash paid to employees for services	(128,530)
Cash paid to suppliers and service providers	(133,804)
Net cash provided (used) by operating activities:	56,317
Cash flows from noncapital financing activities:	
Grant Revenue	-
Transfer from Other Funds	18,930
Net cash provided (used) by noncapital financing activities	18,930
Cash flows from capital and related financing activities:	
Payment of note principal and interest	(21,505)
Payments received on PPP arrangement	80,000
Purchase of capital assets	(79,585)
Net cash provided (used) by capital and related financing activities	(21,090)
Cash flows from investing activities:	
Interest received	687
Net cash provided (used) by investing activities	687
Increase (decrease) in cash and investments	54,844
Cash and cash equivalents, Beginning of the Year	303,199
Cash and cash equivalents, End of the Year	$ 358,043
Operating income (loss)	$ 40,769
Adjustments to reconcile net income to net cash provided (used) by operating activities	
Depreciation	14,995
(Increase) Decrease in Accounts Receivable	-
(Increase) Decrease in Leases Receivable	-
Increase (Decrease) in Accounts Payable	165
Increase (Decrease) in Security Deposits	388
Total adjustments	15,548
Net cash provided (used) by operating activities	$ 56,317

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

SAGUACHE COUNTY, COLORADO
FIDUCIARY FUND
STATEMENT OF NET POSITION
December 31, 2025

	PUBLIC TRUSTEE	COUNTY TREASURER	COUNTY SHERIFF	COUNTY CLERK	TOTAL CUSTODIAL FUNDS
ASSETS					
Cash and Cash Equivalents	$ 5,083	$ 240,809	$ 34,482	$ 301,414	$ 581,788
Property Tax Receivable	-	10,472,697	-	-	10,472,697
TOTAL ASSETS	5,083	10,713,506	34,482	301,414	11,054,485
LIABILITIES					
Due to Other Governments	-	240,809	-	160,754	401,563
Deposits held for Others	-	-	-	-	-
TOTAL LIABILITIES	-	240,809	-	160,754	401,563
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	-	10,472,697	-	-	10,472,697
NET POSITION					
Restricted for:					
Individuals, Organizations, and Other Governments	5,083	-	34,482	140,660	180,225
TOTAL NET POSITION	$ 5,083	$ -	$ 34,482	$ 140,660	$ 180,225

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

SAGUACHE COUNTY, COLORADO
FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
December 31, 2025

	PUBLIC TRUSTEE	COUNTY TREASURER	COUNTY SHERIFF	COUNTY CLERK	TOTAL CUSTODIAL FUNDS
ADDITIONS					
Tax Collections for Other Governments	$ -	$ 8,334,423	$ -	$ -	$ 8,334,423
Public Trustee Activity	168,766	-	-	-	168,766
Held for Others	-	-	24,644	2,469,205	2,493,849
Miscellaneous	-	4,731,780	-	-	4,731,780
Total Additions	168,766	13,066,203	24,644	2,469,205	15,728,818
DEDUCTIONS					
Taxes Disbursed	-	13,066,203	-	-	13,066,203
Public Trustee Disbursements	168,516	-	-	-	168,516
Funds Held for Others	-	-	48,568	2,486,051	2,534,619
Total Deductions	168,516	13,066,203	48,568	2,486,051	15,769,338
Net Increase (Decrease) in Fiduciary Net Position	250	-	(23,924)	(16,846)	(40,520)
Net Position - Beginning of the Year	4,833	-	58,406	157,506	220,745
Net Position - End of the Year	$ 5,083	$ -	$ 34,482	$ 140,660	$ 180,225

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the County reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards.*

REPORTING ENTITY

Primary Government

Saguache County is a political subdivision organized under the statutes of the State of Colorado. The County is governed by a three-member Board of County Commissioners (the Board). Each commissioner is elected at-large by the voters of the County to represent one of the three separate districts and must reside in the district for which he or she is elected. There are also six other elected officials - assessor, clerk and recorder, coroner, sheriff, district attorney, and treasurer. The treasurer is also the County Public Trustee.

The County provides a wide range of services to its residents including general administration, public safety, highways and streets, health and social services, public improvements, planning, zoning, airport, predatory animal and weed control.

Component Units

The County's combined financial statements include the accounts of all County operations. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards,* include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The County holds the corporate powers of the organization
- The County appoints a voting majority of the organization's board
- The County is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the County
- There is fiscal dependency by the organization on the County
- The organization is financially accountable to the County
- The organization receives or holds funds that are for the benefit of the County; and the County has access to a majority of the funds held; and the funds that are accessible are also significant to the County

The Saguache County Housing Authority (the Authority) is administered and governed by the Saguache County Commissioners. The Authority is blended into the County's financial statements as an Enterprise Fund.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include a statement of net position and a statement of activities. Government-wide statements report information on all of the activities of the County and its component units, except for County fiduciary activity. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and
- 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 in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental and proprietary 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. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible 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 period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales and use taxes, other taxes, charges for services, intergovernmental revenues, and interest are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

Grant revenue is recognized when compliance and matching requirements are met. A receivable is established when the related expenditures exceed revenue receipts.

The County reports the following major governmental funds:

- The *General Fund* is the general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Road and Bridge Fund* is used to account for the maintenance and improvements of streets and highways. The sources of funds include highway user's fees and other revenue sources.
- The *Social Services Fund* is used to account for the operations of social programs; i.e. Temporary Aid to Needy Families, Old Age Pension, Aid to the Blind, Aid to the Needy and Disabled, among others. Financing is provided by grants, allotments, and property tax revenue.
- The *Public Safety Fund* is used to account for an approved one and one-half sales tax revenue specifically to be used for the operations of law enforcement.

Proprietary fund financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are reported as non-operating.

- The *Housing Authority Fund* is reported as an enterprise fund. The principal operating revenue of the Housing Authority Fund are monthly unit rental fees charged to tenants.

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 the resources of those funds are not available to support the County's own programs. The fiduciary fund financial statements consist of custodial funds that are fiduciary in nature and present changes in fiduciary net position. Custodial funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in a fiduciary capacity.

- The *Public Trustee Fund* was established to account for expenditures for the Public Trustee's Office. The Public Trustee is appointed by the Governor of Colorado for a four-year term. This office administers foreclosures including issuance of Public Trustee deeds, cure of default and lien redemptions.
- The *County Treasurer Fund* accounts for monies collected (principally tax collections) by the Saguache County Treasurer for various local government entities within the County.
- The *County Sheriff Fund* is used to account for funds collected for and disbursed for inmates and search and rescue.
- The *Clerk and Recorder Fund* accounts for four checking accounts for the collection of various taxes, fees, and surcharges which are reimbursed to the State of Colorado, other taxing entities and remaining funds are used at the Clerk's discretion.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

All investments, if any, are recorded at fair market value.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The County Treasurer bills and collects all property taxes for the County. Property tax revenue is recognized by the County to the extent it results in a current receivable. The 2025 property tax levy due January 1, 2026 has been recorded in the financial statements as a receivable and a corresponding deferred inflow of resources in the financial statements.

Inventories and Prepaid Items

Inventory is valued at the lower of cost (last-in, first-out) or market. Inventory in the Road and Bridge Fund consists of expendable supplies held for use. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources", even though they are a component of net current assets. Inventory policy on government-wide statements is consistent with fund statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital Assets, which include land, buildings and improvements, vehicles and equipment, construction in progress, and infrastructure assets (e.g. roads, bridges, sidewalks, underground pipe, traffic signals, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than $5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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 assets lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	7-40
Vehicles and Equipment	5-15
Infrastructure	25-40

Leases

Lessee: The County recognizes lease liabilities and intangible right-to-use lease assets in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of $15,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease terms, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the leases. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Compensated Absences

Annual leave may be accrued to the maximum of:

Under 5 years	144 hours
5 but less than 10 years	168 hours
10 - 15 or (20) years	192 hours

Upon separation from the County, an employee shall be paid for the amount of annual leave that he/she has accrued, subject to the limitation above. All vacation leave pay is accrued when incurred in the government-wide financial statements. A liability is reported in governmental funds only if they have matured, for example as a result of employee resignations or retirements.

Unearned Revenue

Revenues on grants, which are restricted by the grant document for specific purposes, are recognized as revenue only after eligible grant costs have been incurred. Grant funds received in excess of grant expenditures are recorded as unearned revenues.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in the following three components:

- *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund Balance

Fund balances are reported based on the extent to which the County is bound to honor constraints for the specific purpose on which amounts in the fund can be spent. Fund balances are classified in the following five categories:

- *Nonspendable Fund Balance*- amounts that cannot be spent because they are not in spendable form-such as inventory and prepaid expenses.
- *Restricted Fund Balance*- amounts restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

- *Committed Fund Balance-* amounts that can only be used for specific purposes as a result of constraints imposed by the Board of County Commissioners, the highest level of decision making authority, through resolution or ordinance. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- *Assigned Fund Balance-* amounts a government intends to use for a specific purpose; intent can be expressed by the Board of County Commissioners or by an official or body to which the governing body delegates the authority.
- *Unassigned Fund Balance-* amounts that are available for any purpose; these amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position/fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, and 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.

	General Fund	Road and Bridge Fund	Social Services Fund	Public Safety Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable						
Inventory	$ -	$ 987,250	$ -	$ -	$ -	$ 987,250
Prepaid Expenditures	-	-	-	202,642	-	202,642
	-	987,250	-	202,642	-	1,189,892
Restricted						
TABOR	465,000	-	-	-	-	465,000
	465,000	-	-	-	-	465,000
Committed						
Contingencies	500,000	-	-	-	21,500	521,500
Capital Expenditures	418,000	-	-	-	-	418,000
Landfill	409,984	-	-	-	-	409,984
Public Safety	-	-	-	2,740,168	-	2,740,168
Health and Welfare	-	-	584,320	-	249,376	833,696
Highways and Streets	-	2,800,517	-	-	-	2,800,517
Culture and Recreation	-	-	-	-	468,843	468,843
Emergency Services	-	-	-	-	159,808	159,808
Renewable Energy	-	-	-	-	400,299	400,299
LaGarita Fire Station	-	-	-	-	90,000	90,000
	1,327,984	2,800,517	584,320	2,740,168	1,389,826	8,842,815
Unassigned	3,403,447	-	-	-	-	3,403,447
Total Fund Balance	$ 5,196,431	$ 3,787,767	$ 584,320	$ 2,942,810	$ 1,389,826	$ 13,901,154

Encumbrances

The County does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are re-budgeted in the succeeding year.

Use of Estimates

The preparation of the financial statements in conformity with 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.

Reclassifications

Certain reclassifications were made to fiscal year 2024 financial statements in order to conform to the fiscal year 2025 financial statement presentation.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

Saguache County follows the procedures set forth in the Colorado Local Government Budget Law when preparing the annual budget for each fund. Budget procedures include:

- Preparation of budget documents by administrative staff, which shall be submitted to the Board no later than October 15 of each year.
- Publication of a notice stating that the budget is available for public inspection.
- Discussion of the budget in a meeting open to the public.
- Adoption of the budget in a public meeting by appropriate resolution, no later than December 31.

Formal budgetary integration is employed as a management control device for all funds of the County. All budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP), with the exception of the enterprise funds which budget capital outlay versus depreciation expenses.

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Board of County Commissioners adopted supplemental appropriations during 2025. All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

Stewardship

Expenditures exceeded appropriations in the General Fund, Road and Bridge Fund and Public Health Fund by $502,168, $282,748 and $2,535, respectively at December 31, 2025. This may be a violation of Colorado State Statutes.

NOTE 3 CASH, DEPOSITS, AND INVESTMENTS

A summary of cash, deposits, and investments for the County are as follow:

Cash on Hand	$	3,103
Cash Deposited in Banks		1,933,169
ColoTrust		6,290,466
C-SAFE		8,507,441
Total Cash, Deposits, and Investments (Book Balance)		16,734,179
Less amounts related to Custodial Funds		(581,788)
Total Cash, Deposits, and Investments on Statement of Net Position	$	16,152,391

Cash and Deposits

Colorado State Statutes and the County Treasurer's investment policy govern the County's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

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

Custodial Credit Risk – Deposits

The County's investment policy addresses custodial credit risk. At December 31, 2025, $1,886,398 was exposed to custodial credit risk. Those deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

Investments

The County's investment policy and Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. They 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
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Repurchase agreements
- Money market funds
- Guaranteed investments contracts
- Corporate or bank debt issued by eligible corporations or banks

Custodial Credit Risk - Investments

The County's investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities. The policy allows for the investment in local government investment pools.

Interest Rate Risk

Colorado Revised Statutes and the County's investment policy limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

Fair Value

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

Colorado Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. ColoTrust operates similarly to a money market fund and each share is equal in value to $1.00. The fair value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool. Investments of the pools consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. ColoTrust is rated AAAm by Standard and Poor's.

The Colorado Surplus Asset Fund Trust (C-SAFE) Core Fund investments are valued using the net asset value per share (or its equivalent) of the investments. The investments do not have any unfunded commitments, redemption restrictions or redemption notice periods or withdrawal restrictions. C-SAFE investments conform to Colorado Statutes CRS 24-75-601 et. seq. and therefore invests primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the Public Deposit Protection Act. C-SAFE measures all of its investments at amortized cost. C-SAFE is rated AAAF/SI by Fitch Ratings, reflecting the highest underlying credit quality of the portfolio and very low sensitivity to market risk.

NOTE 4 PROPERTY TAXES RECEIVABLE

At December 31, 2025, the County had an estimated property tax receivable divided among the funds as follows:

General Fund	$	2,190,601
Social Services Fund		371,485
Public Health Fund		58,045
	$	2,620,131

NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The County reports interfund balances between many of its funds. The balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

Interfund receivables and payables for the year ended December 31, 2025, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Public Safety Fund	$ 1,050,000
Road & Bridge Fund	General Fund	74,047
	Total	$ 1,124,047

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

Transfer In	Transfer Out	Amount
General Fund	Public Safety Fund	$ 1,050,000
Saguache County Housing Fund	General Fund	18,930
	Total	$ 1,068,930

The Public Safety Fund transferred funds to the General Fund to support the sheriff's expenditures. The General Fund transferred funds to the Saguache County Housing Fund to cover additional part-time payroll expenses.

NOTE 6 PUBLIC-PRIVATE PARTNERSHIP (PPP) ARRANGEMENT

On June 27, 2025 the Saguache County Housing Authority entered into an arrangement where the Housing Authority was a transferor in a Public-Private Partnership (PPP). The arrangement conveys to Northwest Range View LLC (the operator) the right to construct and operate a 32-unit housing complex for the purpose of providing affordable housing on land owned by the Housing Authority. The agreement has a term of 99 years and expires on December 31, 2124. At the end of the arrangement the Housing Authority is entitled to the residual interest in the housing complex as the operator is required to transfer the improvements back to the Housing Authority. The Housing Authority continues to report the existing underlying PPP asset in the Proprietary Fund Statement of Net Position under land and recognizes a receivable for installment payments and a deferred inflow of resources related to the arrangement.

Under the arrangement, the operator is required to make installment payments to the Housing Authority totaling $160,000. Of this amount, $80,000 was received during the year ended December 31, 2025, and the remaining $80,000 is payable by December 31, 2065, with interest at 2.25%. At December 31, 2025, the Housing Authority recognized a receivable for $80,000 expected to be received over the term of the arrangement. The Housing Authority also recognized a deferred inflow of resources for $158,400 associated with the installment payments and is recognized as revenue over the term of the arrangement. For the fiscal year ended December 31, 2025, the Housing Authority recognized revenue of $1,600.

Construction of the housing complex is expected to be completed in 2026.

NOTE 7 CAPITAL ASSETS

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

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 231,693	$ -	$ -	$ 231,693
Construction in Progress	596,878	619,207	877,430	338,655
Total capital assets not being depreciated	828,571	619,207	877,430	570,348
Capital assets being depreciated:				
Buildings and Improvements	8,170,643	596,885	-	8,767,528
Vehicles and Heavy Equipment	10,110,231	279,143	-	10,389,374
Equipment	1,178,586	24,815	-	1,203,401
Infrastructure	2,483,163	315,169	-	2,798,332
Total capital assets being depreciated	21,942,623	1,216,012	-	23,158,635
Lease assets being depreciated:				
Equipment	294,176	63,571	24,175	333,572
Total lease assets being depreciated	294,176	63,571	24,175	333,572
Less accumulated depreciation for:				
Buildings and Improvements	6,757,906	81,780	-	6,839,686
Vehicles and Heavy Equipment	7,412,530	411,264	-	7,823,794
Equipment	608,960	102,807	-	711,767
Infrastructure	545,141	114,198	-	659,339
Lease Assets	88,208	46,076	24,175	110,109
Total accumulated depreciation	15,412,745	756,125	24,175	16,144,695
Total capital assets being depreciated, net	6,824,054	523,458	-	7,347,512
Governmental Activities Capital Assets, net	$ 7,652,625	$ 1,142,665	$ 877,430	$ 7,917,860

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Business-type Activities:				
Capital assets not being depreciated:				
Land	$ 114,000	$ -	$ -	$ 114,000
Total capital assets not being depreciated	114,000	-	-	114,000
Capital assets being depreciated:				
Buildings and Improvements	1,110,835	79,585	-	1,190,420
Furniture and Equipment	71,636	-	-	71,636
Total capital assets being depreciated	1,182,471	79,585	-	1,262,056
Less accumulated depreciation for:				
Buildings and Improvements	967,974	14,995	-	982,969
Furniture and Equipment	71,636	-	-	71,636
Total accumulated depreciation	1,039,610	14,995	-	1,054,605
Total capital assets being depreciated, net	142,861	64,590	-	207,451
Business-type Activities Capital Assets, net	$ 256,861	$ 64,590	$ -	$ 321,451

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

Governmental Activities:	
General Government	$ 161,983
Public Safety	122,379
Health and Welfare	37,156
Public Works	434,607
Culture and Recreation	-
	$ 756,125
Business-type Activities:	
Housing Authority	$ 14,995

NOTE 8 LONG-TERM LIABILITIES

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2025, were as follows:

	12/31/2024 Balance	Additions	Deletions	12/31/2025 Balance	Due Within One Year
Governmental Activities:					
Leases Payable	$ 207,926	$ 63,571	$ 38,944	$ 232,553	$ 45,077
Landfill Closure and Post-Closure	814,200	61,032	-	875,232	-
Compensated Absences	472,201	-	33,238	438,963	267,611
Total Governmental Activities	$ 1,494,327	$ 124,603	$ 72,182	$ 1,546,748	$ 312,688
Business-Type Activities:					
DOLA-Division of Housing	$ 116,077	$ -	$13,105	$ 102,972	$ 13,349
US Department of Agriculture Blue Waters Hacienda Project, 2005	108,342	-	1,170	107,172	1,251
Total Business-Type Activities	$ 224,419	$ -	$ 14,275	$ 210,144	$ 14,600

The change in the compensated absences liability is presented as a net change.

GOVERNMENTAL ACTIVITIES:

Lease Agreements

The County, as a lessee, has entered into lease agreements for equipment with lease terms of 5 to 7 years. The total costs of these right-to-use lease assets are recorded as $333,572 less accumulated depreciation of $110,109 The County has determined that as of December 31, 2025, there is no loss associated with an impairment of the right-to-use lease asset.

The future lease payments under lease agreements as of December 31, 2025 are as follows:

	Principal	Interest	Total
2026	$ 45,077	$ 7,742	$ 52,819
2027	40,258	6,294	46,552
2028	39,670	5,029	44,699
2029	39,139	3,726	42,865
2030	28,536	2,465	31,001
2031-2032	39,873	2,386	42,259
	$ 232,553	$ 27,642	$ 260,195

Landfill Closure and Post-Closure Care Costs

State and Federal law require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County uses the "Local Government Finance Test" as its financial mechanism to assure full payment of all closure, post closure, and if applicable, corrective action estimated costs. The estimated liability for landfill closure and post closure care costs represents the County's total current estimate of such future costs, and is based on the estimated amount to be paid if all equipment, facilities, and services required to close, monitor and maintain the landfill were acquired as of December 31, 2025. As of December 31, 2025, the County estimated that existing landfill capacity was approximately 68% utilized (filled), and that the existing landfill was expected to be filled to capacity in fiscal year 2042. The $875,232 reported as landfill closure and post-closure care liability at December 31, 2025 represents the cumulative amount reported to date based on the use of 68% of the estimated capacity of the landfill. The aggregate estimated liability of $1,285,215 is comprised of $408,244 of estimated closure costs and $876,971 of estimated post closure costs. The County will recognize the remaining estimated cost of closure and post-closure care of $409,984 as the remaining estimated capacity is filled. However, the actual costs of closure and post closure may be higher, due to inflation, changes in technology, or changes in the landfill laws and regulations.

BUSINESS-TYPE ACTIVITIES:

Colorado Department of Local Affairs – Division of Housing

The Housing Authority has entered into a mortgage note payable with Colorado Department of Local Affairs – Division of Housing (DOH) to refinance the construction of two projects operated by the Housing Authority. The note has an original principal balance in the amount of $341,000, maturing May 2033, payable in semi-annual blended payments of $7,585 beginning November 30, 2003, and with a stated interest rate of 2% annum. The mortgage is secured by a deed of trust on the Housing Authority's Puerto Del Norte Haciendas housing project, which is located in Saguache County.

The 2009 and 2010 payments were deferred due to cash flow shortages. Payments resumed in December 2011. The note maturity date was extended until December 2035. Due to extra payments made in 2022, the note maturity date was shortened back to May 2033.

United States Department of Agriculture

The Housing Authority has entered into a mortgage note payable with the United States Department of Agriculture (USDA), with an original principal amount of $118,592, maturing December 2054, payable in blended monthly payments of $528, and with a stated interest rate of 6.75% per annum. The mortgage note was entered into to refinance the construction of two projects operated by the Housing Authority and is secured by a deed of trust on the Housing Authority's Blue Waters Haciendas housing project, which is located in Saguache County.

The annual debt service for the mortgage notes payable is as follows:

	Principal	Interest	Total
2026	$ 14,600	$ 6,905	$ 21,505
2027	14,735	6,770	21,505
2028	15,097	6,408	21,505
2029	15,472	6,033	21,505
2030	15,858	5,647	21,505
2031-2035	44,463	22,718	67,181
2036-2040	14,091	17,580	31,671
2041-2045	19,729	11,942	31,671
2046-2050	27,623	4,006	31,629
2051-2054	28,476	76	28,552
	$ 210,144	$ 88,085	$ 298,229

NOTE 9 EMPLOYEE BENEFITS

Defined Contribution Plan

All eligible employees, participate in the Colorado Retirement Association (the Plan), a defined contribution plan, authorized by state statute. The Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of the employees are tax deferred until time of withdrawal. Employees are eligible after completing 60 days of eligible employment with the County and participation is mandatory. Employee contributions are 100% vested and employer contributions are vested on a graded pro rata monthly at 25% of the annual rate.

The County must contribute 5% of the compensation of each participant. Each participant must contribute a minimum of 3%, and is permitted to make additional contributions. For the year ended December 31, 2025, total employee contributions to the Plan were $168,934 and the County recognized pension expense of $284,588. The County recognized $8,376 of forfeitures in retirement expense during 2025.Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. The Plan may be amended by resolution of the Board of County Commissioners but it may not be amended beyond the limits of state statute.

Deferred Compensation Plan

The County also offers its employees an additional voluntary deferred compensation plan created in accordance with the Internal Revenue Code 457(f), administered by the Colorado Retirement Association (the Plan). The Plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergencies. Total employer and employee contributions for 2025 were $79,904. The County has no other liability other than to make the required monthly contribution.

Cafeteria Plan

The County also offers its employees a cafeteria compensation plan organized under Section 125 of the Internal Revenue Code, which includes the following benefits: medical, disability, accident and/or term life insurance, and health expense reimbursement. No cost to the County is recognized, as the plan is a salary reduction plan.

Post-Employment Health Care Benefits

All County employees covered by COBRA insurance may continue their health insurance after a reduction in work hours or termination of employment. The County recognizes no cost for such coverage, as those electing to continue COBRA coverage must reimburse the County for 100% of their premium cost for the extended coverage period.

NOTE 10 COLORADO CONTRABAND FORFEITURE ACT

The County has reviewed financial activities in the Sheriff's Department for compliance with the above referenced act. There were no sales of contraband during the year ended December 31, 2025.

NOTE 11 TABOR AMENDMENT RESERVE

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate policy change directly causing a net tax revenue gain to any local government.

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 spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of fiscal year spending limits must be refunded in the next fiscal year unless voters approve retention of such revenue.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also required local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending. Fiscal year spending excludes enterprise spending. The Emergency Reserve has been presented as a restriction of fund balance in the County funds and restricted net position on the Statement of Net Position. The County's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

The electorate of the County passed a referendum allowing the County to collect and expend the full revenues generated during 1997 and each subsequent year, from its existing tax rates, to receive and expand all sales and property revenues without regard to Article X, Section 20 of the Colorado Constitution of law. Approval of this question does not authorize any increase in property tax rates of any kind above the 1995 rates.

NOTE 12 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.

At 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 $16,505,933, resulting in net loss before return of surplus of $525,393.

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. 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.

At 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.

NOTE 13 COMMITMENTS AND CONTINGENCIES

Grant Programs

The County participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of expenditures, if any, which may be disallowed by the granting agencies cannot be determined at this time, although, the County expects any such amounts to be immaterial.

Litigation

The County is a party to various legal actions normally associated with governmental activities, the aggregate effect of which, in management's and legal counsel's opinion, would not be material to its financial statements.

Construction Projects

Range View Project – Saguache County received $859,616 of grant funding from the Department of Local Affairs for engineering and infrastructure improvements on land owned by The Housing Authority. The total cost was estimated at $1,084,616 and is expected to be completed by the end of 2026. As of December 31, 2025 project costs are approximately $338,655 and included in construction in progress for governmental activities. At completion of the project it will be transferred to The Housing Authority. The Housing Authority entered into a PPP arrangement during 2025 for the construction of a housing complex when the infrastructure improvements are completed.

SAGUACHE COUNTY, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and, if applicable, each of the County's major special revenue funds.

SAGUACHE COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Taxes	$ 2,764,061	$ 2,477,112	$ 2,796,257	$ 319,145
Intergovernmental Revenue	4,410,601	2,977,749	2,603,330	(374,419)
Licenses and Permits	291,900	230,319	230,319	-
Charges for Services	1,283,379	1,288,707	1,326,795	38,088
Interest Revenue	795,100	609,031	609,078	47
Miscellaneous	346,721	371,493	278,440	(93,053)
TOTAL REVENUES	9,891,762	7,954,411	7,844,219	(110,192)
EXPENDITURES				
General Government	7,854,328	5,545,091	5,938,664	(393,573)
Public Safety	2,560,223	2,772,128	2,361,380	410,748
Health and Welfare	5,950	37,300	9,042	28,258
Public Works	50,000	-	-	-
Culture and Recreation	-	-	29,659	(29,659)
Capital Outlay	312,000	142,769	660,711	(517,942)
Debt Service	30,000	30,340	30,340	-
TOTAL EXPENDITURES	10,812,501	8,527,628	9,029,796	(502,168)
Excess (deficiency) of revenues over expenditures	(920,739)	(573,217)	(1,185,577)	(612,360)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,050,000	1,050,000	1,050,000	-
Transfers Out	(37,986)	(42,000)	(18,930)	23,070
Lease Proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,012,014	1,008,000	1,031,070	23,070
Net Change in Fund Balance	91,275	434,783	(154,507)	(589,290)
Fund Balance at Beginning of Year	5,006,243	5,006,243	5,350,938	344,695
Fund Balance at End of Year	$ 5,097,518	$ 5,441,026	$ 5,196,431	$ (244,595)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

SAGUACHE COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Intergovernmental Revenue	3,393,002	3,042,779	3,322,953	280,174
License and Permits	31,000	33,205	39,698	6,493
Charges for Services	83,000	361,191	428,745	67,554
Miscellaneous	9,000	138,667	138,667	-
TOTAL REVENUES	3,516,002	3,575,842	3,930,063	354,221
EXPENDITURES				
Public Works	3,506,767	3,005,954	3,288,702	(282,748)
Capital Outlay	-	29,124	29,124	-
Debt Service	-	-	-	-
TOTAL EXPENDITURES	3,506,767	3,035,078	3,317,826	(282,748)
Excess (deficiency) of revenues over expenditures	9,235	540,764	612,237	71,473
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	10,000	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	10,000	-	-	-
Net Change in Fund Balance	19,235	540,764	612,237	71,473
Fund Balance at Beginning of Year	2,995,256	2,995,256	3,175,530	180,274
Fund Balance at End of Year	$ 3,014,491	$ 3,536,020	$ 3,787,767	$ 251,747

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

SAGUACHE COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SOCIAL SERVICES FUND
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Taxes	$ 431,635	$ 418,175	$ 420,538	$ 2,363
Intergovernmental Revenue	7,999,669	7,715,081	5,645,040	(2,070,041)
Interest Revenue	1,350	2,363	11	(2,352)
Miscellaneous	-	-	10,891	10,891
TOTAL REVENUES	8,432,654	8,135,619	6,076,480	(2,059,139)
EXPENDITURES				
Health and Welfare	8,232,654	7,706,995	6,080,011	1,626,984
Capital Outlay	200,000	-	63,571	(63,571)
TOTAL EXPENDITURES	8,432,654	7,706,995	6,143,582	1,563,413
Excess (deficiency) of revenues over expenditures	(8,432,654)	(7,706,995)	(67,102)	7,639,893
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	63,571	63,571
TOTAL OTHER FINANCING SOURCES (USES)	-	-	63,571	63,571
Net Change in Fund Balance	-	428,624	(3,531)	(432,155)
Fund Balance at Beginning of Year	472,324	472,324	587,851	115,527
Fund Balance at End of Year	$ 472,324	$ 900,948	$ 584,320	$ (316,628)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

SAGUACHE COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PUBLIC SAFETY FUND
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Taxes	$ 1,075,000	$ 1,504,791	$ 1,072,934	$ (431,857)
Intergovernmental Revenue	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	1,075,000	1,504,791	1,072,934	(431,857)
EXPENDITURES				
Public Safety	14,810	355,878	153,236	202,642
Capital Outlay	10,190	98,913	98,913	-
TOTAL EXPENDITURES	25,000	454,791	252,149	202,642
Excess (deficiency) of revenues over expenditures	1,050,000	1,050,000	820,785	(229,215)
OTHER FINANCING SOURCES (USES)				
Transfer Out	(1,050,000)	(1,050,000)	(1,050,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,050,000)	(1,050,000)	(1,050,000)	-
Net Change in Fund Balance	-	-	(229,215)	(229,215)
Fund Balance at Beginning of Year	3,148,820	3,148,820	3,172,025	23,205
Fund Balance at End of Year	$ 3,148,820	$ 3,148,820	$ 2,942,810	$ (206,010)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

SAGUACHE COUNTY, COLORADO

SUPPLEMENTARY INFORMATION

The combining financial statements represent the second level of financial reporting for the County. These financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

SAGUACHE COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to be expended for particular purposes.

PUBLIC HEALTH FUND– This fund is used to account for multiple programs of providing health services to County residents. Financing is provided by grants and fees for services.

CONSERVATION TRUST FUND – This fund is used to account for the County share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks, and other public recreational facilities.

TOURISM FUND – This fund is used to account for the County share of the lodging tax collected on each hotel/motel that is rented in Saguache County. The monies may be expended to promote Saguache County to tourists.

SALES TAX – EMERGENCY SERVICES FUND, SALES TAX – YOUTH AND SENIORS FUND, AND SALES TAX – RENEWABLE ENERGY FUND – These funds are used to account for the expenditure of County sales tax collected for emergency services, youth and senior activities, and renewable energy activities, respectively.

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

	NONMAJOR SPECIAL REVENUE FUNDS						
	PUBLIC HEALTH FUND	CONSERVATION TRUST FUND	TOURISM FUND	SALES TAX-EMERGENCY SERVICES FUND	SALES TAX-YOUTH AND SENIORS FUND	SALES TAX-RENEWABLE ENERGY FUND	TOTAL NONMAJOR GOVERNMENTAL
ASSETS							
Cash and Cash Equivalents	$ 212,536	$ 206,095	$ 171,791	$ 249,808	$ 121,825	$ 400,949	$ 1,363,004
Accounts Receivable	102,622	-	-	-	-	-	102,622
Property Tax Receivable	58,045	-	-	-	-	-	58,045
Due from Other Governments	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-
TOTAL ASSETS	$ 373,203	$ 206,095	$ 171,791	$ 249,808	$ 121,825	$ 400,949	$ 1,523,671
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts Payable	$ 5,753	$ -	$ 9,368	$ -	$ -	$ 650	$ 15,771
Due to Other Funds	-	-	-	-	-	-	-
Deferred Grant Revenue	60,029	-	-	-	-	-	60,029
TOTAL LIABILITIES	65,782	-	9,368	-	-	650	75,800
DEFERRED INFLOWS OF RESOURCES							
Unearned Revenue - Property Tax	58,045	-	-	-	-	-	58,045
FUND BALANCE							
Committed	249,376	206,095	162,423	249,808	121,825	400,299	1,389,826
TOTAL FUND BALANCE	249,376	206,095	162,423	249,808	121,825	400,299	1,389,826
TOTAL LIABILITIES AND FUND BALANCE	$ 373,203	$ 206,095	$ 171,791	$ 249,808	$ 121,825	$ 400,949	$ 1,523,671

SAGUACHE COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended December 31, 2025

	NONMAJOR SPECIAL REVENUE FUNDS						
	PUBLIC HEALTH FUND	CONSERVATION TRUST FUND	TOURISM FUND	SALES TAX-EMERGENCY SERVICES FUND	SALES TAX-YOUTH AND SENIORS FUND	SALES TAX-RENEWABLE ENERGY FUND	TOTAL NONMAJOR GOVERNMENTAL
REVENUES							
Taxes	$ 65,676	$ -	$ 111,054	$ 242,180	$ 238,430	$ 238,430	$ 895,770
Intergovernmental Revenue	417,443	82,323	-	-	-	-	499,766
Charges for Services	265,986	-	-	-	-	-	265,986
Miscellaneous	-	-	-	-	-	-	-
TOTAL REVENUES	749,105	82,323	111,054	242,180	238,430	238,430	1,661,522
EXPENDITURES							
Current Expenditures							
General Government	-	-	-	-	-	-	-
Public Safety	-	-	-	340,699	-	-	340,699
Health and Welfare	747,565	-	-	-	-	-	747,565
Public Works	-	-	-	-	-	235,367	235,367
Culture and Recreation	-	-	134,353	-	230,326	-	364,679
Capital Outlay	-	-	-	-	-	-	-
TOTAL EXPENDITURES	747,565	-	134,353	340,699	230,326	235,367	1,688,310
Excess (deficiency) of revenues over expenditures	1,540	82,323	(23,299)	(98,519)	8,104	3,063	(26,788)
OTHER FINANCING SOURCES (USES)							
Transfer In	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
Net Change in Fund Balance	1,540	82,323	(23,299)	(98,519)	8,104	3,063	(26,788)
Fund Balance at Beginning of Year	247,836	123,772	185,722	348,327	113,721	397,236	1,416,614
Fund Balance at End of Year	$ 249,376	$ 206,095	$ 162,423	$ 249,808	$ 121,825	$ 400,299	$ 1,389,826

SAGUACHE COUNTY, COLORADO
ENTERPRISE FUND TYPES
COMBINING SCHEDULE OF NET POSITION
December 31, 2025

	HOUSING AUTHORITY			
	SAGUACHE HOUSING AUTHORITY	BLUE WATERS	PUERTO DEL NORTE HACIENDAS	TOTAL ENTERPRISE FUND
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 127,761	$ 164,363	$ 65,919	$ 358,043
Accounts Receivable	-	-	-	-
PPP Receivable	80,000	-	-	80,000
Total Current Assets	207,761	164,363	65,919	438,043
Noncurrent Assets:				
Capital Assets:				
Capital assets not being depreciated	62,000	36,000	16,000	114,000
Capital assets, net of accumulated depreciation	-	-	207,451	207,451
Total Noncurrent Assets	62,000	36,000	223,451	321,451
TOTAL ASSETS	269,761	200,363	289,370	759,494
LIABILITIES				
Current Liabilities:				
Accounts Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Security Deposit	-	2,561	10,016	12,577
Notes Payable (current portion)	-	1,251	13,349	14,600
Total Current Liabilities	-	3,812	23,365	27,177
Noncurrent Liabilities:				
Notes Payable	-	105,921	89,623	195,544
Total Noncurrent Liabilities	-	105,921	89,623	195,544
TOTAL LIABILITIES	-	109,733	112,988	222,721
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue- PPP Arrangement	158,400	-	-	158,400
NET POSITION				
Net Investment in Capital Assets	62,000	(71,172)	120,479	111,307
Unrestricted	49,361	161,802	55,903	267,066
TOTAL NET POSITION	$ 111,361	$ 90,630	$ 176,382	$ 378,373

SAGUACHE COUNTY, COLORADO
ENTERPRISE FUND TYPES
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended December 31, 2025

	HOUSING AUTHORITY			
	SAGUACHE HOUSING AUTHORITY	BLUE WATERS	PUERTO DEL NORTE HACIENDAS	TOTAL ENTERPRISE FUND
OPERATING REVENUES				
Rent from Tenants	$ -	$ 38,577	$ 142,006	$ 180,583
HUD Operating Subsidy	-	111,389	4,170	115,559
Contributions and Donations	-	-	-	-
Other Revenue	15,000	2,837	4,284	22,121
Total operating revenues	15,000	152,803	150,460	318,263
OPERATING EXPENSES				
Administrative	-	70,338	58,192	128,530
Utilities	-	26,610	36,643	63,253
Operating and Maintenance	21,435	5,251	6,023	32,709
Insurance	-	16,343	21,664	38,007
Depreciation Expense	-	-	14,995	14,995
Total operating expenses	21,435	118,542	137,517	277,494
Operating Income (Loss)	(6,435)	34,261	12,943	40,769
NONOPERATING REVENUES (EXPENSES)				
Interest on Investments	281	358	48	687
Grant Revenue	-	-	-	-
Interest Expense	-	(5,165)	(2,065)	(7,230)
Miscellaneous	1,600	-	-	1,600
Total Nonoperating Revenues (Expenses)	1,881	(4,807)	(2,017)	(4,943)
OPERATING TRANSFERS				
Transfers In	18,930	-	-	18,930
Total Operating Transfers	18,930	-	-	18,930
Changes in Net Position	14,376	29,454	10,926	54,756
Net Position, Beginning of Year	96,985	61,176	165,456	323,617
Net Position, End of Year	$ 111,361	$ 90,630	$ 176,382	$ 378,373

SAGUACHE COUNTY, COLORADO
ENTERPRISE FUND TYPES
COMBINING SCHEDULE OF CASH FLOWS
For the Year Ended December 31, 2025

	HOUSING AUTHORITY			
	SAGUACHE HOUSING AUTHORITY	BLUE WATERS	PUERTO DEL NORTE HACIENDAS	TOTAL ENTERPRISE FUND
Cash flows from operating activities:				
Cash received from tenants and others	$ 15,000	$ 41,415	$ 146,677	$ 203,092
Cash received from HUD operating subsidy	-	111,389	4,170	115,559
Cash paid to employees for services	-	(70,338)	(58,192)	(128,530)
Cash paid to suppliers and service providers	(21,435)	(48,039)	(64,330)	(133,804)
Net cash provided (used) by operating activities:	(6,435)	34,427	28,325	56,317
Cash flows from noncapital financing activities:				
Grant revenue	-	-	-	-
Transfer from Other Funds	18,930	-	-	18,930
Net cash provided (used) by noncapital financing activities	18,930	-	-	18,930
Cash flows from capital and related financing activities:				
Payment of note principal and interest	-	(6,335)	(15,170)	(21,505)
Payments received on PPP arrangement	80,000	-	-	80,000
Purchase of capital assets	-	-	(79,585)	(79,585)
Net cash provided (used) by capital and related financing activities	80,000	(6,335)	(94,755)	(21,090)
Cash flows from investing activities:				
Interest received	281	358	48	687
Net cash provided (used) by investing activities	281	358	48	687
Increase (decrease) in cash and investments	92,776	28,450	(66,382)	54,844
Cash and cash equivalents, Beginning of the Year	34,985	135,913	132,301	303,199
Cash and cash equivalents, End of the Year	$ 127,761	$ 164,363	$ 65,919	$ 358,043
Operating income (loss)	$ (6,435)	$ 34,261	$ 12,943	$ 40,769
Adjustments to reconcile net income to net cash provided (used) by operating activities				
Depreciation	-	-	14,995	14,995
(Increase) Decrease in Accounts Receivable	-	-	-	-
(Increase) Decrease in Receivable	-	-	-	-
Increase (Decrease) in Accounts Payable	-	165	-	165
Increase (Decrease) in Security Deposits	-	1	387	388
Total adjustments	-	166	15,382	15,548
Net cash provided (used) by operating activities	$ (6,435)	$ 34,427	$ 28,325	$ 56,317

SAGUACHE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
ALL NON-MAJOR GOVERNMENTAL FUNDS AND ALL PROPRIETARY FUNDS
BUDGET AND ACTUAL
For the Year Ended December 31, 2025

	BUDGETED AMOUNTS		EXPENDITURES REPORTED ON THE GAAP BASIS	ADJUSTMENTS TO BUDGETARY BASIS	EXPENDITURES ON THE BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL				
Governmental Funds						
Non-major Governmental Funds						
Special Revenue Funds						
Public Health Fund	$ 905,675	$ 745,030	$ 747,565	$ -	$ 747,565	$ (2,535)
Conservation Trust Fund	40,000	-	-	-	-	-
Tourism Fund	130,000	134,353	134,353	-	134,353	-
Sales Tax - Emergency Services Fund	235,000	340,699	340,699	-	340,699	-
Sales Tax - Youth and Seniors Fund	235,000	230,326	230,326	-	230,326	-
Sales Tax - Renewable Energy Fund	235,000	235,367	235,367	-	235,367	-
Total Non-major Governmental Funds	$ 1,780,675	$ 1,685,775	$ 1,688,310	$ -	$ 1,688,310	$ (2,535)
Proprietary Funds						
Enterprise Funds						
Blue Waters Housing Authority	$ 145,725	$ 149,198	$ 123,707	$ 1,093	$ 124,800	$ 24,398
Puerto Del Norte Haciendas Housing Authority	216,009	210,268	139,582	1,857	141,439	68,829
Saguache County Housing Authority	103,124	103,124	21,435	-	21,435	81,689
Total Proprietary Funds	$ 464,858	$ 462,590	$ 284,724	$ 2,950	$ 287,674	$ 174,916

Adjustments to budgetary basis include costs of capitalized assets, depreciation expense and principal payments.

SAGUACHE COUNTY, COLORADO

OTHER SCHEDULES AND REPORTS

SAGUACHE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

Federal Grantor/Program or Cluster Title	*Assistance Listing Number*	*Pass-through Grantor and Number*	*Passed-through to Subrecipients ($)*	*Federal Expenditures($)*
Clusters				
CCDF Cluster				
U.S. Department of Health and Human Services				
Child Care and Development Black Grant	93.575	Colorado Department of Human Services, N/A	$ -	$ 12,745
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	Colorado Department of Human Services, N/A	-	13,322
Total CCDF Cluster			-	26,067
Food Distribution Cluster				
U.S. Department of Agriculture				
Commodity Supplemental Food Program	10.565	Colorado Department of Human Services and Care and Share Food Bank,N/A	-	27,841
Emergency Food Assistance Program (Food Commodities)	10.569	Colorado Department of Human Services and Care and Share Food Bank,N/A	-	43,840
Total Food Distribution Cluster			-	71,681
Medicaid Cluster				
U.S. Department of Health and Human Services				
Grants to States for Medicaid	93.778	Colorado Department of Health Care Policy and Financing,N/A	-	239,563
Total Medicaid Cluster			-	239,563
SNAP Cluster				
U.S. Department of Agriculture				
Supplemental Nutrition Assistance Program	10.551	Colorado Department of Human Services,N/A	-	350
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Colorado Department of Human Services,N/A	-	149,518
Total SNAP Cluster			-	149,868
Schools and Roads Cluster				
U.S. Department of Agriculture				
Schools and Roads - Grants to States, Title I	10.665	Colorado Department of Treasury,N/A	126,566	126,566
Total Schools and Roads Cluster			126,566	126,566

SAGUACHE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

Federal Grantor/Program or Cluster Title	*Assistance Listing Number*	*Pass-through Grantor and Number*	*Passed-through to Subrecipients ($)*	*Federal Expenditures($)*
Section 8 Project-Based Cluster				
U.S. Department of Housing and Urban Development				
Project-Based Rental Assistance (PBRA)	14.195	Colorado Housing and Finance Authority,N/A	-	111,389
Total Section 8 Project-Based Cluster			-	111,389
Housing Voucher Cluster				
U.S. Department of Housing and Urban Development				
Section 8 Housing Choice Vouchers	14.871	Center Housing Authority, N/A	-	4,170
Total Housing Voucher Cluster			-	4,170
Total All Clusters			126,566	729,304
Other Programs				
U.S. Department of Agriculture				
Rural Rental Housing Loans	10.415		-	112,337
Total U.S. Department of Agriculture			-	112,337
U.S. Department of Justice				
Crime Victim Assistance	16.575	Colorado Division of Criminal Justice, N/A	-	63,209
Total U.S. Department of Justice			-	63,209
U.S. Department of Transportation				
Highway Planning and Construction	20.205	Colorado Department of Transportation, N/A	-	83,803
Total U.S. Department of Transportation			-	83,803
U.S. Department of Treasury				
Local Assistance and Tribal Consistency Fund	21.032		-	268,226
Coronavirus State and Local Fiscal Recovery Funds	21.027	Colorado Department of Transportation, N/A	-	54,200
Total U.S. Department of Treasury			-	322,426

SAGUACHE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

Federal Grantor/Program or Cluster Title	*Assistance Listing Number*	*Pass-through Grantor and Number*	*Passed-through to Subrecipients ($)*	*Federal Expenditures($)*
U.S. Department of Health and Human Services				
Public Health Emergency Preparedness	93.069	Colorado Department of Public Health and Environment, C25/C26PHP	-	27,098
Guardianship Assistance	93.090	Colorado Department of Human Services, N/A	-	1,953
COVID-19 Immunization Cooperative Agreements	93.268	Colorado Department of Public Health and Environment, IMM#4	-	18,211
Immunization Cooperative Agreements	93.268	Colorado Department of Public Health and Environment, IMM#3	-	27,529
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	Colorado Department of Public Health and Environment, ELC	-	46,728
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	Colorado Department of Public Health and Environment, H5N1	-	8,110
Title IV-E Kinship Navigator Program	93.471	Colorado Department of Human Services, N/A	-	15,794
Title IV-E Prevention Program	93.472	Colorado Department of Human Services, N/A	-	6,122
Temporary Assistance for Needy Families	93.558	Colorado Department of Human Services, N/A	-	295,522
Child Support Services	93.563	Colorado Department of Human Services, N/A	-	93,342
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Colorado Department of Human Services, N/A	-	19,043
Foster Care-Title IV-E	93.658	Colorado Department of Human Services, N/A	-	75,003

SAGUACHE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

Federal Grantor/Program or Cluster Title	*Assistance Listing Number*	*Pass-through Grantor and Number*	*Passed-through to Subrecipients ($)*	*Federal Expenditures($)*
Adoption Assistance	93.659	Colorado Department of Human Services, N/A	-	55,800
Social Services Block Grant	93.667	Colorado Department of Human Services, N/A	-	48,394
COVID-19 Elder Abuse Prevention Interventions Program	93.747	Colorado Department of Human Services, N/A	-	4,862
Centers for Disease Control and Prevention Collaborations with Academia to Strengthen Public Health	93.967	Colorado Department of Public Health and Environment, OPHP LPHA CDC	-	58,582
Maternal and Child Health Services Block Grant to the States	93.994	Colorado Department of Public Health and Environment, OPHP LPHA	-	7,990
Total U.S. Department of Health and Human Services			-	810,083
U.S. Department of Homeland Security				
Emergency Management Performance Grants	97.042	Colorado Department of Local Affairs, N/A	-	43,093
Total U.S. Department of Homeland Security			-	43,093
Total Other Programs			-	1,434,951
Total Expenditures of Federal Awards			$ 126,566	$ 2,164,255

SAGUACHE COUNTY, COLORADO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Saguache County, Colorado under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Saguache County, Colorado, it is not intended to and does not present the financial position, changes in net position, or cash flows of Saguache County, Colorado.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, except for funds passed-through the Colorado Department of Human Services, Department of Public Health and Environment, Department of Treasury, Department of Health Care Policy and Financing, and Care and Share Food Bank which are reported on a cash basis. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available. Schools and Roads - Grants to States, Title I funds were passed through to subrecipients. The County did not elect to use the 10-percent or 15-percent de minimis indirect cost rate, as applicable, as allowed under Uniform Guidance for the year ended December 31, 2025.

NOTE 3 FOOD DISTRIBUTION

Nonmonetary assistance is reported in the Schedule at the fair market value of commodities received and disbursed.

NOTE 4 RURAL RENTAL HOUSING LOANS

The Rural Rental Housing Loan is administered by Rural Development payable by the County. The outstanding loan balance at December 31, 2025 is included in the financial statements. The detail of the loan outstanding at the beginning and end of the year is included in Note 8 of the Notes to the Basic Financial Statements.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Wall, Smith, Bateman Inc.

To the Board of County Commissioners
Saguache County, Colorado
Saguache, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Saguache County, Colorado (the County), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 04, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the

financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Finding 2025-001.

Saguache County's Response to the Finding

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

Purpose of This Report

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

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

September 04, 2026

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Wall, Smith, Bateman Inc.

To the Board of County Commissioners
Saguache County, Colorado
Saguache, Colorado

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

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

Qualified Opinion on the Local Assistance and Tribal Consistency Fund and Temporary Assistance for Needy Families programs

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Local Assistance and Tribal Consistency Fund Program and Temporary Assistance for Needy Families Program.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2025.

Basis for Qualified and Unmodified Opinions

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

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program.

Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Matters Giving Rise to the Qualified Opinion on the Local Assistance and Tribal Consistency Fund and Temporary Assistance for Needy Families programs

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding the Local Assistance and Tribal Consistency Fund program as described in Finding 2025-003 for Reporting and Temporary Assistance for Needy Families program as described in Finding 2025-004 for Activities Allowed and Unallowed, Allowable Costs/Cost Principles, and Eligibility.

Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to each program.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose

of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding 2025-005. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as findings 2025-003, 2025-004, and 2025-005 to be material weaknesses.

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

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our compliance audit described in the accompanying corrective action plan. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

September 04, 2026

SAGUACHE COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2025

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:
- Material weakness(es) identified? ___X_yes _____no
- Significant deficiency(ies) identified that are **not** considered to be material weakness(es)? _____yes ___X__none reported
- Noncompliance material to financial statements noted? ___X_yes _____no

Federal Awards

Internal control over major programs:
- Material weakness(es) identified? ___X__yes _____no
- Significant deficiency(ies) identified that are **not** considered to be material weakness(es)? _____yes ___X__no reported

Type of auditors' report issued on compliance for major programs:

- Qualified opinion for the Local Assistance and Tribal Consistency Fund and Temporary Assistance for Needy Families programs
- Unmodified opinion for the SNAP Cluster, Schools and Roads Cluster, and Child Support Services program

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? ___X___yes _____no

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.551 and 10.561	SNAP Cluster
10.665	Schools and Roads Cluster
21.032	Local Assistance and Tribal Consistency Fund
93.558	Temporary Assistance for Needy Families
93.563	Child Support Services

Dollar threshold used to distinguish between type A and type B programs: $1,000,000

Auditee qualified as a low-risk auditee? _____yes ___X__no

SAGUACHE COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2025

Section II – Financial Statement Findings

Finding 2025-001: Internal Control over Financial Reporting

Type of Finding: Internal Control (material weakness) and Noncompliance

Criteria: Management is responsible for establishing and maintaining effective internal control over financial reporting sufficient to prepare financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). Such controls should be designed to ensure that transactions are properly recorded, account balances are reconciled and reviewed, and financial statement amounts are complete and accurate in accordance with GAAP.

Condition: The County does not have a complete system of internal control to prevent and detect financial misstatements or to ensure compliance with budget laws.

Cause: A reconciliation and review process was not completed timely to properly state year-end account balances and properly record non-routine transactions. In addition, the County does not have a process to ensure compliance with budget laws.

Effect: As a result of this condition the following areas were affected:

1. The General Fund and Road and Bridge Fund expenditures exceed appropriations for the year ended December 31, 2025 by $502,168 and $282,748, respectively. This may be a violation of Colorado Revised Statute 29-1-110. (Noncompliance)

2. Audit adjustments were proposed to properly state the financial statements as of December 31, 2025, in accordance with generally accepted accounting principles.

Recommendation: The County should continue to strengthen its internal controls through the implementation of adopted policies and procedures regarding year-end reconciling of account balances to ensure accurate financial statements. In addition, the County should incorporate a timely review process over budget to actual statements and adopt supplemental appropriations, when necessary.

Finding 2025-002: Internal Control over Grant Management (Repeat of Finding 2024-002)

Type of Finding: Internal Control (material weakness)

Criteria: A system of internal controls includes the design, documentation, and monitoring of control activities over grant management to ensure matching of revenues and expenditures to the proper reporting period.

Condition: The County does not have a complete system of internal control to ensure all grant activity is recorded, reconciled, and reimbursements are submitted timely.

Cause: The County did not properly track grant activity and accurately reconcile revenues and expenditures to ensure reimbursements were completed timely.

Effect: Audit adjustments were proposed to properly state the financial statements as of December 31, 2025, in accordance with generally accepted accounting principles. In addition, grant expenditures related to 2024 and 2025 were not received until May and June 2026 and additional reimbursements were submitted in August 2026 .

Recommendation: The County should continue to strengthen its internal controls through the implementation of adopted policies and procedures to reconcile grant activity monthly or quarterly to help ensure that grant reimbursement requests are completed in a timely and accurate manner. Timely submissions improve cash flow management and ensure that external funds are utilized when available.

Section III – Federal Award Findings and Questioned Costs

Finding 2025-003: Local Assistance and Tribal Consistency Fund, Assistance Listing No. 21.032, U.S. Department of Treasury

Compliance Requirement: Reporting

Grant No.: Not applicable

Type of Finding: Internal Control (material weakness) and Compliance (material noncompliance)

Criteria: The Reporting Guidance for the Local Assistance and Tribal Consistency Fund (LATCF) requires the recipients to submit an annual Obligation and Expenditure Report. The report must include aggregate obligations and expenditures by governmental purpose reporting category which should agree to the County LATCF grant expenditures reported in the financial statements within 10 percent.

Condition: The County did not submit the required annual LATCF report by the due date. In addition, the County reported total cumulative expenditures of $1,312,124 on the annual LATCF report submitted in 2026; however, the general ledger support indicated total cumulative expenditures should have been reported as $1,240,405.

Cause: The County did not accurately reconcile the LATCF revenues and expenditures in the financial statements as of December 31, 2025.

Effect: The cumulative expenditure amount on the annual LATCF report was overstated by $71,719.

Recommendation: The County should continue to strengthen its internal controls over federal reporting, including reconciliation and review procedures, to ensure LATCF reports are submitted timely and accurately in accordance with LATCF Reporting requirements.

Finding 2025-004: Temporary Assistance for Needy Families, Assistance Listing No. 93.558, U.S. Department of Health and Human Services

Passed through Colorado Department of Human Services

Compliance Requirement: Activities Allowed and Unallowed, Allowable Costs/Cost Principles, Eligibility

Grant No.: Not applicable

Type of Finding: Internal Control (material weakness) and Compliance (material noncompliance)

Criteria: Temporary Assistance for Needy Families (TANF) funds must be used for activities consistent with the purposes and requirements of the TANF program (45 CFR 263.11). The County is responsible for maintaining sufficient documentation to demonstrate that TANF-funded services are provided to eligible participants or otherwise qualify as allowable TANF activities under applicable federal and state requirements and the terms and conditions of the award.

Condition: The County was unable to provide sufficient supporting documentation to verify that services provided under the contract were delivered to TANF-eligible children and families or otherwise met TANF program eligibility and allowability requirements.

Cause: The County did not have adequate procedures to obtain, review, and retain documentation supporting the allowability of TANF-funded contract costs. In addition, contract monitoring did not ensure the contractor maintained and submitted documentation demonstrating that services charged to TANF were provided to TANF-eligible children and families.

Questioned Costs: Questioned costs of $88,100 were identified for TANF funds paid to a contractor under the contract.

Effect: The County could not demonstrate that TANF-funded contract services met TANF eligibility and allowability requirements due to insufficient documentation.

Recommendation: The County should strengthen internal controls over TANF-funded contracts to ensure costs charged to TANF are allowable and adequately supported. The County should establish and enforce contractor documentation requirements and contract terms sufficient to demonstrate TANF eligibility and allowable services, implement monitoring procedures to verify support before payment or reimbursement, and retain required records in accordance with applicable retention requirements.

Finding 2025-005: Temporary Assistance for Needy Families, Assistance Listing No. 93.558, U.S. Department of Health and Human Services

Passed through Colorado Department of Human Services

Compliance Requirement: Special Tests and Provisions

Grant No.: Not applicable

Type of Finding: Internal Control (material weakness) and Compliance (noncompliance)

Criteria: The work provisions of the Colorado State Plan for Temporary Assistance for Needy Families (TANF) require that all applications for Colorado Works are assessed no later than 30 days after the application date and that roadmaps are completed no later than 30 days after the assessment date. In addition, the County must reduce or terminate the amount of assistance payable to the family, subject to any good cause or other exceptions, if an individual refuses to engage in work as required in 45 CFR 261.16.

Context: We examined 6 of an average of 23 total case files for basic cash assistance with $84,629 in total expenditures.

Condition: We identified 4 exceptions affecting 2 of the 6 case files tested. The exceptions consisted of the following:

- One initial assessment was not completed within 30 days of the initial application. The assessment was completed 158 days late.
- Two participant roadmaps were not completed and were not included in the applicable case files.
- One case file did not include documentation that the County monitored the progress of a work-eligible individual to ensure the individual was engaging in work or preparing to engage in work in compliance with the Penalty for Refusal to Work special tests and provision compliance requirement. Benefits were terminated in February 2025 for not engaging in work activities; however, the individual received benefits from July 2024 through January 2025 with no documentation that the County was monitoring progress or sanctioning benefits.

Cause: The County had insufficient monitoring and review procedures to ensure required case management documents were completed, reviewed, and retained in the case files within required timeframes.

Questioned Costs: None.

Effect: The County is not in compliance with the provisions of the Colorado State Plan for TANF as it relates to initial assessments and roadmaps.

Recommendation: The County should strengthen internal controls over TANF case file monitoring and documentation to ensure initial assessments and roadmaps are completed and reviewed within the required 30-day timeframes in compliance with federal special tests and provisions requirements. Management should implement supervisory review or other monitoring controls to verify that work-eligible participant progress is monitored and documented and that sanctions or benefit terminations are applied and documented timely in accordance with the Penalty for Refusal to Work special tests and provisions compliance requirement.

SAGUACHE COUNTY, COLORADO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 2025

Section II – Financial Statement Findings

Finding 2024-001: Internal Control over Social Services fund Reconciliation

Type of Finding: Internal Control (Material Weakness)

Condition: The County does not have a complete system of internal control to ensure all Social Services fund activity is recorded, reconciled, and submitted to the State of Colorado Financial Management System timely.

Recommendation: The County should implement policies and procedures to incorporate cross training over monthly reconciliation processes to ensure they continue to be done timely in periods of transition.

Status: Implemented.

Finding 2024-002: Internal Control over Grant Management

Type of Finding: Internal Control (Material Weakness)

Condition: The County does not have a complete system of internal control to ensure all grant activity is recorded, reconciled, and reimbursements are submitted timely.

Recommendation: The County should continue to strengthen its internal controls through the implementation of adopted policies and procedures to reconcile grant activity monthly or quarterly to help ensure that grant reimbursement requests are completed in a timely and accurate manner. Timely submissions improve cash flow management and ensure that external funds are utilized when available.

Status: Not Implemented. See Finding 2025-002

Section III – Federal Award Findings and Questioned Costs

None

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SAGUACHE COUNTY
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CORRECTIVE ACTION PLAN

Oversight Agencies: U.S. Department of Agriculture, U.S. Department of Treasury, and U.S. Department of Health and Human Services

Saguache County, Colorado respectfully submits the following corrective action plan for the year ended December 31, 2025.

Independent Accountants: Wall, Smith, Bateman Inc.
Certified Public Accountants
3001 Adcock Circle, P.O. Box 809
Alamosa, CO 81101

Audit period: Year ended December 31, 2025

The findings from the December 31, 2025, schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section I of the schedule, Summary of Auditors' Results, does not include findings and is not addressed.

Section II – Financial Statement Findings

Finding 2025-001: Internal Control over Financial Reporting

Type of finding: Internal Control (material weakness) and Noncompliance

Recommendation: The County should continue to strengthen its internal controls through the implementation of adopted policies and procedures regarding year-end reconciling of account balances to ensure accurate financial statements. In addition, the County should incorporate a timely review process over budget to actual statements and adopt supplemental appropriations, when necessary.

Action Taken:

Saguache County has taken corrective action to strengthen internal controls over financial reporting. The County has implemented adopted policies and procedures requiring monthly and year-end reconciliation of financial accounts, including review and documentation of account balances to ensure the accuracy and completeness of financial information.

The County has also implemented cross-training procedures to provide adequate backup and additional review of monthly reconciliations. Reconciliations are reviewed by designated personnel, and supporting documentation is maintained to provide evidence that the required review has been completed.

In addition, the County has strengthened its budget monitoring procedures by implementing regular reviews of budget-to-actual financial reports. Budget variances are reviewed throughout the fiscal year so that potential over-expenditures or other significant variances can be identified in a timely manner. When necessary, supplemental appropriations will be presented to the Board of County Commissioners for consideration and approval prior to year-end.

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These procedures are intended to ensure that account balances are properly reconciled, financial information is reviewed timely, budget compliance is continuously monitored, and necessary corrections or supplemental appropriations are completed before the close of the fiscal year.

Finding 2025-002: Internal Control over Grant Management
(Repeat of Finding 2024-002)

Type of finding: Internal Control (material weakness)

Recommendation: The County should continue to strengthen its internal controls through the implementation of adopted policies and procedures to reconcile grant activity monthly or quarterly to help ensure that grant reimbursement requests are completed in a timely and accurate manner. Timely submissions improve cash flow management and ensure that external funds are utilized when available.

Action Taken:

Saguache County has taken corrective action to strengthen internal controls over grant management and address the prior-year finding. The County has adopted and implemented procedures requiring grant activity to be reconciled on a monthly or quarterly basis, depending on the requirements of each grant.

Department Heads and designated Grant Managers are responsible for reviewing grant expenditures, maintaining supporting documentation, and preparing reimbursement requests within the required reporting periods. Finance staff are responsible for reconciling grant revenues and expenditures to the County's financial records and identifying outstanding reimbursements or discrepancies requiring correction.

The County has also implemented cross-training procedures to ensure that more than one employee is familiar with the grant reconciliation and reimbursement process. This provides additional internal review and continuity when the primary employee responsible for a grant is unavailable.

Administration and Finance will monitor grant activity throughout the year to identify outstanding reimbursement requests and ensure that available grant funds are requested in a timely manner. Supporting documentation of reconciliations and reimbursement requests will be maintained to demonstrate compliance with the County's adopted procedures.

These corrective measures are intended to improve the accuracy and timeliness of grant reimbursement requests, strengthen oversight of grant activity, improve County cash flow, and ensure available external funding is utilized before County funds.

Section III – Federal Award Findings and Questioned Costs

Finding 2025-003: Local Assistance and Tribal Consistency Fund, Assistance Listing No. 21.032, U.S. Department of Treasury

Compliance Requirement: Reporting

Grant No.: Not applicable

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Type of Finding: Internal Control (material weakness) and Compliance (material noncompliance)

Recommendation: The County should continue to strengthen its internal controls over federal reporting, including reconciliation and review procedures, to ensure LATCF reports are submitted timely and accurately in accordance with LATCF Reporting requirements.

Action Taken: Saguache County has taken corrective action to strengthen internal controls over federal grant reporting and specifically address the reporting requirements associated with the Local Assistance and Tribal Consistency Fund (LATCF).

The County has implemented procedures requiring federal grant activity to be reconciled to the County's financial records prior to the preparation and submission of required federal reports. Grant expenditures, revenues, supporting documentation, and applicable reporting requirements will be reviewed to ensure that information reported to the federal awarding agency is complete and accurate.

The County has also strengthened its review process by requiring appropriate County personnel to review federal grant reports for accuracy, completeness, and compliance with applicable reporting requirements prior to submission. Reporting deadlines will be monitored to ensure required reports are submitted within the established federal reporting periods.

Administration, Finance, and the applicable Grant Manager or Department Head will coordinate responsibility for monitoring federal grant requirements and maintain documentation supporting reconciliations, reviews, and report submissions.

The County has also implemented cross-training procedures to provide continuity in grant administration and reporting responsibilities when the primary employee responsible for a grant is unavailable.

These corrective measures are intended to ensure that federal grant reports are properly reconciled, independently reviewed, accurately reported, and submitted within required deadlines, thereby strengthening the County's compliance with federal grant requirements.

Finding 2025-004: Temporary Assistance for Needy Families, Assistance Listing No. 93.558, U.S. Department of Health and Human Services

Passed through Colorado Department of Human Services

Compliance Requirement: Activities Allowed and Unallowed, Allowable Costs/Cost Principles, Eligibility

Grant No.: Not applicable

Type of Finding: Internal Control (material weakness) and Compliance (material noncompliance)

Recommendation: The County should strengthen internal controls over TANF-funded contracts to ensure costs charged to TANF are allowable and adequately supported. The County should establish and enforce contractor documentation requirements and contract terms sufficient to demonstrate TANF eligibility and allowable services, implement monitoring procedures to verify support before payment or reimbursement, and retain required records in accordance with applicable retention requirements.

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Action Taken:

Action Taken: Our office has experienced significant turnover over the past year, and this contract was established under the previous Director. Since then, we have updated our procedures for TANF-funded contracts. All TANF contracts are now reviewed by the Department of Social Services Attorney and by the State before our office enters into any agreement with outside agencies.

Finding 2025-005: Temporary Assistance for Needy Families, Assistance Listing No. 93.558, U.S. Department of Health and Human Services

Passed through Colorado Department of Human Services

Compliance Requirement: Special Tests and Provisions

Grant No.: Not applicable

Type of Finding: Internal Control (material weakness) and Compliance (noncompliance)

Recommendation: The County should strengthen internal controls over TANF case file monitoring and documentation to ensure initial assessments and roadmaps are completed and reviewed within the required 30-day timeframes in compliance with federal special tests and provisions requirements. Management should implement supervisory review or other monitoring controls to verify that work-eligible participant progress is monitored and documented and that sanctions or benefit terminations are applied and documented timely in accordance with the Penalty for Refusal to Work special tests and provisions compliance requirement.

Action Taken:
Action Taken: Our office has experienced significant turnover over the past year, and we are now operating under new management with several new staff members. We are currently in the middle of our DEWS ME Review and are working closely with the State to bring all policies and procedures into full compliance.
In addition, we are conducting monthly quality assurance pulls on cases to ensure accuracy and provide ongoing oversight. This process gives us a clearer understanding of case trends and helps strengthen our internal operations.

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SAGUACHE COUNTY

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If there are questions regarding this plan, please call the responsible party listed below.

Sincerely yours,

DocuSigned by:
Wendi Maez
54B843A59B45426...
Wendi Maez
County Administrator
Saguache County, Colorado

Signed by:
Miracle Gomez
8AF5DE6847B5496...
Miracle Gomez
Social Services Director
Saguache County, Colorado

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other Local Imposts:		**A.4. Miscellaneous Local Receipts:**	
a. Property Taxes and Assesments		a. Interest on investments	
b. Non-property Taxes and Assessments Imposts	19,688	b. Other Misc. Local Receipts	567,412
c. Total (a + b)	$ 19,688	**c. Total (a + b)**	567,412

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	3,322,953	1. FHWA (from Item I.D.5.)	0
2. State General Funds		2. Other Federal Agencies:	
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds	20,010		
c. Total (a + b)	$ 20,010		
4. Total (1 + 2 + 3c)	$ 3,342,963	**3. Total (1 + 2)**	0

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT
A.1. Capital outlay:	
a. Right-Of-Way Costs	0
b. Engineering Costs	0
c. Construction Costs	
d. Total Capital Outlay (a+ b + c)	0

LOCAL HIGHWAY FINANCE REPORT

STATE: COLORADO

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

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from Local Sources:	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
c. Total (a + b)	
2. General Fund Appropriations	0
3. Other Local Imposts (from page 1, Item II.A3.c)	19,688
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	567,412
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)	0
7. Total (1 through 6)	587,100
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	3,342,963
D. Receipts from Federal government (from page 1, Item II.D.3)	0
E. Total receipts (A.7 + B + C + D)	3,930,064

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ -
2. Maintenance:	$ 2,873,491
3. Road and Street Services:	
a. Snow and Ice Removal	$ 34,831
b. Other & Traffic Control Operations	$ 14,055
c. Total (a + b)	$ 48,886
4. General Administration & Miscellaneous	$ 395,449
5. Highway Law Enforcement and Safety	
6. Total (1 through 5)	$ 3,317,826
B. Debt Service on Local Obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
3. Total (1c + 2c)	$ -
C. Payments to State for Highways	
D. Payments to Toll Facilities	
E. Total Expenditures (A6 + B3 + C + D)	$ 3,317,826

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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