TOWN OF RAMAH, COLORADO

FINANCIAL STATEMENTS

December 31, 2025

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Logan and Associates, LLC
CERTIFIED PUBLIC ACCOUNTANTS

6140 S. Gun Club Rd, Suite K6-132
Aurora, Colorado 80016
303.835.6815
Fax: 303.997.1056

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of
the Board of Trustees
Town of Ramah
Ramah, Colorado

Report on 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 the Town of Ramah (the "Town") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Town'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 Town of Ramah 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). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Ramah, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 of 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 Town'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and budgetary comparison schedule on pages i – viii and on pages 24 – 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements as a whole. The accompanying supplementary information on pages 26 – 28 and local highway finance report on pages 29 – 30, 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 supplementary information and other information have 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 supplementary information and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Logan and Associates, LLC

Aurora, Colorado
April 6, 2026

TOWN OF RAMAH
El Paso County, Ramah, Colorado
Management's Discussion and Analysis
December 31, 2025

Management of the Town of Ramah offers readers of the basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2025. The focus of the information contained herein is on the primary government.

Financial Highlights

- The Town's assets exceeded liabilities at the close of the fiscal year by $4,506,261 (net position). Of this amount $86,992 (unrestricted net position) may be used to meet the Town's ongoing obligations.
- The Town's total net position increased by $1,052,213.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $65,681, a decrease of $12,117 from the prior year.
- The Town's business-type activities net position increased by $1,004,308.

Overview of the Financial Statements

This discussion and analysis is intended as an introduction to the Town's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. In addition to the basic financial statements, also provided is required supplementary information, supplementary information and other information.

Government-wide financial statements

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

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to a bottom line for the Town and its governmental and business-type activities. This statement reports all of the governmental fund's current financial resources (short-term spendable resources) with capital assets and long term obligations. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information illustrating how the Town's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The governmental activities reflect the Town's basic services, including administrative, parks and recreation, streets, building division, cemetery and public works. Sales taxes finance the majority of these services.

The business-type activities reflect private sector type operations, which include operation and maintenance of the Town's water and sewer facilities, where fees for services cover all or most of the cost of operations, including depreciation.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for the same functions as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on financial position and change in financial position, not on income determination, and use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they are "measurable and available"). The Town considers all revenues available if they are collected within sixty days following the year end. Expenditures are recorded when the related fund liability is incurred.

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

The Town maintains two *proprietary funds.* These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer operations.

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

Other information, in addition to the basic financial statements and accompanying notes, is presented in the form of certain required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Ramah, assets exceeded liabilities by $4,506,261.

Of the Town's net position, 1.9% is unrestricted and may be used to meet the Town's ongoing financial obligations. This is net position that is not restricted by external requirements nor invested in capital assets.

Of the Town's $4,506,261 in net assets, $4,352,875 (96.6%) reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment) less any related debt used to acquire those assets that is still outstanding of $676,160 which is reported as net investment in capital assets in the net position. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table reflects the Town's Net Position:

	Government Activities		Business-type Activities		Total	
	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025
Current and other assets	138,945	95,810	155,713	62,039	294,658	157,849
Grants Receivable	-	-	271,785	35,000	271,785	35,000
Accounts Receivable-CWRPDA	-	-	1,292,557	147,473	1,292,557	147,473
Long-term Investments	-	-	32,128	33,094	32,128	33,094
Capital assets	310,965	401,810	3,114,319	4,635,297	3,425,284	5,037,107
Total Assets	449,910	497,620	4,866,502	4,912,903	5,316,412	5,410,523
Current liabilities	50,810	10,570	459,367	197,973	510,177	208,543
Unearned Grant Revenue	-	-	673,780	-	673,780	-
Long-term liabilities	-	30,823	668,070	645,337	668,070	676,160
Total Liabilities	50,810	41,393	1,801,217	843,310	1,852,027	884,703
Deferred Inflow of Resources						
Deferred Property Tax Revenue	10,337	19,559	-	-	10,337	19,559
Net Position						
Invested in capital assets	310,965	370,987	2,446,249	3,989,960	2,757,214	4,360,947
Restricted for bond redemption	-	-	14,634	41,681	14,634	41,681
Restricted for TABOR	4,700	4,100	-	-	4,700	4,100
Restricted - Other	11,206	12,541	-	-	11,206	12,541
Unrestricted	61,892	49,040	604,402	37,952	666,294	86,992
Total Net Position	388,763	436,668	3,065,285	4,069,593	3,454,048	4,506,261

TOWN OF RAMAH
Ramah, Colorado
Management's Discussion and Analysis
December 31, 2025

The following reflects the Town's Changes in Net Position:

	Government Activities		Business-type Activities		Total	
	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025
Revenues						
Program Revenues						
Charges for service	2,448	2,184	70,163	72,311	72,611	74,495
Grants & contributions	110,000	68,924	2,432,634	1,036,263	2,542,634	1,105,187
General Revenues					-	-
Property taxes	17,246	11,772	-	-	17,246	11,772
Sales Taxes	35,796	31,067	-	-	35,796	31,067
Other taxes	11,949	12,390	-	-	11,949	12,390
Investment interest	73	86	1,213	998	1,286	1,084
Lottery Revenues	1,363	1,323	-	-	1,363	1,323
Miscellaneous	6,882	7,742	12,128	-	19,010	7,742
Total Revenues	185,757	135,488	2,516,138	1,109,572	2,701,895	1,245,060
Expenses						
General Government	58,507	65,983	-	-	58,507	65,983
Public Works	-	6,584	-	-	-	6,584
Culture & Recreation	2,773	14,888	-	-	2,773	14,888
Interest on Long-Term Debt	-	128	7,211	10,473	7,211	10,601
Sewer	-	-	42,406	51,561	42,406	51,561
Water	-	-	31,488	43,230	31,488	43,230
Total Expenses	61,280	87,583	81,105	105,264	142,385	192,847
Increase (decrease) in net position	124,477	47,905	2,435,033	1,004,308	2,559,510	1,052,213
Net Position - Beginning	264,286	388,763	630,252	3,065,285	894,538	3,454,048
Net Position - Ending	388,763	436,668	3,065,285	4,069,593	3,454,048	4,506,261

Intergovernmental revenues are grants and other revenues received from the county, state and federal government. Licenses and permits include amounts collected from the issuance of licenses and permits required by the Town for various purposes. Revenues from fees collected by the Town for a variety of services provided to the public are recorded as miscellaneous revenues, which include cemetery revenues and park and recreation fees. Interest income reflects revenues from property taxes and investment activity.

Governmental activities increased the Town's net position by $47,905.

Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds
The focus of the Town's governmental funds is to provide information on current year revenue, expenditures and balances of spendable resources. Such information is useful in assessing the Town's financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the year ended December 31, 2025, the Town's governmental funds reported combined ending fund balances of $65,681 a decrease of $12,117. This is due to a decrease in revenues but with a higher increase in expenses.

Proprietary Funds
The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of the Water Fund amounted to $100,549 and those for the Sewer Fund amounted to $3,969,044. Total increase in net position for all enterprise funds was $1,004,308.

Significant factors for Water and Sewer Funds:

* There is a large sewer project in process with numerous grants in place. While this did increase the debt for the town, the grants greatly increased the net position.

General Fund Budgetary Highlights

The Town amended the Sewer Fund budgeted expenditures by $1,000,000 to a total of $2,058,450 in 2025.

Capital Asset and Debt Administration

Capital assets

The Town's capital assets for its governmental and business type activities as of December 31, 2025 amount to $5,037,107 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment and other, park facilities, infrastructure (including streets, alleys, signs and bridges), water system infrastructure, and wastewater infrastructure. The Town's capital assets by activity at December 31, 2025 were as follows:

	December 31, 2024			December 31, 2025		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land	18,707	120,002	138,709	18,707	120,002	138,709
Infrastructure	263,361	771,672	1,035,033	312,761	5,045,530	5,358,291
Construction in progress	-	2,733,510	2,733,510	-	-	-
Buildings	1,500	-	1,500	1,500	-	1,500
Equipment and vehicles	1,574	6,600	8,174	1,574	6,600	8,174
Parks	92,316	-	92,316	150,350	-	150,350
Less accumulated depreciation	(66,493)	(517,465)	(583,958)	(83,082)	(536,835)	(619,917)
Total	310,965	3,114,319	3,425,284	401,810	4,635,297	5,037,107

The increase in Capital Assets during 2025 is a result of a major Sewer project under construction.

Debt

At December 31, 2025, the Town had a total indebtedness of $676,160 which is outlined below:

	December 31, 2024			December 31, 2025		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Tractor Loan	-	-	-	30,823	-	30,823
1994 Water & Sewer Revenue Bonds	-	59,400	59,400	-	54,200	54,200
2024 CWRPDA Loan	-	608,670	608,670	-	591,137	591,137
Total	-	668,070	668,070	30,823	645,337	676,160

During 2024 the Town obtained a loan for $1,292,557 of which $673,780 was forgiven as per Note 4 in the financial statements.

Economic Factors and Next Year's Budget

The 2026 budget represents an attempt to maintain both core services and a sufficient fund balance. Increasing reserves is a large priority for the foreseeable future as the current reserves are not sufficient for our needs. The following factors were considered in compiling the 2026 budget:

* Most revenue line items were budgeted basically the same.
* Expenditures have been budgeted close to the same for the last 3 years as the town tries to build reserves.
* Salaries will be increased minimally.
* Sewer revenue will be monitored to determine that the revenues are sufficient to meet the town's obligations.
* The budget has a line item to transfer a portion of the sales tax revenue to the water and sewer funds

It is the hope of the Board of Trustees and the employees of the Town of Ramah that 2026 will keep improving and the town is excited to start using the new sewer system.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the Town Treasurer, Town of Ramah, P.O. Box 129, Ramah, CO 80832.

BASIC FINANCIAL STATEMENTS

TOWN OF RAMAH, COLORADO

STATEMENT OF NET POSITION
December 31, 2025

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	$ 67,291	$ 52,437	$ 119,728
Receivables			
Property Taxes	19,559	-	19,559
Other Governments	8,628	-	8,628
Accounts	332	9,602	9,934
Grants	-	35,000	35,000
CWRPDA	-	147,473	147,473
Investments - Long-term	-	33,094	33,094
Capital Assets, Not Depreciated	18,707	120,002	138,709
Capital Assets, Depreciated Net of Accumulated Depreciation	383,103	4,515,295	4,898,398
TOTAL ASSETS	497,620	4,912,903	5,410,523
LIABILITIES			
Accounts Payable	9,631	195,422	205,053
Accrued Salaries and Benefits	939	-	939
Customer Deposits	-	2,551	2,551
Noncurrent Liabilities			
Due in One Year	8,072	23,253	31,325
Due in More Than One Year	22,751	622,084	644,835
TOTAL LIABILITIES	41,393	843,310	884,703
DEFERRED INFLOW OF RESOURCES			
Deferred Property Tax Revenue	19,559	-	19,559
NET POSITION			
Net Investment in Capital Assets	370,987	3,989,960	4,360,947
Restricted for Debt Service	-	41,681	41,681
Restricted for Emergencies	4,100	-	4,100
Restricted for Parks and Recreation	12,541	-	12,541
Unrestricted, Unreserved	49,040	37,952	86,992
TOTAL NET POSITION	$ 436,668	$ 4,069,593	$ 4,506,261

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

TOWN OF RAMAH, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

		PROGRAM REVENUES		
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	$ 65,983	$ 1,934	$ -	$ -
Public Works	6,584	250	-	68,924
Parks and Recreation	14,888	-	1,323	-
Interest on Long-Term Debt	128	-	-	-
Total Governmental Activities	87,583	2,184	1,323	68,924
Business-Type Activities				
Water	51,561	31,311	-	-
Sewer	43,230	41,000	-	1,036,263
Interest on Long-Term Debt	10,473	-	-	-
Total Business-Type Activities	105,264	72,311	-	1,036,263
Total Primary Government	$ 192,847	$ 74,495	$ 1,323	$ 1,105,187

GENERAL REVENUES
Property Taxes
Sales Taxes
Franchise Taxes
Other Taxes
Interest
Other Income

TOTAL GENERAL REVENUES AND SPECIAL ITEMS

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION		
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
$ (64,049)	$ -	$ (64,049)
62,590	-	62,590
(13,565)	-	(13,565)
(128)	-	(128)
(15,152)	-	(15,152)
-	(20,250)	(20,250)
-	1,034,033	1,034,033
-	(10,473)	(10,473)
-	1,003,310	1,003,310
(15,152)	1,003,310	988,158
11,772	-	11,772
31,067	-	31,067
5,082	-	5,082
7,308	-	7,308
86	998	1,084
7,742	-	7,742
63,057	998	64,055
47,905	1,004,308	1,052,213
388,763	3,065,285	3,454,048
$ 436,668	$ 4,069,593	$ 4,506,261

TOWN OF RAMAH, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
ASSETS			
Cash and Investments	$ 54,750	$ 12,541	$ 67,291
Property Taxes Receivable	19,559	-	19,559
Due from Other Governments	8,628	-	8,628
Accounts Receivable	332	-	332
TOTAL ASSETS	83,269	12,541	95,810
LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY			
LIABILITIES			
Accounts Payable	9,631	-	9,631
Accrued Salaries and Benefits	939	-	939
TOTAL LIABILITIES	10,570	-	10,570
DEFERRED INFLOW OF RESOURCES			
Deferred Property Tax Revenue	19,559	-	19,559
FUND EQUITY			
Fund Balance (Deficit)			
Restricted for Emergencies	4,100	-	4,100
Restricted for Parks and Recreation	-	12,541	12,541
Committed for Cemetery Improvements	3,226	-	3,226
Unassigned	45,814	-	45,814
TOTAL FUND EQUITY	53,140	12,541	65,681
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	$ 83,269	$ 12,541	$ 95,810

Amounts reported for governmental activities in the statement of net position are different because:

Total Fund Balances of Governmental Funds	65,681
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	401,810
Long-term liabilities and related items are not due and payable in the current period and are not reported in the funds. These include financing leases payable.	(30,823)
Net position of governmental activities	$ 436,668

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

TOWN OF RAMAH, COLORADO

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

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
REVENUES			
Taxes	$ 47,921	$ -	$ 47,921
Licenses and Permits	2,184	-	2,184
Intergovernmental	76,232	1,323	77,555
Interest	74	12	86
Miscellaneous	7,742	-	7,742
TOTAL REVENUES	134,153	1,335	135,488
EXPENDITURES			
Current			
General Government	65,983	-	65,983
Parks and Recreation	4,883	-	4,883
Capital Outlay	107,434	-	107,434
Debt Service			
Principal	7,687	-	7,687
Interest	128	-	128
TOTAL EXPENDITURES	186,115	-	186,115
EXCESS OF REVENUES OVER(UNDER) EXPENDITURES	(51,962)	1,335	(50,627)
OTHER FINANCING SOURCES			
Debt Proceeds	38,510	-	38,510
NET CHANGE IN FUND BALANCES	(13,452)	1,335	(12,117)
FUND BALANCES, Beginning	66,592	11,206	77,798
FUND BALANCES, Ending	$ 53,140	$ 12,541	$ 65,681

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

TOWN OF RAMAH, COLORADO

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

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	$	(12,117)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay $107,434 exceeded depreciation ($16,589), in the current period.		90,845
Issuing debt (i.e. debt proceeds) provides current financial resources to governmental funds, but increases long-term liabilities in the statement of net position and does not affect the statement of activities. This includes financing lease proceeds in the current year.		(38,510)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This includes principal payments of the financing lease payable.		7,687
Change in Net Position of Governmental Activities	$	47,905

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

TOWN OF RAMAH, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE
December 31, 2025

	WATER FUND	SEWER FUND	TOTALS
ASSETS			
Current Assets			
Cash and Investments	$ 2,905	$ 49,532	$ 52,437
Due from Other Funds	-	19,620	19,620
Accounts Receivable, Net	5,369	4,233	9,602
Grants Receivable	-	35,000	35,000
Accounts Receivable - CWRPDA	-	147,473	147,473
Total Current Assets	8,274	255,858	264,132
Noncurrent Assets			
Investments - Long-term	10,403	22,691	33,094
Capital Assets, Not Being Depreciated	-	120,002	120,002
Capital Assets, Net of Accumulated Depreciation	131,143	4,384,152	4,515,295
Total Noncurrent Assets	141,546	4,526,845	4,668,391
TOTAL ASSETS	149,820	4,782,703	4,932,523
LIABILITIES			
Current Liabilities			
Accounts Payable	-	195,422	195,422
Customer Deposits	2,551	-	2,551
Due to Other Funds	19,620	-	19,620
Loan Payable - Current Portion	2,750	20,503	23,253
Total Current Liabilities	24,921	215,925	240,846
Noncurrent Liabilities			
Loan Payable - USDA	24,350	24,350	48,700
Loan Payable - CWRPDA	-	573,384	573,384
Total Noncurrent Liabilities	24,350	597,734	622,084
TOTAL LIABILITIES	49,271	813,659	862,930
NET POSITION			
Net Investment in Capital Assets	104,043	3,885,917	3,989,960
Restricted for Debt Service	4,072	37,609	41,681
Unreserved	(7,566)	45,518	37,952
TOTAL NET POSITION	$ 100,549	$ 3,969,044	$ 4,069,593

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

TOWN OF RAMAH, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPES
Year Ended December 31, 2025

	WATER FUND	SEWER FUND	TOTALS
OPERATING REVENUES			
Charges for Services	$ 30,801	$ 40,670	$ 71,471
Connection and Late Fees	510	330	840
TOTAL OPERATING REVENUES	31,311	41,000	72,311
OPERATING EXPENSES			
Operations and Maintenance	41,615	33,804	75,419
Depreciation	9,946	9,426	19,372
TOTAL OPERATING EXPENSES	51,561	43,230	94,791
OPERATING INCOME (LOSS)	(20,250)	(2,230)	(22,480)
NON-OPERATING REVENUES (EXPENSES)			
Interest Income	322	676	998
Interest Expense	(1,453)	(9,020)	(10,473)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(1,131)	(8,344)	(9,475)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(21,381)	(10,574)	(31,955)
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital Grants	-	1,036,263	1,036,263
Transfers In (Out)	(19,620)	19,620	-
CHANGE IN NET POSITION	(41,001)	1,045,309	1,004,308
NET POSITION, Beginning	141,550	2,923,735	3,065,285
NET POSITION, Ending	$ 100,549	$ 3,969,044	$ 4,069,593

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

TOWN OF RAMAH, COLORADO

STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES
Year Ended December 31, 2025
Increase (Decrease) in Cash and Cash Equivalents

	WATER FUND	SEWER FUND	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	$ 32,263	$ 40,922	$ 73,185
Cash Paid to Suppliers	(19,703)	(33,804)	(53,507)
Cash Paid to Employees	(21,912)	-	(21,912)
Net Cash Provided (Used) by Operating Activities	(9,352)	7,118	(2,234)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Grant Proceeds	-	1,763,970	1,763,970
Purchase of Capital Assets	-	(1,801,942)	(1,801,942)
Paid to/Received from Other Funds	16,291	(16,291)	-
Loan Payments	(2,600)	(20,133)	(22,733)
Interest Payments	(1,453)	(9,020)	(10,473)
Net Cash Provided (Used) by Capital and Related Financing Activities	12,238	(83,416)	(71,178)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	322	676	998
Sale (Purchase) of Investments	(303)	(663)	(966)
Net Cash Provided (Used) by Investing Activities	19	13	32
Net Increase (Decrease) in Cash and Cash Equivalents	2,905	(76,285)	(73,380)
CASH AND CASH EQUIVALENTS, Beginning	-	125,817	125,817
CASH AND CASH EQUIVALENTS, Ending	$ 2,905	$ 49,532	$ 52,437
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income (Loss)	$ (20,250)	$ (2,230)	$ (22,480)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities			
Depreciation and Amortization	9,946	9,426	19,372
Changes in Assets and Liabilities			
Accounts Receivable	752	(78)	674
Customer Deposits	200	-	200
Total Adjustments	10,898	9,348	20,246
Net Cash Provided (Used) by Operating Activities	$ (9,352)	$ 7,118	$ (2,234)

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Town of Ramah (the "Town") is a Colorado statutory town (a municipal corporation), incorporated in 1928 and is governed by a Mayor and six member Board of Trustees elected by the residents. The Town provides public works, parks and recreation, water, sewer, and general administrative services to its residents.

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

Reporting Entity

In accordance with governmental accounting standards, the Town has considered the possibility of including additional entities in its financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for organizations that are fiscally dependent upon it. Based on the application of the criteria, the Town does not include additional organizations in its report entity.

Government-Wide and Fund Financial Statements

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

The statement of net position reports all financial, capital and debt resources of the Town. The difference between assets plus deferred outflows, and liabilities plus deferred inflows of the Town is reported as net position.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both "measurable and available". Revenues are considered to be "available" when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year, except for expenditure driven grants as defined in the following paragraph.

Taxes, intergovernmental revenue and interest associated with the current fiscal year are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Grant and similar revenues are recorded as revenues when all eligibility requirements are met, including any time requirements. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenues are considered to be measurable and available only when cash is received by the Town.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

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

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

When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

The Town reports the following major governmental fund in the fund financial statements:

General Fund – The General Fund is used to account for the general operations and specific programs of the Town.

The Town reports the following major proprietary funds:

Water Fund – The Water Fund accounts for the financial activities associated with providing water services.

Sewer Fund – The Sewer Fund accounts for the financial activities associated with providing sewer services.

In addition, the Town reports the following nonmajor governmental fund:

Conservation Trust Fund – The Conservation Trust Fund is a special revenue fund used to account for lottery revenues used for recreational programs.

Assets, Liabilities, Fund Balance/Net Assets

Cash and Investments – For the purposes of reporting in the statement of cash flows, cash equivalents include certificates of deposit and investments with original maturities of three months or less. Investments are reported at fair value.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Fund Balance/Net Assets (Continued)

Receivables – Due from other governments and accounts receivable are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Capital Assets – Capital assets, which include property, plant, buildings and related improvements, equipment, vehicles, and all infrastructure owned by the Town, are reported in the applicable government-wide or business-type activities columns of the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives.

Buildings	20 years
Infrastructure	40 years
Distribution Systems	40 years
Park Equipment and Improvements	20 years
Equipment, Machinery, and Vehicles	20 years

General infrastructure assets acquired prior to January 1, 2002 are not being reported in the basic financial statements. General infrastructure assets include all roads, bridges, and other infrastructure acquired subsequent to January 1, 2002.

Compensated Absences – The Town does not employ any full time employees, hence, it does not have a compensated absences policy.

Long-Term Debt - In the government-wide financial statements, and the proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Debt premiums and discounts are reported as other financing sources and uses, respectively. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

In the government-wide and proprietary funds, debt premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Net Position – In the government-wide and proprietary fund financial statements, net position is restricted when constraints placed on the net position are externally imposed.

- Net Investment in Capital Assets – this classification is intended to report the portion of net position which is associated with non-liquid, capital assets less outstanding debt related to those capital assets.
- Restricted Net Position – this classification includes liquid assets which have third party limitations on their use.
- Unrestricted Net Position – this classification includes assets that do not have any third party limitation on their use.

Fund Balance Classification – The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form (such as prepaid items) or (b) are legally or contractually required to be maintained intact.

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authority, the Town Board of Trustees. The constraint may be removed or changed only through formal action of the Town Board of Trustees.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

- Assigned – This classification includes amounts that are constrained by the Town's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Town Board of Trustees to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or changed than those imposed on committed amounts.

- Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The Town has not established a formal policy for its use of restricted and unrestricted fund balance. However, if both the restricted and unrestricted fund balances are available the Town uses restricted fund balance first, followed by committed, assigned and unassigned.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the Town on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources are reported at December 31.

Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

The Town has evaluated events subsequent to the year ended December 31, 2025 through April 6, 2026, the date of these financial statements were issued, and has incorporated any required recognition into these financial statements.

NOTE 2: CASH AND INVESTMENTS

A summary of cash and investments at December 31, 2025, follows:

Cash Deposits	$ 152,822

Cash and Investments are reported in the financial statements as follows:

Cash and Investments	$ 119,728
Investments – Long-term	33,094
Total	$ 152,822

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all local government entities deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. The FDIC insures depositors up to $250,000 for each financial institution. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2025, the Town had bank deposits totaling $200,891 all of which were insured by FDIC.

Investments

The Town has not adopted a formal investment policy; however, the Town follows State statutes regarding investments. The Town generally limits its concentration of investments to Local Government Investment Pools, obligations of the United States and certain U.S. government agency securities, which are believed to have a minimal credit risk; minimal interest rate risk and no foreign currency risk. Additionally, the Town is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Town Board of Trustees, such actions are generally associated with debt service reserve or sinking fund requirements.

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

State statutes specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest which include the following:

- Obligations of the United States and certain U.S. agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's 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 Town measures and records its investments using fair market value measurement guidelines established by generally accepted accounting principles, except for local government investment pools, which are recorded using the net asset value method. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investment in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

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NOTE 3: CAPITAL ASSETS

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

	Balances 12/31/2024	Additions	Deletions	Balances 12/31/2025
Governmental Activities:				
Capital Assets, not being depreciated				
Land	$ 18,707	$ -	$ -	$ 18,707
Capital Assets, being depreciated				
Buildings	1,500	-	-	1,500
Infrastructure	263,361	49,400	-	312,761
Park Equipment and Improvements	92,316	58,034	-	150,350
Equipment and Vehicles	1,574	-	-	1,574
Total Capital Assets, being depreciated	358,751	107,434	-	466,185
Less accumulated depreciation				
Buildings	(1,500)	-	-	(1,500)
Infrastructure	(55,127)	(6,584)	-	(61,711)
Park Equipment and Improvements	(8,292)	(10,005)	-	(18,297)
Equipment and Vehicles	(1,574)	-	-	(1,574)
Total accumulated depreciation	(66,493)	(16,589)	-	(83,082)
Total Capital Assets, being depreciated, net	292,258	90,845	-	383,103
Governmental Activities Capital Assets, net	**$ 310,965**	**$ 90,845**	**$ -**	**$ 401,810**

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

Public Works	$ 6,584
Parks and Recreation	10,005
Total	$ 16,589

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NOTE 3: CAPITAL ASSETS (Continued)

	Balances 12/31/2024	Additions	Deletions	Balances 12/31/2025
Business-type Activities:				
Capital Assets, not being depreciated				
Land	$ 120,002			$ 120,002
Construction in Progress	2,733,510	1,540,348	4,273,858	-
	2,853,512	1,540,348	4,273,858	120,002
Capital Assets, being depreciated				
Collection and Distribution Systems	771,672	4,273,858	-	5,045,530
Machinery and Equipment	6,600	-	-	6,600
Total Capital Assets, being depreciated	778,272	4,273,858	-	5,052,130
Less accumulated depreciation				
Collection and Distribution Systems	(511,972)	(19,292)		(531,264)
Machinery and Equipment	(5,491)	(80)	-	(5,571)
Total accumulated depreciation	(517,463)	(19,372)	-	(536,835)
Total Capital Assets, being depreciated, net	260,809	4,254,486	-	4,515,295
Business-type Activities Capital Assets, net	$ 3,114,321	$ 5,794,834	$ 4,273,858	$ 4,635,297

Depreciation expense for the Business-type Activities was charged to the functions/programs as follows:

Water Fund	$ 9,946
Sewer Fund	9,426
Total	$ 19,375

NOTE 4: LONG-TERM DEBT

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025	Due Within One Year
Governmental Activities					
Financing Lease - Tractor	$ -	$ 38,510	$ 7,687	$ 30,823	$ 8,072
	$ -	$ 38,510	$ 7,687	$ 30,823	$ 8,072

NOTE 4: LONG-TERM DEBT (Continued)

Financing Lease - Tractor

During 2025, the Town purchased a tractor and related equipment for $58,034. A deposit of $19,524 was paid at the time of purchase and the balance of $38,510 was financed over five years through a financing lease. Monthly payments of $710 are paid every month through January 2030. The implied interest rate in the financing is 3.99% per annum.

Following is a summary of the debt service requirements:

Year Ended December 31	Principal	Interest	Total
2026	$ 8,072	$ 454	$ 8,526
2027	7,757	769	8,526
2028	7,454	1,072	8,526
2029	7,163	1,363	8,526
2030	377	126	503
	$ 30,823	$ 3,784	$ 34,607

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025	Due Within One Year
Business-type Activities					
1994 Water and Sewer Revenue Bonds	$ 59,400	$ -	$ 5,200	$ 54,200	$ 5,500
2024 CWRPDA Loan	$ 608,670	$ -	$ 17,533	$ 591,137	$ 17,753
	$ 668,070	$ -	$ 22,733	$ 645,337	$ 23,253

Water & Sewer Revenue Bonds

During 1994, the Town issued Water & Sewer Revenue Bonds in the principal amount of $140,000 for the construction of certain water and sewer system improvements. Principal and interest payments are due semi-annually on June 1, and December 1, through June 1, 2034. Interest accrues at a rate of 5.0% per annum. The bonds required a reserve fund be established in the total amount of $8,105, which is reported as restricted net position in the water and sewer funds. The bonds are payable solely from revenues of the Town's water and sewer utility systems, after deducting operation and maintenance costs. During the year ended December 31, 2025, net revenues of ($3,108) were not available to pay annual debt service of $8,105, therefore existing cash balances were used. Remaining debt service at December 31, 2025 was $74,891.

NOTE 4: LONG-TERM DEBT (Continued)

Following is summary of water and sewer revenue bonds debt service requirements:

Year Ended December 31	Principal	Interest	Total
2026	$ 5,500	$ 2,643	$ 8,143
2027	5,700	2,365	8,065
2028	6,100	2,075	8,175
2029	6,300	1,769	8,069
2030	6,700	1,448	8,148
2031 - 2034	23,900	2,286	26,186
	$ 54,200	$ 12,586	$ 66,786

2024 Colorado Water Resources and Power Development Authority (CWRPDA) Loan

During 2024, the Town's Sewer Fund entered into a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA) in the amount of $1,292,557. At closing, an up-front principal forgiveness in the amount of $673,780 was applied resulting in a loan principal balance of $618,777. Proceeds are being used for the construction of evaporation ponds, a lift station and force main to transport water from the collection system to the evaporation ponds. The loan carries an interest rate of 1.25%, per annum and requires semi-annual principal and interest payments of $25,087, on May 1 and November 1 through November 1, 2053.

On December 31, 2025, the Town reports $147,473 as a final receivable from CWRPDA for unspent grant and loan proceeds.

The sewer loan is payable solely from revenues of the Town's sewer system, after deducting operation and maintenance costs. During the year ended December 31, 2025, net revenues of $33,804 were available to pay annual debt service of $25,087. Remaining debt service at December 31, 2025 was $702,549.

A provision of the loans requires the net revenues (total revenues less operating and maintenance expenses) be at least 110% of the annual debt service due in any one year. During the year ended December 31, 2025, the Town complied with this covenant.

NOTE 4: LONG-TERM DEBT (Continued)

Additionally, the loans require the Town to maintain an operations and maintenance reserve fund in an amount equal to three months of operations and maintenance expenses, excluding debt service and depreciation expense, as set forth in the annual budget for the current fiscal year. Accordingly, the Town has restricted $8,451 of the Water and Sewer Funds' net position, calculated as follows:

	2025 Budget	2025 Actual
Total Sewer Fund Expenditures	$ 1,058,450	$ 2,573,613
Less Capital Outlay	(1,000,000)	(2,518,182)
Less Debt Service	(29,200)	(21,627)
Operations and Maintenance Expenditures	$ 29,250	$ 33,804
3 Months of Operations and Maintenance	$ 7,313	$ 8,451

Following is summary of the CWRPDA loan debt service requirements:

Year Ended December 31	Principal	Interest	Total
2026	$ 17,753	$ 7,334	$ 25,087
2027	17,976	7,111	25,087
2028	18,201	6,886	25,087
2029	18,429	6,658	25,087
2030	18,544	6,542	25,086
2031 - 2035	96,871	28,564	125,435
2036 - 2040	103,098	22,336	125,434
2041 - 2045	109,726	15,708	125,434
2046 - 2050	116,780	8,654	125,434
2051 - 2053	73,759	1,619	75,378
	$ 591,137	$ 111,412	$ 702,549

NOTE 5: PUBLIC ENTITY RISK POOL

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

NOTE 5: PUBLIC ENTITY RISK POOL (Continued)

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of entity.

NOTE 6: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the "Amendment"), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Amendment requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to the Town. Revenue in excess of the fiscal spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

In November 1998, the voters approved collection and spending of a one (1) percent sales and use tax, commencing January 1, 1999, without any limitations of the Amendment.

The Town's management believes it is in compliance with the provisions of the Amendment. However, the Amendment is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2025, the emergency reserve of $4,100 was reported as restricted fund balance in the General Fund.

NOTE 6: COMMITMENTS AND CONTINGENCIES (Continued)

Tax Spending Limitation

Section 29-1-1702, Colorado Revised Statutes (C.R.S.), contains limitations on revenues generated from property tax revenues that apply to certain local governments within the State of Colorado.

Annual operating revenue from property taxes is generally limited to a 10.50% increase over a two-year period (5.25% each year); such increase is determined based on a prior assessment period and adjusted for allowable exclusion and exemptions from qualified property tax revenues.

The Town's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

Claims and Judgments

The Town participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government.

If expenses are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. At December 31, 2025, significant amounts of grant expenses have not been audited but management believes that subsequent audits will not have a material effect on the overall financial position of the Town.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF RAMAH, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2025
(with Comparative Totals for the Year Ended December 31, 2024)

	2025			2024
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE with FINAL BUDGET	ACTUAL
REVENUES				
Taxes				
Property Taxes	$ 10,500	$ 10,779	$ 279	$ 16,240
Specific Ownership Taxes	1,000	993	(7)	1,006
Sales Taxes	25,000	31,067	6,067	35,796
Franchise Taxes	5,000	5,082	82	4,968
Licenses and Permits	2,450	2,184	(266)	2,448
Intergovernmental	81,275	76,232	(5,043)	86,981
Interest	25	74	49	62
Miscellaneous	6,225	7,742	1,517	6,882
TOTAL REVENUES	131,475	134,153	2,678	154,383
EXPENDITURES				
Current				
General Government	59,167	65,983	(6,816)	52,485
Parks and Recreation	1,900	4,883	(2,983)	2,773
Capital Outlay	85,000	107,434	(22,434)	84,024
Debt Service				
Principal		7,687	(7,687)	-
Interest		128	(128)	-
TOTAL EXPENDITURES	146,067	186,115	(40,048)	139,282
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(14,592)	(51,962)	37,370	15,101
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	-	38,510	38,510	-
Transfers Out	(12,000)	-	12,000	-
TOTAL OTHER FINANCING SOURCES (USES)	(12,000)	38,510	50,510	-
NET CHANGE IN FUND BALANCE	(26,592)	(13,452)	87,880	15,101
FUND BALANCE, Beginning	54,072	66,592	12,520	51,491
FUND BALANCE, Ending	$ 27,480	$ 53,140	$ 25,660	$ 66,592

See the accompanying Independent Auditor's Report.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2025

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Budgets are legally adopted for all funds of the Town. Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the enterprise funds are presented on a non-GAAP budgetary basis. Capital outlay and long-term debt principal are budgeted as expenditures and depreciation is not budgeted.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- In September, Management submits to the Town Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

- Public hearings are conducted to obtain taxpayer and public comments.

- Prior to December 31, the budget is legally enacted through passage of an ordinance.

- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures must be approved by the Town Board of Trustees.

- All budget appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

Legal Compliance

For the year ended December 31, 2025, the Town's General and Water Funds actual expenditures exceeded budgeted expenditures by $28,048 and $17,663, respectively. This may be a violation of State statute.

SUPPLEMENTARY INFORMATION

TOWN OF RAMAH, COLORADO

CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2025
(with Comparative Totals for the Year Ended December 31, 2024)

	2025			2024
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE with FINAL BUDGET	ACTUAL
REVENUES				
Lottery Revenues	$ 1,200	$ 1,323	$ 123	$ 1,363
Interest	15	12	(3)	11
TOTAL REVENUES	1,215	1,335	120	1,374
EXPENDITURES				
Parks and Recreation	5,000	-	5,000	-
Contingency	7,413	-	7,413	-
TOTAL EXPENDITURES	12,413	-	12,413	-
NET CHANGE IN FUND BALANCE	(11,198)	1,335	12,533	1,374
FUND BALANCE, Beginning	16,554	11,206	(5,348)	9,832
FUND BALANCE, Ending	$ 5,356	$ 12,541	$ 7,185	$ 11,206

See the accompanying Independent Auditor's Report.

TOWN OF RAMAH, COLORADO

WATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2025
(with Comparative Totals for the Year Ended December 31, 2024)

	2025			2024
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE with FINAL BUDGET	ACTUAL
REVENUES				
Charges for Services	$ 32,500	$ 30,801	$ (1,699)	$ 32,127
Connection and Late Fees	400	510	110	460
Investment Income	200	322	122	402
Transfer In	6,000	-	(6,000)	-
TOTAL REVENUES	39,100	31,633	(7,467)	32,989
EXPENDITURES				
Operations and Maintenance	41,425	41,615	(190)	32,211
Capital Outlay	2,000	-	2,000	-
Debt Service				
Principal	4,100	2,600	1,500	2,500
Interest	-	1,453	(1,453)	1,585
Transfer Out	-	19,620	(19,620)	-
TOTAL EXPENDITURES	47,525	65,288	(17,763)	36,296
NET INCOME, Budget Basis	$ (8,425)	(33,655)	$ (25,230)	(3,307)
GAAP BASIS ADJUSTMENTS				
Depreciation		(9,946)		(10,195)
Principal Paid on Long-Term Debt		2,600		2,500
NET INCOME, GAAP Basis		(41,001)		(11,002)
NET POSITION, Beginning		141,550		152,552
NET POSITION, Ending		$ 100,549		$ 141,550

See the accompanying Independent Auditor's Report.

TOWN OF RAMAH, COLORADO

SEWER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2025
(with Comparative Totals for the Year Ended December 31, 2024)

	2025				2024
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE with FINAL BUDGET	ACTUAL
REVENUES					
Charges for Services	$ 38,000	$ 38,000	$ 40,670	$ 2,670	$ 37,496
Late Fees	300	300	330	30	80
Investment Income	200	200	676	476	811
Capital Grants	1,000,000	2,000,000	1,036,263	(963,737)	2,432,634
Other Income	6,000	6,000	-	(6,000)	12,128
Transfer In	-	-	19,620	19,620	-
TOTAL REVENUES	1,044,500	2,044,500	1,097,559	(946,941)	2,483,149
EXPENDITURES					
Operations and Maintenance	29,250	29,250	33,804	(4,554)	22,062
Capital Outlay	1,000,000	2,000,000	1,540,348	459,652	2,518,182
Debt Service					
Principal	29,200	29,200	20,133	9,067	12,607
Interest	-	-	9,020	(9,020)	5,626
TOTAL EXPENDITURES	1,058,450	2,058,450	1,603,305	455,145	2,558,477
NET INCOME, Budget Basis	$ (13,950)	$ (13,950)	(505,746)	$ (491,796)	(75,328)
GAAP BASIS ADJUSTMENTS					
Capital Outlay			1,540,348		2,518,182
Depreciation			(9,426)		(9,426)
Principal Paid on Long-term Debt			20,133		12,607
NET INCOME, GAAP Basis			1,045,309		2,446,035
NET POSITION, Beginning			2,923,735		477,700
NET POSITION, Ending			$ 3,969,044		$ 2,923,735

See the accompanying Independent Auditor's Report.

OTHER INFORMATION

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO
THIS INFORMATION FROM THE RECORDS OF: Town of Ramah	PREPARED BY: Cindy Tompkins townoframah@gmail.com	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		a. Interest on investments	81.00
b. Non-property Taxes and Assessments Imposts	31,598.00	b. Other Misc. Local Receipts	1,934.00
c. Total (a + b)	$ 31,598.00	**c. Total (a + b)**	$ 2,015.00

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	6,903.00	1. FHWA (from Item I.D.5.)	
2. State General Funds		2. Other Federal Agencies:	49,400.00
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds			
c. Total (a + b)	$ -		
4. Total (1 + 2 + 3c)	$ 6,903.00	**3. Total (1 + 2)**	$ 49,400.00

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/Equipment	76,739.00
d. Total Capital Outlay (a+ b + c)	$ 76,739.00

Form FHWA-536 (Rev. 02-2025) Page2

See the accompanying Independent Auditor's Report.

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	6,903.00
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)	$ 31,598.00
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ 2,015.00
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)	$ 33,613.00
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	$ 6,903.00
D. Receipts from Federal government (from page 1, Item II.D.3)	$ 49,400.00
E. Total receipts (A.7 + B + C + D)	$ 89,916.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ 76,739.00
2. Maintenance:	1,299.00
3. Road and Street Services:	
a. Snow and Ice Removal	
b. Other & Traffic Control Operations	6,788.00
c. Total (a + b)	$ 6,788.00
4. General Administration & Miscellaneous	5,090.00
5. Highway Law Enforcement and Safety	
6. Total (1 through 5)	$ 89,916.00
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)	$ 89,916.00

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)		$ -	$ -	$ -

See the accompanying Independent Auditor's Report.