

TOWN OF RANGELY, COLORADO

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2025

TOWN OF RANGELY, COLORADO

2025 BOARD OF TRUSTEES

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Andrew Shaffer, Mayor Pro Tem

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Tim Webber

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Robby Elam

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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Rangely, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Rangely, Colorado, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Town of Rangely, Colorado's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Rangely, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Required Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the combining statements – nonmajor governmental funds, budget comparison schedules – Gas Fund, Wastewater Fund, Water Fund, Conservation Trust Fund, Rangely Housing Authority, Rangely Housing Assistance, RDA, RDC, and Public Giving, and counties, cities and towns annual statement of receipts and expenditures for roads, bridges, and streets but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Calcutt Services, PC

Rangely, Colorado
July 8, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

The discussion and analysis of the Town of Rangely, Colorado's (the "Town") financial performance provides readers with an overall review of the financial activities of the Town for the year ended December 31, 2025. The intent of this discussion and analysis is to look at the Town's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the Town's financial performance.

FINANCIAL HIGHLIGHTS

- The Town's assets exceeded liabilities and deferred inflows by \$32,187,773 at December 31, 2025.
- Total Town's cash and investments increased by \$158,843 or 1 percent from 2024.
- The December 31, 2025 General Fund balance is \$990,598 less than the previous year. The total fund balance is 253 percent of 2025 General Fund operating expenditures.

USING THIS ANNUAL REPORT

This Annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the Town as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at our specific financial conditions.

The Statement of Net Position and Statement of Activities provides information about the activities of the whole Town, presenting both an aggregate view of the Town's finances and a longer-term view of those assets. The Statement of Activities shows a net (expense) revenue and changes to net assets related to each department of the Town. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

OVERVIEW OF THE TOWNS FINANCIAL STATEMENTS

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances. The Statement of Net Position and Statement of Activities include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the year's revenues and expenses regardless of when the cash was received or paid.

These two statements report the Town's net position and the changes in those positions. This change in position is important because it tells the reader whether, for the Town as a whole, the financial position of the Town has improved or diminished. However, in evaluating the overall position of the Town, non-financial information such as changes in the Town's tax base and the condition of Town capital assets will also need to be evaluated.

In the Statement of Net Position and Statement of Activities, the Town's activities are reported as Governmental Activities or Business-type Activities.

Fund Financial Statements

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds. Proprietary funds are reported in the fund financial statements and generally report services for which customers are charged a fee. The Town uses an enterprise fund which essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to a customer external to the Town organization which is the water sales, natural gas, and wastewater services to the residents of the Town and surrounding areas.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail for each major enterprise fund.

Fiduciary Funds. Fiduciary funds, which consist solely of the Rangely Foundation for Public Giving Trust Fund, are used to account for resources held for the benefit of providing donations to entities not affiliated with the Town. Fiduciary funds are *not* included in the government-wide financial statements because the resources are *not* available to support the Town's operations.

The fiduciary funds financial statements can be found on pages 25 through 26.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 41 of this report.

Budgetary Comparisons. The Town adopts an annual appropriated budget for the General Fund, Conservation Fund, Rangely Housing Authority Fund, Housing Assistance Fund, Rangely Development Agency Fund, Rangely Development Corporation Fund, Gas Fund, Wastewater Fund, Water Fund, and Rangely Foundation for Public Giving Trust Fund. A budgetary comparison statement has been provided for the General Fund on pages 43 through 44, the Conservation Fund on page 57, Rangely Housing Authority Fund on page 58, Housing Assistance Fund on page 59, Rangely Development Agency Fund on page 60, Rangely Development Corporation Fund on page 61, Gas Fund on pages 51 through 52, Wastewater Fund on pages 53 through 54, the Water Fund on pages 55 through 56, and the Rangely Foundation for Public Giving Trust Fund on page 62 of this report.

REPORTING THE TOWN AS A WHOLE

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

The following table provides a summary of the Town's net position for 2024 and 2025.

	Governmental Activities		Business-type Activities		Total	
	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>
Assets						
Current and other assets	\$13,456,286	\$ 12,394,628	\$ 2,763,931	\$ 3,173,996	\$16,220,217	\$15,568,624
Capital assets	6,329,855	6,612,591	12,629,009	11,554,884	18,958,864	18,167,475
Total assets	<u>19,786,141</u>	<u>19,007,219</u>	<u>15,392,940</u>	<u>14,728,880</u>	<u>35,179,081</u>	<u>33,736,099</u>
Liabilities						
Current and other liabilities	314,818	310,415	356,301	322,589	671,119	633,004
Long-term liabilities	104,767	87,235	683,695	604,016	788,462	691,251
Total Liabilities	<u>419,585</u>	<u>397,650</u>	<u>1,039,996</u>	<u>926,605</u>	<u>1,459,581</u>	<u>1,324,255</u>
Deferred Inflows	<u>175,630</u>	<u>224,071</u>	<u>-</u>	<u>-</u>	<u>175,630</u>	<u>224,071</u>
Net Position						
Net investment in capital assets	6,205,088	6,505,356	11,867,205	10,871,189	18,072,293	17,376,545
Restricted	186,308	199,682	-	-	186,308	199,682
Unrestricted	12,799,530	11,680,460	2,485,739	2,931,086	15,285,269	14,611,549
Total net position	<u>\$19,190,926</u>	<u>\$ 18,385,498</u>	<u>\$ 14,352,944</u>	<u>\$13,802,275</u>	<u>\$33,543,870</u>	<u>\$32,187,773</u>

A significant portion of the Town's position represents unrestricted net position of \$14,611,549 which may be used to meet the ongoing obligations to patrons and creditors.

Another significant portion of the Town's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to patrons; consequently, they are not available for future spending.

An additional \$199,682 of the Town's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the TABOR emergency reserve of \$127,682 and legal reservation for debt service of \$72,000.

The following table indicates the changes in net position.

	Governmental Activities		Business-type Activities		Total	
	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>
Revenues:						
Program revenues:						
Charges for services	\$ 775,887	\$ 851,563	\$2,718,878	\$2,629,038	\$ 3,494,765	\$ 3,480,601
Operating grants and contributions	413,118	410,437	-	-	413,118	410,437
Capital grants and contributions	121,097	422,473	761,605	98,738	882,702	521,211
General revenues & transfers:						
General property taxes	201,294	157,580	-	-	201,294	157,580
Sales tax	1,071,062	1,051,557	-	-	1,071,062	1,051,557
Investment earnings	507,265	466,388	37,975	33,388	545,240	499,776
Severance tax	512,717	35,188	-	-	512,717	35,188
Mineral lease	863,576	848,076	-	-	863,576	848,076
Other	659,761	248,230	-	-	659,761	248,230
Transfers in (out)	(400,000)	(400,000)	400,000	400,000	-	-
Total revenues & transfers	<u>4,725,777</u>	<u>4,091,492</u>	<u>3,918,458</u>	<u>3,161,164</u>	<u>8,644,235</u>	<u>7,252,656</u>
Expenses:						
Town Council	61,158	43,844	-	-	61,158	43,844
Court	20,297	25,106	-	-	20,297	25,106
Administration	491,131	812,642	-	-	491,131	812,642
Finance	234,677	229,137	-	-	234,677	229,137
Building & Grounds	414,452	419,194	-	-	414,452	419,194
Economic Development	342,430	434,501	-	-	342,430	434,501
Police Department	1,554,768	1,586,433	-	-	1,554,768	1,586,433
Streets & Drainage	836,001	851,368	-	-	836,001	851,368
RDA	64,418	236,510	-	-	64,418	236,510
Housing Authority	261,700	253,729	-	-	261,700	253,729
Housing Assistance	-	1,576	-	-	-	1,576
RDC	352	2,880	-	-	352	2,880
Gas	-	-	1,166,662	1,175,665	1,166,662	1,175,665
Wastewater	-	-	551,290	719,210	551,290	719,210
Water	-	-	1,737,123	1,816,958	1,737,123	1,816,958
Total expenses	<u>4,281,384</u>	<u>4,896,920</u>	<u>3,455,075</u>	<u>3,711,833</u>	<u>7,736,459</u>	<u>8,608,753</u>
Increase (decrease) in net position	<u>\$ 444,393</u>	<u>\$ (805,428)</u>	<u>\$ 463,383</u>	<u>\$ (550,669)</u>	<u>\$ 907,776</u>	<u>\$(1,356,097)</u>

Governmental Activities. Governmental activities decreased the Town's net position by \$805,428 in 2025. Key elements of this decrease are as follows:

Expenses exceeded current year revenues.

Business-type Activities. Business-type activities decreased the Town's net position by \$550,669 in 2025. Key elements of this decrease are as follows:

Capital grants and contributions were down \$662,867 from the prior year.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

Governmental Funds. Information about the Town's governmental funds begins on page 15. These funds are accounted for using the modified accrual basis of accounting.

As of December 31, 2025, the total fund balance of the Town's governmental funds was \$11,880,142. Approximately 79 percent of this consists of unassigned fund balance, which is available as working capital and for current spending in accordance with the purposes of the Town. The remainder of fund balance is reserved to indicate that it is not available for new spending because it is committed or assigned for the following purposes: (1) a state-Constitution mandated emergency reserve (\$127,682); (2) an agreement to maintain a reserve of debt service (\$72,000); (3) assigned for park and recreation maintenance and capital outlay (\$219,590) (4) assigned for Rangely Housing Authority (\$207,231); (5) assigned for housing assistance (\$979,079); (6) assigned for RDA (\$525,128); and (7) assigned for RDC (\$347,121). The Town had Governmental revenues of \$4,491,491, expenditures of \$5,197,187, and transfers out of \$400,000.

Proprietary Funds. Information about the Town's proprietary funds begins on page 19. These funds are accounted for using the accrual basis of accounting.

As of December 31, 2025, the total net position of the Town's proprietary funds was \$13,802,275. Approximately 21 percent of this consists of unrestricted net position, which is available as working capital and for current spending in accordance with the purposes of the Town. The remainder of net position is restricted to indicate that it is not available for new spending because it is committed for the following purposes: (1) net investment in capital assets (\$10,871,189). The Town had proprietary operating revenues of \$2,629,038, grants of \$98,738, investment income of \$33,388, transfers in of \$400,000, operating expenses of \$3,696,986, and interest expense of \$14,847.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's budget is prepared according to Colorado statutes.

2025 General Fund Budget

	Original Budget	Amend- ments	Final Budget	Actual
Beginning Fund Balance	\$ 9,410,688	\$ -	\$ 9,410,688	\$ 10,520,591
Revenue and other financing sources	5,357,400	-	5,357,400	3,665,479
Expenditures and other financing uses	(5,680,461)	-	(5,680,461)	(4,656,077)
Ending Fund Balance	<u>\$ 9,087,627</u>	<u>\$ -</u>	<u>\$ 9,087,627</u>	<u>\$ 9,529,993</u>

Actual expenditures and other financing uses were under budget by \$974,384. The main reason for the difference was capital outlay expenditures were \$1,075,511 less than budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Town's investment in capital assets for its governmental type and business-type activities as of December 31, 2025 totaled \$6,505,356 and \$10,871,189, respectively (net of accumulated depreciation and related debt). This investment includes all land, buildings, infrastructure, and equipment.

Accounting for infrastructure under GASB 34 will be implemented on a prospective basis.

The Town uses the straight-line depreciation method under GASB 34 for its capital assets, except for land which is not depreciated.

Long-term Debt. During the year ended December 31, 2025, the Town had a long-term loan payable of \$107,235 and notes payable of \$683,695.

Additional information on the Town's debt can be found in Note 7.

ECONOMIC FACTORS AND OTHER MATTERS

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

- Completion of the River Access project.
- Anticipated decrease in revenues for the Town.

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 Town's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Town, 209 E. Main, Rangely, Colorado 81648.

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FINANCIAL STATEMENTS

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TOWN OF RANGELY, COLORADO

STATEMENT OF NET POSITION

December 31, 2025

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash and cash equivalents	\$ 10,627,452	\$ 2,878,483	\$ 13,505,935
Receivables	159,365	261,378	420,743
Interest receivable	23,437	2,085	25,522
Property taxes receivable	206,121	-	206,121
Inventories	-	10,800	10,800
Restricted cash and investments	1,378,253	21,250	1,399,503
Capital assets, nondepreciable	2,567,578	13,984	2,581,562
Capital assets, net	<u>4,045,013</u>	<u>11,540,900</u>	<u>15,585,913</u>
TOTAL ASSETS	<u>19,007,219</u>	<u>14,728,880</u>	<u>33,736,099</u>
LIABILITIES			
Accounts payable	59,331	127,724	187,055
Accrued liabilities	22,120	8,265	30,385
Employee compensated absences	189,089	90,671	279,760
Deposits payable	19,875	16,250	36,125
Noncurrent liabilities:			
Due within one year	20,000	79,679	99,679
Due in more than one year	<u>87,235</u>	<u>604,016</u>	<u>691,251</u>
TOTAL LIABILITIES	<u>397,650</u>	<u>926,605</u>	<u>1,324,255</u>
DEFERRED INFLOWS			
Unearned revenue	<u>224,071</u>	<u>-</u>	<u>224,071</u>
TOTAL DEFERRED INFLOWS	<u>224,071</u>	<u>-</u>	<u>224,071</u>
NET POSITION			
Net investment in capital assets	6,505,356	10,871,189	17,376,545
Restricted for:			
Tabor	127,682	-	127,682
Debt service	72,000	-	72,000
Unrestricted	<u>11,680,460</u>	<u>2,931,086</u>	<u>14,611,546</u>
TOTAL NET POSITION	<u>\$ 18,385,498</u>	<u>\$ 13,802,275</u>	<u>\$ 32,187,773</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary government			
Governmental activities			
Town council	43,844	\$ -	\$ -
Court	25,106	11,263	-
Administration	812,642	490,000	-
Finance	229,137	-	-
Building & grounds	419,194	-	-
Economic/community development	434,501	-	13,658
Police department	1,586,433	57,886	40,100
Streets & drainage	851,368	-	236,695
RDA	236,510	74,830	-
Housing Authority	253,729	145,584	119,984
Housing Assistance	1,576	72,000	-
RDC	2,880	-	-
TOTAL GOVERNMENTAL ACTIVITIES	4,896,920	851,563	410,437
Business-type activities			
Gas	1,175,665	1,165,068	-
Wastewater	719,210	430,620	-
Water	1,816,958	1,033,350	-
TOTAL BUSINESS-TYPE ACTIVITIES	3,711,833	2,629,038	-
TOTAL PRIMARY GOVERNMENT	\$ 8,608,753	\$ 3,480,601	\$ 410,437

General revenues:

Taxes:

 Property tax

 Sales tax

 Severance tax

 Other taxes

Licenses and permits

Mineral lease

Unrestricted investment earnings

Miscellaneous

Transfers in (out)

 Total general revenues and transfers

 Change in net position

Net position - beginning

Net position - ending

Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-type Activities	Total
\$ -	\$ (43,844)	\$ -	\$ (43,844)
-	(13,843)	-	(13,843)
-	(322,642)	-	(322,642)
-	(229,137)	-	(229,137)
-	(419,194)	-	(419,194)
-	(420,843)	-	(420,843)
6,048	(1,482,399)	-	(1,482,399)
47,985	(566,688)	-	(566,688)
-	(161,680)	-	(161,680)
-	11,839	-	11,839
-	70,424	-	70,424
368,440	365,560	-	365,560
422,473	(3,212,447)	-	(3,212,447)
-	-	(10,597)	(10,597)
48,049	-	(240,541)	(240,541)
50,689	-	(732,919)	(732,919)
98,738	-	(984,057)	(984,057)
\$ 521,211	(3,212,447)	(984,057)	(4,196,504)
	157,580	-	157,580
	1,051,557	-	1,051,557
	35,188	-	35,188
	129,869	-	129,869
	19,447	-	19,447
	848,076	-	848,076
	466,388	33,388	499,776
	98,914	-	98,914
	(400,000)	400,000	-
	2,407,019	433,388	2,840,407
	(805,428)	(550,669)	(1,356,097)
	19,190,926	14,352,944	33,543,870
	\$ 18,385,498	\$ 13,802,275	\$ 32,187,773

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2025

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 9,578,430	\$ 1,049,022	\$ 10,627,452
Accounts receivable - other	159,365	-	159,365
Interest receivable	23,024	413	23,437
Property taxes receivable	206,121	-	206,121
Restricted cash and investments	43,762	1,334,491	1,378,253
TOTAL ASSETS	\$ 10,010,702	\$ 2,383,926	\$ 12,394,628
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY			
LIABILITIES			
Accounts payable	\$ 54,093	\$ 5,238	\$ 59,331
Accrued liabilities	20,981	1,139	22,120
Employee compensated absences	181,564	7,525	189,089
Deposits payable	-	19,875	19,875
TOTAL LIABILITIES	256,638	33,777	290,415
DEFERRED INFLOWS			
Unearned revenue	224,071	-	224,071
TOTAL DEFERRED INFLOWS	224,071	-	224,071
FUND EQUITY			
Fund balances			
Restricted for:			
TABOR emergencies	127,682	-	127,682
Debt service	-	72,000	72,000
Assigned for:			
Conservation Trust	-	219,590	219,590
Rangely Housing Authority	-	207,231	207,231
Housing Assistance	-	979,079	979,079
Rangely Development Agency	-	525,128	525,128
Rangely Development Corp.	-	347,121	347,121
Unassigned	9,402,311	-	9,402,311
TOTAL FUND EQUITY	9,529,993	2,350,149	11,880,142
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	\$ 10,010,702	\$ 2,383,926	\$ 12,394,628

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

RECONCILIATION OF GOVERNMENTAL BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2025

Balance sheet - total fund balances	\$ 11,880,142
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds.	6,612,591
Some liabilities, including notes payable are not included in governmental funds.	<u>(107,235)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 18,385,498</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

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

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
Intergovernmental revenues	\$ 1,099,143	\$ 13,657	\$ 1,112,800
Federal funds	-	119,984	119,984
Taxes	1,460,432	-	1,460,432
Charges for services	490,020	212,463	702,483
Licenses and permits	19,447	-	19,447
Interest	435,584	30,804	466,388
Miscellaneous	160,853	449,104	609,957
TOTAL REVENUES	<u>3,665,479</u>	<u>826,012</u>	<u>4,491,491</u>
EXPENDITURES			
General government	1,819,648	438,395	2,258,043
Public safety	1,458,575	-	1,458,575
Highways and streets	490,365	-	490,365
Capital outlay	487,489	469,797	957,286
Debt service:			
Principal retirement	-	17,532	17,532
Interest and fiscal charges	-	15,386	15,386
TOTAL EXPENDITURES	<u>4,256,077</u>	<u>941,110</u>	<u>5,197,187</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(590,598)</u>	<u>(115,098)</u>	<u>(705,696)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	<u>(400,000)</u>	<u>-</u>	<u>(400,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(400,000)</u>	<u>-</u>	<u>(400,000)</u>
EXCESS OF REVENUES OVER EXPEND- ITURES AND OTHER FINANCING USES	(990,598)	(115,098)	(1,105,696)
FUND BALANCE, BEGINNING OF YEAR	<u>10,520,591</u>	<u>2,465,247</u>	<u>12,985,838</u>
FUND BALANCE, END OF YEAR	<u>\$ 9,529,993</u>	<u>\$ 2,350,149</u>	<u>\$ 11,880,142</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

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

Net change in fund balances - total governmental funds	\$ (1,105,696)
Amounts reported for governmental activities in the statement of net activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$957,286) exceeded depreciation (\$674,550) in the current period.	282,736
Repayment of note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of debt repayment	<u>17,532</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (805,428)</u></u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
December 31, 2025

	Enterprise Funds		
	Gas	Wastewater	Water
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,479,225	\$ (269,863)	\$ 669,121
Accounts receivable, net	174,215	40,591	46,572
Interest receivable	1,257	165	663
Inventories	9,000	-	1,800
TOTAL CURRENT ASSETS	2,663,697	(229,107)	718,156
Restricted cash - deposits	14,750	-	1,500
Restricted cash - CO LSE	5,000	-	-
Property, plant and equipment - net of accumulated depreciation	375,165	3,997,670	7,182,049
TOTAL ASSETS	3,058,612	3,768,563	7,901,705
LIABILITIES			
Current liabilities:			
Accounts payable	94,347	6,963	26,414
Accrued liabilities	3,840	916	3,509
Employee compensated absences	47,671	5,337	37,663
Current maturities of long-term debt	-	-	-
Notes payable	-	-	79,679
TOTAL CURRENT LIABILITIES	145,858	13,216	147,265
Long-term liabilities:			
Deposits payable from restricted assets	14,750	-	1,500
Notes payable	-	-	604,016
TOTAL LONG-TERM LIABILITIES	14,750	-	605,516
TOTAL LIABILITIES	160,608	13,216	752,781
NET POSITION			
Net investment in capital assets	375,165	3,997,670	6,498,354
Unrestricted	2,522,839	(242,323)	650,570
TOTAL NET POSITION	\$ 2,898,004	\$ 3,755,347	\$ 7,148,924

Total

\$ 2,878,483
261,378
2,085

10,800

3,152,746

16,250
5,000

11,554,884

14,728,880

127,724
8,265
90,671

79,679

306,339

16,250

604,016

620,266

926,605

10,871,189

2,931,086

\$ 13,802,275

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET POSITION - PROPRIETARY FUNDS
For the Year Ended December 31, 2025

	Enterprise Funds		
	Gas	Wastewater	Water
OPERATING REVENUES			
Customer accounts	\$ 1,155,076	\$ 430,620	\$ 1,032,556
Late charges	9,945	-	-
Plant investment and tap fees	-	-	-
Other	47	-	794
TOTAL OPERATING REVENUES	1,165,068	430,620	1,033,350
OPERATING EXPENSES			
Administration	180,000	150,000	150,000
Distribution and service	404,643	196,852	154,738
Gas purchases	539,114	-	-
Water treatment	-	-	537,593
Depreciation	51,908	372,358	959,780
TOTAL OPERATING EXPENSES	1,175,665	719,210	1,802,111
OPERATING INCOME (LOSS)	(10,597)	(288,590)	(768,761)
NONOPERATING REVENUES (EXPENSES)			
Investment income	20,235	2,578	10,575
Interest expense	-	-	(14,847)
TOTAL NONOPERATING REVENUES (EXPENSES)	20,235	2,578	(4,272)
INCOME BEFORE CAPITAL GRANTS AND TRANSFER	9,638	(286,012)	(773,033)
Transfer in	-	200,000	200,000
Capital grants	-	48,049	50,689
TOTAL CAPITAL GRANTS AND TRANSFER	-	248,049	250,689
CHANGE IN NET POSITION	9,638	(37,963)	(522,344)
NET POSITION, BEGINNING	2,888,366	3,793,310	7,671,268
NET POSITION, ENDING	\$ 2,898,004	\$ 3,755,347	\$ 7,148,924

<u>Total</u>	
\$	2,618,252
	9,945
	<u>841</u>
	<u>2,629,038</u>
	480,000
	756,233
	539,114
	537,593
	<u>1,384,046</u>
	<u>3,696,986</u>
	<u>(1,067,948)</u>
	33,388
	<u>(14,847)</u>
	<u>18,541</u>
	<u>(1,049,407)</u>
	400,000
	<u>98,738</u>
	<u>498,738</u>
	(550,669)
	<u>14,352,944</u>
\$	<u><u>13,802,275</u></u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

COMBINING STATEMENT OF CASH FLOWS
 PROPRIETARY FUND TYPES - ENTERPRISE FUNDS
 For the Year Ended December 31, 2025

	Enterprise Funds	
	Gas	Wastewater
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and other	\$ 1,185,691	\$ 431,336
Cash payments for personnel	(334,656)	(80,195)
Cash payments for goods and services	(610,181)	(129,544)
Cash payments for interfund services	(180,000)	(150,000)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>60,854</u>	<u>71,597</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfer in	<u>-</u>	<u>200,000</u>
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>200,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Grant	-	48,049
Plant investment and tap fees	-	-
Fixed assets purchased, less gain on sales	(150,631)	(100,473)
Long term debt payment - principal	-	-
Long term debt payment - interest	<u>-</u>	<u>-</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(150,631)</u>	<u>(52,424)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	<u>20,880</u>	<u>2,660</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>20,880</u>	<u>2,660</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(68,897)	221,833
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,553,122</u>	<u>(491,696)</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 2,484,225</u></u>	<u><u>\$ (269,863)</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (10,597)	\$ (288,590)
Adjustments to reconcile operating income (loss) to Net cash provided (used) by operating activities:		
Depreciation	51,908	372,358
Plant investment and tap fees	-	-
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	20,623	716
Increase (decrease) in accounts payable	(5,700)	(13,470)
Increase (decrease) in employee compensated absences	2,604	101
Increase (decrease) in accrued liabilities	<u>2,016</u>	<u>482</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 60,854</u></u>	<u><u>\$ 71,597</u></u>

Water	Totals
\$ 1,041,637	\$ 2,658,664
(367,451)	(782,302)
(343,992)	(1,083,717)
(150,000)	(480,000)
<u>180,194</u>	<u>312,645</u>
<u>200,000</u>	<u>400,000</u>
<u>200,000</u>	<u>400,000</u>
50,689	98,738
-	-
(58,818)	(309,922)
(78,109)	(78,109)
(14,847)	(14,847)
<u>(101,085)</u>	<u>(304,140)</u>
<u>10,906</u>	<u>34,446</u>
<u>10,906</u>	<u>34,446</u>
290,015	442,951
<u>379,106</u>	<u>2,440,532</u>
<u>\$ 669,121</u>	<u>\$ 2,883,483</u>
\$ (768,761)	\$ (1,067,948)
959,780	1,384,046
-	-
8,287	29,626
(22,089)	(41,259)
1,773	4,478
<u>1,204</u>	<u>3,702</u>
<u>\$ 180,194</u>	<u>\$ 312,645</u>

Water Fund:	
Interest income	\$ 10,575
Decrease in interest receivable	<u>331</u>
Investment income	<u>\$ 10,906</u>
Gas Fund:	
Interest income	\$ 20,235
Decrease in interest receivable	<u>645</u>
Investment income	<u>\$ 20,880</u>
Total fixed assets purchased	<u>\$ (150,631)</u>
Total grants	<u>\$ 50,689</u>
Wastewater Fund:	
Interest income	\$ 2,578
Decrease in interest receivable	<u>82</u>
Investment income	<u>\$ 2,660</u>
Total fixed assets purchased	<u>\$ (100,473)</u>
Total grants	<u>\$ 48,049</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

STATEMENT OF NET POSITION
FIDUCIARY FUND
December 31, 2025

		Rangely Foundation for Public Giving Private-Purpose Trust Fund
ASSETS		
Cash and cash equivalents		\$ 310,662
Interest receivable		<u>517</u>
	TOTAL ASSETS	<u>311,179</u>
LIABILITIES		
None		<u>-</u>
	TOTAL LIABILITIES	<u>-</u>
	NET POSITION HELD FOR PUBLIC GIVING	<u>\$ 311,179</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

TOWN OF RANGELY, COLORADO

**STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUND
For the Year Ended December 31, 2025**

	<u>Rangely Foundation For Public Giving Private-Purpose Trust Fund</u>
ADDITIONS	
Investment income	
Interest revenue	\$ 8,257
Other	<u>-</u>
TOTAL ADDITIONS	<u>8,257</u>
DEDUCTIONS	
Grants disbursed	<u>3,500</u>
TOTAL DEDUCTIONS	<u>3,500</u>
CHANGE IN NET POSITION	4,757
NET POSITION, BEGINNING	<u>306,422</u>
NET POSITION, ENDING	<u><u>\$ 311,179</u></u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

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NOTES TO FINANCIAL STATEMENTS

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Rangely, Colorado, (the Town), conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies consistently used in the preparation of the financial statements.

A. Financial Reporting Entity

A publicly elected Town Council governs the Town. The accompanying financial statements present the Town's primary government and component units. Component units are legally separate entities for which the Town is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the Town's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on the Town.

The Town's major operations include public safety, street construction and maintenance, general administration, water, gas, wastewater, and utilities.

Blended Component Units

1. *Rangely Housing Authority* - Finances and manages the White River Village for Rangely's elderly citizens. Town Council members serve as Trustees. City employees manage Authority assets and provide services to citizens. Reporting Fund - Special Revenue Fund.
2. *Rangely Foundation for Public Giving* - Provides assistance in the form of grants to activities, programs, and projects that are of direct benefit to the residents of the Rangely Area in four areas of emphasis: human services, education, civic and community projects, and arts and culture. Town Council members serve as Trustees. Reporting Fund - Private-Purpose Trust Fund.
3. *Rangely Development Agency* - Urban renewal authority created to administer grants and loans to promote business growth and improvement in the Rangely Area. The Town Council is authorized to appoint the seven members of the board of commissioners. Funded by a transfer from the general fund. Reporting Fund - Special Revenue Fund.
4. *Rangely Development Corporation* - Corporation created to relieve economic distress and prevent community deterioration through assisting and promoting growth and development of business concerns in the Western portion of Rio Blanco County. The Town Council is authorized to appoint the seven members. Originally funded by Rio Blanco County Primary Employment and Retention Campaign. Reporting Fund - Special Revenue Fund.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately for business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment that 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 applications that 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 funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. 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 a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider 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 available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales tax, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the Town receives cash.

The Town reports the following major governmental fund:

General Fund

The General Fund is the Town's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. The major revenue sources are local property taxes and charges for services. Expenditures include all costs associated with the daily operations of the Town.

Proprietary funds distinguish operating revenues and expenses from non-operating 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. The principal operating revenues of the water, wastewater, and gas utilities enterprise funds of the Town are charges to customers for sales and services. The water, wastewater and gas utilities recognize the portion of tap fees intended to recover the cost of connecting new customers to the system as operating revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Town reports the following major proprietary funds:

Water Fund

The Water Fund accounts for the operations and capital needs to provide water to customers within the boundaries of the Town.

Wastewater Fund

The Wastewater Fund accounts for the operations and capital needs to provide sewer and wastewater services to customers within the boundaries of the Town.

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement focus, basis of accounting, and financial statement presentation, continued

Gas Fund

The Gas Fund accounts for the operations and capital needs to provide natural gas to customers within the boundaries of the Town.

As a general rule the effect of interfund activities has been eliminated from the government-wide financial statements. ~~Exceptions to this rule are charges between the government's utility functions and various other functions of the government.~~ Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Fiduciary Funds, which consists solely of funds, account for assets held by the Town as a trustee or as an agent for individuals or other government units. The only fiduciary fund type used by the Town is the Private-Purpose Trust Fund. The Rangely Foundation for Public Giving provides assistance in the form of grants to activities, programs, and projects that are of direct benefit to the residents of the Rangely Area in four areas of emphasis: human services, education, civic and community projects, and arts and culture. Town Council members serve as Trustees.

D. Fixed Assets and Long-Term Liabilities

Capital assets, which include property, plant, equipment, and infrastructure assets, (e.g., roads, sidewalks, traffic signals, trails, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Infrastructure assets have been capitalized on a prospective basis, from 2005. Infrastructure prior to 2005 will not be capitalized. Capital assets are defined by the Town as assets with an initial, individual cost of \$500 or more and an estimated useful life in excess of four years. 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. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. In 2024 no interest was capitalized.

Property, plant, and equipment of the Town are depreciated using the straight line method over the following estimated useful lives:

	<u>Governmental</u>	<u>Water</u>	<u>Gas</u>	<u>Wastewater</u>
Distribution System		40-50 years	20 years	25-40 years
Streets & improvements	10-20 years			
Buildings	20 years	20 years	20 years	20 years
Equipment	5-10 years	5-10 years	5-7 years	5-10 years

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 the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Property Taxes

Property taxes are levied on December 22 of each year and attached as an enforceable lien on property as of January 1. Taxes are due as of January 1 of the following year and are payable in full by June 15 if paid in installments, or April 30 with a single payment. Taxes are delinquent as of June 16. If the taxes are not paid within subsequent statutory periods, the property will be sold at public auction. The County bills and collects the property taxes and remits collections to the Town on a monthly basis. No provision has been made for uncollected taxes, in that the Town's experience indicates that all material amounts will be collected and paid to the Town.

F. Budgets and Budgetary Accounting

The Town's trustees follow these procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to October 15, the manager submits to the Town's trustees a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain the taxpayers' comments.
- (3) Prior to December 15, the budget is legally enacted through passage of a resolution.
- (4) Formal budgetary integration is employed as a management control device during the year.
- (5) Budgets are adopted for the General, Special Revenue, Enterprise and Trust Funds. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except for the Enterprise Funds and the Rangely Development Agency. The budgets of the Enterprise Funds and Rangely Development Agency are based on cash receipts and cash disbursements rather than revenues and expenditures measurement required by GAAP.
- (6) Appropriations lapse at the end of each calendar year.
- (7) The Town's trustees may authorize supplemental appropriations during the year. No supplemental appropriations were made during the year.
- (8) Actual expenditures exceeded budget amounts by \$55,344 in the Rangely Housing Assistance which may be a violation of Colorado State Statutes.

G. Encumbrances

The Town does not use encumbrance accounting.

H. Inventories

Supply inventories of the Enterprise Funds are recorded at estimated cost.

I. Compensated Absences

It is the Town's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick leave, which will be taken after year-end or paid upon separation from service. A liability for accrued vacation and sick leave benefits has been recorded in the General, Water, Gas, Wastewater, and Housing Authority Funds.

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Water, Gas, Wastewater and Rangely Foundation for Public Giving Funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

- A. There are certain differences between the governmental fund balance sheet and the government-wide statement net position. A reconciliation of the differences can be found on page 16 of the financial statements.
- B. There are certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities. A reconciliation of the differences can be found on page 18 of the financial statements.

NOTE 3 - CASH AND INVESTMENTS

The Town's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Authority's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral included municipal bonds, U.S. government securities, mortgage, and deeds of trust.

State statutes authorize the Authority to invest in obligations of the U.S. Treasury and U.S. agencies, obligation of the State of Colorado or of any county, school, authority, and certain town and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

The Town's investment policy is not more restrictive than State statutes. The Town's investments are concentrated in local government investment pools, U.S. government and agency securities, and bank CDs.

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

Investments held are as follows:

	<u>Fair Value</u>	<u>Cost</u>
December 31, 2025		
COLOTRUST	<u>\$ 37,611</u>	<u>\$ 37,611</u>

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 3 - CASH AND INVESTMENTS, Continued

Included in cash and cash equivalents are amounts held in the Colorado Local Government Liquid Asset Trust (the Trust), and investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust offer shared in three portfolios, COLOTRUST Prime, COLOTRUST Plus+, and COLOTRUST EDGE. COLOTRUST Prime and COLOTRUST Plus+ operates similarly to a money market fund and each share is equal in value to \$1.00. COLOTRUST EDGE is a variable NAV fund managed to approximate a \$10.00 transactional share price, calculated and publishing a fair value NAV on a daily basis. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. At December 31, 2025, the Town invested \$37,611 in COLOTRUST Plus+. The Town's investment in the COLOTRUST Prime is rated AAAM by S&P Global Ratings and COLOTRUST EDGE is rated AAf/S1 by FitchRatings.

A summary of cash and investments which are combined on the statement of net position and fiduciary statement of net position is as follows:

Cash	
Cash on hand	\$ 323
Cash deposits in bank	5,063,227
Certificates of deposit	10,113,582
Cash on hand – County Treasurer	<u>1,357</u>
Total cash	15,178,489
Investments	
COLOTRUST	<u>37,611</u>
Total cash and cash equivalents	<u>\$ 15,216,100</u>
Cash and cash equivalents	\$ 13,816,597
Restricted cash	<u>1,399,503</u>
Total cash and cash equivalents	<u>\$ 15,216,100</u>

Restricted cash is as follows:

Fund	Amount	Description
General	\$ 43,762	Dental/Vision Self-Insurance
Rangely Housing Authority	72,000	Loan Requirement
Rangely Housing Authority	14,100	Security Deposits
Housing Assistance	978,767	Future Housing Projects
RDA	6,475	Security Deposits
RDA	263,149	RARE Grant
Water	1,500	Deposits
Gas	14,750	Deposits
Gas	<u>5,000</u>	CO LSE
	<u>\$ 1,399,503</u>	

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2025, in the Enterprise Funds are as follows:

	Gas	Wastewater	Water	Total Enterprise
Gross accounts receivable	\$ 181,012	\$ 42,175	\$ 48,389	\$ 271,576
Less allowance for doubtful accounts	6,797	1,584	1,817	10,198
	<u>\$ 174,215</u>	<u>\$ 40,591</u>	<u>\$ 46,572</u>	<u>\$ 261,378</u>

NOTE 5 - PROPERTY TAXES

Revenue Recognized in 2025

Local property taxes levied in 2024 and collected in 2025 are recognized as revenue in these financial statements as shown below:

	Assessed Valuation	Mill Levy	Amount of Taxes		Percent Collected
			Levied	Collected	
General Fund	\$ 14,825,410	10.000	\$ 148,254	\$ 157,529	106.3%

Property Taxes Receivable and Unearned Revenue

Local property taxes levied in 2025 but not collectible until 2026 are shown as property taxes receivable and unearned revenue.

	Estimated Assessed Valuation	Property Mill Levy	Percent Collectible	Taxes Receivable	Unearned Revenue
General Fund	\$ 20,612,140	10.000	100.0%	\$ 206,121	\$206,121

NOTE 6 - CAPITAL ASSETS

A. Governmental Activities

A summary of changes in capital assets during the year ended December 31, 2025 is as follows:

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital assets not being depreciated:				
Land	\$ 2,016,192	\$ 101,308	\$ -	\$ 2,117,500
Construction in progress	85,567	370,051	(5,540)	450,078
Total assets not being depreciated	<u>2,101,759</u>	<u>471,359</u>	<u>(5,540)</u>	<u>2,567,578</u>
Capital assets being depreciated:				
Buildings	4,947,112	3,978	-	4,951,090
Streets and improvements	15,155,642	41,844	-	15,197,486
Equipment	4,052,832	445,645	-	4,498,477
Total assets being depreciated	<u>24,155,586</u>	<u>491,467</u>	<u>-</u>	<u>24,647,053</u>

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 6 - CAPITAL ASSETS, Continued

A. Governmental Activities, continued

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Less accumulated depreciation:				
Buildings	(3,995,281)	(116,726)	-	(4,112,007)
Streets and improvements	(12,798,692)	(272,110)	-	(13,070,802)
Equipment	(3,133,516)	(285,714)	-	(3,419,230)
Total accumulated depreciation	(19,927,489)	(674,550)	-	(20,602,039)
Total assets being depreciated, net	4,228,097	(183,083)	-	4,045,014
Governmental activities capital assets, net	\$ 6,329,856	\$ 288,276	\$ (5,540)	\$ 6,612,592

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

Governmental activities:		
Town council		\$ -
Court		-
Administration		12,109
Finance		-
Building & grounds		107,430
Economic/community development		25,236
Police department		127,858
Streets & drainage		361,003
RDA		3,000
Housing authority		37,914
Housing assistance		-
RDC		-
Total depreciation expense – governmental activities		\$ 674,550

B. Business-type Activities

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital assets not being depreciated:				
Land	\$ 13,984	\$ -	\$ -	\$ 13,984
Construction in progress	-	-	-	-
Total assets not being depreciated	13,984	-	-	13,984
Capital assets being depreciated:				
Lines	12,184,871	29,612	-	12,214,483
Improvements	733,510	23,954	-	757,464
Building	168,799	-	-	168,799
System	1,799,678	-	-	1,799,678
Plant	16,677,350	36,229	-	16,713,579
Machinery and equipment	4,122,926	220,127	-	4,343,053
Total assets being depreciated	35,687,134	309,922	-	35,997,056

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 6 - CAPITAL ASSETS, Continued

B. Business-type Activities, continued

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Less accumulated depreciation:				
Lines	(7,689,140)	(384,227)	-	(8,073,367)
Improvements	(417,961)	(24,480)	-	(442,441)
Building	(159,370)	(3,248)	-	(162,618)
System	(1,412,127)	(35,935)	-	(1,448,062)
Plant	(10,032,751)	(853,189)	-	(10,885,940)
Machinery and equipment	(3,360,760)	(82,967)	-	(3,443,727)
Total accumulated depreciation	(23,072,109)	(1,384,046)	-	(24,456,155)
Total assets being depreciated, net	12,615,025	(1,074,124)	-	11,540,901
Business-type activities capital assets, net	<u>\$ 12,629,009</u>	<u>\$ (1,074,124)</u>	<u>\$ -</u>	<u>\$ 11,554,885</u>

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

Business-type activities:	
Water	\$ 959,780
Gas	51,908
Wastewater	<u>372,358</u>
Total depreciation expense – business-type activities	<u>\$ 1,384,046</u>

NOTE 7 - CHANGES IN LONG-TERM DEBT

The following is a summary of bonds, installment notes, and contracts payable of the Town for the year ended December 31, 2025:

	Balance 1/1/2025	Additions	Reductions	Balance 12/31/2025	Due within One Year
Governmental activities					
Note payable, FmHA	\$ 124,767	\$ -	\$ 17,532	\$ 107,235	\$ 20,000
Governmental activities long-term liabilities	<u>\$ 124,767</u>	<u>\$ -</u>	<u>\$ 17,532</u>	<u>\$ 107,235</u>	<u>\$ 20,000</u>
Business-type activities					
Note Payable - CWRPDA	\$ 761,804	\$ -	\$ 78,109	\$ 683,695	\$ 79,679
Business-type activities long-term liabilities	<u>\$ 761,804</u>	<u>\$ -</u>	<u>\$ 78,109</u>	<u>\$ 683,695</u>	<u>\$ 79,679</u>

Note Payable, FmHA

The note is payable to the Farmers Home Administration with interest at 13.25 percent and current monthly installments of \$1,556. Surcharges from rent income based on a FmHA formula are also applied to the note balance on a monthly basis. The note matures March 2033.

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 7 - CHANGES IN LONG-TERM DEBT, Continued

Note Payable, FmHA, continued

Aggregate maturities of the note for the five years following December 31, 2010, varied depending on changes in the monthly payment and the monthly surcharge credits. Based on recent history, principal payments of approximately \$20,000 per year are anticipated.

The Housing Authority is required to establish and maintain a reserve account for payment of the Farmers Home Administration loan in the amount of \$7,200 per year until the reserve reaches the sum of \$72,000. Once the maximum reserve is reached, it should be maintained at that level until the note is paid. At December 31, 2025, the reserve was \$72,000.

Drinking Water Revolving Fund (DWRF) Loan

On October 2, 2013, the Town entered into a loan agreement with Colorado Water Resources and Power Development Authority for a \$1,500,000 loan at an interest rate of 2% annually. The loan is for improvements to the water plant. Principal and interest payments of \$46,478 are due semi-annual on May 1st and November 1st starting in 2014 and the last payment is due November 1, 2033. Payments on this loan will be made through the Water Fund. Loan proceeds of \$1,490,000 were received in 2014 and \$10,000 were received in 2015.

Principal and interest requirements for this loan are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2026	\$ 79,679	\$ 13,277	\$ 92,956
2027	81,281	11,676	92,957
2028	82,915	10,042	92,957
2029	84,581	8,376	92,957
2030	86,281	6,676	92,957
2031-2033	<u>268,958</u>	<u>9,481</u>	<u>278,439</u>
	<u>\$ 683,695</u>	<u>\$ 59,528</u>	<u>\$ 743,223</u>

NOTE 8 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Town maintains three enterprise funds which provide water, gas and sewer services. Applicable segment information for the year ended December 31, 2025, is as follows:

	<u>Gas Fund</u>	<u>Wastewater Fund</u>	<u>Water Fund</u>	<u>Total</u>
Operating revenues	\$ 1,165,068	\$ 430,620	\$ 1,033,350	\$ 2,518,038
Depreciation	51,908	372,358	959,780	1,384,046
Operating income (loss)	(10,597)	(288,590)	(768,761)	(1,067,948)
Change in net position	9,638	(37,963)	(522,344)	(550,669)
Capital grants	-	48,049	50,689	98,738
Property, plant and equipment:				
Additions	150,631	100,473	58,818	309,922
Net working capital	2,517,839	(242,323)	570,891	2,846,407
Total assets	3,058,612	3,768,563	7,901,705	14,728,880
Bond and other long-term liabilities,				
Payable from operating revenues	14,750	-	605,516	620,266
Net position	2,898,004	3,755,347	7,148,924	13,802,275

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 9 - BUDGETARY - GAAP REPORTING RECONCILIATION

The accompanying schedule presents comparisons of the legally adopted budget with actual data on a budgetary basis for the Enterprise Funds. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, timing, perspective and entity differences in excess (deficiency) of revenues over expenditures for the year ended December 31, 2025, is presented below:

	<u>Enterprise</u>
Net change in net position (NON-GAAP Basis)	\$ 445,346
Plus:	
Debt retirement	78,109
Capital outlay	309,922
Less:	
Depreciation	<u>(1,384,046)</u>
Net change in net position (GAAP Basis)	<u>\$ (550,669)</u>

NOTE 10 - DEFINED CONTRIBUTION PLANS

A. Police Officers

On January 1, 1988, the Town established a single-employer, defined contribution money purchase plan for its full time police officers administered by Pension Management Associates, Inc. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each police officer whose job duties require no less than 1,000 hours of employment each year is eligible to participate as of the first day of employment. The plan requires the Town and its eligible employees to contribute 8% of the employee's W-2 wages each year. The Town's contributions vest at a rate of 20% for every year of service after two years. A participant is fully vested after six years of service.

In 2025, the Town's total payroll was \$2,360,730. The Town's contributions were calculated using the base salary amount of \$506,162. Both the Town and the covered employees made the required 8% contribution, amounting to \$40,493 from each source.

B. Public Employees

All other full-time employees participate in the Public Employees Defined Contribution Money Purchase Plan, a single-employer plan administered by Pension Management Associates, Inc. Benefits depend solely on amounts contributed to the plan plus investment earnings. Employees whose job duties require no less than 1,600 hours of employment each year are eligible to participate immediately. The plan requires the Town to contribute 5% of the employee's W-2 wages each year. The Town's contribution vests at a rate of 20% for every year of service after two years. A participant is fully vested after six years of service. Both the Town and covered employees made the required 5% contribution, amounting to \$91,646 from each source based on the salary of \$1,832,926.

The Plans have no unfunded liability since it is a defined contribution plan. The Plans may be amended by resolution of the Town Council but it may not be amended beyond the limits established by state statute.

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 11 – DEFERRED COMPENSATION PLAN

The Town adopted a deferred compensation plan (457 Plan) as defined under the Internal Revenue Code Section 457. Participants may defer up to the lesser of \$23,500 or 100% of the participant's includable compensation. Participants over age 50 are eligible to contribute \$7,500 more than the \$23,500 limit due to a catch up provision in the plan. The 457 Plan allows Town employees to make an elective deferral of a portion of their earned compensation to the 457 Plan. The 457 Plan is a single-employer plan administered by Pension Management Associates, Inc. The 457 Plan trustees may amend the 457 Plan. For the year ended December 31, 2025, participating employees contributed \$46,493.

NOTE 12 - CONTINGENCIES

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations, which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue. The amendment also requires that reserves be established for declared emergencies, with 3% of fiscal year spending required.

The Town has no authorized but unissued debt subject to the amendment's limitations. Based on fiscal year spending for 2025, \$127,682 of the year-end fund balance in the General Fund has been reserved for emergencies.

In November 1997, the registered voters of the Town of Rangely voted to allow the Town to collect, retain and expend all revenues and other funds collected in 1997 and each subsequent year thereafter, for capital projects and other municipal services without limiting in any year the amount of the other revenues that may be collected and expended by the Town of Rangely in excess of the limits of Article X, Section 20 of the Colorado Constitution.

The Town's management believes it is in compliance with the provision of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

NOTE 13 - RISK MANAGEMENT

Colorado Intergovernmental Risk Sharing Agency (CIRSA) is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution. The Town Board authorized participation in the agency.

The purposes of CIRSA are to provide members defined liability and property coverage and to assist members to prevent and reduce 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. These claims include risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters.

The Town recognizes an expenditure for the amount paid to CIRSA annually for these coverages. The Town paid \$134,850 to CIRSA in 2025. There have been no significant reductions in insurance coverage in the current year and settlement amounts, if any, have not exceeded insurance coverage over the past three years.

TOWN OF RANGELY, COLORADO

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 14 – COMMITTED FUND BALANCE

Beginning with the fiscal year 2010, the Town implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a governments' fund balances more transparent.

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Council establishes (and modifies or rescinds) fund balance commitments as action items in Council meetings. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund. Assigned fund balance is established by the board through adoption or amendment of the budget as intended for specific purposes (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure of which any could be used.

NOTE 15 – SUBSEQUENT EVENT

The Town has evaluated subsequent events through July, 8, 2026, the date at which the financial statements were available to be issued, and determined that no events have occurred that require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the Year Ended December 31, 2025

	Budget	
	Original	Final
REVENUES		
Intergovernmental revenues	\$ 2,247,500	\$ 2,247,500
Taxes	1,928,500	1,928,500
Charges for services	491,500	491,500
Licenses and permits	34,800	34,800
Miscellaneous	655,100	655,100
TOTAL REVENUES	5,357,400	5,357,400
EXPENDITURES		
General government	1,846,429	1,846,429
Public safety	1,313,662	1,313,662
Highways and streets	507,370	507,370
Capital outlay	1,563,000	1,563,000
TOTAL EXPENDITURES	5,230,461	5,230,461
EXCESS REVENUES OVER (UNDER) EXPENDITURES	126,939	126,939
OTHER FINANCING SOURCES (USES)		
Transfers in (out)	(450,000)	(450,000)
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(323,061)	(323,061)
FUND BALANCE, BEGINNING OF YEAR	9,410,688	9,410,688
FUND BALANCE, END OF YEAR	\$ 9,087,627	\$ 9,087,627

<u>Actual Amounts</u>	<u>Variance from final budget</u>
\$ 1,099,143	\$ (1,148,357)
1,460,432	(468,068)
490,020	(1,480)
19,447	(15,353)
<u>596,437</u>	<u>(58,663)</u>
<u>3,665,479</u>	<u>(1,691,921)</u>
1,819,648	26,781
1,458,575	(144,913)
490,365	17,005
<u>487,489</u>	<u>1,075,511</u>
<u>4,256,077</u>	<u>974,384</u>
(590,598)	(717,537)
<u>(400,000)</u>	<u>50,000</u>
(990,598)	(667,537)
<u>10,520,591</u>	<u>1,109,903</u>
<u>\$ 9,529,993</u>	<u>\$ 442,366</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

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SUPPLEMENTARY INFORMATION

TOWN OF RANGELY, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2025

	<u>Conservation Fund</u>	<u>Rangely Housing Authority</u>
<u>ASSETS</u>		
Cash	\$ 219,529	\$ 220,424
Interest receivable	61	9
Restricted cash:		
Farmers Home Administration loan	-	72,000
Security deposits	-	14,100
RARE grant	-	-
Future housing projects	-	-
TOTAL ASSETS	<u>\$ 219,590</u>	<u>\$ 306,533</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
LIABILITIES		
Accounts payable	-	5,238
Accrued liabilities	-	1,139
Employee compensated absences	-	7,525
Deposits payable	-	13,400
TOTAL LIABILITIES	<u>-</u>	<u>27,302</u>
 FUND BALANCES		
Reserved for debt service	-	72,000
Unreserved	219,590	207,231
TOTAL FUND BALANCES	<u>219,590</u>	<u>279,231</u>
 TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 219,590</u>	<u>\$ 306,533</u>

Special Revenue			
Housing Assistance Fund	Rangely Development Agency	Rangely Development Corporation	Totals
\$ - 312	\$ 261,948 31	\$ 347,121 -	\$ 1,049,022 413
-	-	-	72,000
-	6,475	-	20,575
-	263,149	-	263,149
978,767	-	-	978,767
<u>\$ 979,079</u>	<u>\$ 531,603</u>	<u>\$ 347,121</u>	<u>\$ 2,383,926</u>
-	-	-	5,238
-	-	-	1,139
-	-	-	7,525
-	6,475	-	19,875
-	6,475	-	33,777
-	-	-	72,000
979,079	525,128	347,121	2,278,149
979,079	525,128	347,121	2,350,149
<u>\$ 979,079</u>	<u>\$ 531,603</u>	<u>\$ 347,121</u>	<u>\$ 2,383,926</u>

TOWN OF RANGELY, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	<u>Conservation Fund</u>	<u>Rangely Housing Authority</u>
REVENUES		
Intergovernmental	\$ 13,657	\$ -
Federal funds	-	119,984
Charges for services	-	137,633
Interest	999	175
Miscellaneous	-	7,951
TOTAL REVENUES	<u>14,656</u>	<u>265,743</u>
EXPENDITURES		
General government	-	200,429
Capital outlay	-	3,978
Debt service:		
Principal retirement	-	17,532
Interest and fiscal charges	-	15,386
TOTAL EXPENDITURES	<u>-</u>	<u>237,325</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>14,656</u>	<u>28,418</u>
OTHER FINANCING SOURCES (USES)		
Transfers in(out)	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	14,656	28,418
FUND BALANCE, BEGINNING OF YEAR	<u>204,934</u>	<u>250,813</u>
FUND BALANCE, END OF YEAR	<u>\$ 219,590</u>	<u>\$ 279,231</u>

Special Revenue			
Housing Assistance Fund	Rangely Development Agency	Rangely Development Corporation	Totals
\$ -	\$ -	\$ -	\$ 13,657
-	-	-	119,984
-	74,830	-	212,463
5,053	13,979	10,598	30,804
72,000	712	368,441	449,104
77,053	89,521	379,039	826,012
1,576	233,510	2,880	438,395
95,768	-	370,051	469,797
-	-	-	17,532
-	-	-	15,386
97,344	233,510	372,931	941,110
(20,291)	(143,989)	6,108	(115,098)
-	-	-	-
-	-	-	-
(20,291)	(143,989)	6,108	(115,098)
999,370	669,117	341,013	2,465,247
\$ 979,079	\$ 525,128	\$ 347,121	\$ 2,350,149

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE - GAS FUND
For the Year Ended December 31, 2025

	Budget	
	Original	Final
REVENUES		
Customer accounts	1,515,903	\$ 1,515,903
Connection fees	2,500	2,500
Late charges	10,000	10,000
Interest revenue	15,000	15,000
Plant investment and tap fees	1,500	1,500
Other	600	600
TOTAL REVENUES	1,545,503	1,545,503
EXPENSES		
Administration	180,000	180,000
Distribution and service	415,082	415,082
Gas purchases	760,000	760,000
Purchase of fixed assets	171,700	171,700
TOTAL EXPENSES	1,526,782	1,526,782
CHANGE IN NET POSITION	18,721	18,721
NET POSITION, BEGINNING OF YEAR	2,723,033	2,723,033
NET POSITION, END OF YEAR	\$ 2,741,754	\$ 2,741,754
RECONCILIATION FROM BUDGET BASIS EXPENDITURES (NON-GAAP) TO GAAP		
Add:		
Purchase of fixed assets		
Subtract:		
Depreciation		
NET POSTION, END OF YEAR GAAP BASIS		

<u>Actual Amounts</u>	<u>Variance from final budget</u>
\$ 1,155,076	\$ (360,827)
-	(2,500)
9,945	(55)
20,235	5,235
-	(1,500)
<u>47</u>	<u>(553)</u>
<u>1,185,303</u>	<u>(360,200)</u>
180,000	-
404,643	10,439
539,114	220,886
<u>150,631</u>	<u>21,069</u>
<u>1,274,388</u>	<u>252,394</u>
(89,085)	(107,806)
<u>2,888,366</u>	<u>165,333</u>
2,799,281	<u>\$ 57,527</u>
150,631	
<u>(51,908)</u>	
<u>\$ 2,898,004</u>	

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE - WASTEWATER FUND

For the Year Ended December 31, 2025

	Budget	
	Original	Final
REVENUES		
Customer accounts	\$ 437,000	\$ 437,000
Interest revenue	1,500	1,500
Plant investment and tap fees	2,000	2,000
Other	70,000	70,000
Transfer in	100,000	100,000
TOTAL REVENUES	610,500	610,500
EXPENSES		
Administration	150,000	150,000
Distribution and service	249,443	249,443
Purchase of fixed assets	137,000	137,000
TOTAL EXPENSES	536,443	536,443
CHANGE IN NET POSITION	74,057	74,057
NET POSITION, BEGINNING OF YEAR	3,390,478	3,390,478
NET POSITION, END OF YEAR	\$ 3,464,535	\$ 3,464,535
RECONCILIATION FROM BUDGET BASIS EXPENDITURES (NON-GAAP) TO GAAP		
Add:		
Purchase of fixed assets		
Subtract:		
Depreciation		
NET POSITION, END OF YEAR GAAP BASIS		

<u>Actual Amount</u>	<u>Variance from final budget</u>
\$ 430,620	\$ (6,380)
2,578	1,078
-	(2,000)
48,049	(21,951)
<u>200,000</u>	<u>100,000</u>
<u>681,247</u>	<u>70,747</u>
150,000	-
196,852	52,591
<u>100,473</u>	<u>36,527</u>
<u>447,325</u>	<u>89,118</u>
233,922	159,865
<u>3,793,310</u>	<u>402,832</u>
4,027,232	<u>\$ 562,697</u>
100,473	
<u>(372,358)</u>	
<u>\$ 3,755,347</u>	

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE - WATER FUND
For the Year Ended December 31, 2025

	Budget	
	Original	Final
REVENUES		
Customer accounts	\$ 1,042,255	\$ 1,042,255
Interest revenue	12,000	12,000
Plant investment and tap fees	4,400	4,400
Grants	350,000	350,000
Other	10,000	10,000
Transfers in	300,000	300,000
TOTAL REVENUES	1,718,655	1,718,655
EXPENSES		
Administration	150,000	150,000
Distribution and service	187,893	187,893
Water treatment	533,134	533,134
Debt service		
Principal	75,055	75,055
Interest	17,902	17,902
Purchase of fixed assets	785,500	785,500
TOTAL EXPENSES	1,749,484	1,749,484
CHANGE IN NET POSITION	(30,829)	(30,829)
NET POSITION, BEGINNING OF YEAR	8,019,358	8,019,358
NET POSITION, END OF YEAR	\$ 7,988,529	\$ 7,988,529
RECONCILIATION FROM BUDGET BASIS EXPENDITURES (NON-GAAP) TO GAAP		
Add:		
Principal payments		
Purchase of fixed assets		
Subtract:		
Depreciation		
NET POSITION, END OF YEAR GAAP BASIS		

<u>Actual Amount</u>	<u>Variance from final budget</u>
\$ 1,032,556	\$ (9,699)
10,575	(1,425)
-	(4,400)
50,689	(299,311)
794	(9,206)
<u>200,000</u>	<u>(100,000)</u>
 1,294,614	 (424,041)
 150,000	 -
154,738	33,155
537,593	(4,459)
 78,109	 (3,054)
14,847	3,055
<u>58,818</u>	<u>726,682</u>
 994,105	 755,379
 300,509	 331,338
<u>7,671,268</u>	<u>(348,090)</u>
 7,971,777	 <u>\$ (16,752)</u>
 78,109	
58,818	
<u>(959,780)</u>	
<u>\$ 7,148,924</u>	

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE
 CONSERVATION TRUST
 For the Year Ended December 31, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance from budget</u>
REVENUES			
Intergovernmental revenues	\$ 15,500	\$ 13,657	\$ (1,843)
Interest	1,200	999	(201)
Other	<u>800,000</u>	<u>-</u>	<u>(800,000)</u>
 TOTAL REVENUES	 <u>816,700</u>	 <u>14,656</u>	 <u>(802,044)</u>
EXPENDITURES			
General government	-	-	-
Capital outlay	<u>950,000</u>	<u>-</u>	<u>950,000</u>
 TOTAL EXPENDITURES	 <u>950,000</u>	 <u>-</u>	 <u>950,000</u>
 NET CHANGE IN FUND BALANCE	 (133,300)	 14,656	 147,956
 FUND BALANCE, BEGINNING	 <u>187,567</u>	 <u>204,934</u>	 <u>17,367</u>
 FUND BALANCE, ENDING	 <u>\$ 54,267</u>	 <u>\$ 219,590</u>	 <u>\$ 165,323</u>

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE
RANGELY HOUSING AUTHORITY
For the Year Ended December 31, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance from budget</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ -	\$ -
Federal funds	148,000	119,984	(28,016)
Charges for services	117,000	137,633	20,633
Interest	600	175	(425)
Miscellaneous	<u>9,400</u>	<u>7,951</u>	<u>(1,449)</u>
TOTAL REVENUES	<u>275,000</u>	<u>265,743</u>	<u>(9,257)</u>
EXPENDITURES			
General government	235,881	204,407	31,474
Debt service	<u>38,500</u>	<u>32,918</u>	<u>5,582</u>
TOTAL EXPENDITURES	<u>274,381</u>	<u>237,325</u>	<u>37,056</u>
NET CHANGE IN FUND BALANCE	<u>619</u>	<u>28,418</u>	<u>27,799</u>
FUND BALANCE, BEGINNING	<u>256,206</u>	<u>250,813</u>	<u>(5,393)</u>
FUND BALANCE, ENDING	<u><u>\$ 256,825</u></u>	<u><u>\$ 279,231</u></u>	<u><u>\$ 22,406</u></u>

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE
RANGELY HOUSING ASSISTANCE
For the Year Ended December 31, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance from budget</u>
REVENUES			
Interest	\$ 5,500	\$ 5,053	\$ (447)
Lot sales	20,000	72,000	52,000
TOTAL REVENUES	<u>25,500</u>	<u>77,053</u>	<u>51,553</u>
EXPENDITURES			
General government	<u>42,000</u>	<u>97,344</u>	<u>(55,344)</u>
TOTAL EXPENDITURES	<u>42,000</u>	<u>97,344</u>	<u>(55,344)</u>
NET CHANGE IN FUND BALANCE	<u>(16,500)</u>	<u>(20,291)</u>	<u>(3,791)</u>
FUND BALANCE, BEGINNING	<u>998,288</u>	<u>999,370</u>	<u>1,082</u>
FUND BALANCE, ENDING	<u>\$ 981,788</u>	<u>\$ 979,079</u>	<u>\$ (2,709)</u>

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE RANGELY DEVELOPMENT AGENCY For the Year Ended December 31, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance from budget</u>
REVENUES			
Charge for services	\$ 69,300	\$ 74,830	\$ 5,530
Interest	200	13,979	13,779
Miscellaneous/Other	<u>2,050,000</u>	<u>712</u>	<u>(2,049,288)</u>
TOTAL REVENUES	<u>2,119,500</u>	<u>89,521</u>	<u>(2,029,979)</u>
EXPENDITURES			
General government	210,200	233,510	(23,310)
Capital outlay	<u>1,800,000</u>	<u>-</u>	<u>1,800,000</u>
TOTAL EXPENDITURES	<u>2,010,200</u>	<u>233,510</u>	<u>1,776,690</u>
NET CHANGE IN FUND BALANCE	<u>109,300</u>	<u>(143,989)</u>	<u>(253,289)</u>
FUND BALANCE, BEGINNING	<u>263,446</u>	<u>669,117</u>	<u>405,671</u>
FUND BALANCE, ENDING	<u>\$ 372,746</u>	<u>\$ 525,128</u>	<u>\$ 152,382</u>

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE RANGELY DEVELOPMENT CORPORATION For the Year Ended December 31, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance from budget</u>
REVENUES			
Interest	\$ 500	\$ 10,598	\$ 10,098
Miscellaneous/Other	<u>10,250,000</u>	<u>368,441</u>	<u>(9,881,559)</u>
TOTAL REVENUES	<u>10,250,500</u>	<u>379,039</u>	<u>(9,871,461)</u>
EXPENDITURES			
General government	67,500	2,880	64,620
Capital Outlay	<u>10,600,000</u>	<u>370,051</u>	<u>10,229,949</u>
TOTAL EXPENDITURES	<u>10,667,500</u>	<u>372,931</u>	<u>10,294,569</u>
NET CHANGE IN FUND BALANCE	<u>(417,000)</u>	<u>6,108</u>	<u>423,108</u>
FUND BALANCE, BEGINNING	<u>344,235</u>	<u>341,013</u>	<u>(3,222)</u>
FUND BALANCE, ENDING	<u>\$ (72,765)</u>	<u>\$ 347,121</u>	<u>\$ 419,886</u>

TOWN OF RANGELY, COLORADO

BUDGETARY COMPARISON SCHEDULE RANGELY FOUNDATION FOR PUBLIC GIVING For the Year Ended December 31, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance from final budget</u>
REVENUES			
Investment income	-	-	-
Interest revenue	\$ 9,000	\$ 8,257	\$ (743)
Other	-	-	-
TOTAL REVENUES	<u>9,000</u>	<u>8,257</u>	<u>(743)</u>
EXPENDITURES			
Grants disbursed	<u>6,000</u>	<u>3,500</u>	<u>2,500</u>
TOTAL EXPENDITURES	<u>6,000</u>	<u>3,500</u>	<u>2,500</u>
CHANGE IN NET ASSETS	<u>3,000</u>	<u>4,757</u>	<u>1,757</u>
NET ASSETS, BEGINNING	<u>304,764</u>	<u>306,422</u>	<u>1,658</u>
NET ASSETS, ENDING	<u>\$ 307,764</u>	<u>\$ 311,179</u>	<u>\$ 3,415</u>

LOCAL HIGHWAY FINANCE REPORT				STATE: COLORADO	
THIS INFORMATION FROM THE RECORDS OF: TOWN OF RANGELY, COLORADO		PREPARED BY: MARYBEL COX marybelc@rangelyco.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 Assessments		a. Interest on investments			
b. Non-property Taxes and Assessments Imposts		b. Other Misc. Local Receipts	45,176.00		
c. Total (a + b)	\$ -	c. Total (a + b)	\$ 45,176.00		
ITEM	AMOUNT	ITEM	AMOUNT		
C. Receipts from State Government		D. Receipts from Federal Government			
1. Highway-user Taxes (from Item I.C.5.)	101,152.00	1. FHWA (from Item I.D.5.)			
2. State General Funds		2. Other Federal Agencies:			
3. Other State funds:					
a. State Bond Proceeds					
b. Non-State Bond Proceeds	153,435.00				
c. Total (a + b)	\$ 153,435.00				
4. Total (1 + 2 + 3c)	\$ 254,587.00	3. Total (1 + 2)	\$ -		
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	344,675.00				
d. Total Capital Outlay (a+ b + c)	\$ 344,675.00				
Form FHWA-536 (Rev. 02-2025) Page2					

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	908,112.00
3. Other Local Imposts (from page 1, Item II.A3.c)	\$ -
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	\$ 45,176.00
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)	\$ 953,288.00
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	\$ 254,587.00
D. Receipts from Federal government (from page 1, Item II.D.3)	\$ -
E. Total receipts (A.7 + B + C + D)	\$ 1,207,875.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	\$ 344,675.00
2. Maintenance:	33,545.00
3. Road and Street Services:	
a. Snow and Ice Removal	49,375.00
b. Other & Traffic Control Operations	305,585.00
c. Total (a + b)	\$ 354,960.00
4. General Administration & Miscellaneous	34,402.00
5. Highway Law Enforcement and Safety	440,293.00
6. Total (1 through 5)	\$ 1,207,875.00
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)	\$ 1,207,875.00

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)		\$ -	\$ -	\$ -

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