Teller County

FINANCIAL STATEMENTS

For The Year Ended

DECEMBER 31, 2025

Teller County, Colorado
Annual Financial Report
For The Year Ended December 31, 2025

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Board of County Commissioners
Teller County, Colorado
Cripple Creek, Colorado

Report On The Audit Of The Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Teller 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 accompanying 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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.

Emphasis Of A Matter

As discussed in Note 1-B. to the financial statements, in 2025 the County adopted Governmental Accounting Standards Board (GASB) Statement Numbers 102, *Certain Risk Disclosures*. Our opinions were not modified with respect to this matter.

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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and the modified approach for County infrastructure capital assets on pages i through ix, 37 through 39 and 42 and 40 through 41, respectively, 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 GASB, which 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, the Highway Users Tax Fund Schedule and the schedule of expenditures of federal awards, as required by 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,* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 14, 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 County's internal control over financial reporting and compliance.

RubinBrown LLP

July 14, 2026

Teller County

CRIPPLE CREEK, COLORADO 80813

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Teller County, Colorado, we offer readers of the Teller County financial statements this narrative overview and analysis of the financial activities of Teller County for the fiscal year ended December 31, 2025. Consistent with the required reporting standards mandated by the Governmental Accounting Standards Board Statement #34 (GASB 34), Teller County is pleased to present our annual financial report in what we hope to be an informative and understandable format. We encourage readers to consider the information presented here while reviewing the financial statements.

The County implemented GASB Statement No. 102, Certain Risk Disclosures, requires governments to disclose information in financial statement notes regarding risks from specific concentrations (e.g., one taxpayer) or constraints (e.g., spending mandates). It applies if these factors make the government vulnerable to a significant impact within 12 months. The statement is effective for periods beginning after June 15, 2024. The County has adopted this statement as of January 1, 2025. There are no known substantial impacts currently and for the future 12 months.

Financial Highlights

- Total revenues and expenses for the County's governmental & proprietary funds were $45,431,903 revenues and $47,612,917 expenses in 2025 as compared to $44,629,721 revenues and $48,275,177 expenses in 2024. The change is mainly due to personnel vacancies, an increase in property and sales tax receipts and investment earnings.

- The County's assets and deferred outflows exceeded its liabilities and deferred inflows by $310,316,736 (net position) for the calendar year reported. This is an increase of approximately $144 thousand in net position from 2024, which is primarily due to an increase in net investment in capital assets and a decrease in unrestricted net position.

- Total net position is comprised of the following:
  (1) Net investment in capital assets of $286,626,219 an increase of approximately $4.6 million from 2024, which includes infrastructure, property and equipment net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets. The increase in net asset value is primarily due to the various construction projects and improvements in the General Government Fund.
  (2) Net position of $3,060,218 is restricted for various purposes by constraints imposed from outside the County.
  (3) Unrestricted net position of $20,630,299 represents the portion available to maintain the County's continuing obligations to citizens and creditors and includes a decrease of approximately $4.12 million from 2024.

- The County's governmental funds total ending fund balances are $23,383,441 as of December 31, 2025, which is a decrease of approximately $3.08 million from the prior year. The largest portion of this decrease relates to increases in personnel costs in the General Fund, construction expenses in the Capital Projects Fund, and expenditures in the Road and Bridge Fund.

- At the end of the reported calendar year, fund balance for the General Fund was $7,660,948, or 29.1% of total General Fund expenditures, compared to 29.8% on December 31, 2024.

- Overall, the County financial position continues to be healthy even with the decreases in fund balances. The County continues to adhere to budget policies and long-term capital plans, which include maintaining the County's operating abilities and service levels, fund balances and capital reserves.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements
This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements
The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level uses a perspective like that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position.* This is the government-wide statement of position presenting information that includes all the County's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

Comparative government-wide net position on December 31st, for the past three years has been:

2025	$310,316,736
2024	310,172,758
2023	311,158,748

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by property taxes, grants and other inter-governmental revenues from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, health and human services, and culture and recreation. Business-type activities include the wastewater and detentions facilities in Divide.

The government-wide financial statements are presented in pages 5 and 6 of this report.

Fund Financial Statements
A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of the report.

The County uses three types of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term calendar year accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented in pages 7 to 10 of this report.

Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report on services for which the County charges customers a fee. The County has three proprietary funds, two are classified as enterprise funds, and one as an internal service fund. The two enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers externally by the County organization for the wastewater utility and the jail. The internal service fund is used to track the acquisition and provide for the replacement and maintenance of the County's fleet of vehicles and road equipment and is classified as governmental activities in the government-wide statements.

The basic proprietary fund financial statements are presented in pages 11 to 14 of this report.

The *Fiduciary funds* are the County's custodial funds, held by the County for other organizations and entities, as presented in pages 15 and 16 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the County's method of reporting infrastructure assets, and budget presentations. Infrastructure asset information is included in the "required supplementary information" section that begins on page 37. Budgetary comparison statements are also included as "required supplementary information" for the County's general and special revenue major funds: the general, road and bridge and social services funds. Budgetary comparison schedules for other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget. As discussed, the County reports major funds in the basic financial statements. Combining individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 43.

Financial Analysis of the County as a Whole

As year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the County as a whole.

The County's net position at calendar year-end 2025 was $310,316,736, as compared to $310,172,758 the previous year. The following table provides a summary of the County's net position:

Summary of Net Assets for the year ended December 31, 2025
(With comparative amounts for the year ended December 31, 2024)

	2025				2024	
	Governmental Activities	Business-type Activities	Total	Percentage of Total	Total	Percentage of Total
Assets:						
Current assets	$ 44,637,485	$ 467,452	$ 45,104,937	13%	$ 47,548,014	14%
Long-term assets	1,681,569	-	1,681,569	1%	1,708,505	1%
Capital assets	283,611,574	3,599,481	287,211,055	86%	283,103,996	85%
Total assets	329,930,628	4,066,933	333,997,561	100%	332,360,515	100%
Liabilities:						
Current liabilities	6,432,577	539,771	6,972,348	80%	7,735,519	92%
Long-term liabilities	1,579,878	183,917	1,763,795	20%	632,748	8%
Total liabilities	8,012,455	723,688	8,736,143	100%	8,368,267	100%
Deferred Inflows of Resources:						
Unavailable lease revenue	1,586,433	-	1,586,433	11%	1,641,052	12%
Unavailable property tax revenue	13,358,249	-	13,358,249	89%	12,178,438	88%
Total Deferred Inflows	14,944,682	-	14,944,682	100%	13,819,490	100%
Net position:						
Net investment in capital assets	283,026,738	3,599,481	286,626,219	92%	282,042,417	91%
Restricted	3,060,218	-	3,060,218	1%	3,380,125	1%
Unrestricted	20,886,535	(256,236)	20,630,299	7%	24,750,216	8%
Total net position	$ 306,973,491	$ 3,343,245	$ 310,316,736	100%	$ 310,172,758	100%

The County continues to maintain an adequate current ratio for governmental activities however the business-type activities ratio is not very good as the Jail enterprise fund has a negative cash balance with a liability to the general fund. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.09 to 1. The business-type activities report a current ratio of 0.87 to 1. For the County overall, the current ratio is 2.06 to 1, as compared to 2.21 to 1 reported at the end of 2024.

The County reports positive balances in net position for the governmental activities as well as for the combination of the wastewater utility fund and the jail fund. Net position decreased $34,860 for governmental activities and increased by $178,838 for business-type activities. The County's overall financial position increased by $143,978 during calendar year 2025.

Note that 92% of the governmental activities' net position results from investment in capital assets as compared to 91% at the end of 2024. The County uses these capital assets to provide services to its citizens. Capital assets in the business-type activities also provide services, but in addition, they generate revenues for these funds.

The following table provides a summary of the County's changes in net position:

Summary of Changes in Net Assets for the year ended December 31, 2025
(With comparative amounts for the year ended December 31, 2024)

	2025				2024	
	Governmental Activities	Business-type Activities	Total	Percentage of Total	Total	Percentage of Total
Revenues:						
Program:						
Charges for services	$ 2,479,922	$ 4,829,673	$ 7,309,595	17%	$ 6,663,960	15%
Operating grants & contributions	9,672,996	267,706	9,940,702	23%	11,178,134	26%
Capital grants & contributions	540,907	131,957	672,864	2%	1,452,728	3%
General:						
Taxes	18,273,921	-	18,273,921	42%	16,735,605	38%
Other	6,953,970	152,362	7,106,332	16%	7,785,777	18%
Total revenues	37,921,716	5,381,698	43,303,414	100%	43,816,204	100%
Program Expenses:						
General government	12,229,606	-	12,229,606	28%	13,628,185	30%
Public safety	13,345,349	-	13,345,349	31%	14,151,745	32%
Public works	7,297,370	-	7,297,370	17%	6,780,242	15%
Health and human services	4,906,772	-	4,906,772	11%	4,952,164	11%
Culture and recreation	166,672	-	166,672	0%	148,598	0%
Interest	10,807	-	10,807	0%	12,560	0%
Wastewater utility	-	212,247	212,247	0%	243,075	1%
Jail	-	4,990,613	4,990,613	12%	4,885,625	11%
Total expenses	37,956,576	5,202,860	43,159,436	100%	44,802,194	100%
Change in net position	(34,860)	178,838	143,978		(985,990)	
Net position beginning of year	307,008,351	3,164,407	310,172,758		311,995,542	
Prior period adjustment of net position	-	-	-		(836,794)	
Net position end of year	$ 306,973,491	$ 3,343,245	$ 310,316,736		$ 310,172,758	

GOVERNMENTAL REVENUES

The County is heavily reliant on property and sales taxes to support governmental operations and capital. These taxes provided 42% of the County's governmental revenues in 2025 and 38% in 2024.

- Property taxes - 2024 total assessed value of property that generated the County's 2025 property tax revenues decreased. The levy on total values resulted in an increase in 2025 total property tax-related revenues of $1,375,823, primarily due to the expiration of the mill levy reduction credit. This follows a 2024 increase of $612,641.
- Local sales tax totaled $6,073,353 in 2025, which is an increase of about 2.8% from the prior year.
- Operating grants and contributions are the second largest revenue source with $9.7 million in 2025 of governmental revenues, a $1.2 million decrease from 2024. Charges for services and grants and contributions decreased to 33% of governmental program revenues from 35% in 2024. Gaming tax revenues increased by 7.7% from the prior year. The government's taxpayers and the County's other general governmental revenues comprised 67% of the governmental revenues in 2025 as compared to 65% in 2024.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety and public works functions make up approximately 55% of the total governmental activities' expenses for 2025, compared with 54% in 2024. General government totals about 32%, and health and human services about 13% of 2025 governmental expenditures as compared to 34% and 12% in 2024, respectively.

This table presents the total cost of each of the County's programs, as compared to the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the County's taxpayers by each of these functions.

Governmental Activities

	2025		**2024**	
	Total Cost of Services	**Net Cost of Services**	**Total Cost of Services**	**Net Cost of Services**
General government	$ 12,229,606	$ 9,350,712	$ 12,914,427	$ 9,870,995
Public safety	13,345,349	10,240,788	14,151,745	10,748,651
Public works	7,297,370	4,376,817	6,780,242	4,011,747
Health and human services	4,906,772	1,355,280	4,952,164	1,024,733
Culture and recreation	166,672	(71,653)	148,598	(75,705)
Interest	10,807	10,807	4,703	4,703
Total	$ 37,956,576	$ 25,262,751	$ 38,951,879	$ 25,585,124

In this table, the County recognized capital asset contributions of $540,907 in 2025 as current year program revenues but which offset expenditures that will be capitalized as General Government and Culture & Recreation assets. After reducing gross expenses by program revenues, public safety (which includes Community Development Services) totals 40% of the adjusted net cost of services in 2025 as compared to 41% in 2024. Public works show approximately 17% of the 2025 net cost of services, as compared to 15% in 2024. Approximately 49% of the funding for the operations of the Road and Bridge Fund (in public works) is Highway User Tax Fund money received from the State.

BUSINESS-TYPE ACTIVITIES
Revenues vs. Costs

The jail enterprise fund showed net operating gain of $159,863 in 2025, compared to a loss of $36,668 in 2024. In 2025 Teller County increased marketing our facility to obtain external revenue through increased numbers of inmates from other entities. This helped to decrease the operating loss that occurred in 2024. The wastewater fund showed a net operating loss of $26,025 compared to a loss of $76,346 in 2024. This loss is primarily due to increases in liability insurance and repairs in preparation for the upcoming expansion.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds ending fund balances are $23,383,441, which is a decrease from $26,459,443 at the end of 2024. The residual amount of unassigned fund balance in the County's general fund, after accounting for all levels of constraint determined according to GASB54, is $2,807,434 as compared to $3,338,633 at the end of 2024, indicating most of the decrease in total fund balance was restricted as to use.

Major Governmental Funds

The general fund is the County's primary operating fund and the largest source of day-to-day service delivery. Originally budgeted to decrease by about $4.3 million, actual revenues and expenditures in the general fund resulted in a fund balance decrease of $428,399, as compared to a decrease of $3,117,971 in 2024. Our ongoing budgetary caution resulted in general fund revenues above 2025 adjusted budget amounts by $0.54 million as compared to $1.3 million above adjusted budget amounts in 2024. Some departments continued to hold the line on normal expenditures, resulting in expenses of about $3.6 million less than budget, as compared to $3.18 million less in 2024. These large differences between budget and actual are also due, in part, to revenue and expense uncertainties related to intergovernmental revenues.

Property taxes distributed to the general fund show a 12.7% increase from calendar year 2024 and distribution of sales taxes to the general fund increased by about 39.4% from the prior year due to a shift in the breakdown between funds. General fund revenues from other governmental entities (mainly State and Federal) decreased by 6.7% from those in 2024. Revenues from all types of general fund licenses and permits resulted in a total increase of 30% from 2024. Charges for general fund services had an increase of 10.2%, after a 14.9% increase in 2024.

The general fund balance is considered adequate, and due to conservative budget and spending practices, it shows the equivalent of 29.1% of annual expenditures in 2025. In the general fund, most areas of expenditure increased. The increased spending was primarily a result of increased personnel expenses, information technology upgrades and public safety increases.

Total road and bridge fund revenues increased by about $1,142,024. Results in the road and bridge fund show an increase in expenditures of $653,878 and a decrease of $625,622 in fund balance from the prior year.

In the social services fund, total revenue decreased by about $313,351 resulting from a shift in the breakdown between funds of property tax revenue. Total expenditures and transfers out decreased about $37,469 and a decrease in fund balance of about $474,924 from the prior year.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. This information was discussed in previous areas of the MD&A.

Budgetary Highlights

We have continued to budget to allocate funds to the capital projects fund in anticipation of accomplishing some long-term capital goals in 2026 and 2027. The County's fleet replacement program has continued according to plan, taking into consideration increases in the cost of certain fleet equipment. In 2025 the County used some of our fund balances to accomplish several capital project goals while still maintaining service levels.

The General Fund – Over the course of the year, the Board of County Commissioners has found it necessary to adopt adjustments and supplemental appropriations to the 2025 general fund budget, for the following reasons:

- Revenues that were not anticipated in the originally adopted budget, that have been obtained to fund specific programs or services (ie: grants approved after adoption of the budget, increased program funding)
- Interfund transfers
- To allow for unanticipated expenditures
- Carryover of designated funds received in 2024 but not expended until 2025

Adjustments to the general fund budget resulted in a net increase in appropriations equaling $2,067,626.

Actual general fund revenues came in $581,006 higher than the adjusted budget amounts. Some County departments continued to maintain costs through careful monitoring of expenditures which came in at about 88% of the adjusted budget. Comparatively, the County spent about 90% of the authorized general fund budget in 2024. Past revenue trends are taken into account while developing conservative estimates for the budget.

Other Major Governmental Funds – Over the course of the year, the Board of County Commissioners has found it necessary to adopt adjustments and supplemental appropriations to other major governmental funds' 2025 budgets. Substantial amounts were:

- The capital fund budget was increased by approximately $3.15 million, primarily to allow for unanticipated expenditures in construction, equipment, and other capital expenditures.

Capital Assets and Debt Administration

Capital Assets

On December 31, 2025, the County had $286,626,219 invested in a broad range of capital assets, including land, buildings, park facilities, roads, bridges and sewer lines, lease properties and information technology subscriptions. This is an increase of $4,583,802. In 2006, the County had completed valuation and condition assessments of all infrastructure in our road and trail systems built prior to 2003 and included them under the "modified approach" of reporting as non-depreciable assets under GASB34. This method of reporting, assessing and tracking the County's infrastructure has shown itself to be a valuable asset management tool. Due to the successful results of tracking road and trail infrastructure under the modified approach, in 2011 the County reconditioned the Wastewater infrastructure, completed a full assessment of the system, and has added that infrastructure to the assets tracked under the modified approach of reporting. The most recent assessment of all county road and trail infrastructure was performed in the three years ended December 31, 2024, and of the wastewater infrastructure in the three years ended December 31, 2023. The County will continue to perform infrastructure assessments every three years. The County's investment in capital assets, net of accumulated depreciation and amortization, for governmental and business-type activities as of December 31, 2025, was $283,611,573 and $3,599,481 respectively. The total change in this net investment was an increase of 0.7% for governmental and a 28.56% increase for business-type activities. See Note 4-D for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity:

Capital Assets
(net of depreciation & amortization)

	Governmental Activities		Business Activities		Total		% Change
	2025	2024	2025	2024	2025	2024	
Land	$ 3,225,910	$ 3,225,910	$ 101,300	$ 101,300	$ 3,327,210	$ 3,327,210	0.0%
Construction in progress	3,589,033	2,402,059	756,759	589,333	4,345,792	2,991,392	45.3%
Buildings & Improvements	11,590,331	10,100,574	114,067	361,982	11,704,398	10,462,556	11.9%
Machinery and equipment	6,627,864	5,518,508	1,534,383	794,555	8,162,247	6,313,063	29.3%
Leases Right-to-use assets	271,517	604,956	-	-	271,517	604,956	-55.1%
Subscriptions Right-to-use asset	332,354	477,543	-	-	332,354	477,543	-30.4%
Infrastructure	257,974,564	257,974,564	1,092,973	952,712	259,067,537	258,927,276	0.1%
Total Capital Assets, net	$ 283,611,573	$ 280,304,114	$ 3,599,482	$ 2,799,882	$ 287,211,055	$ 283,103,996	1.5%

Long-term Debt

At the end of the calendar year, the County had outstanding debt obligations of $2,177,709 for compensated absences, leases and subscriptions. In 2025, the County had a net increase in compensated absence balances due of $6,817, or 0.4%. There is also a net decrease in leases of $328,739 or 54.1% and a net decrease in subscriptions of $148,003 or 32.6%.

Outstanding Debt

	Governmental Activities		Business-type Activities		Totals		% Change
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	
Leases	$ 278,637	$ 607,376	$ -	$ -	$ 278,637	$ 607,376	-54.1%
Subscriptions	306,199	454,203	-	-	306,199	454,203	-32.6%
Compensated absences	1,419,956	1,428,636	183,917	168,420	1,603,873	1,597,056	0.4%
Total	$ 2,004,792	$ 2,490,215	$ 183,917	$ 168,420	$ 2,188,709	$ 2,658,635	-17.7%

See Note 4-F for additional information about the County's long-term debt.

Economic Conditions Affecting the County

In 2026, Colorado county governments are navigating a shift from rapid growth to a "softening" economy, characterized by slower tax revenue growth, high inflation-driven operating costs, and significant state-mandated expenditures. While GDP is projected to grow by 2.9%, labor constraints and reduced state funding create tight budget scenarios, particularly forcing smaller counties to handle unfunded mandates and rising insurance costs. The Colorado legislature is grappling with an estimated $1.4 billion shortfall for the 2026-27 fiscal year, reducing the state's ability to fund local projects. Skyrocketing homeowners' insurance rates and lack of affordable housing continue to challenge local workforces, affecting retention and recruitment.

Gaming tax revenue increased by approximately $200,000 in 2025. Building-related activity decreased by about 5%. Sales tax increased from 2024 by 2.8%.

Assessed values certified in 2025 for revenue collection in 2026 showed a relative increase.

The Cripple Creek & Victor Gold Mine, previously owned by the Newmont Mining Corporation was sold at the end of 2024 to SSR Mining. It continues to be a valuable member of the community. The current mine life permit runs through 2035 as an amendment was signed to extend mining activities an additional 10 years. We expect the mine to continue to support future County property tax revenues for the near future.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County's Director of Finance or the County Administrator at the County's Centennial Building, 112 North "A" Street, Cripple Creek, CO 80813.

CRIPPLE CREEK, COLORADO 80813

TELLER COUNTY, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2025

Teller County

CRIPPLE CREEK, COLORADO 80813

BASIC FINANCIAL STATEMENTS

Teller County, Colorado
Statement of Net Position
December 31, 2025

	Primary Government		
	Governmental Activities	**Business-type Activities**	**Total**
Assets			
Current Assets			
Cash and investments (Note 4-A)	$ 26,912,489	$ 827,205	$ 27,739,694
Receivables:			
Accounts	1,949,469	229,617	2,179,086
Property taxes	13,358,249	-	13,358,249
Intergovernmental	252,983	-	252,983
Leases	26,939	-	26,939
Interfund	621,401	(621,401)	-
Prepaid expenses	1,277,444	32,031	1,309,475
Inventory	238,511	-	238,511
Other Assets			
Long-Term Assets (Note 4-B)			
Leases receivable (net of current portion)	1,681,569	-	1,681,569
Capital Assets (Note 4-D)			
Nondepreciable capital assets	264,789,507	1,951,031	266,740,538
Depreciable capital assets, net	18,822,067	1,648,450	20,470,517
Total Assets	329,930,628	4,066,933	333,997,561
Liabilities			
Current Liabilities			
Accounts payable	5,352,598	539,771	5,892,369
Intergovernmental payable	650,657	-	650,657
Accrued interest payable	4,408	-	4,408
Compensated absences payable	1,377,357	178,399	1,555,756
Subscriptions payable	144,252	-	144,252
Leases payable	278,637	-	278,637
Long-Term Liabilities (Note 4-F)			
Compensated absences payable (net of current portion)	42,599	5,518	48,117
Subscriptions payable (net of current portion)	161,947	-	161,947
Total Liabilities	8,012,455	723,688	8,736,143
Deferred Inflows of Resources			
Leases	1,586,433	-	1,586,433
Property tax revenue	13,358,249	-	13,358,249
Total Deferred Inflows of Resources	14,944,682	-	14,944,682
Net Position			
Net investment in capital assets (Note 4-H)	283,026,738	3,599,481	286,626,219
Restricted for:			
Emergencies (Note 5-D)	700,000	-	700,000
Parks and open space	907,207	-	907,207
Social services programs	1,197,441	-	1,197,441
Other	255,570	-	255,570
Unrestricted	20,886,535	(256,236)	20,630,299
Total Net Position	$ 306,973,491	$ 3,343,245	$ 310,316,736

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Activities
For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
Function/Program	**Expenses**	**Charges for Services and Sales**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**
Primary Government							
Governmental Activities							
General government	$ 12,229,606	$ 1,274,096	$ 1,108,891	$ 495,907	$ (9,350,712)	$ -	$ (9,350,712)
Public safety	13,345,349	1,082,348	2,022,213	-	(10,240,788)	-	(10,240,788)
Public works	7,297,370	81,604	2,838,949	-	(4,376,817)	-	(4,376,817)
Health and human services	4,906,772	40,314	3,511,178	-	(1,355,280)	-	(1,355,280)
Culture and recreation	166,672	1,560	191,765	45,000	71,653	-	71,653
Interest	10,807	-	-	-	(10,807)	-	(10,807)
Total Governmental Activities	37,956,576	2,479,922	9,672,996	540,907	(25,262,751)	-	(25,262,751)
Business-Type Activities:							
Water and sewer	212,247	184,544	-	45,000	-	17,297	17,297
Jail	4,990,613	4,645,129	267,706	86,957	-	9,179	9,179
Total Business-Type Activities	5,202,860	4,829,673	267,706	131,957	-	26,476	26,476
Total - Primary Government	$ 43,159,436	$ 7,309,595	$ 9,940,702	$ 672,864	(25,262,751)	26,476	(25,236,275)

	Governmental Activities	Business-Type Activities	Total
General Revenues			
Property taxes levied for general government purposes	12,200,568	-	12,200,568
Sales taxes	6,073,353	-	6,073,353
Gaming taxes	2,908,047	-	2,908,047
Specific ownership taxes and other	1,713,709	-	1,713,709
Unrestricted grants	371,854	-	371,854
Gain on sale of capital assets	332,642	-	332,642
Investment earnings	1,214,392	-	1,214,392
Insurance reimbursements	64,931	-	64,931
Miscellaneous	348,395	152,362	500,757
Total General Revenues	25,227,891	152,362	25,380,253
Change in Net Position	(34,860)	178,838	143,978
Net Position Beginning of Year	307,008,351	3,164,407	310,172,758
Net Position End of Year	$ 306,973,491	$ 3,343,245	$ 310,316,736

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Balance Sheet
Governmental Funds
December 31, 2025

	General	Road and Bridge	Social Services	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	$ 9,552,669	$ 1,754,246	$ 1,778,289	$ 9,642,929	$ 2,363,594	$ 25,091,727
Receivables:						
Accounts	1,041,013	374,469	26,956	502,157	-	1,944,595
Property taxes	12,165,825	460,378	732,046	-	-	13,358,249
Intergovernmental	-	-	252,983	-	-	252,983
Leases	-	-	-	1,708,508	-	1,708,508
Interfund	621,401	-	-	-	-	621,401
Prepaid items	964,784	6,001	5,634	300,000	1,025	1,277,444
Total Assets	24,345,692	2,595,094	2,795,908	12,153,594	2,364,619	44,254,907
Liabilities, Deferred Inflows and Fund Balances						
Liabilities						
Accounts payable	4,518,919	108,805	210,130	432,459	5,814	5,276,127
Intergovernmental payable	-	-	650,657	-	-	650,657
Total Liabilities	4,518,919	108,805	860,787	432,459	5,814	5,926,784
Deferred Inflows of Resources						
Unavailable lease revenue	-	-	-	1,586,433	-	1,586,433
Unavailable property tax revenue	12,165,825	460,378	732,046	-	-	13,358,249
Total Deferred Inflows of Resources	12,165,825	460,378	732,046	1,586,433	-	14,944,682
Fund Balances						
Nonspendable	964,786	6,001	5,634	300,000	1,025	1,277,446
Restricted	21,282	-	1,197,441	234,288	1,607,207	3,060,218
Committed	-	-	-	-	750,000	750,000
Assigned	3,867,446	2,019,910	-	9,600,414	573	15,488,343
Unassigned	2,807,434	-	-	-	-	2,807,434
Total Fund Balances	7,660,948	2,025,911	1,203,075	10,134,702	2,358,805	23,383,441
Total Liabilities, Deferred Inflows and Fund Balances	$ 24,345,692	$ 2,595,094	$ 2,795,908	$ 12,153,594	$ 2,364,619	$ 44,254,907

See the accompanying notes to the basic financial statements.

Teller County, Colorado

Reconciliation of Governmental Funds Balance Sheet to
The Statement of Net Position
December 31, 2025

Total Governmental Fund Balances		$ 23,383,441
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds (exclusive of internal service funds' capital assets)		
Cost	$ 288,171,544	
Less accumulated depreciation and amortization	(10,484,709)	277,686,835
The internal service funds are used by management to charge the costs of the operation and maintanance of the vehicle fleet to individual funds. The assets and liabilities of the internal service funds are included in governmental activities columns in the statement of net position.		7,846,352
Liabilities are not due and payable in the current period and therefore are not reported in the fund balance sheets but are reported on the government-wide statement of net position: (exclusive of internal service funds' liabilities)		
Accrued lease interest payable		(4,408)
Leases payable		(278,637)
Subscriptions payable		(306,199)
Compensated absences		(1,353,893)
Net Position of Governmental Activities		$ 306,973,491

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2025

	General	Road and Bridge	Social Services	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	$ 11,110,934	$ 604,705	$ 484,929	$ -	$ -	$ 12,200,568
Sales taxes	5,162,350	911,003	-	-	-	6,073,353
Severance Tax	41,419	-	-	-	-	41,419
E911 Authority	425,000	-	-	-	-	425,000
Intergovernmental	5,791,669	4,878,151	3,266,589	553,797	183,534	14,673,740
Licenses and permits	928,284	14,419	-	-	-	942,703
Charges for services	1,408,198	14,840	-	-	-	1,423,038
Fines and forfeitures	13,460	11,055	-	-	-	24,515
Investment earnings	621,880	128,663	-	212,167	78,994	1,041,704
Lease revenue	-	-	-	54,619	-	54,619
Lease interest	-	-	-	32,087	-	32,087
Miscellaneous	262,274	17,345	100	71,357	-	351,076
Total Revenues	25,765,468	6,580,181	3,751,618	924,027	262,528	37,283,822
Expenditures						
Current:						
General government	11,518,544	-	-	25,116	-	11,543,660
Public safety	12,965,115	-	-	-	-	12,965,115
Highways and streets	-	7,205,803	-	-	-	7,205,803
Health and human services	963,016	-	3,888,083	-	-	4,851,099
Culture and recreation	60,843	-	-	-	66,742	127,585
Capital Outlay	295,080	-	-	2,585,343	56,411	2,936,834
Debt Service - Leases						
Lease principal	327,698	-	-	-	-	327,698
Lease interest	1,864	-	-	-	-	1,864
Debt Service - Subscriptions						
Subscriptions principal	148,019	-	-	-	-	148,019
Subscriptions interest	10,518	-	-	-	-	10,518
Total Expenditures	26,290,697	7,205,803	3,888,083	2,610,459	123,153	40,118,195
Excess (Deficiency) of Revenues Over Expenditures	(525,229)	(625,622)	(136,465)	(1,686,432)	139,375	(2,834,373)
Other Financing Sources (Uses)						
Insurance reimbursements	4,986	-	-	-	-	4,986
Transfers in	338,459	-	-	-	-	338,459
Transfers out	(246,615)	-	(338,459)	-	-	(585,074)
Total Other Financing Sources (Uses)	96,830	-	(338,459)	-	-	(241,629)
Net Change in Fund Balances	(428,399)	(625,622)	(474,924)	(1,686,432)	139,375	(3,076,002)
Fund Balances Beginning of Year	8,089,347	2,651,533	1,677,999	11,821,134	2,219,430	26,459,443
Fund Balances End of Year	$ 7,660,948	$ 2,025,911	$ 1,203,075	$ 10,134,702	$ 2,358,805	$ 23,383,441

See the accompanying notes to the basic financial statements.

Teller 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 Changes In Fund Balances - Total Governmental Funds		$ (3,076,002)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay and donated capital value exceeded depreciation expense in the current period.		
Depreciation expense	$ (1,212,229)	
Capital outlay	2,936,834	
Asset additions not included in capital outlay	68,709	1,793,314
Capitalized assets are not reported on the governments fund financial statements, however on the government-wide statements fixed assets and related depreciation have been reported. This is the net value of assets removed.		
Capitalized asset	$ (338,941)	
Accumulated depreciation	338,941	-
The internal service fund is used by management to charge the the costs of the operation and maintenance of the vehicle fleet to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.		761,150
Interest expense reported in the statement of activities does not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 12/31/25	$ (4,408)	
Liability @ 12/31/24	5,983	1,575
Retirement of lease debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		328,739
Retirement of subscription debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		148,004
Compensated absences 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.		
Liability @ 12/31/25	$ (1,353,893)	
Liability @ 12/31/24	1,362,253	8,360
Change in Net Position of Governmental Activities		$ (34,860)

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2025

	Business-type Activities - Enterprise Funds			
	Wastewater Utility	**Jail**	**Total**	**Governmental Activities - Internal Service Fund**
Assets				
Current Assets:				
Cash and cash equivalents	$ 827,005	$ 200	$ 827,205	$ 1,820,762
Receivables:				
Accounts	11,142	218,475	229,617	4,874
Inventory	-	-	-	238,511
Prepaid expenses	2,319	29,712	32,031	-
Total Current Assets	840,466	248,387	1,088,853	2,064,147
Capital Assets:				
Land	-	101,300	101,300	-
Infrastructure	1,092,972	-	1,092,972	-
Other non-depreciable assets	721,794	34,965	756,759	-
Depreciable capital assets, net	-	1,648,450	1,648,450	5,924,739
Total Noncurrent Assets	1,814,766	1,784,715	3,599,481	5,924,739
Total Assets	2,655,232	2,033,102	4,688,334	7,988,886
Liabilities				
Current Liabilities:				
Accounts payable	344,091	195,680	539,771	76,471
Interfund payable	-	621,401	621,401	-
Compensated absences payable	-	178,399	178,399	64,081
Total Current Liabilities	344,091	995,480	1,339,571	140,552
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	-	5,518	5,518	1,982
Total Long-Term Liabilities	-	5,518	5,518	1,982
Total Liabilities	344,091	1,000,998	1,345,089	142,534
Net Position				
Net investment in capital assets	1,814,766	1,784,715	3,599,481	5,924,739
Unrestricted	496,375	(752,611)	(256,236)	1,921,613
Total Net Position	$ 2,311,141	$ 1,032,104	$ 3,343,245	$ 7,846,352

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Wastewater Utility	Jail	Total	
Operating Revenues				
Charges for services	$ 184,544	$ 4,645,129	$ 4,829,673	$ 2,145,036
Intergovernmental	-	354,663	354,663	-
Miscellaneous	1,678	150,684	152,362	96,086
Total Operating Revenues	186,222	5,150,476	5,336,698	2,241,122
Operating Expenses				
Administration	36,908	124,117	161,025	-
Operations	175,339	4,572,385	4,747,724	1,714,337
Depreciation	-	294,111	294,111	577,525
Total Operating Expenses	212,247	4,990,613	5,202,860	2,291,862
Operating Income (Loss)	(26,025)	159,863	133,838	(50,740)
Non-Operating Revenues				
Transfers in	-	-	-	246,615
Insurance reimbursements	-	-	-	59,945
Gain on sale of capital assets	-	-	-	332,642
Investment earnings	-	-	-	172,688
Total Non-Operating Revenues	-	-	-	811,890
Income (Loss) Before Capital Contributions	(26,025)	159,863	133,838	761,150
Capital Contributions	45,000	-	45,000	-
Change in Net Position	18,975	159,863	178,838	761,150
Net Position Beginning of Year	2,292,166	872,241	3,164,407	7,085,202
Net Position End of Year	$ 2,311,141	$ 1,032,104	$ 3,343,245	$ 7,846,352

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Wastewater Utility	Jail	Total	
Cash Flows from Operating Activities				
Cash received from customers	$ 189,043	$ 5,514,174	$ 5,703,217	$ 2,240,794
Cash payments for goods and services	(189,334)	(1,619,731)	(1,809,065)	(1,169,604)
Cash payments to employees for services	-	(3,091,335)	(3,091,335)	(624,404)
Net Cash Provided by (Used in) Operating Activities	(291)	803,108	802,817	446,786
Cash Flows from Capital and Related Financing Activities				
Proceeds from sale of capital assets	-	-	-	368,790
Contributions	45,000	-	45,000	-
Payments for capital acquisitions	(290,802)	(802,908)	(1,093,710)	(2,127,819)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(245,802)	(802,908)	(1,048,710)	(1,759,029)
Cash Flows from Investing Activities and Transfers In				
Transfers in	-	-	-	246,615
Investment earnings	-	-	-	172,688
Insurance reimbursements	-	-	-	59,945
Net Cash Flows Provided by Investing Activities and Transfers In	-	-	-	479,248
Net Increase (Decrease) in Cash and Cash Equivalents	(246,093)	200	(245,893)	(832,995)
Cash and Cash Equivalents Beginning of Year	1,073,098	-	1,073,098	2,653,757
Cash and Cash Equivalents End of Year	$ 827,005	$ 200	$ 827,205	$ 1,820,762

(continued)

See the accompanying notes to the basic financial statements.

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Wastewater Utility	Jail	Total	
Reconciliation of Operating Gain (Loss) to Net Cash Provided by Operating Activities				
Operating Income (Loss)	$ (26,025)	$ 159,863	$ 133,838	$ (50,740)
Adjustments:				
Depreciation	-	294,111	294,111	577,525
(Increase) Decrease in Assets:				
Accounts receivable	2,821	35,926	38,747	(328)
Prepaid expenses	-	5,082	5,082	-
Inventory	-	-	-	(4,819)
Increase (Decrease) in Liabilities:				
Accounts payable	22,913	(35,143)	(12,230)	(74,532)
Compensated absences payable	-	15,497	15,497	(320)
Interfund payable	-	327,772	327,772	-
Net Cash Provided by Operating Activities	$ (291)	$ 803,108	$ 802,817	$ 446,786

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2025

	SWTC Library Custodial Fund	Other Custodial Funds	Total
Assets			
Cash and investments	$ 838,954	$ 1,629,045	$ 2,467,999
Total Assets	838,954	1,629,045	2,467,999
Liabilities			
County warrants outstanding	-	673,001	673,001
Accounts payable	-	359,616	359,616
Due to other entities	-	596,428	596,428
Total Liabilities	-	1,629,045	1,629,045
Net Position			
Restricted For:			
Individuals, organizations and/or other governments	838,954	-	838,954
Total Fiduciary Net Position	$ 838,954	$ -	$ 838,954

Teller County, Colorado
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2025

	SWTC Library Custodial Fund	Other Custodial Funds	Total
ADDITIONS			
Deposits from inmates	$ -	$ 597,937	$ 597,937
County Clerk & Recorder collections	-	6,130,692	6,130,692
Tax collections for other entities	-	39,657,556	39,657,556
Tax collections for SWTC Library	316,211	-	316,211
Total additions	316,211	46,386,185	46,702,396
DEDUCTIONS			
Payments on behalf of inmates	-	597,937	597,937
CSHP Grant Payments	-	-	-
County Clerk & Recorder payments to other governments	-	6,130,692	6,130,692
Tax distributions to other entities	-	39,657,556	39,657,556
Tax distributions to SWTC Library	213,013	-	213,013
Total deductions	213,013	46,386,185	46,599,198
Change in fiduciary net position	103,198	-	103,198
Net Position Beginning of Year	735,756	-	735,756
Net Position End of Year	$ 838,954	$ -	$ 838,954

See the accompanying independent auditors' report.

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Note 1 - Summary of Significant Accounting Policies

The financial statements of Teller County (County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the County's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The reporting entity has been defined to include all County elected officials, including the Treasurer, Public Trustee, Assessor, Clerk & Recorder (including Elections), Sheriff (including Detentions, Animal Control, Equitable Sharing, Dispatch Services and Search & Rescue), Coroner, Surveyor and Board of County Commissioners. The District Attorney does not meet the criteria of an includable entity; however, the County's contribution to the District Attorney's Office has been included as an expenditure of the general fund. In addition, the following County departments and organizations which report to the Teller County Board of County Commissioners are considered part of the reporting entity:

-Community Development	-County Events
-CSU Extension Office	-Emergency Management
-Environmental Health	-Finance & Budget
-Human Resources	-Human Services
-Information Technology	-Legal Services
-Public Health	-Veterans Office

-Public Works (including Transportation, Fleet Services, Facilities, Parks and the Wastewater Utility)

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report on financial information for the County as a whole, excluding fiduciary funds. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the County's general revenues, from business-type activities, generally financed in whole or in part with user fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the County.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions on these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not classified as program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns in the fund financial statements.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and deferred outflows and liabilities and deferred inflows as fund balance. The following are the County's major governmental funds:

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund.

Road and Bridge Fund – This fund accounts for revenues that are generated from highway user tax funds, property taxes, various grants and other intergovernmental revenues and fees. Spending is restricted, committed or assigned to all types of construction and maintenance of the County’s transportation system.

Social Services Fund – This fund accounts for revenues that are generated from state & federal human services payments, property taxes and other intergovernmental revenues and fees. Spending is restricted to the administration of and the County’s share of program costs for, public assistance and welfare activities.

Capital Projects Fund – This fund is restricted, committed or assigned to account for general governmental capital building, land and equipment purchases and construction.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds are classified as enterprise funds and an internal service fund. The proprietary funds are:

Wastewater Utility Fund – This fund is used to account for the capital assets, liabilities and operations of the Teller County Wastewater Utility in Divide, Colorado. The utility’s costs are intended to be financed or recovered primarily through user charges.

Jail Fund – This fund is used to account for the capital assets, liabilities and operations of the Teller County Detentions Facility in Divide, Colorado. The facility’s costs are intended to be financed or recovered primarily through user charges. The Teller County Facilities Corporation (TCFC) is a legally separate entity that has been included as a financial reporting entity of the County as a blended component unit. The TCFC was established to finance, acquire, construct, improve, maintain, and operate jail and detention facilities for the benefit of the County and its residents. TCFC provides services exclusively to the County and its operations are closely integrated with those of the County. Accordingly, the financial activities of TCFC are blended with those of the County and within the Jail Fund. Transactions between the Jail Fund and TCFC have been eliminated or otherwise appropriately reported in the County's financial statements. TCFC does not issue separate financial statements. Need language for TC Facilities Corp.

Fleet Management Internal Service Fund – This fund is used to account for the capital assets, liabilities and operational management of the Teller County Fleet. The fleet-related services are provided to other County departments on a cost reimbursement basis.

Nonmajor Funds – The County reports two nonmajor funds that are special revenue funds; the Conservation and Contingent funds.

Custodial Funds – The County's custodial funds are fiduciary in nature. These funds are used to account for assets that the County holds for others in a fiduciary capacity. Custodial funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. These funds are excluded from the government-wide financial statements.

The County implemented GASB Statement No. 102, Certain Risk Disclosures (GASB102), requires governments to disclose information in financial statement notes regarding risks from specific concentrations (e.g., one taxpayer) or constraints (e.g., spending mandates). It applies if these factors make the government vulnerable to a significant impact within 12 months. The statement is effective for periods beginning after June 15, 2024. The County has adopted this statement as of January 1, 2025.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows, liabilities and deferred inflows associated with the operation of the County are included in the statement of net position. The statement of activities reports on revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows, and current liabilities and deferred inflows generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the way the governmental activities in the government-wide financial statements are prepared and reported. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types and custodial funds are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of proprietary funds are included in the statements of net position. The statements of changes in fund net position -proprietary funds present increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statements of cash flow provide information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenues, and in the presentation of expenses versus expenditures. Fiduciary funds use the accrual basis of accounting.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough, and thereafter to be used to pay liabilities for the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end or 90 days if the revenue source is inter-governmental.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, includes sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sales take place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 4-C) Property taxes assessed in 2025 that are due in 2026 are recorded as property taxes receivable and a deferred inflow on December 31, 2025.

Revenues from grants and donations are recognized in the fiscal year in which eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days or 90 days for inter-governmental purposes) before it can be recognized.

With modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, fees, federal, state and private grants and intergovernmental revenue.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as a deferred inflow (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met, excluding timing requirements (e.g., cash advances) are recorded as unearned revenue. Unmet timing requirements are recorded as deferred inflows.

Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

All certificates of deposit plus time deposits with a maturity date of more than three months but at or less than one year of the date acquired by the County are valued at amortized cost.

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

- Obligations of the United States and certain U.S. government agencies 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
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The County’s investments consist of external investment pools and U.S. Agency obligations.

1-E-2 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-3 Consumable Inventories

Inventories are presented on the government-wide financial statements at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

Inventories of governmental funds are stated on the fund financial statements at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed. Inventories of the proprietary funds are expensed when consumed.

1-E-4 Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2025, are recorded as prepaid items/expenses using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

1-E-5 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities' column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The County maintains a capitalization threshold of ten thousand dollars. The County's infrastructure consists of road improvements, trails and our wastewater system. The County has inventoried, valued and added 100% of defined infrastructure to the government-wide statement of net position. The County has adopted the modified approach under *GASB 34*, of tracking infrastructure assets as non-depreciable assets and targeting maintenance of infrastructure at certain condition levels. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

Interest costs incurred before the end of a construction period are not included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

All reported capital assets are depreciated except for land, infrastructure and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and plant	10 - 120 years	30 years
Improvements	25 – 50 years	30 years
Machinery, equipment and vehicles	5 – 30 years	5 – 25 years
Furniture and fixtures	5 – 30 years	5 – 10 years

1-E-6 Leases

The County determines if an arrangement is a lease at inception. Leases where the County is the lessee are included in capital assets and lease liabilities in the statements of net position.

For arrangements where the County is the lessor, the County records a lease receivable and deferred inflow of resources in the amount of the present value of lease payments expected to be received during the lease term. Over the term of the lease agreement these present value amounts are amortized, via the effective interest rate method, such that (i) the lease receivable is accreted, through interest income, to the lease payment value as of each lease payment due date and (ii) the present value of deferred inflows is amortized into rent income.

For arrangements where the County is the lessee, lease assets represent the County's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term or the useful life of the underlying asset.

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

The County recognizes payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The County has elected to use the incremental borrowing rate that represents the rate at which it could borrow funds for a term equivalent to the lease agreement for individual lease contracts where information about the discount rate implicit in the lease is not included.

1-E-7 Subscription-based Information Technology Arrangements

Subscription assets represent the County's control of the right to use a vendor's software, alone or in combination with tangible capital assets, for the subscription term, as specified in the contract, in an exchange or exchange-like transaction. Subscription assets are recognized at the commencement date based on the initial measurement of the subscription liability, plus any payments made to the vendor at or before the commencement of the subscription term or the useful life of the underlying asset.

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

The County recognizes payments for short-term subscriptions with a term of 12 months or less as expenses as incurred, and these subscriptions are not included as subscription liabilities or right-to-use assets on the statements of net position.

The County has elected to use the incremental borrowing rate that represents the rate at which it could borrow funds for a term equivalent to the subscription agreement for individual subscription contracts where information about the discount rate implicit in the subscription is not included.

1-E-8 Deferred outflows/inflows of resources

The statement of financial position reports a separate section for deferred outflows of resources in addition to assets. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government had no deferred outflows on December 31, 2025.

The statement of financial position reports a separate section for deferred inflows of resources in addition to liabilities. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two items, which arise under both the full (government-wide financial statement) and the modified accrual (fund financial statement) bases of accounting, that qualify for reporting in this category. Accordingly, *unavailable property tax revenue and unavailable lease revenue,* are reported in both the statement of net position and in the balance sheet of governmental funds as deferred inflows of resources.

1-E-9 Compensated Absences

Various benefits (vacation, sick leave, etc) are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are: attributable to services already rendered; the leave accumulates to future reporting periods during which it may be used for time off or paid to the employee; and it is more likely than not that the employer will compensate the employees for the benefits.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "*when due*."

1-E-10 Accrued Liabilities and Long-term Obligations

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in applicable governmental activities, business-like activities, or proprietary fund type statement of net position.

1-E-11 Fund Equity (See Note 4-H)

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the assets and deferred outflows of resources, and liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or State, or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Teller County Board of County Commissioners through the adoption of a resolution. The Board of County Commissioners also must modify or rescind the commitment through the same action as adopted.
- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. By resolution, the Board of County Commissioners has authorized the County Administrator and the County Director of Finance and Budget as the body which assigns fund balances.
- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions –It is the County's policy to use restricted amounts first and then unrestricted amounts when both restricted and unrestricted amounts of fund balance are available for expenditures incurred. It is the County's policy to use unrestricted amounts of the fund balance in the following order:

- ***Committed***
- ***Assigned***
- ***Unassigned***

Net Position - Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and unamortized charges, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net positions are reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

1-E-12 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. These County revenues are charges for services from the wastewater plant and prisoner housing. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1-E-13 Contributions of Capital

Capital contributions in proprietary fund financial statements arise from outside or internal contributions of capital assets, from grants or outside contributions of resources intended to be used for capital acquisition, construction and maintenance.

1-E-14 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as transfers. Transfers are reported as other financing sources/uses in governmental funds and in non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for expenditures to the funds that initially paid for them are not presented in the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities' column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

Eliminations have been made to minimize the double counting of internal activities. The County's internal service fund (which provides services primarily to other funds of the County) is presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the County's governmental activities, financial activities of the internal service fund are presented in the governmental activities column when presented at the government-wide level. The costs of these services are allocated to the appropriate function/program (general government, public safety, public works, health and human services, and culture and recreation) in the statement of activities.

1-E-15 Estimates

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

Note 2 – Intergovernmental Agreement

During 2025, the County was involved in various intergovernmental agreements with local and federal law enforcement for the purpose of establishing federal task forces and special investigation funds, as well as other areas. These agreements are not considered joint ventures. The related revenue and expenses are accounted for within the general fund. The County has no specific claim to any assets of these funds, except as requested to pay for costs over and above normal operations of the County Sheriff's Department as allowed in these agreements and as approved by the entity in charge of the funds.

Note 3 – Stewardship, Compliance and Accountability

3-A. Expenditures above Appropriations

No individual funds had expenditures in excess of approved appropriations. When considering departmental appropriations the Treasurer and Public Trustee are combined as well as Facilities and County Parks.

Note 4 - Detailed Notes on All Funds

4-A. Deposits and Investments

Deposits - The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Demand deposits and Time and Savings deposits are each insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC). Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The following schedules show the cash balances and amount of insured versus collateralized deposits.

As of December 31, 2025, the County had the following deposits:

	Insured	Collateralized	Balance	Carrying Amount	Maturities
Cash On Hand	$ -	$ -	$ -	$ 72,090	
Deposits	867,808	7,710,811	8,578,619	8,564,841	
CDs	983,000	-	983,000	981,000	5/7/25-11/22/26
Total Deposits and Cash on Hand	$ 1,850,808	$ 7,710,811	$ 9,561,619	$ 9,617,931	

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As of December 31, 2025, the County's deposits were not exposed to custodial credit risk, as all deposits were insured by the FDIC or collateralized in accordance with PDPA.

Investment Risk Factors - There are many factors that can affect the value of investments, some of which are custodial credit risk, credit risk and interest rate risk. The County Treasurer has established a cash and investment policy to minimize the County's exposure to these risks. The County follows Colorado state statutes for investing. As such, in 2025 the County investment portfolio includes certificates of deposit with maturity lengths in excess of three months. Because of this, the only exposure the County has is to custodial credit risk. The County's investment policy does not specifically address these risks. The County has categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs which are recurring measurements; Level 3 inputs are significant unobservable inputs.

Investment in obligations of the U.S government, or those explicitly guaranteed by the U.S. Government, are not subject to custodial credit risk, credit risk or foreign currency risk. The County's government obligations are subject to interest rate risk based on their maturity dates. The County has the intent and ability to hold all investments to maturity. Maturity dates and values are as below:

	Fair Value/ Carrying Amount	Maturities	Rating
Investments			
FHLMC	$ 300,314	8/13/2029	AA+
Total	$ 300,314		

The County's investments in U.S. Agency obligations (GNMA's, Federally Guaranteed Home Loans) are valued at $300,846 using inputs, other than quoted prices that are observable, such as interest rates and yield curves observable at commonly quoted intervals (Level 2 inputs).

Investments in local government investment pools or in money market funds are not evidenced by securities that exist in physical or book entry form. The County had invested $20,288,384 in Public Trust Pools, which are investment vehicles established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The pools, CSAFE Cash and ColoTrust, operate similarly to a money market fund and each share is equal in value to $1.00. The pool, CSAFE CORE, also operates similarly to a money market, but is limited to only 3 withdrawals per month, and is managed to a per share value of $2.00. The designated custodial bank provides safekeeping and depository services to the pools in connection with the direct investment and withdrawal functions of the pools. All securities owned by the pools are held by the Federal Reserve Bank in the account maintained by the custodial bank. The custodian's internal records identify the investments owned by the pools. Investments of the pools consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury Notes. The State securities commission administers and enforces all state statutes governing public trust pools.

	Amount	Rating
Investments in local government Investment Pools		
ColoTrust	$6,526,439	AAAm
CSAFE Cash	6,532,595	AAAmmf
CSAFE CORE	7,229,350	AAAf
Total	$20,288,384	

ColoTrust and CSAFE CORE are external investment pools valued using the NAV per share (or its equivalent) of the investments. ColoTrust and CSAFE CORE do not have any unfunded commitments, redemption restrictions (other than CSAFE CORE's 24-hour redemption notice and limit of 3 monthly withdrawals) or redemption notice periods. CSAFE Cash is an external investment pool valued at amortized cost, in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

The external investment pools conform to Colorado Statutes CRS 24-75-601 et. seq. and therefore invest 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. The investment will conform to its Permitted Investments and will meet Standard & Poor's investment guidelines to achieve a AAAm rating, the highest attainable rating for a Local Government Investment Pool.

Financial statements for ColoTrust may be obtained through its website at: www.colotrust.com . Financial statements for CSAFE may be obtained through its website at: www.csafe.org .

Cash & Investment Reconciliation:

Fund Reporting Level:	
Governmental Funds - Balance Sheet	$25,091,727
Proprietary Fund Type Statement of Net Position	2,647,967
Statement of Fiduciary Assets, Liablilities & Net Position	2,467,999
Total	$30,207,693

4-B. Receivables

Receivables at December 31, 2025 consisted of taxes, accounts (billings for user charges, including unbilled utility receivables), intergovernmental receivables arising from grants, leases and other intergovernmental revenues.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

Lessor Activity

GASB Statement No. 87, Leases - The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 12/31/2025, Teller County, CO had 2 active leases. The leases have receipts that range from $7,200 to $50,267 and interest rates that range from 1.8510% to 2.8220%. As of 12/31/2025, the total combined value of the lease receivable is $1,708,504, the total combined value of the short-term lease receivable is $26,935, and the combined value of the deferred inflow of resources is $1,586,433.

Principal and Interest Expected to Maturity

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	$ 26,935	$ 31,537	$ 58,472
2027	28,540	30,958	59,498
2028	26,575	30,368	56,943
2029	24,510	29,900	54,410
2030	26,065	29,434	55,499
2031 - 2035	155,484	139,109	294,593
2036 - 2040	202,624	122,631	325,255
2041 - 2045	257,669	101,439	359,108
2046 - 2050	321,733	74,751	396,484
2051 - 2055	393,376	41,701	435,077
2056 - 2058	244,993	6,669	251,662
Total	$ 1,708,504	$ 638,497	$ 2,347,001

4-C. Property Taxes

Property taxes attach as an enforceable lien to property as of January 1. Taxes are levied on January 1 and payable in two installments on the last day of February and June 15, or in one installment due April 30. The Teller County Treasurer bills and collects property taxes for the County.

4-D. Capital Assets

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

	Balance 01/1/2025	Additions	Deductions	Balance 12/31/2025
Governmental activities,				
(including internal service fund):				
Capital assets not being depreciated:				
Land	$ 2,594,155	$ -	$ -	2,594,155
Land - right of ways	631,755	-	-	631,755
Infrastructure - Roads	257,811,571	-	-	257,811,571
Infrastructure - Trails	162,993	-	-	162,993
Construction in progress	1,967,870	2,648,892	1,789,087	2,827,675
Vehicles not in service	434,189	728,568	401,399	761,358
Total capital assets not being depreciated	263,602,533	3,377,460	2,190,486	264,789,507
Other capital assets:				
Buildings	15,873,704	1,039,378	-	16,913,082
Vehicles and road equipment	14,596,068	1,851,403	1,392,357	15,055,114
Furniture and fixtures	2,906,238	156,813	163,183	2,899,868
Software	190,169	-		190,169
Other improvements	1,277,271	897,717	8,149	2,166,839
Total depreciable capital assets	34,843,450	3,945,311	1,563,689	37,225,072
Total cost of capital assets	298,445,983	7,322,771	3,754,175	302,014,579
Lease Right-to-Use Assets:				
Buildings	751,512	-	159,112	592,400
Total lease assets	751,512	-	159,112	592,400
Subscription Right-to-Use Assets:				
Software	714,210	-	8,497	705,713
Total subscription assets	714,210	-	8,497	705,713
Accumulated depreciation & amortization:				
Buildings	6,432,771	390,892	-	6,823,663
Vehicles and road equipment	10,316,084	616,376	1,367,827	9,564,633
Furniture and fixtures	1,667,714	249,900	155,129	1,762,485
Software	190,169	-	-	190,169
Other improvements	617,630	53,958	5,661	665,927
Lease assets	146,556	333,439	159,112	320,883
Subscriptions assets	236,667	145,189	8,497	373,359
Total accumulated depreciation & amortization	19,607,591	1,789,754	1,696,226	19,701,119
Governmental activities capital assets, net	$ 280,304,114	$ 5,533,017	$ 2,225,558	$ 283,611,573

Additions include $1,789,090 in asset value that was previously included as construction in progress, which was not current year capital outlay. On the government-wide statement of net position and the schedule above, the internal service assets are included as governmental activities.

Governmental activities depreciation & amortization expense

	Leases	Subscriptions	Other	Total
General government	$ 296,200	$ 145,189	$ 255,621	$ 697,010
Public safety	-	-	358,555	358,555
Highways and streets	-	-	72,049	72,049
Health and welfare	37,239	-	2,470	39,709
Culture and Recretion	-	-	44,906	44,906
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	-	-	-	577,525
Total governmental activities depreciation and amortization expense	$ 333,439	$ 145,189	$ 733,601	$ 1,789,754

	Balance 01/1/2025	Additions	Deductions	Balance 12/31/2025
Business-type activities				
Capital assets not being depreciated:				
Land	$ 101,300	$ -	$ -	$ 101,300
Infrastructure - wastewater system	952,712	140,260	-	1,092,972
Construction in Progress	589,333	185,507	18,081	756,759
Total non-depreciable capital assets	1,643,345	325,767	18,081	1,951,031
Depreciable capital assets:				
Building/plant	5,407,281	-	64,076	5,343,205
Other improvements	405,100	-	-	405,100
Equipment	179,265	-	-	179,265
Furniture & fixtures	939,274	850,100	-	1,789,374
Total depreciable capital assets	6,930,920	850,100	64,076	7,716,944
Total cost of capital assets	8,574,265	1,175,867	82,157	9,667,975
Accumulated depreciation:				
Building/plant	5,063,832	174,059	-	5,237,891
Other improvements	386,567	9,780	-	396,347
Equipment	153,881	8,754	-	162,635
Furniture & fixtures	170,103	101,518	-	271,621
Total accumulated depreciation	5,774,383	294,111	-	6,068,494
Business-type activities capital assets, net	$ 2,799,882	$ 881,756	$ 82,157	$ 3,599,481

4-E. Interfund Activities

Interfund balances on December 31, 2025, consists of the following amounts and represent jail cash overdraws that are covered by the general fund. The County expects to repay all interfund balances within one year.

Payable to:	Payable from: Jail Enterprise Fund	Total
General Fund	$ 621,401	$ 621,401
	$ 621,401	$ 621,401

Interfund transfers for the year ended December 31, 2025, consisted of the following:

	Transfers From:		
Transfers to:	Social Services Fund	General Fund	Total
General Fund	$ 338,459	$ -	$ 338,459
Internal Svc Fund	-	246,615	246,615
	$ 338,459	$ 246,615	$ 585,074

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

4-F. Long-Term Debt

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended December 31, 2025:

Governmental Activities	Outstanding 1/1/2025	Additions	Reductions	Outstanding 12/31/2025	Amounts Due in One Year
Leases	$ 607,376	$ -	$ 328,739	$ 278,637	$ 278,637
Subscriptions	454,202	-	148,004	306,198	144,252
Compensated absences*	1,428,636	-	8,680	1,419,956	1,377,357
Total Governmental Activities	$ 2,490,214	$ -	$ 485,423	$ 2,004,791	$ 1,800,246
Business-Type Activities	Outstanding 1/1/2025	Net Change		Outstanding 12/31/2025	Amounts Due in One Year
Compensated absences	168,420	15,497	-	183,917	178,399
Total Business-Type Activities	$ 168,420	$ 15,497	$ -	$ 183,917	$ 178,399

* Includes the internal service fund liability.
The County currently has no unused lines of credit.

Lessee Activity

GASB Statement No. 87, Leases. - The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 12/31/2025, Teller County, CO had 2 active leases. The leases have payments that range from $39,263 to $291,251 and interest rates that range from 0.3800% to 0.6020%. As of 12/31/2025, the total combined value of the lease liability is $278,637. combined value of the right to use asset, as of 12/31/2025 of $592,400 with accumulated amortization of $320,883 is included within the Lease Class activities table found below. The leases had $0 of variable payments and $0 of other payments..

Amount of Lease Assets by Major Classes of Underlying Asset

	As of Fiscal Year-end	
Asset Class	Lease Asset Value	Accumulated Amortization
Buildings	592,400	320,883

Principal and Interest Requirements to Maturity

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	278,637	530	279,167

Subscription-based Information Technology Activity

GASB Statement No. 96, Subscription-Based Information Technology Arrangements - The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

As of 12/31/2025, Teller County, CO had 9 active subscriptions. The subscriptions have payments that range from $0 to $53,611 and interest rates that range from 0.1300% to 2.8220%. As of 12/31/2025, the total combined value of the subscription liability is $306,198, and the total combined value of the short-term subscription liability is $144,252. The combined value of the right to use asset, as of 12/31/2025 of $705,713 with accumulated amortization of $373,359 is included within the Subscription Class activities table found below. The subscriptions had $0 of variable Payments and $0 of other payments.

Amount of Subscription Assets by Major Classes of Underlying Asset

	As of Fiscal Year-end	
Asset Class	Subscription Asset Value	Accumulated Amortization
Software	705,713	373,359

Principal and Interest Requirements to Maturity

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	144,252	7,585	151,837
2027	108,381	4,557	112,938
2028	53,565	1,512	55,077

4-G. Pensions

The County is a member of the Colorado Retirement Association, which operates a defined contribution retirement plan. Substantially all County employees are required to participate the first month after date of hire. Total payroll for 2025 was $18,139,995 and covered payroll totaled $17,268,580. Contributions by the County (employer) are 8% of the eligible employee's annual compensation. Employees must contribute 4% but can increase their contribution up to ten percent on a non-deductible basis. Contributions made by the employer for 2025 were $1,390,205 which represents 7.664% of total payroll and 8.051% of covered payroll and contributions made by employees for 2025 were $90,525, which represents 3.807% of total payroll and 4.000% of covered payroll. The plan is funded through the various funds that pay for the employment of County personnel to cover the County's (employer) share. The County maintains no control over the plan, other than being a member of the Association. As of January 1, 1997, the plan was changed to pre-tax status (414H). No fixed benefits are paid or payable upon retirement; therefore, the County has no unfunded liability under the plan. Financial statements for CRA may be obtained through its website at: www.cra-online.org.

4-H. Fund Equity (Note 1-E-11)

Fund Balances:

The components of fund balances are made up of:

			General Fund	Road & Bridge Fund	Social Services Fund	Capital Projects Fund	Other Governmental Funds	Total
Fund balances:								
	Nonspendable:							
		Prepaid expenses	$ 964,786	$ 6,001	$ 5,634	$ 300,000	$ 1,025	$ 1,277,446
	Restricted for:							
		Local declared emergency disaster					700,000	700,000
		Parks & open space					907,207	907,207
		Social services programs			1,197,441			1,197,441
		Clerk & Recorder Expenditures				234,288		234,288
		Plastic Bag Fees	486					486
		Forest Svc Tittle III	13,242					13,242
		Certified VIN fees	7,554					7,554
	Committed for:							
		Local declared emergencies					750,000	750,000
	Assigned for:							
		Facilities Projects						-
		I/T HVAC System						-
		Sheriff's Annuity funds	6,752					6,752
		I/T Bldg Remodel						-
		Sheriff's Equipment						-
		Emergency Mgmt Communications						-
		Fire Response Improvement Funds						-
		Ensuing year's budget	3,858,224	1,795,420				5,653,644
		County transportation system		224,490				224,490
		Local declared emergency disaster					573	573
		Capital purchases & projects				9,600,414		9,600,414
		Other purposes	2,470					2,470
	Unassigned:		2,807,434					2,807,434
		Total fund balances	**$ 7,660,948**	**$ 2,025,911**	**$ 1,203,075**	**$ 10,134,702**	**$ 2,358,805**	**$ 23,383,441**

Net Position:
Net investment in capital assets reported on the government-wide statement of net position as of December 31, 2025 is as follows:

	Governmental Activities	Business Type Activities
Cost of capital assets	$ 302,014,579	$ 9,667,975
Leases	592,400	-
Subscriptions	705,713	-
Less accumulated depreciation & amortization	19,701,119	6,068,494
Less capital related debt	584,835	-
Net investment in capital assets	$ 283,026,738	$ 3,599,481

Note 5 - Other Notes

5-A. Risk Management

Employee Benefits- The County continues to use Meritain Health as its health insurance carrier and Delta Dental as its dental insurance carrier in 2025 while continuing to offer two health plan choices, as well as one dental plan. The County continues a self-insurance arrangement with Meritain for compensation of a flat administrative fee and reimbursement for claims paid. The County maintains an interest-bearing account, from which claims are paid. To maintain a reasonable level of funds in this account, including an additional amount for potential outstanding claims upon termination of the contracts, the County examines the balance on a regular basis and, when appropriate, adjusts the required monthly liability deposits.

The Meritain Health agreement includes a $70,000 individual stop-loss and a 125% aggregate stop-loss carry-forward. The County requires employee contributions based on the type of plan chosen, and the number of dependents covered under a 125 "Premium Only" plan.

For ease of tracking, the County records the related assets and liabilities of these agreements in an employee benefits fund, and expenses the monthly premiums to each fund and department with employee benefits, based on types of coverages. Cash is transferred from the various funds charged, to the employee benefits fund, and payments for claims and fees are made from that fund. Interest earned in the bank account is recognized as revenue in the employee benefits fund.

For reporting purposes, in compliance with GASB Statement #10 - "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," the Employee Benefits Fund assets, liabilities, interest revenue and fund balance have been combined into the General Fund. The estimated claims liability is included as accounts payable in the financial statements.

Activity and balances related to these agreements for the past two years are as follows:

	2025	2024
Estimated Claims liability as of January 1	$1,096,826	$ 877,333
Deposits	4,301,143	4,669,446
Less:		
Fixed Administrative Costs	1,118,591	1,121,707
HSA Fees	2,308	2,046
Claims Paid	3,027,178	3,324,947
PPACA Fees	1,492	1,253
Estimated Claims liability on December 31	$ 1,248,401	$ 1,096,826

The County also provides, at a minimum cost to the County, vision coverage, a minimal Employee Term Life Insurance Plan and a 24-hour telemedicine benefit, none of which are self-funded, and none of which require an employee contribution.

Insurance Pools - The County is exposed to various risks of loss related to injuries of employees while on the job. In 1985, the County joined together with other Counties in the State of Colorado to form the County Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties.

The County also is exposed to various risks of loss related to property and casualty losses. In 1986, 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 each of these pools, respectively, for its workers' compensation and casualty and property insurance coverages. The intergovernmental agreement of formation of each pool provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each year. County claims to either of these pools have not exceeded coverage in the last three years.

5-B. Risks and Uncertainties

In 2026, Colorado county governments are navigating a shift from rapid growth to a "softening" economy, characterized by slower tax revenue growth, high inflation-driven operating costs, and significant state-mandated expenditures. While GDP is projected to grow by 2.9%, labor constraints and reduced state funding create tight budget scenarios, particularly forcing smaller counties to handle unfunded mandates and rising insurance costs. The Colorado legislature is grappling with an estimated $1.4 billion shortfall for the 2026-27 fiscal year, reducing the state's ability to fund local projects. Skyrocketing homeowners' insurance rates and lack of affordable housing continue to challenge local workforces, affecting retention and recruitment.

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience and internal controls on expenditures, the County believes such disallowances, if any, will be immaterial.

The County continues to be involved in a number of litigation matters including but not limited to property assessments, bankruptcies and code enforcement which, in the opinion of County management, will not have a material effect on the financial position of the County.

5-C. Subsequent Events

Management evaluates subsequent events through the date that the financial statements are available for issue, which is the date of the Independent Auditors' report.

5-D. Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, (TABOR) which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation.

In November 1997, the County asked for and received voter approval to collect, retain and expend all revenues beyond the limitations of TABOR and any other law, to be expended for road improvements and law enforcement. In accordance with legal counsel, the County believes it is in compliance with the requirements of the applicable law, with this voter-approved exemption.

In accordance with Article X, Section 20 of the Colorado Constitution, the County has reserved all fund balances for future expenditures. Included in these reserves is 3% for Emergency Reserves, estimated to be $700,000 on December 31, 2025.

5-E. Welfare Reform

Conversion to the Colorado Electronic Benefit Transfer System (EBTS) occurred on August 1, 1997, pursuant to C.R.S. 26-1-122 (2) (a) and 26-2-104. The method of payment to recipients and service providers changed from a paper warrant system to an electronic debit card system or direct deposits. The electronic payments are processed by a State contractor, Fidelity Information Services. EBTs reduces or eliminates the number of expenditures and revenues for the TANF/Colorado Works, AND, OAP, HCA, FA, LEAP, Child Care, Child Welfare & CORE programs reflected in the County General Ledger. The full amount of the EBTs are shown as expenditures at the state level and only the County share is shown on the County General Ledger. The State of Colorado assumes much of the internal control responsibility for these programs. The following is the Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures for the year ended December 31, 2025:

PROGRAM	STATE PD FOR TELLER COUNTY	COUNTY SHARE OF STATE PAID	EXPENDITURES BY COUNTY WARRANT	STATE PD + EXPEND. BY COUNTY WARRANT	TOTAL EXPEND & TRFRS OUT
Temporary Assistance for Needy Families (TANF)	321,408	77,679	252,629	574,037	330,308
CHATS/Child Care	390,681	52,554	111,259	501,940	163,813
Child Welfare	990,240	142,499	1,609,090	2,599,330	1,751,589
Regular Administration	8,761	2,921	970,866	979,627	973,787
Core Services	176,781	14,889	212,944	389,725	227,833
IV-D Administration	6,807	4,882	245,759	252,566	250,641
Low-Income Energy Assistance (LEAP)	344,026	0	1,769	345,795	1,769
Adult Protective Services	0	0	359,619	359,619	359,619
Aid to the Needy Disabled (AND)	54,806	11,904	0	54,806	11,904
Old Age Pension (OAP)	369,796	0	25,269	395,065	25,269
Food Assistance	5,515,512	0	0	5,515,512	0
1) Subtotal	8,178,818	307,328	3,789,204	11,968,022	4,096,532
Use of Parental Fees	0	0	5,255	5,255	5,255
Use of HB1451 incentives	0	0	28,984	28,984	28,984
RMS bkd to state not county	0	0	-39,374	-39,374	-39,374
County Only	0	0	83,955	83,955	83,955
Acctg Basis Differences	0	0	51,188	51,188	51,188
2) Subtotal	0	0	130,008	130,008	130,008
Grand Total	8,178,818	307,328	3,919,212	12,098,030	4,226,540

1) Programs Settled in CFMS
2) Programs Not Settled in CFMS

Teller County

CRIPPLE CREEK, COLORADO 80813

REQUIRED

SUPPLEMENTARY INFORMATION

Teller County, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	$ 11,061,898	$ 11,061,898	$ 11,110,934	$ 49,036
Sales taxes	4,929,975	5,214,598	5,162,350	(52,248)
Severance tax	300,000	300,000	41,419	(258,581)
E911 Authority	400,000	400,000	425,000	25,000
Intergovernmental	4,450,592	5,692,395	5,791,669	99,274
Licenses and permits	580,000	594,194	928,284	334,090
Charges for services	1,151,400	1,196,551	1,408,198	211,647
Fines and forfeitures	16,200	16,200	13,460	(2,740)
Investment earnings	300,000	589,631	621,880	32,249
Miscellaneous	45,920	166,565	262,274	95,709
Total Revenues	23,235,985	25,232,032	25,765,468	533,436
Expenditures				
Current:				
General government	11,163,418	13,451,556	11,518,544	1,933,012
Public safety	15,223,341	14,412,910	12,965,115	1,447,795
Health and human services	688,091	1,155,093	963,016	192,077
Culture and recreation	87,104	67,021	60,843	6,178
Capital Outlay	25,000	250,000	295,080	(45,080)
Debt Service - Leases				
Lease principal	276,268	321,268	327,698	(6,430)
Lease interest	345	2,345	1,864	481
Debt Service - Subscriptions				
Subscriptions principal	122,000	-	148,019	(148,019)
Subscriptions interest	7,200	200	10,518	(10,318)
Total Expenditures	27,592,767	29,660,393	26,290,697	3,369,696
Deficiency of Revenues Over Expenditures	(4,356,782)	(4,428,361)	(525,229)	3,903,132
Other Financing Sources (Uses)				
Insurance reimbursements	-	-	4,986	4,986
Transfers in	295,875	295,875	338,459	42,584
Transfers out	(242,000)	(242,000)	(246,615)	(4,615)
Total Other Financing Sources (Uses)	53,875	53,875	96,830	42,955
Net Change in Fund Balances	(4,302,907)	(4,374,486)	(428,399)	3,946,087
Reserve for Abatements	(15,000)	(15,000)	-	15,000
Fund Balances Beginning of Year	8,182,505	8,254,084	8,089,347	(164,737)
Fund Balances End of Year	$ 3,864,598	$ 3,864,598	$ 7,660,948	$ 3,796,350

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	$ 603,866	$ 603,866	$ 604,705	$ 839
Sales taxes	872,043	901,955	911,003	9,048
Intergovernmental	4,599,209	4,718,209	4,878,151	159,942
Licenses and permits	18,000	18,000	14,419	(3,581)
Charges for services	14,840	14,840	14,840	-
Fines and forfeitures	11,000	11,000	11,055	55
Investment earnings	82,000	133,000	128,663	(4,337)
Miscellaneous	15,000	15,000	17,345	2,345
Total Revenues	6,215,958	6,415,870	6,580,181	164,311
Expenditures				
Current:				
Highways and streets	7,547,003	7,746,491	7,205,803	540,688
Total Expenditures	7,547,003	7,746,491	7,205,803	540,688
Deficiency of Revenues Over Expenditures	(1,331,045)	(1,330,621)	(625,622)	704,999
Net Change in Fund Balances	(1,331,045)	(1,330,621)	(625,622)	704,999
Reserve for Abatements	(2,000)	(2,000)	-	2,000
Fund Balances Beginning of Year	2,349,299	2,348,875	2,651,533	302,658
Fund Balances End of Year	$ 1,016,254	$ 1,016,254	$ 2,025,911	$ 1,009,657

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

Teller County, Colorado
Social Services Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	$ 484,299	$ 484,299	$ 484,929	$ 630
Intergovernmental	3,248,645	3,253,145	3,266,589	13,444
Miscellaneous	-	-	100	100
Total Revenues	3,732,944	3,737,444	3,751,618	14,174
Expenditures				
Current:				
Health and human services	4,398,355	4,400,981	3,888,083	512,898
Excess (Deficiency) of Revenues Over Expenditures	(665,411)	(663,537)	(136,465)	527,072
Other Financing Uses				
Transfers out	(295,875)	(295,875)	(338,459)	(42,584)
Net Change in Fund Balances	(961,286)	(959,412)	(474,924)	484,488
Reserve for Abatements	(3,000)	(3,000)	-	3,000
Fund Balances Beginning of Year	1,626,090	1,624,216	1,677,999	53,783
Fund Balances End of Year	$ 661,804	$ 661,804	$ 1,203,075	$ 541,271

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

In accordance with GASB Statement No. 34, the County is required to account for and report infrastructure capital assets. The County has several major infrastructure systems including the road system, trail system and the wastewater system. Each major infrastructure system can be divided into subsystems. For example, the road system can be divided into paved, unpaved (both including culverts/drainage & cattle guard improvements, original striping), bridges, traffic control devices (including signage, traffic lights, streetlights), guardrails and land (right-of-way). Subsystem detail is not presented in these basic financial statements; however, the County maintains detailed information on the subsystems.

In 2006, the County elected to use the "Modified Approach" as defined by GASB Statement No. 34 for infrastructure reporting for its road and trail systems. As of 2011 the County additionally elected to use the "Modified Approach" for reporting of the wastewater infrastructure system. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated, with the following requirements:

- The County manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) perform condition assessments and summarize the results using a measurement scale; and (3) estimate annual amounts to maintain and preserve at the established condition assessment levels.

- The County documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment levels. The Teller County Public Works Department completes condition assessment surveys of all infrastructure systems every three years in accordance with the County's Asset Management Program.
    - Road and trail improvements: The County uses the HUTF criteria administered by the State of Colorado to rate the condition of our infrastructure systems, with the exception of our bridges and tunnels.
    - Bridge and tunnel improvements: The County uses the AASHTO standards in compliance with CDOT and FHWA to rate bridges and the tunnel in our infrastructure systems. An engineering firm contracted by the State of Colorado performs condition assessments biannually on County bridges and the tunnel, with supplemental ratings performed by the County Engineer, as necessary to comply with the 3-year assessment cycle requirement. The state engineer's sufficiency rating is converted to the County's rating system.
    - Wastewater improvements: The Teller County Public Works department has developed criteria to measure the condition of the wastewater system, which are documented in the County infrastructure records.
    - County's rating system for all eligible infrastructure capital assets:

Condition	Rating
Good	40
Fair	25
Poor	10

County management believes that compliance with these requirements facilitates constructive planning and tracking tools for the County's development, repair and maintenance of our infrastructure networks.

Road and trail infrastructure systems:
The County policy is to maintain at least 60% of these infrastructure systems at a rating of 40, with an additional 25% at least at a rating of 25. These levels allow for normal wear and tear and Colorado weather events. The most recent 3-year assessment cycle was completed as of December 31, 2024.

The past four assessments rated the County's road and trail infrastructure as follows:

	Condition Distribution			
As of 3 years ended:	2015	2018	2021	2024
Good	88%	90%	91%	91%
Fair	9%	8%	7%	7%
Poor	3%	2%	2%	2%

The County's next full 3-year assessment cycle will be completed as of December 31, 2027.

See the accompanying independent auditors' report.

The County's road and trail infrastructure is constantly deteriorating from the following factors: 1) usage, 2) weather and 3) utility installation and private road cuts. The County is continuously taking action to mediate the effects of deterioration through maintenance and improvement activities as annually defined in our Road Maintenance and Improvement Plan.

A schedule of the estimated annual cost to maintain and preserve roads at the targeted levels compared to actual expenditures for the road maintenance for the last five years is presented below.

Year	Maintenance Estimate	Actual Expenditures
2025	$ 7,746,941	$ 7,205,803
2024	7,192,123	6,551,925
2023	7,474,743	5,822,449
2022	6,326,766	5,476,848
2021	6,335,975	4,550,700

The County's goal will always be to maintain our roads in a passable condition.

Minimal amounts have been spent on maintaining County trails, as the system is relatively small and includes no hard surface improvements.

Wastewater infrastructure system:
The County policy is to maintain at least 70% of this infrastructure system in good condition, with the remaining 30% in fair condition, since any poor condition would cause an unacceptable failure in the wastewater treatment.

The past two assessments rated the County's wastewater infrastructure as follows:

	Condition Distribution	
As of 3 years ended:	2020	2023
Good	97%	100%
Fair	3%	0%
Poor	0%	0%

The County's next full 3-year assessment cycle will be completed as of December 31, 2026.

A schedule of the estimated annual costs to maintain and preserve the wastewater infrastructure at the targeted levels compared to actual expenditures for maintenance for the last five years is presented below.

Year	Maintenance Estimate	Actual Expenditures
2025	$ 21,000	$ 9,856
2024	60,000	53,602
2023	2,568	3,971
2022	568	3,070
2021	8,568	11,027

Over the next four years Teller County plans to reseal 31 manholes for inflow and infiltration prevention as is required by the utilities discharge permit.

The Waste Water Utility is currently in the process of a 10.5 million expansion to 120,000 gals per day. The expansion is being funded by grants and loans through the State revolving fund, the energy impact assistance fund and Teller County. The expansion is necessary to prepare for growth in the Divide area and affordable housing initiatives.

See the accompanying independent auditors' report.

Budgetary Information – The County adopts an annual operating budget for all County funds. All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the individual fund level; however additional restrictions on the use of personnel, fleet and other departmental budget amounts are established at the time of adoption by resolution. Any change in total to a fund appropriation or to the additionally restricted amounts requires approval of the County Commissioners through the adoption of a resolution, subsequent to legal publication.

Department heads and elected officials may transfer appropriations within each department from one line item to another, except that personnel service appropriations may not be used for operations or capital outlay and vice-versa, and certain fleet expense appropriations cannot be used for other line items.

All unexpended annual appropriations lapse at year-end.

The 2025 adopted budget was amended upward from $49,244,183 to $55,547,867

Teller County

CRIPPLE CREEK, COLORADO 80813

SUPPLEMENTARY INFORMATION

Teller County

CRIPPLE CREEK, COLORADO 80813

COMBINING AND INDIVIDUAL

FUND STATEMENTS AND SCHEDULES

Teller County, Colorado
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property taxes	$ 11,061,898	$ 11,061,898	$ 11,089,336	$ 27,438
Delinquent property taxes	-	-	(218)	(218)
Interest and penalties	-	-	21,816	21,816
Sales tax	4,929,975	5,214,598	5,162,350	(52,248)
Severance tax	300,000	300,000	41,419	(258,581)
E911 Authority	400,000	400,000	425,000	25,000
Total Taxes	16,691,873	16,976,496	16,739,703	(236,793)
Intergovernmental				
Election fees	35,000	47,000	48,799	1,799
Specific ownership	982,865	982,865	1,035,043	52,178
Payment in lieu of taxes	250,000	369,722	369,732	10
Gaming taxes	790,646	852,646	918,943	66,297
Gaming impact grants	1,283,565	1,801,092	1,801,093	1
Cigarette taxes	10,000	10,000	12,265	2,265
Veterans office	20,000	20,000	21,252	1,252
Public health contracts	-	398,031	369,110	(28,921)
Law enforcement contracts	664,416	674,416	486,328	(188,088)
Federal mineral lease distribution	150,000	150,000	134,249	(15,751)
Sanitarian contract	20,000	20,000	20,000	-
LEAF	2,000	2,000	1,647	(353)
EMA	-	-	36,427	36,427
EMS subsidy	-	-	24,651	24,651
State impact assistance	700	700	681	(19)
State payment in lieu taxes	1,400	1,400	1,441	41
Other governmental grants	-	122,523	168,002	45,479
Other	240,000	240,000	342,006	102,006
Total Intergovernmental	4,450,592	5,692,395	5,791,669	99,274
Licenses and Permits				
Building permits	425,000	433,894	703,124	269,230
Planning and zoning fees	10,000	15,300	16,021	721
Elevator permits	-	-	3,325	3,325
Sanitation permits	33,000	33,000	30,820	(2,180)
Contractor licenses	70,000	70,000	97,660	27,660
Liquor licenses	2,000	2,000	4,698	2,698
Health licenses	40,000	40,000	72,636	32,636
Total Licenses and Permits	$ 580,000	$ 594,194	$ 928,284	$ 334,090

(continued)

See the accompanying independent auditors' report.

Teller County, Colorado
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended December 31, 2025

(continued)

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges For Services				
Fees of County Offices				
Assessor	$ 1,400	$ 1,400	$ 1,808	$ 408
Sheriff	100,500	118,851	135,494	16,643
Clerk	515,000	515,000	619,656	104,656
Treasurer	450,000	450,000	469,430	19,430
Public health	48,000	48,000	81,604	33,604
Public trustee	30,000	30,000	86,977	56,977
Other services	6,500	33,300	13,229	(20,071)
Total Charges For Services	1,151,400	1,196,551	1,408,198	211,647
Fines and Forfeitures				
Model traffic code fines	15,000	15,000	11,705	(3,295)
Code and enforcement	-	-	910	910
Animal control	1,200	1,200	845	(355)
Total Fines and Forfeitures	16,200	16,200	13,460	(2,740)
Investment Earnings	300,000	589,631	621,880	32,249
Miscellaneous				
Other	45,920	166,565	262,274	95,709
Total Revenues	$ 23,235,985	$ 25,232,032	$ 25,765,468	$ 533,436

See the accompanying independent auditors' report.

Teller County, Colorado
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures				
General Government				
Office of the Board	$ 798,022	$ 1,127,195	$ 1,038,977	$ 88,218
Finance	104,030	864,732	861,471	3,261
Legal services	1,181,230	1,216,105	1,184,980	31,125
Human resources	566,744	581,240	523,113	58,127
Central utilities	300,627	300,627	259,620	41,007
Public works administration	651,697	507,433	505,890	1,543
Central support	1,382,968	1,337,144	1,253,102	84,042
Information technology	2,004,161	2,026,747	1,417,110	609,637
Assessor	1,354,204	1,297,710	1,241,430	56,280
Clerk and recorder	835,230	983,951	928,153	55,798
Elections	70,500	94,483	88,281	6,202
Treasurer	460,852	477,583	465,310	12,273
Public trustee	111,124	135,451	146,428	(10,977)
County surveyor	32,755	32,339	29,674	2,665
Facilities	1,309,274	1,726,914	1,489,179	237,735
Personnel contingency	-	651,794	-	651,794
Employee benefits	-	90,108	85,826	4,282
Total General Government	11,163,418	13,451,556	11,518,544	1,933,012
Public Safety				
Law Enforcement				
Sheriff	8,027,842	7,031,534	6,758,822	272,712
Dispatch services	1,351,949	1,318,931	1,301,079	17,852
Sheriff Equitable Sharing	-	55,000	55,000	-
Detentions	3,300,000	3,300,000	2,571,562	728,438
Animal control	267,524	322,253	228,914	93,339
Search and rescue	15,939	132,861	20,384	112,477
Coronor	279,939	293,887	210,103	83,784
CDD	1,287,395	1,317,477	1,233,901	83,576
Environmental health	106,145	124,342	117,033	7,309
Emergency management	462,818	392,835	376,357	16,478
Fire and EMS support	97,700	97,700	89,686	8,014
Hazmat	26,090	26,090	2,274	23,816
Total Public Safety	15,223,341	14,412,910	12,965,115	1,447,795
Health and Human Services				
Public health	607,346	1,072,433	884,068	188,365
Veterans office	80,745	82,660	78,948	3,712
Total Health and Human Services	688,091	1,155,093	963,016	192,077
Culture and Recreation				
County parks	5,679	5,679	8,320	(2,641)
Extension office	17,487	30,074	22,444	7,630
County Events	63,938	31,268	30,079	1,189
Total Culture and Recreation	87,104	67,021	60,843	6,178
Capital Outlay	25,000	250,000	295,080	(45,080)
Debt Service - Leases				
Lease principal	276,268	321,268	327,698	(6,430)
Lease interest	345	2,345	1,864	481
Total Debt Service - Leases	276,613	323,613	329,562	(5,949)
Debt Service - Subscriptions				
Subscriptions principal	122,000	-	148,019	(148,019)
Subscriptions interest	7,200	200	10,518	(10,318)
Total Debt Service - Subscriptions	129,200	200	158,537	(158,337)
Total Expenditures	$ 27,592,767	$ 29,660,393	$ 26,290,697	$ 3,369,696

See the accompanying independent auditors' report.

Teller County, Colorado
Capital Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	$ 52,000	$ 1,052,000	$ 553,797	$ (498,203)
Investment earnings	129,000	219,000	212,167	(6,833)
Lease revenue	54,100	54,100	54,619	519
Lease interest	32,400	32,400	32,087	(313)
Miscellaneous	25,000	70,000	71,357	1,357
Total Revenues	292,500	1,427,500	924,027	(503,473)
Expenditures				
Current:				
General government	-	24,000	25,116	(1,116)
Public safety	-	50,000	-	50,000
Capital Outlay	165,000	3,241,900	2,585,343	656,557
Total Expenditures	165,000	3,315,900	2,610,459	705,441
Excess (Deficiency) of Revenues Over Expenditures	127,500	(1,888,400)	(1,686,432)	201,968
Net Change in Fund Balances	127,500	(1,888,400)	(1,686,432)	201,968
Fund Balances Beginning of Year	11,416,110	13,432,010	11,821,134	(1,610,876)
Fund Balances End of Year	$ 11,543,610	$ 11,543,610	$ 10,134,702	$ (1,408,908)

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2025

	Conservation Trust	Contingent	Total Nonmajor Special Revenue Funds
Assets			
Cash and investments	$ 913,021	$ 1,450,573	$ 2,363,594
Receivables:			
Prepaid items	1,025	-	1,025
Total Assets	914,046	1,450,573	2,364,619
Liabilities and Fund Balances			
Liabilities			
Accounts payable	5,814	-	5,814
Fund Balances			
Nonspendable	1,025		1,025
Restricted	907,207	700,000	1,607,207
Committed	-	750,000	750,000
Assigned	-	573	573
Total Fund Balances	908,232	1,450,573	2,358,805
Total Liabilities and Fund Balances	$ 914,046	$ 1,450,573	$ 2,364,619

See the accompanying independent auditors' report.

Teller County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2025

	Conservation Trust	Contingent	Total Nonmajor Special Revenue Funds
Revenues			
Intergovernmental	183,534	-	183,534
Investment earnings	78,994	-	78,994
Total Revenues	262,528	-	262,528
Expenditures			
Current:			
Culture and recreation	66,742	-	66,742
Capital Outlay	56,411	-	56,411
Total Expenditures	123,153	-	123,153
Excess (Deficiency) of Revenues Over Expenditures	139,375	-	139,375
Net Change in Fund Balances	139,375	-	139,375
Fund Balances Beginning of Year	768,857	1,450,573	2,219,430
Fund Balances End of Year	$ 908,232	$ 1,450,573	$ 2,358,805

See the accompanying independent auditors' report.

Teller County, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	$ 200,000	$ 200,000	$ 183,534	$ (16,466)
Investment earnings	47,000	47,000	78,994	31,994
Total Revenues	247,000	247,000	262,528	15,528
Expenditures				
Current:				
Culture and recreation	190,756	190,756	66,742	124,014
Capital Outlay	56,410	56,410	56,411	(1)
Total Expenditures	247,166	247,166	123,153	124,013
Excess (Deficiency) of Revenues Over Expenditures	(166)	(166)	139,375	139,541
Net Change in Fund Balances	(166)	(166)	139,375	139,541
Fund Balances Beginning of Year	516,349	516,349	768,857	252,508
Fund Balances End of Year	$ 516,183	$ 516,183	$ 908,232	$ 392,049

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Contingent Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Total Revenues	$ -	$ -	$ -	$ -
Expenditures	1,450,000	1,450,000	-	(1,450,000)
Excess (Deficiency) of Revenues Over Expenditures	(1,450,000)	(1,450,000)	-	1,450,000
Net Change in Fund Balances	(1,450,000)	(1,450,000)	-	1,450,000
Fund Balances Beginning of Year	1,450,573	1,450,573	1,450,573	-
Fund Balances End of Year	$ 573	$ 573	$ 1,450,573	$ 1,450,000

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Wastewater Utility Fund
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Charges for services	$ 165,000	$ 180,000	$ 184,544	$ 4,544
Miscellaneous	-	-	1,678	1,678
Total Operating Revenues	165,000	180,000	186,222	6,222
Operating Expenses				
Administration	40,370	46,514	36,908	9,606
Operations	167,403	182,403	175,339	7,064
Total Operating Expenses	207,773	228,917	212,247	16,670
Loss before Capital Contributions	(42,773)	(48,917)	(26,025)	22,892
Capital Contributions	-	-	45,000	45,000
Change in Net Position	(42,773)	(48,917)	18,975	67,892
Net Position Beginning of Year	1,279,785	1,285,929	2,292,166	1,006,237
Net Position End of Year	$ 1,237,012	$ 1,237,012	$ 2,311,141	$ 1,074,129

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Jail Fund
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Charges for services	$ 4,944,000	$ 4,944,000	$ 4,645,129	$ (298,871)
Intergovernmental	-	353,600	354,663	1,063
Miscellaneous	50,000	140,000	150,684	10,684
Total Operating Revenues	4,994,000	5,437,600	5,150,476	(287,124)
Operating Expenses				
Administration	122,216	122,216	124,117	(1,901)
Operations	4,545,992	4,883,906	4,572,385	311,521
Depreciation	280,000	280,000	294,111	(14,111)
Total Operating Expenses	4,948,208	5,286,122	4,990,613	295,509
Gain Before Capital Contributions	45,792	151,478	159,863	8,385
Change in Net Position	45,792	151,478	159,863	8,385
Net Position Beginning of Year	1,818,189	1,712,503	872,241	(840,262)
Net Position End of Year	$ 1,863,981	$ 1,863,981	$ 1,032,104	$ (831,877)

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

Teller County, Colorado
Fleet Management Fund
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget and Actual
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Charges for services	$ 2,560,977	$ 2,846,977	$ 2,145,036	$ (701,941)
Miscellaneous	-	-	96,086	96,086
Total Operating Revenues	2,560,977	2,846,977	2,241,122	(605,855)
Operating Expenses				
Operations	1,550,036	2,074,022	1,714,337	359,685
Depreciation	600,000	600,000	577,525	22,475
Total Operating Expenses	2,150,036	2,674,022	2,291,862	382,160
Operating Income (Loss)	410,941	172,955	(50,740)	(223,695)
Non-Operating Revenue				
Transfers in	242,000	419,345	246,615	(172,730)
Insurance Reimbursements	-	58,304	59,945	1,641
Gain on sale of capital assets	10,000	10,000	332,642	322,642
Investment earnings	113,000	113,000	172,688	59,688
Total Non-Operating Revenue	365,000	600,649	811,890	211,241
Change in Net Position	775,941	773,604	761,150	(12,454)
Net Position Beginning of Year	7,090,366	7,092,703	7,085,202	(7,501)
Net Position End of Year	$ 7,866,307	$ 7,866,307	$ 7,846,352	$ (19,955)

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County
CRIPPLE CREEK, COLORADO 80813

SPECIAL REPORTS

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORT		**STATE:** COLORADO
THIS INFORMATION FROM THE RECORDS OF: Teller County	**PREPARED BY:** Michelle Bosch/Cheryle Beres boschm@tellercounty.gov	**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. 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	604,706.00	a. Interest on investments	128,663.00
b. Non-property Taxes and Assessments Imposts	2,930,047.00	b. Other Misc. Local Receipts	57,659.00
c. Total (a + b)	$ 3,534,753.00	**c. Total (a + b)**	$ 186,322.00
ITEM	**AMOUNT**	**ITEM**	**AMOUNT**
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	2,838,948.00	1. FHWA (from Item I.D.5.)	
2. State General Funds		2. Other Federal Agencies:	20,158.00
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds	0.00		
c. Total (a + b)	$ -		
4. Total (1 + 2 + 3c)	$ 2,838,948.00	**3. Total (1 + 2)**	$ 20,158.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT
A.1. Capital outlay:	
a. Right-Of-Way Costs	
b. Engineering Costs	
c. Construction Costs	1,619,412.00
d. Total Capital Outlay (a+ b + c)	$ 1,619,412.00

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
$ 2,651,533.00	$ 6,580,181.00	$ 7,205,803.00	$ 2,025,911.00	$ -

LOCAL HIGHWAY FINANCE REPORT

STATE: COLORADO

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

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from Local Sources:	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
c. Total (a + b)	
2. General Fund Appropriations	
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 3,534,753.00
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ 186,322.00
5. Transfers from Toll Facilities	
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a + b + c)	$ -
7. Total (1 through 6)	$ 3,721,075.00
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	$ 2,838,948.00
D. Receipts from Federal government (from page 1, Item II.D.3)	$ 20,158.00
E. Total receipts (A.7 + B + C + D)	$ 6,580,181.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ 1,619,412.00
2. Maintenance:	2,955,938.00
3. Road and Street Services:	
a. Snow and Ice Removal	1,979,476.00
b. Other & Traffic Control Operations	512,812.00
c. Total (a + b)	$ 2,492,288.00
4. General Administration & Miscellaneous	138,165.00
5. Highway Law Enforcement and Safety	
6. Total (1 through 5)	$ 7,205,803.00
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)	$ 7,205,803.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

Teller County
CRIPPLE CREEK, COLORADO 80813

FEDERAL FINANCIAL

AWARD REPORTS

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

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*

Board of County Commissioners
Teller County, Colorado
Cripple Creek, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Teller 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 July 14, 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 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 County'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Report On Compliance And Other Matters

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

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.

RubinBrown LLP

July 14, 2026

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report On Compliance For Each Major Federal Program And Report On Internal Control Over Compliance Required By The Uniform Guidance

Board of County Commissioners
Teller County, Colorado
Cripple Creek, Colorado

Report On Compliance For Each Major Federal Program

Opinion On Each Major Federal Program

We have audited Teller County, Colorado's (the County) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget's *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.

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

Basis For Opinion On Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*), and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the 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.

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 GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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

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

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report On Internal Control Over Compliance

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

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

RubinBrown LLP

July 14, 2026

TELLER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Federal Agency/Program Title	Direct/Pass Through	Pass Through Entity	AL #	Pass-through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE						
State Administrative Matching Grants for the						
Supplemental Nutrition Assistence Grant	Pass Through	CO Dept of Human Services	10.551	*	$282,093	$0
Supplemental Nutrition Assistence Grant (SNAP)	Pass Through	CO Dept of Human Services	10.561	*	1,450	0
Sub-Total SNAP Cluster					283,543	0
Women, Infant & Children	Pass Through	CO Dept of Health and Environment	10.557	2024*2487/2025*0264	68,508	0
WIC Food Vouchers	Pass Through	CO Dept of Health and Environment	10.557	*	273,321	0
Sub-Total ALN #10.557					341,829	0
Title I - Schools and Roads Cluster	Direct		10.666		20,158	0
Total U.S. Dept of Agriculture					**645,530**	**0**
U.S. DEPARTMENT OF HOMELAND SECURITY						
Emergency Mgmt Program	Pass Through	CO Dept of Public Safety	97.042	22EM-23-53	36,427	0
Total U.S. Dept of Homeland Security					**36,427**	**0**
U.S. DEPARTMENT OF JUSTICE						
Equitable Sharing Program	Direct		16.922		55,000	0
State Criminal Alien Assistance Program	Direct		16.606		8,044	0
Total U.S. Dept of Justice					**63,044**	**0**
U.S. DEPARTMENT OF TREASURY						
COVID-19 HB22-1259 TANF	Pass Through	CO Dept of Human Services	21.027	*	(2,369)	0
Total U.S. Dept of Treasury					**(2,369)**	**0**
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES						
Emergency Prep and Response CORE	Pass Through	CO Dept of Health and Environment	93.069	2023*0215 / 2025*0150	38,478	0
Medical Reserve Corp	Pass Through	CO Dept of Health and Environment	93.008	2024*1733	1,023	0
Family Planning Project	Pass Through	CO Dept of Health and Environment	93.217	2021*0291	8,806	0
Immunization Programs	Pass Through	CO Dept of Health and Environment	93.268	2025*0055 / 2026*0136	22,686	0
COVID-19 Immunization Program #3	Pass Through	CO Dept of Health and Environment	93.268	PO FHJA 2021*10316	3,206	0
Sub-Total ALN #93.268					25,892	0
Womens Wellness Connection Clinical Services	Pass Through	CO Dept of Health and Environment	93.898	2023*2322	13,419	0
Maternal & Child Health	Pass Through	CO Dept of Health and Environment	93.994	2023*0055	13,589	0
OPHP LPHA CDC Infrastructure	Pass Through	CO Dept of Health and Environment	93.967	2025*1364	71,665	0
IV-E Guardianship Assistance	Pass Through	CO Dept of Human Services	93.090	*	6,207	0
IV-E Prevention	Pass Through	CO Dept of Human Services	93.472	*	27,604	0
Kinship	Pass Through	CO Dept of Human Services	93.471	*	59,711	0
TANF	Pass Through	CO Dept of Human Services	93.558	*	474,959	0
Title IV-D Admin	Pass Through	CO Dept of Human Services	93.563	*	260,391	0
LEAP	Pass Through	CO Dept of Human Services	93.568	*	1,769	0
CCDF - Discretionary Cluster	Pass Through	CO Dept of Early Childhood	93.575	*	303,318	0
CCDF - Mandatory & Match Cluster	Pass Through	CO Dept of Early Childhood	93.596	*	68,193	0
Sub-Total CCDF Cluster					371,511	0
Title IV-B Child Welfare	Pass Through	CO Dept of Human Services	93.645	*	16,443	0
Title IV-E FC	Pass Through	CO Dept of Human Services	93.658	*	357,252	0
Title IV-E Adoption	Pass Through	CO Dept of Human Services	93.659	*	164,477	0
Title XX Block Grant	Pass Through	CO Dept of Human Services	93.667	*	119,990	0
COVID-19 CRF Adult Protection - Elder Justice Act	Pass Through	CO Dept of Human Services	93.747	*	327	0
Title XX Medicaid Cluster	Pass Through	CO Dept of Health Care Policy & Fin	93.778	*	316,858	0
Total U.S. Dept of Health & Human Services					**$2,350,371**	**$0**
TOTAL FEDERAL AWARDS					**$3,093,003**	**$0**

*** Unavailable**

See the notes to the schedule of expenditures of federal awards

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Teller County, Colorado, and is presented on the modified accrual basis of accounting. 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the Teller County, Colorado, financial statements for the year ended December 31, 2025.

Indirect Cost Rate

The County has not elected to use the de Minimis Indirect Cost Rate of 15% for federal grants and funds.

Donated Personal Protective Equipment (PPE)

The County did not receive any donated PPE that was originally purchased with federal funding.

TELLER 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 report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles:	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	___ yes	✓ no
• Significant deficiency(ies) identified?	___ yes	✓ none reported
• Noncompliance material to financial statements noted?	___ yes	✓ no

Federal Awards

Internal control over each major federal program:		
• Material weakness(es) identified?	___ yes	✓ no
• Significant deficiency(ies) identified?	___ yes	✓ none reported
Type of auditors' report issued on compliance for each major federal program:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ yes	✓ no

Identification Of Major Programs

AL No.	Name Of Federal Program Or Cluster
93.558	Temporary Assistance for Needy Families (TANF)
93.575/ 93.596	Child Care and Development Block Grant/ Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF)

Dollar threshold used to distinguish between Type A and Type B programs:	$1,000,000	
Auditee qualified as low-risk auditee?	✓ yes	___ no

Section II - Financial Statement Findings

None

Section III - Federal Award Findings And Questioned Costs

None