

Town of Rico Memorandum

Date: October 8, 2025

TO: Town of Rico Board of Trustees
FROM: Chauncey McCarthy, Rico Town Manager
SUBJECT: October Board of Trustees Meeting

Appointment of 2025 general election judges (Pg. 14)

To conduct the November 4, 2025 General Election, the Town must formally appoint qualified election judges for the Rico polling location. Appointment ensures compliance with Colorado election procedures and provides adequate staffing for Election Day operations, including voter check-in, ballot issuance, and ballot accounting at close of polls. The office certificate of appointment, judges of election has been included in the packet.

Recommended motion: I move to appoint Mary Hagan, Genevieve Yellowman, and Laurie Adams for the Town of Rico's November 4, 2025 General Election

Consideration of Resolution 2025-05 a resolution of the Town of Rico, Board of Trustees supporting ballot measure 1B and ballot measure 1C (Pg. 15-16)

The Board of Trustees is asked to consider adoption of Resolution 2025-05, expressing the Town's support for Ballot Measure 1B (a 6-mill increase dedicated to the Street Fund) and Ballot Measure 1C (reallocation of existing sewer mills to the Street Fund). Together, these measures are designed to establish a sustainable, long-term funding source for road maintenance, snow removal, and drainage system improvements throughout the Town of Rico. Resolution 2025-05 has been included in the meeting packet for review and consideration. Ballot Measure 1A has not been included in this resolution due to its procedural nature, as it involves the internal reallocation of existing sales-tax revenues between Town funds and does not constitute a new tax or mill-levy measure.

Under Article X, Section 20 of the Colorado Constitution (TABOR), adoption of this resolution represents the only opportunity for the Board of Trustees to formally advocate in favor of the proposed ballot measures. Following adoption, staff and elected officials are limited to providing factual information to voters and may not engage in further lobbying or advocacy.

Recommended motion: I move to approve Resolution 2025-05 a resolution of the Town of Rico, Board of Trustees supporting ballot measure 1B and ballot measure 1C

Consideration of quarter 3 financial statements (Pg. 17-33)

Included in the packet are financial statements for the third quarter of fiscal year 2025 (ending September 30, 2025), reflecting year-to-date activity across all Town of Rico funds, including the General Fund, Water Fund, Street Fund, Sanitation Fund, Park Fund, VCUP Fund, and Conservation Trust Fund. These statements provide a comprehensive picture of revenues and expenditures through the first nine months of the fiscal year. Overall, the Town's financial position remains strong, with revenues tracking above budget expectations in most funds and expenditures consistent with planned capital and operational activity.

In the General Fund, revenues total \$938,612, exceeding the annual budget by roughly 31%. The increase is primarily attributable to strong sales and use tax collections, and one-time revenues related to the donation from the Rico Historical Society for the purchase of the Rico Community Church. Expenditures through September 30 were \$862,318, reflecting general operations, professional services, and costs associated with the Town Shop construction project and church acquisition. The Town Shop project was completed substantially under budget, resulting in significant savings compared to the 2025 appropriation. Revenue over expenditures stands at \$76,293, with an ending fund balance of \$844,524, maintaining healthy reserves for the remainder of the year.

The Water Fund is operating within expectations. Revenues total \$135,672 (87% of budget), while operating expenditures are \$97,515 (72% of budget). Capital costs totaling approximately \$40,885 were incurred for engineering, GIS development, and waterline replacement work. As of September 30, 2025, the Water Fund's cash balance is \$415,376, up from \$405,333 at the close of 2024, reflecting a modest year-to-date increase in available cash on hand despite capital spending.

In the Street Fund, revenues reached \$107,709, surpassing the annual budget due to higher-than-anticipated Highway Users Tax, sales tax, and mineral leasing distributions. Expenditures total \$67,838 (61% of budget), resulting in a positive balance of \$39,871 and an ending fund balance of \$249,480.

The Sanitation Fund (Sewer Fund) reported revenues of \$31,809 and expenditures of \$33,642, producing a modest deficit of \$1,832. The ending balance of \$210,137 remains stable. Engineering expenditures are within expectations, with no activity yet under the \$1.65 million EPA/CDS grant.

The Park Fund shows revenues of \$36,106, with capital project income totaling \$390,450 from GOCO, the Rico Center, and skatepark donations. Expenditures total \$518,098, resulting in a net loss of \$99,080, consistent with planned construction and close-out costs for the Depot Park and skatepark projects. The ending balance is \$111,693.

The VCUP Fund recorded \$237,997 in revenues, matching the annual budget for ARCO reimbursements, and \$176,506 in expenses related to dust suppression, permitting software, and staff time.

The Conservation Trust Fund received \$2,838 in lottery and interest revenue and incurred \$53,023 in park improvement expenditures, resulting in a net loss of \$50,185 and an ending balance of \$2,808.

Overall, all Town funds remain in a stable financial position. Operational expenditures are consistent with adopted budgets, revenues are performing better than expected, and major capital projects have been completed or are advancing within approved funding limits. The completion of the Town Shop project below budget and strong fund balances across all accounts reflect sound fiscal management entering the fourth quarter of 2025.

Recommended motion: I move to accept the Town of Rico's Quarter 3 Financial Reports for the period ending September 30, 2025.

Consideration of Ordinance 2025-05 an ordinance of the Town of Rico, Colorado amending the year 2025 budget and approving supplemental appropriations of money (Pg. 34-37)

The Board of Trustees is asked to review and consider adoption of Ordinance No. 2025-05, which amends the Town of Rico's 2025 budget and authorizes supplemental appropriations across all funds. The ordinance, included in the meeting packet, updates the Town's adopted budget to correct revenues and expenditures based on year-to-date and anticipated financial activity. The 2025 budget, originally adopted by Ordinance 2024-05, requires adjustment to align with mid-year changes and completed capital projects. These adjustments ensure the Town's budget accurately represents current and anticipated year-end financial conditions and complies with state statute and section 6.7 of the Rico Home Rule Charter regarding supplemental appropriations.

Recommended motion: I move to approve Ordinance 2025-05 an ordinance of the Town of Rico, Colorado amending the year 2025 budget and approving supplemental appropriations of money

Consideration of a letter of support for the Rico Trail Alliance Rico Center grant application (Pg. 38)

Included in the packet for the Board's consideration is a letter of support for the Rico Trails Alliance (RTA) Rico Center grant application, which, if awarded, would serve as a matching grant to help cover a portion of the construction cost of the RGS River Trail pedestrian bridge. The project will connect two sections of the non-motorized trail within the Town's 3-Mile Planning Area

Recommended motion: I move to approve the letter of support for the Rico Trails Alliance grant application

Consideration of a memorandum of understanding between the Town of Rico and the Rico Fire Protection District regarding the transfer of fire station property (lots 9, 10, 11, and 12, block 2) (Pg. 39-40)

Included in the packet is a Memorandum of Understanding (MOU) between the Town of Rico and the Rico Fire Protection District to initiate the transfer of ownership of the property on which the fire station is located (Lots 9–12, Block 2) from the Town to the District

The Board reviewed the draft MOU at its June 12, 2025 meeting and did not request revisions. Staff delayed bringing the item forward for action until the Fire Protection District completed its review of the draft. The district has now reviewed the agreement, and it is staff's understanding that no changes are proposed to the version included in the packet.

Recommended motion: I move to approve the memorandum of understanding between the Town of Rico and the Rico Fire Protection District regarding the transfer of fire station property (lots 9, 10, 11, and 12, block 2)

Public hearing of the 2026 Town of Rico budget pursuant to C.R.S. § 29-1-106 (Pg. 41-61)

This public hearing provides an opportunity for comment on the proposed 2026 Town of Rico Budget prepared in accordance with C.R.S. § 29-1-106. The full budget document, including fund summaries, valuations, and detailed revenues and expenditures, is included in the packet for review.

Montelores Coalition update (Pg. 62-76)

Kalin Grigg will be in attendance to provide an update on the Montelores coalition and answer any questions. Included in the packet is an informational handout and PowerPoint presentation.

Water system update (Pg. 77-87)

Included in the packet for the Board's review are two key items: the Project Needs Assessment (PNA) Approval Letter from the Colorado Department of Public Health and Environment (CDPHE) and a PNA project cost breakout prepared by Bohannon Huston, Inc.

The approval letter authorizes the Town to proceed through the State Revolving Fund (SRF) process and outlines several requirements, including environmental assessment, public notice, and final design approval. The updated cost breakout identifies four major project components: treatment/intake, transmission, storage, and distribution, with a total estimated cost of \$9,019,600, which is significantly higher than the estimates presented in the 2018 Preliminary Engineering Report.

Following recent discussions with SRF program staff, it was confirmed that planning and design activities are not eligible for SRF loan funding, as completed construction

documents and specifications are required for loan application. While SRF offers engineering and design grants of up to \$300,000, that funding has been fully allocated for the current cycle. As a result, the Town will need to identify an alternative funding source for design and engineering before applying for SRF construction financing.

Based on the updated financial analysis prepared by the Department of Local Affairs (DOLA) and included in the PNA approval materials, projected loan scenarios indicate potential rate increases between \$12 and \$178 per tap per month, depending on the final loan amount, available principal forgiveness, down payment, and interest rate. However, these projections overstate the potential rate impact, as the DOLA analysis was based on the total project cost, including planning and design, which are not eligible for loan funding.

Due to the increased project cost estimates, staff updated the water impact fee worksheet, resulting in a revised cost per EQR of \$8,791, compared to the current adopted fee of \$6,110 per EQR. The Board should be prepared to discuss the PNA approval letter, the potential financial implications of revised rate structures, and whether staff should prepare a resolution adopting the updated EQR fee for consideration at the December Board meeting.

Additionally, the Dolores River waterline crossing is scheduled for construction in the summer of 2026, with a projected cost of \$248,500 (plus a 10% contingency), which has been incorporated into the 2026 Budget. Staff and consultants continue to coordinate with the Army Corps of Engineers and CDPHE on permitting requirements.

Water system efficiency has significantly improved, with daily usage now averaging 17,500–20,000 gallons, compared to 60,000–75,000 gallons earlier this summer, as a result of successful leak detection and repair efforts.

Pavilion rental policy (Pg. 88-89)

The purpose of this discussion is to review and give direction to staff for the creation of a Pavilion Rental Policy for the Town Park Pavilion. This policy will set clear expectations for use, ensure equitable access for the public, protect the facility from damage, and outline when Special Event Permits are required. Staff and the Board will also need to determine next steps for the creation of a Special Event Permit. Included in the packet is a memo for the boards review and discussion.

Conference with an attorney for the purpose of receiving legal advice on Leah Lane and associated legal cost pursuant to C.R.S 24-6-402 (4)(c)

Required motion: I move to enter into executive session pursuant to C.R.S. § 24-6-402(4)(c) for the purpose of receiving legal advice from the Town Attorney regarding Leah Lane and associated legal costs.

RICO TOWN BOARD MEETING MINUTES

Date: Sept 17, 2025
Call to Order 7:00 PM

Trustees Present:

Mayor Patrick Fallon
Mayor Pro Tem Cristal Hibbard
Trustee Gerrish Willis
Trustee Scott Poston
Trustee Benn Vernadakis
Trustee Chris Condon

Trustees Absent:

Trustee Joe Dillsworth

Staff Present. Chauncey McCarthy(zoom), Anna Wolf,

Approval of the Agenda

Motion

To approve the agenda.

Moved by Trustee Benn Vernadakis, seconded by Mayor Pro Tem Cristal Hibbard

Vote. A roll call vote was taken, and the motion was approved, 5-0.

Voting Yes Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard, Trustee Benn Vernadakis, and Trustee Scott Poston.

Trustee Chris Condon not present to vote

Approval of the Minutes

Remove Emily Nolan from motion as she is she represents the Rico Center.

501.3C in the RTA spelling

Coalition spelling

Pension misspelled

Reviewing misspelled

Motion

To approve the minutes of August 13 and 20, 2025 with the corrections

Moved by, Mayor Pro Tem Cristal Hibbard, seconded by Trustee Gerrish Willis.

Vote. A roll call vote was taken, and the motion was approved, 6-0.

Voting Yes Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard, Trustee Chris Condon, Trustee Benn Vernadakis, and Trustee Scott Poston.

Consent Agenda

Payment of the Bills

Motion

To approve payment of the bills.

Moved by Trustee Gerrish Willis, seconded by Trustee Benn Vernadakis

Vote. A roll call vote was taken, and the motion was approved, 6-0.

Voting Yes Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard, Trustee Chris Condon, Trustee Benn Vernadakis, and Trustee Scott Poston.

Public Comment:

Skip Zeller: The Town cleanup was a major success.

Gerrish Willis: St Luis tunnel site visit on October 17.

Action Items:

Water usage fee waiver request, Account 206, Mike Curran

Town Manager Chauncey McCarthy and Town Clerk Anna Wolf gives summary.

Board has discussion.

Motion

Move approve to waive the fee and reduce it to the standard monthly fee of \$42.

Moved by Trustee Benn Vernadakis, seconded by Trustee Chris Condon.

Vote. A roll call vote was taken, and the motion was approved, 6-0.

Voting Yes Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard, Trustee Chris Condon, Trustee Benn Vernadakis, and Trustee Scott Poston.

Consideration of Resolution 2025-04 a resolution of the Town of Rico, Board of Trustees supporting the submission of a grant application for funds from Colorado Parks and Wildlife non-motorized trail fund

Mayor Patrick Fallon gives summary.

Board has discussion.

Replace the first paragraph with the agreed upon paragraph from last month.

Public Comment: Emily Nolan., Skip Zeller

Motion

To approve with the discussed changes Resolution 2025-04.

Moved by Trustee Benn Vernadakis, seconded by Trustee Chris Condon.

Vote. A roll call vote was taken, and the motion was approved, 6-0.

Voting Yes Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard, Trustee Chris Condon, Trustee Benn Vernadakis, and Trustee Scott Poston.

Consideration of liquor license renewal, Rock Laubster LLC, DBA Mountain Top Liquor
 Town Clerk Anna Wolf gives summary.
 Trustee Scott Poston recuses himself.

Motion

Move approve liquor license renewal, Rock Laubster LLC, DBA Mountain Top Liquor
Moved by Trustee Chris Condon, seconded by Mayor Pro Tem Cristal Hibbard.

Vote. A roll call vote was taken, and the motion was approved, 5-0.

Voting Yes Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard, Trustee Chris Condon, Trustee Benn Vernadakis.

Trustee Scott Poston did not vote

Consideration of liquor license renewal, Boulder City Mixology LLC, DBA The Enterprise Bar and Grill

Town Clerk Anna Wolf gives summary.

Motion

Move to approve liquor license renewal, Boulder City Mixology LLC, DBA The Enterprise Bar and Grill.

Moved by Trustee Chris Condon, seconded by Trustee Benn Vernadakis.

Vote. A roll call vote was taken, and the motion was approved, 6-0.

Voting Yes Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard, Trustee Chris Condon, Trustee Benn Vernadakis, and Trustee Scott Poston.

Staff Report

Clerk's report:

IRS audit is still ongoing.

Working on the election notices. There will be a meeting of the candidate event late October.

Food pantry party was a success. The food pantry is being used by the community.

The Website is up to date.

In the mornings the clerk's office has been closed while the clerk's child starts childcare.

Public comment: Jill Jordan asked question about helping with the food pantry.

Scott Poston asked about food pantry.

Manager's report

Budget update. Public hearing at the October 15 meeting. First reading November regular meeting. Special meeting needed for the second reading. Meeting to be held December 3, 2025, 7:00PM

Budget amendment upcoming at the October meeting.

Community church meetings will be held the second Monday of each month at 6:00PM in person.

The public works position has been advertised.

Planning commission will not be moving forward with revising the Short-Term rental ordinance.

Conditional water rights due diligence will be filed before the end of the month. This will keep the rights available for future needs.

Discussion Items

San Miguel Power Association micro-grid location proposal

SMPA representatives give presentations and intro.

Board had discussion.

The Board would like to continue the possibility of the battery being placed at the Town shop lot if other options are exhausted.

2025 Colorado Wildfire Resiliency Code

Town manager Chauncey McCarthy gives update.

Board has discussion

Public hybrid meeting issues

Town manager Chauncey McCarthy gives update.

Board has discussion. Leaving it to Staff discretion. Live stream to be broadcasted on YouTube. Essential staff and presenters will be able to participate via zoom.

2026 Rico Center Grant

Town Manager gives summary.

Board agrees to not apply for a grant at this time. Potential application if church needs major upgrade.

Manse Improvements

The Board agrees to allocate \$30,000 - \$50,000 to make improvements to the Manse building.

Motion

Move to adjourn.

Moved by Trustee Benn Vernadakis, seconded by Mayor Pro Tem Cristal Hibbard.

Vote. A roll call vote was taken, and the motion was approved, 6-0.

Voting Yes Mayor Patrick Fallon, Trustee Gerrish Willis, Mayor Pro Tem Cristal Hibbard, Trustee Chris Condon, Trustee Benn Vernadakis, and Trustee Scott Poston.

Anna Wolf
Rico Town Clerk

Patrick Fallon
Mayor

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
18532	10/1/25	Kaplan Kirsch LLC	10000	316.20
18533	10/1/25	CDLE - Finance Office B	10000	90.00
18534	10/1/25	WM Corporate Services, I	10000	116.90
18535	10/1/25	Gretchen Treadwell	10000	855.00
18536	10/1/25	Orkin	10000	152.00
18537	10/1/25	John Ragsdale	10000	375.00
18538	10/1/25	LP Propane LLC	10000	400.00
18541	10/7/25	San Miguel Power Associ	10000	202.00
18543	10/7/25	CEBT	10000	5,153.40
18544	10/7/25	Utility Notification Center	10000	172.05
18545	10/7/25	Century Link	10000	56.77
18546	10/7/25	Rico Telephone Company	10000	114.00
18547	10/7/25	Jon Kelly	10000	375.00
18548	10/7/25	Le Pew Porta-Johns, Inc	10000	875.00
Total				9,253.32

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
1816	10/1/25	Moderate Cow LLC	11000	500.00
1818	10/7/25	San Miguel Power Associ	11000	30.00
Total				530.00

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
3022	10/1/25	Slavens, Inc	10000	71.92
3023	10/1/25	Smith's Materials, LLC	10000	497.61
3024	10/8/25	Senergy Petroleum, LLC	10000	1,773.98
3025	10/8/25	San Miguel Power Associ	10000	127.00
3026	10/8/25	WM Corporate Services, I	10000	185.65
3027	10/8/25	Rico Telephone Company	10000	50.00
Total				2,706.16

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
4779	10/1/25	RVS Software	10000	25.00
4780	10/1/25	Ferguson Waterwork #111	10000	2,628.36
4781	10/1/25	AT&T Mobility	10000	107.21
4782	10/1/25	LP Propane LLC	10000	200.00
4788	10/7/25	La Plata County PH Dept	10000	38.50
4787	10/7/25	UPS	10000	35.22
4789	10/7/25	Rico Telephone Company	10000	115.00
4790	10/7/25	San Miguel Power Associ	10000	515.00
4791	10/7/25	PVS DX, INC	10000	10.00
Total				3,674.29

Precinct No.....

THIS IS TO CERTIFY That the following have been appointed by the.....

Board of Trustees Town of Rico
.....of the.....
(Governing body) (City or Town of)

to serve as

JUDGES OF ELECTION:

Name Mary Hagan Address 134 Argentine St Rico, CO 81332

Name Genevieve Yellowman Address 137 S Glasgow Ave Rico, CO 81332

Name Laurie Adams Address 441 Silverglance way Rico, CO 81332

Name.....Address.....

Name.....Address.....

Name.....Address.....

Name.....Address.....

Name.....Address.....

Also to Certify That the appointment of all of the above has been made in all respects in accordance with the provisions of the Colorado Municipal Election Code.

In Witness Whereof, I, Anna Wolf
City Clerk of the Town of Rico, in the State of Colorado,
have hereunto set my hand and official seal, this
day of....., XX 2025

.....Clerk.

* Mary Hagan, Judge of Election is to call in person at Clerk's office on Monday the 3 day November, XX 2025 the day before Election to pick up the Election and Registration Supplies.

*The Clerk will deliver the Election and Registration supplies to..... Judge of Election on Monday the day of....., 19..... the day before Election.

Judges are required to meet at Rico Town Hall in said Precinct on Tuesday, 4th November, XX 2025 day of Election, qualify as such Judge of Election as the law provides.

*Strike according to fact.

Clerk should make extra copy for filing.

Form approved by Office of Secretary of State.

**TOWN OF RICO
RESOLUTION NO. 2025-05**

**A RESOLUTION OF THE TOWN OF RICO, COLORADO, SUPPORTING
BALLOT MEASURE 1B AND BALLOT MEASURE 1C**

WHEREAS, the Town of Rico streets, alleys, sidewalks and related drainage and utility improvements require reconstruction, repair and maintenance in order to allow for safe travel for pedestrians, cyclists and vehicular access within the rights of way; and

WHEREAS, Ballot Measures 1B and 1C would fund maintenance, repair and reconstruction of existing streets, alleys, and sidewalks within the Town limits; and

WHEREAS, Ballot Measures 1B and 1C would also fund maintenance, repair and reconstruction of drainage improvements and underground utilities located within the Town's existing streets and alleys; and

WHEREAS, Ballot Measures 1B and 1C would also fund replacement or repair of the Town's existing graders, snowplows and other large equipment used for maintenance of the Town's existing streets and alleys

WHEREAS, Ballot Measures 1B and 1C would also provide funding for the Town to hire or retain adequate public works staff to perform general road maintenance and snow removal operations; and

WHEREAS, the Town's fund for street reconstruction and maintenance has been underfunded for many years leaving the Town unable to afford the expense of performing general public works street and alley operations including, without limitation, dust suppression or maintenance or repair work necessary to effectively address runoff and drainage issues; and

WHEREAS, the Town has historically secured grant funding for street reconstruction and maintenance when available, however grant funding for general operations are very limited and are not a reliable source of funding to address the growing demands of the existing streets, alleys and underlying drainage or utility systems, ensuring safe and functional travel for all residents and visitors; and

WHEREAS, only 31% of the property taxes assessed to property within the Town limits are allocated to the Town, and Ballot Measure 1B would only increase the Town's mill levy and would not increase the taxes assessed by the County, School District, Fire Protection District or any other taxing entities; and

WHEREAS, Ballot Measure 1C is not a mill levy or tax increase, instead it would reallocate a portion of the property tax revenue allocated to the Town's sewer fund to the Town's fund for street reconstruction and maintenance, which would mitigate the Town's reliance on grant funding and the need for additional mill levy increases that would otherwise be necessary for street reconstruction and maintenance funding; and

WHEREAS, the funds generated by Ballot Measures 1B and 1C will be used for public works staffing and operations involving maintenance, repair or replacement of the Town's streets, alleys, and sidewalks and related drainage improvements and underground utilities conditions, and for replacement or repair of the Town's equipment used for such operations, in accordance with the Town's equipment and capital improvement plan.

NOW THEREFORE, IT IS RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF RICO, COLORADO, THAT:

Section 1. The above recitals are hereby incorporated as findings by the Board of Trustees of the Town of Rico.

Section 2. The Board of Trustees of the Town of Rico supports Ballot Measures 1B and 1C submitted by the Town of Rico.

Section 3. The Board of Trustees urges community members to vote in favor of Ballot Measure 1B and in favor of Ballot Measure 1C.

INTRODUCED, READ AND PASSED THIS 15TH DAY OF OCTOBER 2025.

TOWN OF RICO, COLORADO

Patrick Fallon, Mayor

ATTEST:

Anna Wolf, Town Clerk

NEW Conservation Trust Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Total Revenues - Operating	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
Expenses - Operating					
Total Expenses - Operating	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
Net Income - Operating	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
Revenues - Other					
Interest	\$ 46.88	\$ 50.00	(3.12)	0.37	93.76
Lottery Proceeds	<u>2,791.09</u>	<u>2,500.00</u>	<u>291.09</u>	<u>875.40</u>	111.64
Total Revenues - Other	<u>2,837.97</u>	<u>2,550.00</u>	<u>287.97</u>	<u>875.77</u>	111.29
Expenses - Other					
FMP Capital Park Improvement G	<u>(53,023.00)</u>	<u>(50,000.00)</u>	<u>(3,023.00)</u>	<u>0.00</u>	106.05
Total Expenses - Other	<u>(53,023.00)</u>	<u>(50,000.00)</u>	<u>(3,023.00)</u>	<u>0.00</u>	106.05
Net Income - Other	<u>\$ (50,185.03)</u>	<u>\$ (47,450.00)</u>	<u>(2,735.03)</u>	<u>875.77</u>	105.76
TOTAL NET INCOME	<u>\$ (50,185.03)</u>	<u>\$ (47,450.00)</u>	<u>(2,735.03)</u>	<u>875.77</u>	105.76
Beginning Fund Balance	<u>52,992.82</u>	<u>0.00</u>			
Ending Fund Balance	<u>2,807.79</u>	<u>(47,450.00)</u>			

NEW TOWN OF RICO - GENERAL FUND
BALANCE SHEET
SEPTEMBER 30, 2025

ASSETS

CURRENT ASSETS		
CASH - CHECKING	\$	178,748.48
C-SAFE		712,430.62
CASH WITH TREASURER		374.95
TOTAL CURRENT ASSETS		891,554.05
PROPERTY AND EQUIPMENT		
TOTAL PROPERTY AND EQUIPMENT		0.00
OTHER ASSETS		
TOTAL OTHER ASSETS		0.00
TOTAL ASSETS	\$	<u><u>891,554.05</u></u>

LIABILITIES AND CAPITAL

CURRENT LIABILITIES		
FICA & FEDERAL W/H PAYABLE	\$	32,652.20
STATE W/H PAYABLE		935.43
COPFL		294.07
EMPLOYEE PERA		13,147.96
TOTAL CURRENT LIABILITIES		47,029.66
LONG-TERM LIABILITIES		
TOTAL LONG-TERM LIABILITIES		0.00
TOTAL LIABILITIES		47,029.66
CAPITAL		
FUND BALANCE		787,200.86
NET INCOME		57,323.53
TOTAL CAPITAL		844,524.39
TOTAL LIABILITIES & CAPITAL	\$	<u><u>891,554.05</u></u>

NEW Town of Rico - General Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Property Tax	\$ 100,065.55	\$ 105,250.00	(5,184.45)	1,266.43	95.07
Sales & Use Tax	256,970.94	250,000.00	6,970.94	41,617.67	102.79
SO Tax	4,239.55	4,000.00	239.55	497.37	105.99
Cigarette Tax	307.22	150.00	157.22	96.29	204.81
Del Tax & Interest	1,431.03	1,000.00	431.03	279.16	143.10
Payroll Transfer Funds	123,142.55	208,160.00	(85,017.45)	10,667.09	59.16
Building Permits	949.78	10,000.00	(9,050.22)	0.00	9.50
Development Applications	0.00	2,000.00	(2,000.00)	0.00	0.00
Business Licenses	1,250.00	2,500.00	(1,250.00)	0.00	50.00
Dog Licenses	70.00	120.00	(50.00)	10.00	58.33
Interest	23,925.70	40,000.00	(16,074.30)	2,603.31	59.81
Fines	18,653.00	20,000.00	(1,347.00)	3,559.00	93.27
Miscellaneous	331,642.35	0.00	331,642.35	0.00	0.00
Septic Permit	400.00	800.00	(400.00)	0.00	50.00
Lodging Tax	7,163.63	8,000.00	(836.37)	221.95	89.55
Attorney Pass Thru	67,759.15	60,000.00	7,759.15	0.00	112.93
SMPA Dividend Check	641.28	400.00	241.28	0.00	160.32
Total Revenues - Operating	938,611.73	712,380.00	226,231.73	60,818.27	131.76
Expenses - Operating					
Building Inspector	0.00	(2,500.00)	2,500.00	0.00	0.00
Town Administrator	(75,465.00)	(100,620.00)	25,155.00	(8,385.00)	75.00
Town Clerk	(42,318.90)	(56,425.00)	14,106.10	(4,702.10)	75.00
Payroll Taxes	(12,899.92)	(23,000.00)	10,100.08	0.00	56.09
Public Works	(36,750.08)	(55,125.00)	18,374.92	(4,593.76)	66.67
Employee Benefits - Health	(40,258.80)	(50,000.00)	9,741.20	(4,835.60)	80.52
FAMLI	0.00	(1,150.00)	1,150.00	0.00	0.00
Professional - Town Attorney	(28,698.10)	(45,000.00)	16,301.90	(1,873.50)	63.77
Town Planner	(4,220.75)	(5,000.00)	779.25	(489.00)	84.42
POST Maintenance/Ice	(550.00)	(8,000.00)	7,450.00	0.00	6.88
Professional - Auditor	(6,500.00)	(6,500.00)	0.00	0.00	100.00
Attorney Pass Thru	(23,283.82)	(60,000.00)	36,716.18	(4,033.90)	38.81
Municipal Court Judge	(3,375.00)	(4,500.00)	1,125.00	(375.00)	75.00
Town Marshall	(12,215.00)	(20,000.00)	7,785.00	(1,435.00)	61.08
POST - Groomer	0.00	(8,000.00)	8,000.00	0.00	0.00
Website Maintenance	0.00	(750.00)	750.00	0.00	0.00
Fuel	(1,100.04)	(1,000.00)	(100.04)	(14.96)	110.00
Advertisement/Agenda & Notice	(154.00)	(1,000.00)	846.00	(154.00)	15.40
Insurance	(9,223.92)	(9,400.00)	176.08	0.00	98.13

For Management Purposes Only

NEW Town of Rico - General Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Supplies	(13,732.13)	(14,000.00)	267.87	(2,170.63)	98.09
Community meetings	0.00	(1,000.00)	1,000.00	0.00	0.00
Electric	(1,597.00)	(1,800.00)	203.00	(173.00)	88.72
Propane	(3,940.00)	(6,000.00)	2,060.00	(400.00)	65.67
Employee Benefits - Life	0.00	(140.00)	140.00	0.00	0.00
Telephone	(2,274.79)	(3,100.00)	825.21	(256.03)	73.38
Utilities - Other	(472.58)	(1,000.00)	527.42	(58.42)	47.26
Employee Benefits - PERA	(20,268.14)	(32,000.00)	11,731.86	0.00	63.34
Treasurer Fees	(1,996.89)	(2,000.00)	3.11	(28.12)	99.84
Dues & Fees	(3,505.47)	(2,500.00)	(1,005.47)	289.15	140.22
Repair and maintenance	(2,738.30)	(2,000.00)	(738.30)	0.00	136.92
Employees Consideration	0.00	(4,000.00)	4,000.00	0.00	0.00
Facilities Maintenance	0.00	(10,000.00)	10,000.00	0.00	0.00
Travel/Conference Expenses	(8,354.50)	(7,500.00)	(854.50)	(70.00)	111.39
Miscellaneous	(426,453.18)	(6,000.00)	(420,453.18)	51,152.75	7,107.55
Sales & Use Tax	(69,300.68)	(48,000.00)	(21,300.68)	(8,521.54)	144.38
4th of July	(1,473.40)	(2,000.00)	526.60	400.00	73.67
Water Technician	(1,725.00)	(4,000.00)	2,275.00	0.00	43.13
Elections	(312.00)	(2,000.00)	1,688.00	0.00	15.60
Part Time Maintenance	(5,292.50)	(35,000.00)	29,707.50	0.00	15.12
Lodging Tax	(1,868.56)	(1,600.00)	(268.56)	0.00	116.79
Total Expenses - Operating	(862,318.45)	(643,610.00)	(218,708.45)	9,272.34	133.98
Net Income - Operating	\$ 76,293.28	\$ 68,770.00	7,523.28	70,090.61	110.94
Revenues - Capital Improvement					
Lease Purchase Transfer	\$ 0.00	\$ 20,000.00	(20,000.00)	0.00	0.00
DOLA EIAF Town Shop Grant	480,348.30	569,528.00	(89,179.70)	0.00	84.34
Excise Tax	272.00	2,500.00	(2,228.00)	0.00	10.88
Total Revenues - Capital Improve	480,620.30	592,028.00	(111,407.70)	0.00	81.18
Expenses - Capital Improvement					
Town Shop Planning and Const	(486,736.30)	(945,000.00)	458,263.70	(219,820.00)	51.51
Lease Purchase Payment	(12,853.75)	(42,000.00)	29,146.25	0.00	30.60

For Management Purposes Only

NEW Town of Rico - General Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Total Expenses - Capital Improve	(499,590.05)	(987,000.00)	487,409.95	(219,820.00)	50.62
Net Income - Capital Improvement	\$ (18,969.75)	\$ (394,972.00)	376,002.25	(219,820.00)	4.80
Revenues - Special Projects					
Total Revenues - Special Projects	0.00	0.00	0.00	0.00	0.00
Expenses - Special Projects					
Total Expenses - Special Projects	0.00	0.00	0.00	0.00	0.00
Net Income - Special Projects	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Other					
Total Revenues - Other	0.00	0.00	0.00	0.00	0.00
Expenses - Other					
Total Expenses - Other	0.00	0.00	0.00	0.00	0.00
Net Income - Other	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ 57,323.53	\$ (326,202.00)	383,525.53	(149,729.39)	(17.57)
Beginning Fund Balance	787,200.86	0.00			
Ending Fund Balance	844,524.39	(326,202.00)			

NEW Town of Rico - Open Park Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Sales & Use Tax	\$ 34,650.34	\$ 24,000.00	10,650.34	4,260.77	144.38
Lodging Tax	934.28	800.00	134.28	0.00	116.79
Interest	249.39	250.00	(0.61)	26.04	99.76
Miscellaneous	0.00	0.00	0.00	(50,000.00)	0.00
Excise Tax	272.00	2,500.00	(2,228.00)	0.00	10.88
	<u>36,106.01</u>	<u>27,550.00</u>	<u>8,556.01</u>	<u>(45,713.19)</u>	
Total Revenues - Operating					131.06
Expenses - Operating					
Flowers	(882.03)	(1,500.00)	617.97	(217.13)	58.80
Winter Festival	(1,500.00)	(1,500.00)	0.00	(1,500.00)	100.00
Grooming supplies	0.00	(1,000.00)	1,000.00	0.00	0.00
Winter Trail Grooming Payroll	(275.00)	(8,000.00)	7,725.00	0.00	3.44
Repairs & Maint. Equipment	0.00	(2,000.00)	2,000.00	0.00	0.00
Insurance	(3,600.00)	(3,600.00)	0.00	0.00	100.00
Supplies	(1,280.17)	(3,000.00)	1,719.83	(205.00)	42.67
Ice Rink & Park Maint. Payroll	0.00	(8,000.00)	8,000.00	0.00	0.00
Miscellaneous	0.00	(500.00)	500.00	0.00	0.00
	<u>(7,537.20)</u>	<u>(29,100.00)</u>	<u>21,562.80</u>	<u>(1,922.13)</u>	
Total Expenses - Operating					25.90
Net Income - Operating	\$ <u>28,568.81</u>	\$ <u>(1,550.00)</u>	<u>30,118.81</u>	<u>(47,635.32)</u>	(1,843.15)
Revenues - Capital Improvement					
GOCO Grant	\$ 175,450.00	\$ 155,450.00	20,000.00	0.00	112.87
Rico Center Grant	40,000.00	40,000.00	0.00	0.00	100.00
Rico ScatePark 503c Donation	175,000.00	75,000.00	100,000.00	0.00	233.33
	<u>390,450.00</u>	<u>270,450.00</u>	<u>120,000.00</u>	<u>0.00</u>	
Total Revenues - Capital Improvement					144.37
Expenses - Capital Improvement					
Park Improvement	<u>(518,098.45)</u>	<u>(385,450.00)</u>	<u>(132,648.45)</u>	<u>(33,490.45)</u>	134.41

For Management Purposes Only

NEW Town of Rico - Open Park Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Total Expenses - Capital Improvement	<u>(518,098.45)</u>	<u>(385,450.00)</u>	<u>(132,648.45)</u>	<u>(33,490.45)</u>	134.41
Net Income - Capital Improvement	<u>\$ (127,648.45)</u>	<u>\$ (115,000.00)</u>	<u>(12,648.45)</u>	<u>(33,490.45)</u>	111.00
Revenues - Special Projects					
Total Revenues - Special Projects	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
Expenses - Special Projects					
Total Expenses - Special Projects	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
Net Income - Special Projects	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
Revenues - Other					
Total Revenues - Other	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
Expenses - Other					
Total Expenses - Other	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
Net Income - Other	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
TOTAL NET INCOME	<u>\$ (99,079.64)</u>	<u>\$ (116,550.00)</u>	<u>17,470.36</u>	<u>(81,125.77)</u>	85.01
Beginning Fund Balance	<u>210,772.71</u>	<u>0.00</u>			
Ending Fund Balance	<u>111,693.07</u>	<u>(116,550.00)</u>			

NEW Town of Rico - Sanitation Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Property Tax	\$ 29,968.33	\$ 31,845.00	(1,876.67)	383.14	94.11
Specific Ownership Tax	1,446.24	1,000.00	446.24	150.46	144.62
Del Tax and Interest	78.17	50.00	28.17	20.02	156.34
Interest	316.66	700.00	(383.34)	37.47	45.24
	<u>31,809.40</u>	<u>33,595.00</u>	<u>(1,785.60)</u>	<u>591.09</u>	
Total Revenues - Operating					94.68
Expenses - Operating					
Treasurers Fees	(600.15)	(600.00)	(0.15)	(7.86)	100.03
Miscellaneous/ Engineering	(17,948.74)	(15,000.00)	(2,948.74)	(3,227.00)	119.66
Payroll Transfer	(15,093.00)	(20,124.00)	5,031.00	(1,677.00)	75.00
	<u>(33,641.89)</u>	<u>(35,724.00)</u>	<u>2,082.11</u>	<u>(4,911.86)</u>	
Total Expenses - Operating					94.17
Net Income - Operating	\$ <u>(1,832.49)</u>	\$ <u>(2,129.00)</u>	<u>296.51</u>	<u>(4,320.77)</u>	86.07
Revenues - Capital Improve General					
CDS/EPA Grant	\$ 0.00	\$ 1,650,000.00	(1,650,000.00)	0.00	0.00
	<u>0.00</u>	<u>1,650,000.00</u>	<u>(1,650,000.00)</u>	<u>0.00</u>	
Total Revenues - Capital Improve Gener					0.00
Expenses - Capital Improve General					
Sewer Engineering	0.00	(1,650,000.00)	1,650,000.00	0.00	0.00
	<u>0.00</u>	<u>(1,650,000.00)</u>	<u>1,650,000.00</u>	<u>0.00</u>	
Total Expenses - Capital Improve Gener					0.00
Net Income - Capital Improve General	\$ <u>0.00</u>	\$ <u>0.00</u>	<u>0.00</u>	<u>0.00</u>	0.00
Revenues - Cap Improve - Dept Local Affairs					

For Management Purposes Only

NEW Town of Rico - Sanitation Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Total Revenues - Cap Imp Dept Local A	0.00	0.00	0.00	0.00	0.00
Expenses - Cap Improve - Dept Local Affairs					
Total Expenses - Cap Imp Dept Local Af	0.00	0.00	0.00	0.00	0.00
Net Income - Cap Imp Dept Local Aff	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Cap Improve - USDA Devel Loan					
Total Revenues - Capital Improvement	0.00	0.00	0.00	0.00	0.00
Expenses - Cap Improve USDA Devel Loan					
Total Expenses - Cap Impr USDA Devel	0.00	0.00	0.00	0.00	0.00
Net Income - Cap Impr USDA Devel Lo	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Cap Improve USDA Devel Grant					
Total Revenues - Cap Imp USDA Devel	0.00	0.00	0.00	0.00	0.00
Expenses - Cap Improve USDA Devel Grant					
Total Expenses - Cap Imp USDA Devel	0.00	0.00	0.00	0.00	0.00
Net Income - Capital Improvement	\$ 0.00	\$ 0.00	0.00	0.00	0.00
Revenues - Cap Improve - EPA Grant					
Total Revenues - Cap Improve EPA Gra	0.00	0.00	0.00	0.00	0.00

For Management Purposes Only

NEW Town of Rico - Sanitation Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Expenses - Cap Improve - EPA Grant					
Total Expenses - Cap Improve EPA Gra	0.00	0.00	0.00	0.00	0.00
Net Income - Cap Improve EPA Grant	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ (1,832.49)	\$ (2,129.00)	296.51	(4,320.77)	86.07
Beginning Fund Balance	211,969.77	0.00			
Ending Fund Balance	210,137.28	(2,129.00)			

2018 NEW Town of Rico - Street Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Property Tax	\$ 13,580.47	\$ 14,400.00	(819.53)	173.62	94.31
Sales and Use Tax	34,650.34	24,000.00	10,650.34	4,260.77	144.38
Specific Ownership Tax	655.38	500.00	155.38	68.19	131.08
Del Tax and Intrest	34.68	100.00	(65.32)	9.07	34.68
Franchise Tax	6,033.39	6,500.00	(466.61)	0.00	92.82
Highway Users Tax	25,591.80	17,900.00	7,691.80	2,205.87	142.97
Lodging Tax	934.28	800.00	134.28	0.00	116.79
County R&B Reapportionment	14,765.42	13,000.00	1,765.42	0.00	113.58
Mineral Leasing	10,702.60	5,000.00	5,702.60	10,702.60	214.05
Interest	351.82	550.00	(198.18)	42.54	63.97
Excise Tax	272.00	2,500.00	(2,228.00)	0.00	10.88
Severance	136.78	1,000.00	(863.22)	136.78	13.68
Total Revenues - Operating	107,708.96	86,250.00	21,458.96	17,599.44	124.88
Expenses - Operating					
Payroll Transfer	(30,632.79)	(60,375.00)	29,742.21	(3,135.38)	50.74
Snow Removal	0.00	(5,000.00)	5,000.00	0.00	0.00
Fuel	(4,903.93)	(15,000.00)	10,096.07	0.00	32.69
Equipt Repairs & Maintenance	(1,237.28)	(7,500.00)	6,262.72	(86.45)	16.50
Insurance	(6,240.86)	(5,500.00)	(740.86)	0.00	113.47
Supplies	(3,967.86)	(2,500.00)	(1,467.86)	(3,115.99)	158.71
Electric	(632.00)	(2,000.00)	1,368.00	(29.00)	31.60
Street Lights	(873.00)	(1,300.00)	427.00	(98.00)	67.15
Utilities - Other	(2,405.82)	(3,000.00)	594.18	(235.65)	80.19
Treasurer Fees	(271.22)	(275.00)	3.78	(3.56)	98.63
Equipment Rental	0.00	(5,000.00)	5,000.00	0.00	0.00
Gravel for Streets	(16,673.52)	(2,500.00)	(14,173.52)	(497.61)	666.94
Total Expenses - Operating	(67,838.28)	(109,950.00)	42,111.72	(7,201.64)	61.70
Net Income - Operating	\$ 39,870.68	\$ (23,700.00)	63,570.68	10,397.80	(168.23)

Revenues - Capital Improvement

For Management Purposes Only

2018 NEW Town of Rico - Street Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Total Revenues - Capital Improvement	0.00	0.00	0.00	0.00	0.00
Expenses - Capital Improvement					
Lease Purchase Transfer	\$ 0.00	\$ (10,000.00)	10,000.00	0.00	0.00
Total Expenses - Capital Improvement	0.00	(10,000.00)	10,000.00	0.00	0.00
Net Income - Capital Improvement	\$ 0.00	\$ (10,000.00)	10,000.00	0.00	0.00
Revenues - Other					
Total Revenues - Other	0.00	0.00	0.00	0.00	0.00
Expenses - Other					
Total Expenses - Other	0.00	0.00	0.00	0.00	0.00
Net Income - Other	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ 39,870.68	\$ (33,700.00)	73,570.68	10,397.80	(118.31)
Beginning Fund Balance	209,608.88	0.00			
Ending Fund Balance	249,479.56	(33,700.00)			

Town of Rico - VCUP
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Initial Payment	\$ 60,000.00	\$ 60,000.00	0.00	0.00	100.00
Annual Payment	102,800.00	102,800.00	0.00	0.00	100.00
Miscellaneous	0.00	0.00	0.00	(1,152.75)	0.00
Interest	197.41	0.00	197.41	11.26	0.00
Incremental Cost	75,000.00	75,000.00	0.00	0.00	100.00
Total Revenues - Operating	237,997.41	237,800.00	197.41	(1,141.49)	100.08
Expenses - Operating					
Misc. expense	(152.75)	0.00	(152.75)	0.00	0.00
Dust Control	(123,417.50)	(37,345.00)	(86,072.50)	0.00	330.48
Salary Stipend payroll transfe	(25,155.00)	(25,155.00)	0.00	0.00	100.00
Outreach and Education Program	0.00	(3,000.00)	3,000.00	0.00	0.00
Insurance	0.00	(2,300.00)	2,300.00	0.00	0.00
Soil Remediation Contractor	0.00	(35,000.00)	35,000.00	0.00	0.00
Road Resampling	0.00	(20,000.00)	20,000.00	0.00	0.00
Hydrat Water Meter	(1,807.90)	(10,000.00)	8,192.10	(1,807.90)	18.08
Permitting Software developmen	(25,973.09)	(30,000.00)	4,026.91	0.00	86.58
Incremental Cost	0.00	(75,000.00)	75,000.00	0.00	0.00
Total Expenses - Operating	(176,506.24)	(237,800.00)	61,293.76	(1,807.90)	74.22
Net Income - Operating	\$ 61,491.17	\$ 0.00	61,491.17	(2,949.39)	0.00
Revenues - Other					
Total Revenues - Other	0.00	0.00	0.00	0.00	0.00
Expenses - Other					
Total Expenses - Other	0.00	0.00	0.00	0.00	0.00
Net Income - Other	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ 61,491.17	\$ 0.00	61,491.17	(2,949.39)	0.00

For Management Purposes Only

Town of Rico - VCUP
 Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE VARIANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Beginning Fund Balance	0.00	0.00			
Ending Fund Balance	61,491.17	0.00			

NEW TOWN OF RICO - WATER FUND
BALANCE SHEET
SEPTEMBER 30, 2025

ASSETS

CURRENT ASSETS		
CHECKING-ENTERPRISE FUND	\$	91,913.13
C-SAFE		306,711.86
CD #1		5,022.56
ACCOUNTS RECEIVABLE		11,728.42
TOTAL CURRENT ASSETS		415,375.97
PROPERTY AND EQUIPMENT		
LAND & IMPROVEMENTS		3,411,065.55
ACCUMULATED DEPRECIATION		(480,545.48)
TOTAL PROPERTY AND EQUIPMENT		2,930,520.07
OTHER ASSETS		
TOTAL OTHER ASSETS		0.00
TOTAL ASSETS	\$	<u><u>3,345,896.04</u></u>

LIABILITIES AND CAPITAL

CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$	2,575.58
NOTES PAYABLE - CWCB		2,413.36
NOTES PAYABLE - GO BONDS		2,000.00
TOTAL CURRENT LIABILITIES		6,988.94
LONG-TERM LIABILITIES		
TOTAL LONG-TERM LIABILITIES		0.00
TOTAL LIABILITIES		6,988.94
CAPITAL		
FUND BALANCE		3,341,634.63
NET INCOME		(2,727.53)
TOTAL CAPITAL		3,338,907.10
TOTAL LIABILITIES & CAPITAL	\$	<u><u>3,345,896.04</u></u>

NEW Town of Rico - Water Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Revenues - Operating					
Water Revenue	\$ 127,046.92	\$ 153,180.00	(26,133.08)	19,644.21	82.94
Interest	7,010.35	1,100.00	5,910.35	1,116.76	637.30
Electric Reimbursement	1,615.00	1,450.00	165.00	441.00	111.38
Total Revenues - Operating	135,672.27	155,730.00	(20,057.73)	21,201.97	87.12
Expenses - Operating					
Payroll Transfer	(51,986.76)	(86,501.00)	34,514.24	(5,854.71)	60.10
Professional - Town Attorney	(1,212.50)	(2,000.00)	787.50	(727.50)	60.63
Professional - Auditor	(6,500.00)	(6,500.00)	0.00	0.00	100.00
Repairs/Maintenance	(3,366.78)	(7,500.00)	4,133.22	(911.85)	44.89
Insurance	(6,500.00)	(6,500.00)	0.00	0.00	100.00
Supplies	(9,912.35)	(5,000.00)	(4,912.35)	(1,100.19)	198.25
Water Samples	(2,191.50)	(3,000.00)	808.50	(1,922.00)	73.05
Electric	(4,602.00)	(6,000.00)	1,398.00	(556.00)	76.70
Telecommunication	(1,851.67)	(2,700.00)	848.33	(151.90)	68.58
Software	(4,291.12)	(2,500.00)	(1,791.12)	(3,288.12)	171.64
Propane	(1,800.00)	(3,000.00)	1,200.00	(200.00)	60.00
Dolores Water Conservation Dis	(3,000.05)	(3,000.00)	(0.05)	0.00	100.00
Miscellaneous	(300.00)	(500.00)	200.00	(300.00)	60.00
Total Expenses - Operating	(97,514.73)	(134,701.00)	37,186.27	(15,012.27)	72.39
Net Income - Operating	\$ 38,157.54	\$ 21,029.00	17,128.54	6,189.70	181.45
Revenues - Capital Improvement					
Water Tap	\$ 0.00	\$ 25,000.00	(25,000.00)	0.00	0.00
Water system improvment fee	0.00	12,200.00	(12,200.00)	0.00	0.00
Total Revenues - Capital Improve	0.00	37,200.00	(37,200.00)	0.00	0.00
Expenses - Capital Improvement					
Tap Installation	(3,934.76)	(5,500.00)	1,565.24	0.00	71.54

For Management Purposes Only

NEW Town of Rico - Water Fund
Comparative Income Statement to Budget
For the Nine Months Ending September 30, 2025

	YEAR TO DATE ACTUAL	ANNUAL BUDGET	YEAR to DATE BALANCE	CURRENT MONTH ACTUAL	PERCENTAGE FAV (UNFAV)
Water Line Replacement	(24,787.31)	0.00	(24,787.31)	0.00	0.00
Lease Purchase Transfer	0.00	(10,000.00)	10,000.00	0.00	0.00
GIS Development	(3,661.75)	(9,000.00)	5,338.25	(266.75)	40.69
Water Engineering Service	(8,501.25)	(20,000.00)	11,498.75	(1,898.75)	42.51
Total Expenses - Capital Improve	(40,885.07)	(44,500.00)	3,614.93	(2,165.50)	91.88
Net Income - Capital Improvement	\$ (40,885.07)	\$ (7,300.00)	(33,585.07)	(2,165.50)	560.07
Revenues - Other					
Total Revenues - Other	0.00	0.00	0.00	0.00	0.00
Expenses - Other					
Total Expenses - Other	0.00	0.00	0.00	0.00	0.00
Net Income - Other	\$ 0.00	\$ 0.00	0.00	0.00	0.00
TOTAL NET INCOME	\$ (2,727.53)	\$ 13,729.00	(16,456.53)	4,024.20	(19.87)
Beginning Fund Balance	3,341,634.63	0.00			
Ending Fund Balance	3,338,907.10	13,729.00			

**TOWN OF RICO
ORDINANCE NO. 2025-05**

**AN ORDINANCE OF THE TOWN OF RICO, COLORADO AMENDING
THE YEAR 2025 BUDGET AND APPROVING SUPPLEMENTAL
APPROPRIATIONS OF MONEY**

WHEREAS, the Town of Rico, Colorado (“Town”) is a Colorado home rule municipality organized pursuant to Article XX of the Colorado Constitution and with the authority of the Town of Rico Home Rule Charter; and

WHEREAS, the Board of Trustees of the Town of Rico (“Board”) designated Chauncey McCarthy, Rico Town Manager to prepare and submit a proposed budget to the Governing Body; and

WHEREAS, the Board adopted the 2025 Budget for the Town of Rico by enacting Ordinance 2024-05 on 20th day of November 2024; and

WHEREAS, Section 6.7 of the Town of Rico Home Rule Charter provides that the Board may make additional appropriations by ordinance during the fiscal year for unanticipated expenditures required of the Town; and

WHEREAS, the Board finds it necessary for the preservation of the health, safety and welfare of the Town to amend the 2025 Budget to reflect additional revenues and expenditures available to the General Fund, Park Fund, Street Fund, VCUP Fund, Sanitation Fund, Conservation Trust Fund and Water Fund; and

WHEREAS, management, by direction of the Board, finds it necessary to purchase and repair property, and construct facility upgrades

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE TOWN OF RICO ORDAINS:

Section 1. The recitals hereinabove are hereby adopted as findings and incorporated herein.

Section 2.

A. The 2022 budget revenues and expenditures as follows

General Fund revenue for sales and use tax has been amended to
\$320,000

General Fund revenue for RHS Donation has been amended to \$325,000

General Fund revenue for interest has been amended to \$30,000

General Fund expenditure for Rico Community Church has been amended to \$476,000

General Fund expenditure for sales and use tax has been amended to \$81,900

General Fund expenditure for town shop planning and construction has been amended to \$488,000

Park Fund revenue for sales and use tax has been amended to \$40,000

Park Fund revenue for GOCO grant has been amended to \$175,450

Park Fund revenue for Rico Skatepark donation has been amended to \$175,000

Park Fund expenditure for supplies has been amended to \$11,500

Park Fund expenditure for park improvement has been amended to \$520,000

Street Fund revenue for sales and use tax has been amended to \$40,000

Street Fund revenue for highway user tax has been amended to \$28,000

Sanitation Fund revenue for CDS/EPA grant has been amended to \$100,000

Sanitation Fund expenditure for CDS/EPA grant has been amended to \$100,000

Sanitation Fund expenditure for engineering has been amended to \$18,000

Water Fund revenue for interest has been amended to \$10,000

Water Fund expenditure for supplies has been amended to \$9,000

Water Fund expenditure for water line replacement has been amended to \$25,000

VCUP Fund revenue for annual payment has been amended to \$131,443

VCUP Fund expenditure for dust control has been amended to \$138,355

VCUP Fund expenditure for outreach and education has been amended to \$0

VCUP Fund expenditure for insurance has been amended to \$0

VCUP Fund expenditure for soil remediation contractor has been amended to \$0

VCUP Fund expenditure for road resampling has been amended to \$0

VCUP Fund expenditure for hydrant water meter has been amended to \$1,807

VCUP Fund expenditure for permitting software has been amended to \$25,973

Conservation Trust Fund expenditure for FMP capital park improvement has been amended to \$53,023

B. The Board does hereby adopt and approve the above supplemental budget and appropriations to the 2025 budget for the Town of Rico which adjusts the 2025 budget summary by fund as follows:

General Fund Revenue: \$1,712,408
General Fund Expenditures: \$1,069,343

VCUP Fund Revenue: \$266,443
VCUP Fund Expenditures: \$266,443

Park Fund Revenue: \$434,000
Park Fund Expenditures: \$557,600

Street Fund Revenue: \$112,350

Water Fund Revenues: \$200,850
Water Fund Expenditures: \$208,251

Sanitation Fund Revenue: \$133,595
Sanitation Fund Expenditures: \$138,724

Conservation Trust Fund Expenditures: \$53,023

Section 3. This Ordinance shall take effect immediately upon final adoption.

THIS ORDINANCE WAS, FOLLOWING PUBLIC NOTICE, INTRODUCED, READ, AND APPROVED ON FIRST READING, AND ORDERED PUBLISHED BY TITLE ONLY THIS 15TH DAY OF OCTOBER 2025.

TOWN OF RICO, COLORADO

Patrick Fallon, Mayor

ATTEST:

Anna Wolf, Town Clerk

THIS ORDINANCE WAS, FOLLOWING PUBLIC NOTICE, INTRODUCED, READ ON SECOND READING, PASSED AND ORDERED PUBLISHED BY TITLE ONLY TO BE EFFECTIVE IMMEDIATELY THIS 19TH DAY OF NOVEMBER 2025.

TOWN OF RICO, COLORADO

ATTEST:

Patrick Fallon, Mayor

Anna Wolf, Town Clerk

Effective Date: November 19, 2025



TOWN OF RICO
INCORPORATED OCTOBER 11, 1879
2 North Commercial Street
Post Office Box 9
Rico, Colorado 81332
Office # 970.967.2861
www.ricocolorado.gov

October 15, 2025

The Rico Center
 Board of Directors
 PO Box 114, Rico, CO 81332

The Town of Rico Board of Trustees expresses its full support for the Rico Trails Alliance (RTA) grant application to The Rico Center. The proposed project will fund construction of a pedestrian bridge that will connect two sections of a non-motorized recreational trail along the historic Rio Grande Southern (RGS) railroad grade within the Dolores River corridor.

The RGS River Trail originates within the Town limits and extends south through a short segment of U.S. Forest Service land, continuing onto a perpetual public Recreational Trail Easement held by the Town on the Lazy Rooster Ranch property. These trail improvements are located within the Town's 3-Mile Planning Area as identified in the Rico Regional Master Plan.

The project advances several community objectives by:

- Furthering the Rico Regional Master Plan's goals of maintaining public recreational access, protecting open space, and creating a continuous trail system along the river corridor;
- Expanding local recreational opportunities for a broad range of users, including families, adaptive sports athletes, hikers, runners, and mountain bikers; and
- Supporting local tourism, community health, and providing improved access for search and rescue and wildfire response operations.

By funding the construction of the RGS River Trail and pedestrian bridge, The Rico Center will be supporting a public recreation corridor that benefits both residents and visitors, ensuring its preservation and accessibility for future generations.

Sincerely,

Patrick Fallon, Mayor
 On behalf of the Town of Rico Board of Trustees

**MEMORANDUM OF UNDERSTANDING BETWEEN THE
TOWN OF RICO AND THE RICO FIRE PROTECTION
DISTRICT REGARDING THE TRANSFER OF FIRE STATION
PROPERTY (LOTS 9, 10, 11, AND 12, BLOCK 2)**

This Memorandum of Understanding (“MOU”) is entered into by and between the Town of Rico, a Colorado home rule municipality (“Town”), and the Rico Fire Protection District, a Colorado special district (“District”), collectively referred to as the “Parties.”

1. Purpose

The purpose of this MOU is to outline the terms and conditions under which the Town will transfer ownership of the fire station property—consisting of Lots 9, 10, 11, and 12, Block 2, Town of Rico—to the Rico Fire Protection District for continued use in providing fire protection and emergency response services.

2. Property Transfer and Use Terms

The Parties agree that:

- a. The Town will convey the property to the District by deed.
- b. The District shall use the property for fire protection, emergency response purposes, and community functions.
- c. If the District is ever dissolved, ownership of the property shall revert to the Town of Rico.
- d. If the District intends to sell or transfer the property, the Town shall have the first right of refusal to purchase the property.
- e. These terms shall be incorporated into the deed of conveyance or other mutually agreed-upon documentation as appropriate, following review by legal counsel.

3. Future Sale Valuation and Right of First Refusal

As the Town is conveying the land at no cost to support continued public benefit, the Parties agree that if the District elects to sell the property at any point in the future, the Town shall have the first right of refusal to purchase it. If the Town exercises its right of first refusal, the purchase price shall be calculated based solely on the depreciated value of the existing structure. This valuation shall be determined using a mutually agreed-upon method that considers the estimated replacement cost of the building, reduced by depreciation based on the age, condition, and remaining useful life of the structure. No value shall be assigned to the land itself, in recognition of the fact that it was originally conveyed by the Town at no cost for the purpose of supporting public emergency services.

4. Costs and Fees

The District shall be responsible for all costs associated with the transfer, including but not limited to:

- Town legal fees;
- Title work and title insurance (if applicable);
- Preparation and recording of closing documents; and
- Any other reasonable expenses incurred by the Town related to the transfer process.

5. Implementation

Upon mutual approval of this MOU, the Town shall direct its attorney to prepare the appropriate transfer documents. The Parties agree to cooperate in good faith to execute all necessary instruments and complete the transfer in accordance with the terms outlined above.

IN WITNESS WHEREOF, the undersigned have executed this Memorandum of Understanding on behalf of their respective entities on the dates shown below.

TOWN OF RICO

Patrick Fallon, Mayor

Date: 10/15/2025

RICO FIRE PROTECTION DISTRICT

Tyler Lapp, Board Chair

Date: _____

Town of Rico Budget Summary

Date: October 8, 2025

TO: Town of Rico Board of Trustees
FROM: Chauncey McCarthy, Town Manager
SUBJECT: Town of Rico Budget Summary

Consideration of the 2025 Budget

The State of Colorado requires that the proposed 2026 budget be submitted to the governing body no later than October 15. December 15 is the statutory deadline by which the Town of Rico must adopt the budget and certify the mill levy to Dolores County. The 2026 budget will be adopted by Ordinance No. 2025-05, an ordinance adopting the year 2026 budget; appropriating sums of money; and setting and certifying Town mill levies.

The 2026 proposed budget reflects the Town's continued commitment to financial stability, infrastructure planning, and responsible management of operating costs. This year's budget focuses primarily on water and sewer infrastructure planning and upgrades along with the transition of Public Works staffing while maintaining consistent levels of service and compliance.

Included in the budget details are notes describing the method in which assumptions were made regarding revenues and expenses. The following is a summary of each fund.

General Fund Revenues

Sales tax revenues performed strongly in 2025, with collections projected to close out at approximately \$320,000, exceeding the original budget by about \$80,000. Staff attributes this increase primarily to continued local spending related to the St. Louis Tunnel project and other construction activities. This level of spending is expected to decrease in 2026 as project activity slows. Accordingly, sales tax revenue for 2026 is budgeted more conservatively at \$276,000 to account for reduced construction-related purchases and overall market uncertainty.

Property tax revenues are based on the Town's 2026 assessed valuation of \$9,618,327, generating an estimated \$125,000 in 2026. While no new building permits were issued in 2025, several property owners are in discussion with Town staff regarding potential new residential construction in 2026. Revenues for building and septic permits are budgeted assuming two new homes will be constructed in the coming year.

Investment income is projected at \$30,000, consistent with 2025 levels, and reflects current Federal Reserve interest rate expectations.

Other revenues include licenses, lodging and specific ownership tax, and fines. These revenues are harder to forecast. Fines and forfeits have grown over the last year and our marshal department has focused on increasing tickets to offset labor and fuel cost.

General Fund Expenses - Employees

Personnel costs remain the Town's largest operating expense. A 3% cost-of-living adjustment (COLA) has been budgeted for the Town Manager and Town Clerk positions only. There are no merit-based pay increases included for 2026. The 2026 budget also reflects a staffing change with the addition of a Public Works Manager, who will overlap with the current maintenance employee for a one-year transition period. This structure allows for continuity in operations and the transfer of institutional knowledge.

The budget assumes that the new Public Works Manager will begin at the higher end of the proposed pay range which is unknown at this time and that the employee will be single, without dependents enrolled on the Town's insurance plan. The current maintenance position will remain at their 2025 pay rate and is expected to work reduced hours during the transition year. The following is a summary of the staffing expenses that are reflected in this budget:

Town Manager: Full time, \$103,640.00 per year with benefits that include insurance for one person and PERA retirement benefits at a 15.8% match with a total cost including payroll taxes of \$135,582 This expense is distributed as follows: General Fund 35%, VCUP Fund 25%, Water Fund 10%, Sanitation fund 20%, and Street Fund at 10%. Distribution may change based on the outcome of the November election.

Maintenance: Full time, \$55,125 per year with benefits that include insurance for one person and PERA retirement benefits at a 15.8% match with a total cost including payroll taxes of \$78,698 This expense is distributed between the Water Fund 50% and the Street Fund 50%. Distribution may change based on the outcome of the November election.

Town Clerk/Administrative Assistant: Full time (32 HR/WK), \$58,118 per year with benefits that include insurance for one person, 80% coverage for dependents, and PERA retirement benefits at a 15.8% match with a total cost including payroll taxes of \$99,943 This position is funded by the General Fund 60% and the Water Fund 40%.

POST Groomer: Part Time, no benefits, \$25.00 per hour. The amount spent on this activity is dependent entirely on the weather. There is \$8,000 budgeted for this position.

POST Maintenance – Ice Rick and Park: Part Time, no benefits, \$25.00 per hour. This position is also variable. There is \$8,000 budgeted for this position.

Public Works Manager: Full Time, \$70,000 per year with benefits that include insurance for one person and PERA retirement benefits at a 15.8% match with a total cost including payroll taxes of \$96,139. This expense is distributed between the Water Fund 50% and the Street Fund 50%. Distribution may change based on the outcome of the November election.

Water Technician: Part-time, no benefits, \$50.00 per hour. This position serves as Rico's Responsible Operator for the water system, a requirement of the Colorado Department of Public Health and Environment (CDPHE). This position may not be required if the newly hired Public Works Manager obtains the necessary certification. It is funded entirely by the Water Fund.

Town Marshal: Part Time, no benefits, \$35.00 per hour. This position is funded through the General Fund. In 2025 the Marshal wage was offset by fines on traffic violations.

General Fund Expenses - Subcontractors

Currently the Town employs several contractors

Municipal Court Judge: The Town has a long-standing arrangement with John Kelly for this duty. This arrangement will remain unchanged in the upcoming year.

Town Attorney: The Rico Home Charter requires that Rico have a Town Attorney. Karp, Neu, Hanlon is the appointed Town Attorney. Attorney cost are budgeted at \$45,000 to help in the review and approval of the Rico Land Use Code Global Revision. Tom Bloomfield is used by the Town for matters involving the VCUP. Per the VCUP funding agreement in 2026 there is 35,000 budgeted for the implementation of the program. This account is a pass-thru account and should create no actual expense for the town.

Town Planner: This position is offset by development application. Currently the Town Manager handles smaller land use permit applications (variances, special use permits). Larger development applications that are reviewed by the planner are treated as a pass thru.

Auditor: The Town of Rico signed a letter of engagement with Atlas CPA for the 2024 – 2026 Audits. The cost of the 2026 audit will be \$13,500 and will be split between the General Fund and Water Fund

Building Inspector: Building fees offset plan review and building inspections. This expense, \$2,500, is budgeted based on prior-year averages and current development discussions.

General Fund Expenses - Other

The other general fund expenses are dedicated to administrative related expenses including insurance, utilities and supplies as well as other things that are included in the budget details attached to this summary. These expense estimates are based on last year's cost. July 4th expenses have increased to \$10,000 per the board direction to host a Colorado 150/America 250 celebration. Additionally, there has been \$25,000 for work to be done to the Rico Community Church. Town insurance saw a slight increase for 2026. Two additional projects are being carried over from 2025:

- Codification of all Town ordinances work to be completed by MuniCode over the course of 2 years. (\$7,000 budgeted per year)
- Courthouse sidewalk and stair resurfacing due to cracks and damage that makes the building not ADA compliant (\$10,000 budgeted)

VCUP Fund

The VCUP Fund continues to operate under the terms of the 2022 Settlement, Implementation, and Funding Agreement with Atlantic Richfield. The annual payments to the Town cover VCUP-related activities, including contractor support, dust suppression, incremental cost reimbursement and the 25% salary supplement for the Town Manager.

This account is projected to close the year with a zero-dollar balance since the intent of the program is to have AR only directly fund the incurred cost. "By January 31 of each year, the Town shall provide AR with an annual accounting documenting all amounts withdrawn by the Town from the VCUP General Funding Account and the amount of any funds remaining in the VCUP General Funding Account at the end of the calendar year. Any such funds remaining in the VCUP General Funding Account at the end of a calendar year shall reduce on a dollar-for-dollar basis the total amount of the next annual payment owed by AR."

Water Fund Revenues

Revenues from this year were based on proposed minimum yearly rates for commercial and residential accounts. The budgeted revenue is very conservative, and town should expect to exceed this number. Water Tap and System Improvement Fees are based upon the construction of two new homes at current tap and impact fees.

Water Fund Expenses

The expense budget is derived from the previous year's expenditures. Revenue generated from the sale of water taps is required to be used for capital

improvement projects. Current capital projects being considered is the Dolore River waterline crossing.

If the Town of Rico decides to proceed with reactivating Silver Creek and restoring the third water tank, the Town may be awarded a low-interest loan with principal forgiveness (grant) from the State Revolving Fund. In that case, the Board of Trustees will need to amend the 2026 budget to reflect these additional revenues and expenditures.

Street Fund Revenues

Street Fund revenues come from sales and use taxes, property taxes, franchise tax (SMPA), highway user's tax (State), lodging tax, excise tax, and the County Road and Bridge Reapportionment. Property tax is the only revenue line item that can be predicted based upon the previous year assessment. All other revenues are harder to forecast and are greatly affected by economic forces. The Street Fund only collects 1.875 mills generating \$17,150 dollars of property tax annually.

Mineral Leasing and Severance Tax have been inconsistent and historically shrinking. After speaking with state employees regarding Severance and Mineral Leasing revenues, they stated that these sources are currently expected to generate similar amounts to 2024; however, this remains uncertain. Highway User Tax are forecasted by CML.

Street Fund Expenses

Cost estimates for the Street Fund were based on last year's expenses. The Street Fund as budgeted shows the expenses continuing to outpace revenue. The 2025 budgeted forecasted this issue as well; Due to upticks in certain revenue items and oversight on expenditures the street fund is projected to close above the prior year by approximately \$35,000. Depending on the outcome of the election this forecast could change.

Sanitation Fund Revenues

Sanitation fund revenues are generated from a 3.939 mill levy. Additionally, this fund is expected to experience a significant increase in revenue, 1.6 million, due to grant awarded for the design of a sewer treatment plant and a townwide collection system. Revenue for this fund could change based upon the outcome of the November election.

Sanitation Fund Expenses

Included in this budget is \$10,000 for miscellaneous engineering and legal which may be utilized for the legal assistance regarding the sewer design and construction. An additional 1.6 million has been budgeted to cover the cost of engineering for the sewer system. This expense is grant funded and should not result in any additional funds being spent out of the sanitation fund reserves.

Parks, Open Space and Trails Fund Revenues

The POST Fund remains supported by sales/use tax, lodging tax, and excise tax. Routine maintenance expenses remain consistent with prior years.

Parks, Open Space and Trails Fund Expenses

The budgeted expenses for day-to-day operations are based on last year's expenses since there are no significant changes. The 2026 budget includes \$10,000 for potential pump track completion if the Board chooses to proceed.

Conservation Trust Fund

The CTF balance remains stable and continues to accumulate through state lottery revenue. Funds may be used for eligible park improvements or as grant match for future projects.

Conclusion

The 2026 Budget for the Town of Rico reflects a proactive approach to financial planning, balancing revenues and expenses while addressing infrastructure, staffing, and regulatory priorities. It positions the Town for stability and progress, providing a sound fiscal structure to sustain essential services, advance critical capital projects, and adapt to evolving community needs.

- **Revenue Projections:** The budget conservatively estimates revenues across various streams, particularly sales and property taxes, which are influenced by construction trends and economic factors.
- **Expense Management:** The 2026 budget reflects prudent expense control, with most line items held near prior-year levels. A 3% cost-of-living adjustment (COLA) was applied only to the Town Manager and Town Clerk, maintaining conservative personnel growth. The addition of a Public Works Manager and the transitional reduction in hours for the existing maintenance position represent strategic staffing investments that support continuity and succession planning without substantially increasing overall costs. Town insurance, utilities, and supplies increased slightly, while one-time and deferred projects, were retained to ensure compliance and modernization.
- **Infrastructure and Compliance Projects:** Key infrastructure initiatives are carried forward, including the Dolores River waterline crossing and continued engineering for the townwide sewer design, funded through external grants totaling approximately \$1.6 million. The results from the performance energy contracting study have not yet been finalized, and project costs and potential savings associated with that work have not been included in this budget. Park and community investments also continue, with \$10,000 budgeted to complete the pump track and additional appropriations to support community events and church improvements.
- **Long-term Planning and Challenges:** While Rico's financial position remains solid, the Street Fund continues to experience a structural

imbalance between revenues and expenditures. The outcome of the November election could address this challenge and will result in a modification to the budget as presented.

Next Steps and Election Impacts:

The 2026 Budget presented for first reading will be updated based upon Board of Trustees and community feedback, as well as the outcome of the November election. The first reading is scheduled for the November 19, 2025 Board of Trustees meeting.

The upcoming election could significantly influence the Town's financial outlook. If approved, the proposed measures would increase the sales tax transfer to the Street Fund by approximately \$27,500, reallocate all existing sewer mills to the Street Fund in the amount of \$37,880, and add an additional six mills dedicated to the Street Fund, generating roughly \$57,710 in new revenue. Combined, these actions would provide an estimated \$123,190 in additional annual funding for street fund. However, the reallocation of existing revenue sources would also reduce revenues to the General Fund and Sewer Fund. Should the ballot measures pass, both funds will be revised accordingly prior to the first reading of the 2026 Budget.

CERTIFICATION OF VALUATION BY DOLORES COUNTY ASSESSOR

New Tax Entity? YES NO

DATE: 8/25/2025

NAME OF TAX ENTITY: TOWN OF RICO

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR _____:

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	8,084,963
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	9,618,327
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	9,618,327
5.	NEW CONSTRUCTION: *	5.	\$	0
6.	INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	
7.	ANNEXATIONS/INCLUSIONS:	7.	\$	
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	\$	
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	6.56

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution

* New Construction is defined as: Taxable real property structures and the personal property connected with the structure

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation, use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation, use Form DLG 52B

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR _____:

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	90,090,913
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ADDITIONS TO TAXABLE REAL PROPERTY

2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	\$	0
3.	ANNEXATIONS/INCLUSIONS:	3.	\$	
4.	INCREASED MINING PRODUCTION: §	4.	\$	
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	\$	
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	7.	\$	

DELETIONS FROM TAXABLE REAL PROPERTY

8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$	
9.	DISCONNECTIONS/EXCLUSIONS:	9.	\$	
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	\$	

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ _____

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ 268.54

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

General Fund Revenues	2024 Audit	2025 Budget	2025 Original vs Projected	2025 Projected Year End Budget	2025 Proposed Budget	Notes
Operating Revenues						
Property Tax*	120,673.00	105,250.00	-6,450.00	98,800.00	125,000.00	1
Delinquent Taxes & Interest	2,388.00	1,000.00	150.00	1,150.00	1,000.00	
Lodging Tax	10,801.00	8,000.00	0.00	8,000.00	8,000.00	
Sales & Use Tax	442,587.00	320,000.00	0.00	320,000.00	276,000.00	\$23,000 assumed monthly revenue
Specific Ownership Tax	5,294.00	4,000.00	-255.00	3,745.00	4,000.00	
Cigarette Tax	-	150.00	60.00	210.00	150.00	
Total Operating Revenues	581,743.00	368,400.00	63,505.00	431,905.00	414,150.00	
Intergovernmental Revenue						
Building Permits - All licenses and permits are grouped together in audit	18,486.00	10,000.00	-9,050.00	950.00	10,000.00	Based on 2 new homes
Septic Permit	-	800.00	-400.00	400.00	800.00	Based on 2 new homes
Development Applications	-	2,000.00	-2,000.00	0.00	2,000.00	
Licenses	-	2,500.00	-1,050.00	1,450.00	1,500.00	
Dog Licenses (licenses & permits together on audit)	-	120.00	-60.00	60.00	120.00	
Total Intergovernmental Revenues & Fees	18,486.00	15,420.00	-12,560.00	2,860.00	14,420.00	
Miscellaneous Revenues						
Interest	64,621.00	30,000.00	0.00	30,000.00	30,000.00	
Fines & Forfeits	26,153.00	20,000.00	2,500.00	22,500.00	20,000.00	
SMPA dividend - in miscellaneous in audit	-	400.00	240.00	640.00	500.00	
Miscellaneous Revenues (lumped together in audit)	161,867.00	0.00	6,640.00	6,640.00	0.00	
Total Miscellaneous	252,641.00	60,400.00	-620.00	59,780.00	50,500.00	
Total Revenues before Payroll Transfers	852,870.00	444,220.00	50,325.00	494,545.00	479,070.00	
Transfers						
Payroll Transfer	145,786.00	208,160.00	-53,015.00	155,145.00	235,700.00	
Attorney pass through	-	83,000.00	0.00	83,000.00	35,000.00	
Total Payroll Transfers to / From Other Funds	145,786.00	268,160.00	-30,015.00	238,145.00	270,700.00	
Total Operating Revenues and Transfers	998,656.00	712,380.00	20,310.00	732,690.00	749,770.00	
Special Projects Revenues	1,802.00	592,028.00	322,772.00	914,800.00	22,500.00	
Total Revenues	1,380,484.00	1,304,408.00	343,082.00	1,647,490.00	772,270.00	
Total Expenses	2,282,970.00	1,638,610.00	-514,135.00	1,124,475.00	748,141.00	
Fund Balance Ending	805,438.00	714,243.00		1,328,453.00	1,352,582.00	

Notes:

1. A levy of 13.020 mills upon each dollar of the total valuation for assessment of taxable property in the Town of Rico.

	2025 Aug AV	Property Taxes, 2025	Mill Levy
Assessed Valuation (AV)	9,618,327.00	125,230.62	13.020

General Fund Employee & Contract Labor Expenses	2024 Audit	2025 Budget	2025 Original vs Projected	2025 Projected Year End Budget	2026 Proposed Budget	Notes
Operating Expenses						
Salaries & Wages						
Town Administrator / Manager	86,000.00	100,620.00	0.00	100,620.00	103,640.00	
Maintenance 1	44,844.00	55,125.00	-4,593.00	50,532.00	70,000.00	
Town Clerk / Admin Assistant		56,425.00	0.00	56,425.00	58,118.00	
Park & Recreation groomer - combined with all POST programs in audit	-	8,000.00	-6,000.00	2,000.00	8,000.00	
Park & Recreation ice rink & park - combined with all POST programs in audit	-	8,000.00	-7,000.00	1,000.00	8,000.00	
Maintenance 2	19,843.00	35,000.00	-29,708.00	5,292.00	55,125.00	
Water Technician	2,875.00	4,000.00	-1,000.00	3,000.00	4,000.00	
Town Marshall	18,311.00	20,000.00	-2,500.00	17,500.00	20,000.00	
Subtotal - Salaries & Wages	171,873.00	287,170.00	-50,801.00	236,369.00	326,883.00	
Employee Taxes and Benefits						
Payroll Taxes	17,016.00	23,000.00	-3,000.00	20,000.00	4,800.00	
Employer PERA (employee benefits combined on audit)	81,090.00	32,000.00	-1,000.00	31,000.00	52,000.00	
Employee Insurance	-	50,000.00	5,000.00	55,000.00	74,000.00	
Employee Consideration	-	4,000.00	0.00	4,000.00	4000.00	
Subtotal - Employee Taxes & Benefits	98,106.00	110,290.00	-290.00	110,000.00	134,800.00	
Subtotal - Employee Costs	269,979.00	397,460.00	-51,091.00	346,369.00	461,683.00	
Other Labor						
Municipal Court Judge (Part Time)	4,500.00	4,500.00	0.00	4,500.00	4,500.00	
Town Attorney (plus prosecutor)	28,637.00	45,000.00	0.00	45,000.00	45,000.00	LUC Review
VCUP Attorney (pass through)	-	60,000.00	-15,750.00	44,250.00	35,000.00	
Town Planner	-	5,000.00	0.00	5,000.00	5,000.00	
Auditor	6,600.00	6,500.00	0.00	6,500.00	6,750.00	Split between general and water
Building Inspector	-	2,500.00	-2,500.00	0.00	2,500.00	
Subtotal - Other Labor	39,737.00	123,500.00	-18,250.00	105,250.00	98,750.00	
Total Employee & Other Labor	309,716.00	520,960.00	-69,341.00	451,619.00	560,433.00	
Other Administrative Expenses	33,330.00	122,650.00	20,648.00	143,298.00	139,000.00	
Special Projects Expenses	1,534,970.00	995,000.00	-465,442.00	529,558.00	48,708.00	
Total General Fund Expenses	868,852.00	1,638,610.00	-514,135.00	1,124,475.00	748,141.00	

General Fund Other Administrative Expenses	2024 Audit	2025 Budget	2025 Original vs Projected	2025 Projected Year End Budget	2026 Proposed Budget	Notes
Administrative Costs						
Insurance (CIRSA)	10,094.00	9,400.00	-175.00	9,225.00	12,500.00	Based on renewal price
IT/Website - Domain						
Maintenance - under miscellaneous in audit	-	750.00	-100.00	650.00	650.00	
Advertisements/Agenda - in supplies in audit	-	1,000.00	-1,000.00	0.00	1,000.00	
Supplies/Software	10,565.00	14,000.00	0.00	14,000.00	14,000.00	
Dues & Fees - in miscellaneous in audit	-	2,500.00	1,500.00	4,000.00	3,000.00	
Travel/Conference/ Training Expenses - in miscellaneous in audit	-	7,500.00	1,500.00	9,000.00	9,000.00	CML conference for board members.
Miscellaneous		6,000.00	-4,450.00	1,550.00	0.00	
Subtotal - Administrative Costs	20,659.00	41,150.00	-2,725.00	38,425.00	40,150.00	
Utilities						
Electric	-	1,800.00	300.00	2,100.00	3,500.00	
Propane	-	6,000.00	0.00	6,000.00	6,000.00	
Telephone & Internet	-	3,100.00	-50.00	3,050.00	3,000.00	
Utilities-Other (all included in audit)	12,671.00	1,000.00	-200.00	800.00	800.00	
Subtotal - Utilities	12,671.00	11,900.00	50.00	11,950.00	13,300.00	
Town Vehicle Costs						
Fuel (not separated on audit)	-	1,000.00	200.00	1,200.00	1,000.00	
Repair & Maintenance	-	2,500	250.00	2,750.00	4,000.00	tires for 2 trucks
Subtotal - Vehicle Costs	0.00	3,500.00	450.00	3,950.00	5,000.00	
Other						
Facilities Maintenance - all lumped into special projects on Audit	-	10,000.00	-10,000.00	0.00	10,000.00	Sidewalk and stair resurface
Elections	-	2,000.00	-800.00	1,200.00	1,250.00	
July 4th Expenses	-	2,000.00	-127.00	1,873.00	10,000.00	
Treasurer Fees	-	2,500.00	-500.00	2,000.00	2,500.00	
Lodging Tax Transfer	-	1,600.00	400.00	2,000.00	1,600.00	Transfers from General Fund to POST and Street Funds 20%
Sales & Use Tax Transfer	-	81,900.00	0.00	81,900.00	55,200.00	Transfers from General Fund to POST and Street Funds 20%
Subtotal - Other	0.00	66,100.00	22,873.00	88,973.00	80,550.00	
Total Other Administrative Expenses	33,330.00	122,650.00	20,648.00	143,298.00	139,000.00	

General Fund Capital Improvement Revenues	2024	2025	2025	2025	2026	Notes
	Audit	Budget	Original vs Amended	Projected Year End Budget	Proposed Budget	
Excise Tax	1,802.00	2,500.00	-2,228.00	272.00	2,500.00	1
Total Capital Improvement Revenues	1,802.00	2,500.00	-2,228.00	272.00	2,500.00	
Special Projects / Grants Revenues						
DOLA - Town Shop Grant	-	569,528.00	0.00	569,528.00	0.00	
RHS Donation		325,000.00		325,000.00	0.00	
Lease Purchase Transfer		20,000.00	0.00	20,000.00	20,000.00	
Total Special Projects / Grants Revenues	0.00	589,528.00	0.00	914,528.00	20,000.00	
Total Capital & Special Projects Revenues	1,802.00	592,028.00	322,772.00	914,800.00	22,500.00	
Capital Improvements Expenses						
Rico Community Church	-	476,000.00	0.00	476,000.00	25,000.00	
Facility Improvements	1,534,970.00	0.00	0.00	0.00	0.00	
Town Shop Construction	-	488,000.00	0.00	488,000.00	0.00	
Lease Purchase Payment	-	42,000.00	1,292.00	40,708.00	40,708.00	
Total Capital Improvements Expenses	1,534,970.00	987,000.00	458,292.00	528,708.00	40,708.00	
Special Projects Expenses						
Codification	-	7,000.00	7,000.00	0.00	7,000.00	
Community Meetings	-	1,000.00	-150.00	850.00	1,000.00	
Total Special Projects/ Capital Improvement Expenses	1,534,970.00	995,000.00	-465,442.00	529,558.00	48,708.00	

Notes:

1. The Town has a \$2.00 per square foot excise tax on all new construction. The General Fund receives 25% of the excise tax. All revenues received from the excise tax can only be used for capital improvements and purchases.

VCUP Fund	2024	2025	2025	2025	2026	Notes
	Audit	Budget	Original vs Projected	Projected Year End Budget	Proposed Budget	
Operating Revenues						
Initial Payment	-	60,000.00	0.00	60,000.00	0.00	1
Annual Payment	-	131,443.00	0.00	131,443.00	102,800.00	2
Miscellaneous	-	0.00	0.00	0.00	0.00	
Total VCUP Fund Operating Revenues		191,443.00	0.00	191,443.00	102,800.00	
Incremental Cost Funding Account						
Incremental Cost	-	75,000.00	-	75,000.00	0.00	3
Total VCUP Revenues		0.00	266,443.00	0.00	266,443.00	102,800.00
Operating Expenses						
Dust Control	-	138,355.00	0.00	138,355.00	41,890.00	2
Salary stipend payroll transfer	-	25,155.00	0.00	25,155.00	25,910.00	2
Outreach and Education Programs	-	0.00	0.00	0.00	0.00	2
Insurance	-	0.00	0.00	0.00	0.00	2
Soil Remediation Contractor	-	0.00	0.00	0.00	35,000.00	2
Road Resampling	-	0.00	0.00	0.00	0.00	1
Hydrant Water Meter	-	1,807.00	0.00	1,807.00	0.00	1
Permitting Software Development	-	25,973.00	0.00	25,973.00	0.00	1
Miscellaneous	-	0.00	153.00	153.00	0.00	
Total VCUP Fund Operating Expenses		0.00	191,290.00	153.00	191,443.00	102,800.00
Incremental Cost Funding Account						
Incremental Cost	-	75,000.00		0.00	75,000.00	3
Total VCUP Fund Expenses		-	266,290.00		191,443.00	177,800.00
Total VCUP Fund Balance Ending			153.00		75,000.00	0.00

1. VCUP Funding agreement section 9.1 Initial payment for one-time VCUP-related expenses

2 VCUP Funding agreement section 9.2 Annual Payments for Recurring VCUP-Related expenses

3 VCUP Funding agreement 8.1 Establishment and annual funding of the VCUP Incremental Costs funding account

	2024	2025	2025	2025	2026	
Water Fund Revenues	Audit	Budget	Original vs Projected	Projected Year End Budget	Proposed Budget	Notes
Operating Revenues						
Water Revenue	210,832.00	153,180.00	5,820.00	159,000.00	161,000.00	1
Interest	2,338.00	9,000.00	0.00	9,000.00	5,000.00	
Electric Reimbursement	-	1,450.00	230.00	1,680.00	1,680.00	
Total Water Fund Operating Revenues	213,170.00	163,630.00	6,050.00	169,680.00	167,680.00	
Capital Improvement Revenues						
Water Tap	-	25,000.00	-25,000.00	-	25,000.00	2
Water System Improvement Fee		12,220.00	-	-	12,200.00	2
Total Water Fund Capital Improvement Revenues	0.00	37,220.00	-37,220.00	0.00	37,200.00	
Total Water Fund Revenues	213,170.00	200,850.00	-31,170.00	169,680.00	204,880.00	
Total Water Fund Expenses	142,588.00	437,124.00		181,435.00	437,124.00	
Water Fund Balance Ending	401,352.00	165,078.00		389,597.00	157,353.00	

Notes:

1. Base on number of accounts multiplied by the proposed monthly minimum rate

Water Fund Expenses	2024	2025	2025	2025	2026	Notes
	Audit	Budget	Original vs Amended	Projected Year End Budget	Proposed Budget	
Operating Expenses						
Payroll Transfer	80,080.00	86,501.00	-16,951.00	69,550.00	100,174.00	Split between general and water
Auditor	-	6,500.00	0.00	6,500.00	6,750.00	
Attorney	-	2,000.00	0.00	2,000.00	2,000.00	
Subtotal - Employee and Other Labor Costs	80,080.00	95,001.00	-16,951.00	78,050.00	108,924.00	
Other Costs						
Insurance	6,500.00	6,500.00	0.00	6,500.00	6,500.00	Based on renewal price
Repairs & Maintenance	15,972.00	7,500.00	-4,000.00	3,500.00	6,000.00	
Supplies	7,186.00	9,000.00	0.00	9,000.00	5,000.00	
Water Samples	5,980.00	3,000.00	0.00	3,000.00	3,000.00	
Electric	3,795.00	6,000.00	500.00	6,500.00	6,500.00	
Propane	3,414.00	3,000.00	-600.00	2,400.00	2,400.00	
Telecommunication	-	2,750.00	-215.00	2,535.00	2,250.00	ATT and WiFi
Dolores Water Conservation District	3,000.00	3,000.00	0.00	3,000.00	3,000.00	
Software	-	2,500.00	-	3,200.00	4,200.00	
Miscellaneous		500.00	-500.00	0.00	500.00	
Water Fund Operating Expenses	-	43,750.00	-4,815.00	39,635.00	39,350.00	
Total Water Fund Operating Expenses	-	138,751.00	-21,066.00	117,685.00	148,274.00	
Capital Improvement Expenses						
Water line replacement	-	25,000.00	0.00	25,000.00	273,350.00	Based on bid price plus 10%
Water Tap & Installation	-	5,500.00	-1,500.00	4,000.00	5,500.00	
Lease Purchase Transfer	-	10,000.00	0.00	10,000.00	10,000.00	
GIS Development	-	9,000.00	-4,250.00	4,750.00	0.00	
Water Engineering Service	-	20,000.00	0.00	20,000.00	0.00	
Total Water Capital Improvement Expenses	-	69,500.00	-5,750.00	63,750.00	288,850.00	
Total Water Fund Expenses	142,588.00	179,251.00	2,184.00	181,435.00	437,124.00	

Street Fund Revenues	2024 Audit	2025 Budget	2025 Original vs Projected	2025 Projected Year End Budget	2026 Proposed Budget	Notes
Operating Revenues						
Property Tax	13,526.00	14,400.00	-990.00	13,410.00	17,150.00	1
Sales & Use Tax	35,506.00	40,000.00	0.00	40,000.00	27,600.00	2
Specific Ownership Tax	726.00	500.00	80.00	580.00	500.00	
Delinquent Tax & Interest	-	100.00	-70.00	30.00	50.00	
Franchise Tax	6,377.00	6,500.00	-467.00	6,033.00	6,500.00	
Highway Users Tax	12,357.00	28,000.00	0.00	28,000.00	8,350.00	Based on CDOT estimates
County R&B Reapportionment	14,965.00	13,000.00	1,765.00	14,765.00	14,500.00	
Lodging Tax	-	800.00	445.00	1,245.00	800.00	3
Interest	495.00	550.00	-85.00	465.00	500.00	
Miscellaneous	-	0.00	0.00	0.00	0.00	
Mineral Leasing	-	5,000.00	5,700.00	10,700.00	10,000.00	4
Severance Tax	-	1,000.00	-863.00	137.00	5,000.00	4
Other taxes (audit)	39,355.00	-	-	-	-	
Total Street Fund Operating Revenues	123,307.00	83,750.00	31,615.00	115,365.00	90,950.00	
Capital Improvement Revenues						
Excise Tax	-	2,500.00	-2,228.00	272.00	2,500.00	5
Total Street Fund Capital Improvement Revenues	0.00	2,500.00	-2,228.00	272.00	2,500.00	
Total Street Fund Revenues	125,109.00	86,250.00	29,387.00	115,637.00	93,450.00	
Total Street Fund Expenses	76,559.00	119,950.00		79,191.00	122,880.00	
Street Fund Balance Ending	209,608.00	163,450.00		246,054.00	216,624.00	

Notes:

1. A levy of 1.785 mills upon each dollar of the total valuation for assessment of taxable property in the Town of Rico.

	Property Taxes,		
	2025 Aug AV	2025	Mill Levy
Assessed Valuation (AV)	9,618,327.00	17,168.71	1.785

2. Street Fund receives 10% of the total revenue collected from the Sales Tax. The Sales Tax rate for the Town of Rico is 5%.
3. The Street Fund receives 10% of proceeds from the lodging tax, which is a 7% tax on all lodging. Ordinance No. 2022-05.
4. Mineral leasing and severance tax has been shrinking historically.
5. The Town has a \$2.00 per square foot excise tax on all new construction. The Street Fund receives 25% of the excise tax. All revenues received from the excise tax can only be used for capital improvements and purchases.

Street Fund Expenses	2024	2025	2025	2025	2026	Notes
	Audit	Budget	Original vs Amended	Projected Year End Budget	Proposed Budget	
Operating Expenses						
Payroll Transfer	57,600.00	60,375.00	-20,335.00	40,040.00	72,930.00	
Subtotal - Employee and Other Labor Costs						
	57,600.00	60,375.00 -	20,335.00	40,040.00	72,930.00	
Contract Snow Removal	0.00	5,000.00	-5,000.00	0.00	5,000.00	1
Equipment Rental	-	5,000.00	-5,000.00	0.00	5,000.00	1
Fuel	8,247.00	15,000.00	-7,000.00	8,000.00	8,000.00	
Equipment Repairs & Maintenance	7,134.00	7,500.00	-3,500.00	4,000.00	5,000.00	
Insurance	4,700.00	5,500.00	740.00	6,240.00	6,500.00	
Supplies	3,648.00	2,500.00	1,200.00	3,700.00	2,500.00	
Electric	1,976.00	2,000.00	-1,300.00	700.00	1,000.00	
Street Lights	1,068.00	1,300.00	-124.00	1,176.00	1,175.00	
Utilities - other	4,646.00	3,000.00	65.00	3,065.00	3,000.00	
Treasurer Fees	270.00	275.00	-5.00	270.00	275.00	
Total Street Fund Operating Expenses						
	31,689.00	47,075.00 -	19,924.00	27,151.00	37,450.00	
Capital Improvement Expenses						
Gravel Project - Various Streets	-	2,500.00	-500.00	2,000.00	2,500.00	
Lease Purchase Transfer		10,000.00	0.00	10,000.00	10,000.00	
Total Street Fund Capital Improvement Expenses						
	0.00	12,500.00	-500.00	12,000.00	12,500.00	
Total Street Fund Expenses						
	76,559.00	119,950.00	-40,759.00	79,191.00	122,880.00	

Notes:

1. These funds are appropriated as a contingency but are not forecasted to be expended during 2026 fiscal year

Sewer Fund	2024	2025	2025	2025	2026	Notes
	Audit	Budget	Original vs Projected	Projected Year End Budget	Proposed Budget	
Operating Revenues						
Property Tax	29,849.00	31,845.00	-845.00	31,000.00	37,880.00	1
Specific Ownership Tax	1,602.00	1,000.00	200.00	1,200.00	1,000.00	
Miscellaneous	-	0.00	0.00	0.00	0.00	
Interest	582.00	700.00	-285.00	415.00	400.00	
Delinquent Tax and Interest	-	50.00	10.00	60.00	50.00	
Special Project and Grant Revenues						
CDS/EPA Grant	-	100,000	0.00	100,000	1,600,000.00	
Total Sewer Fund Revenues	32,033.00	1,683,595.00	-1,650,920.00	32,675.00	1,639,330.00	
Sewer Fund Expenses						
Payroll Transfer	-	20,124.00	0.00	20,124.00	20,728.00	
Treasurer Fees	-	600.00	0.00	600.00	600.00	
Misc. Engineering/ legal	-	18,000.00	0.00	18,000.00	5,000.00	2
Special Project and Grant Expenses						
Sewer Engineering	-	100,000	0.00	100,000	1,600,000.00	
Total Sewer Fund Expenses	24,523.00	1,685,724.00	-1,647,000.00	38,724.00	1,626,328.00	
Sewer Fund Balance Ending	211,969.00	188,801.00		205,920.00	218,922.00	

Notes:

1. A levy of 3.939 mills upon each dollar of the total valuation for assessment of taxable property in the Town of Rico.

	2025 Aug AV	Property Taxes, 2025	Mill Levy
Assessed Valuation (AV)	9,618,327.00	37,886.59	3.939

2. Misc. expenditures have been appropriated for the legal and engineering for town wide sewer project

Conservation Trust Fund (CTF) Fund	2024 Audit	2025 Budget	2025 Original vs Projected	2025 Projected Year End Budget	2026 Proposed Budget	Notes
Operating Revenues						
Lottery Proceeds	3,882.00	2,500.00	1,100.00	3,600.00	3,600.00	
Intrest	138.00	50.00	-	50.00	50.00	
Total CTF Revenues	4,020.00	2,500.00	1,150.00	3,650.00	3,650.00	
Conservation Trust Expenses						
FMP Capital Park Improvement						
Grant Match	-	53,023.00	0.00	53,023.00	0.00	
Total CTF Expenses	0.00	53,023.00	0.00	53,023.00	0.00	
Total CTF Expenses	0.00	53,023.00		53,023.00	0.00	
CTF Fund Balance Ending	52,993.00	2,470.00		3,620.00	7,270.00	

Parks, Open Space and Recreation (POST Fund)	2024 Audit	2025 Budget	2025 Original vs Projected	2025 Projected Year End Budget	2026 Proposed Budget	Notes
Operating Revenues						
Sales & Use Tax	35,506.00	40,000.00	0.00	40,000.00	27,600.00	1
Lodging Tax	1,069.00	800.00	445.00	1,245.00	1,200.00	2
Interest	411.00	250.00	0.00	250.00	200.00	
Excise Tax	1,802.00	2,500.00	-2,228.00	272.00	2,500.00	3
Miscellaneous Income	-	0.00	0.00	0.00	0.00	
Total POST Fund Operating Revenues	73,858.00	27,550.00	14,217.00	41,767.00	31,500.00	
Special Project Revenues						
Rico Center Grant		40,000.00	0.00	40,000.00	0.00	
Rico Skatepark 503c Donation		175,000.00	0.00	175,000.00	0.00	
GOCO/Park Improvements Grant	519,540.00	175,450.00	0.00	175,450.00	0.00	
Total POST Fund Revenues	593,398.00	298,000.00	134,217.00	432,217.00	31,500.00	
Operating Expenses						
Grooming Payroll Transfer	-	8,000.00	-7,000.00	1,000.00	8,000.00	
Ice Rink & Park Maintenance Payroll Transfer	-	8,000.00	-6,000.00	2,000.00	8,000.00	
Repairs & Maintenance of Equipment	-	2,000.00	-2,000.00	0.00	2,000.00	
Supplies	-	11,500.00	0.00	11,500.00	3,000.00	
Insurance	-	3,600.00	0.00	3,600.00	3,650.00	
Miscellaneous	-	500.00	-500.00	0.00	500.00	
Total POST Fund Operating Expenses	-	25,100.00	-7,000.00	18,100.00	25,150.00	
Special Project Expenses						
Flowers	-	1,500.00	-500.00	1,000.00	1,500.00	
Carnival/Festival/Event	-	1,500.00	0.00	1,500.00	2,000.00	
Grooming supplies	-	1,000.00	-1,000.00	0.00	1,000.00	
Park Improvements	-	520,000.00	0.00	520,000.00	10,000.00	
POST Fund Special Project Expenses	-	389,450.00	133,050.00	522,500.00	14,500.00	
Total POST Expenses	492,302.00	414,550.00		540,600.00	39,650.00	
POST Fund Balance Ending	210,773.00	77,632.00		102,390.00	94,240.00	

Notes:

1. The POST Fund receives 10% of the total revenue collected from the Sales Tax. The Sales Tax rate for the Town of Rico is 5%.
2. The POST Fund receives 10% of proceeds from the lodging tax, which is a 7% tax on all lodging. Ordinance No. 2022-05.
3. The Town has a \$2.00 per square foot excise tax on all new construction. The POST Fund receives 25% of the excise tax. All revenues received from the excise tax can only be used for capital improvements and purchases.

Employee Allocation Details														
Summary of Total Wages and Allocation Percentages 2026														
Employees	General Fund	Water Fund	Sewer Fund	Street Fund	Parks Fund	Total Allocation	2026 Compensation	Payroll Taxes 1.45%	PERA 15.8%	Medical	Dental	Vision	Total Health Care	Total Cost
Town Manager	50%	20%	20%	10%	0%	100%	103,640.00	1,502.78	16,375.12	\$13,500.00	504.00	60.00		135,581.90
Public Works Manager	0%	50%	0%	50%	0%	100%	70,000.00	1,015.00	11,060.00	\$13,500.00	504.00	60.00		96,139.00
Town Clerk/Admin Assistant	60%	40%	0%	0%	0%	100%	58,118.00	842.71	9,182.64	\$30,160.00	1,484.00	156.00		99,943.36
Part Time POST Groomer	0%	0%	0%	0%	100%	100%	8,000.00	116.00	1,264.00					9,380.00
Part Time POST ice rink & park	0%	0%	0%	0%	100%	100%	8,000.00	116.00	1,264.00					9,380.00
Maintenance 1	0%	50%	0%	50%	0%	100%	55,125.00	799.31	8,709.75	\$13,500.00	504.00	60.00		78,698.06
Water Technician	0%	100%	0%	0%	0%	100%	4,000.00	58.00	632.00					4,690.00
Town Marshall	100%	0%	0%	0%	0%	100%	20,000.00	290.00	3,160.00					23,450.00
							326,883.00	4,739.80	51,647.51	70,660.00	2,996.00	336.00	73,992.00	457,262.32
Transfers														
Employees	General Fund	Water Fund	Sewer Fund	Street Fund	Parks Fund	VCUP	2026 Compensation							
Town Manager	36,274	10,364	20,728	10,364	-	25,910	103,640.00							
Maintenance 1		35,000	-	35,000	-		70,000.00							
Town Clerk/Admin Assistant	34,871	23,247	-	-	-		58,118.00							
Part Time POST Groomer	-	-	-	-	8,000		8,000.00							
Part Time POST ice rink & park	-	-	-	-	8,000		8,000.00							
Part Time Maintenance	-	27,563	-	27,563	-		55,125.00							
Water Technician	-	4,000	-	-	-		4,000.00							
Town Marshall	20,000	-	-	-	-		20,000.00							
Total Allocations	91,144.80	100,173.70	20,728.00	72,926.50	16,000.00	25,910.00	326,883.00							
Contract Labor														
Contract Labor	General Fund	Water Fund	Sewer Fund	Street Fund	Parks Fund	Total Allocation								
Municipal Court Judge	4,500	-	-	-	-	4,500.00								
Town Attorney	45,000	2,000	-	-	-	47,000.00								
VCUP Attorney	100,000	-	-	-	-	100,000.00								
Town Planner	4,000	-	-	-	-	4,000.00								
Auditor	6,600	6,600	-	-	-	13,200.00								
Building Inspector	2,500	-	-	-	-	2,500.00								
Total Allocations	162,600.00	8,600.00	-	-	-	171,200.00								



Creating a sustainable future for the Montelores Region by aligning outdoor recreation, conservation, and community well-being through collaborate, locally-driven planning.

63 Introduction

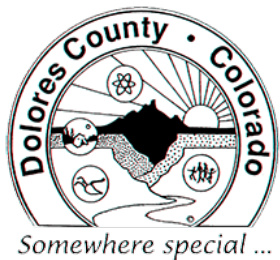
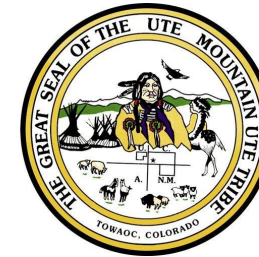


The Montelores Coalition is a community-driven partnership advancing sustainable outdoor recreation, conservation, and economic vitality across Montezuma and Dolores Counties. We work with a wide range of representatives and stakeholders including public agencies, tribal leadership, local governments, ranchers, recreation groups, educators, business owners, and conservation advocates who bring diverse perspectives and a shared commitment to shaping our region's outdoor future.



Who We Are - Executive Committee

The primary administrator and decision-making body of the Montelores Coalition, made up of agencies, local governments, and community leaders.





Who We Are - Roundtable

The Roundtable Committee supports the Montelores Coalition by providing input on recreation and conservation efforts and includes agencies, local governments, and community leaders who live, work, and recreate in Montezuma and Dolores counties including:

- Hunting and fishing users
- Motorized recreation users
- Non-motorized recreation and trail groups
- Adaptive recreation advocates
- Youth, education, and community development leaders
- Equestrian users
- Conservation and wildlife organizations
- Agriculture and grazing interests
- Recreational boating users
- Outdoor recreation industry and small business owners

How it all began



The Town of Dolores, with support from Montezuma and Dolores counties, is awarded a Colorado Parks and Wildlife (CPW) grant to form the Montelores Coalition as part of the Regional Partnership Initiative.

How it all began



The Montelores Coalition:

- Hired a coordinator
- Established an Executive Committee
- Developed a project plan, budget, governing documents, and brand identity
- Hosted a successful stakeholder welcome event in partnership with Pueblo Community College, CPW, and Envision Chaffee County
- Convened a Roundtable of engaged representatives from diverse stakeholder groups and user communities to guide our shared vision.



Where we are now



The Montelores Coalition is :



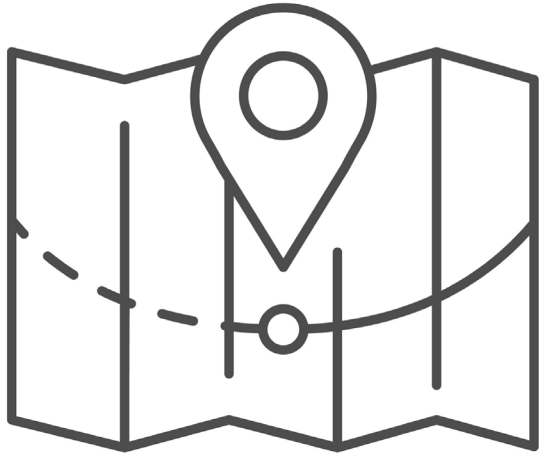
- Completing a draft Outdoor Recreation and Conservation Plan grounded in community values, state strategy, and local priorities
- Scheduling community meetings this fall to gather input and finalize a plan that reflects local needs
- Applying for funding to implement the plan, launch community-driven programs, and support partner initiatives
- Continuing to build trust and relationships within the community

Proposed Project - Walk a Mile in Our Shoes



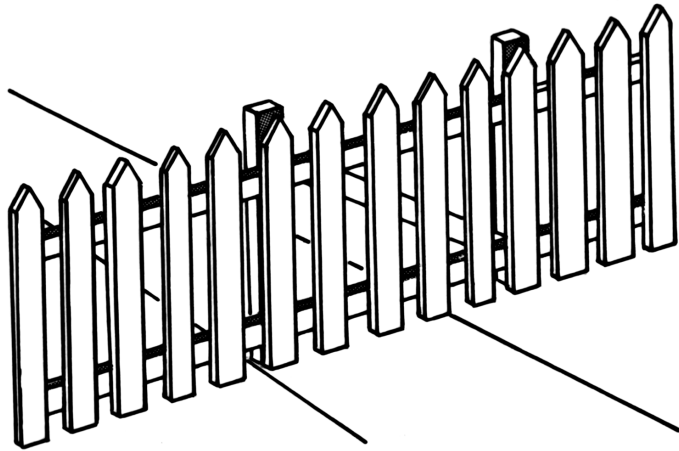
A live storytelling event and podcast series that brings together diverse voices such as ranchers, tribal members, recreationists, and youth to share personal experiences with the landscape. In partnership with local radio and theater, this project fosters empathy, highlights different perspectives, and builds shared understanding to support collaborative land stewardship.

70 Proposed Project - Wildlife & Resource Mapping Tool



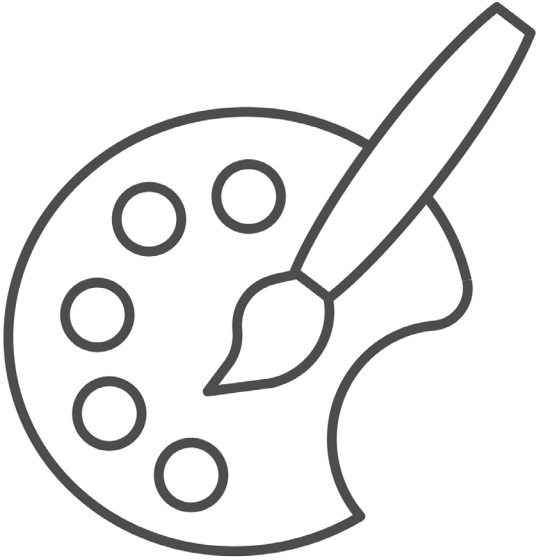
An interactive planning tool that compiles physical, biological, and social data to help identify high conservation value areas and guide project decisions. This tool will support land and wildlife management, inform regional priorities, and align with Colorado's Outdoors Strategy and COS data tools.

71 Proposed Project- Strike Teams



Local crews made up of paid and volunteer members will support land managers and interested landowners with on-the-ground projects like derelict fencing removal, noxious weed control, and trail maintenance. This effort strengthens local stewardship, boosts workforce development, and enhances habitat and recreation access across public, county, municipal, and private lands.

72 Proposed Project - Ranching Art Contest



A public art initiative that invites local artists to illustrate the ecological, historical, and cultural role of ranching on multi-use lands. Selected artwork will be featured on educational signage and materials to promote understanding and respect among outdoor users.

How can you help?



- ✓ Write a letter of support for our funding application
- ✓ Help us align local goals with implementation priorities
- ✓ Invite us to present at your next board or planning meeting
- ✓ Promote opportunities for public input through upcoming meetings and online comment tools



Thank You



MONTELORES COALITION

WHO WE ARE

The Montelores Coalition is a community-driven partnership advancing sustainable outdoor recreation, conservation, and economic vitality across Montezuma and Dolores Counties. We work with a wide range of representatives and stakeholders including public agencies, tribal leadership, local governments, ranchers, recreation groups, educators, business owners, and conservation advocates who bring diverse perspectives and a shared commitment to shaping our region's outdoor future.

UPCOMING & PROPOSED PROJECTS



WALK A MILE IN OUR SHOES: A STORYTELLING EVENT AND PODCAST
HIGHLIGHTING DIVERSE OUTDOOR EXPERIENCES AND PERSPECTIVES



WILDLIFE & RESOURCE MAPPING TOOL: A DATA-DRIVEN PLATFORM
FOR IDENTIFYING HIGH CONSERVATION VALUE AREAS



STRIKE TEAMS: HANDS-ON CREWS
TACKLING DERELICT FENCING, TRAIL MAINTENANCE, AND HABITAT RESILIENCE



RANCHING ART CONTEST: A CREATIVE PROJECT EDUCATING THE PUBLIC ON THE ECOLOGICAL AND CULTURAL ROLE OF RANCHING

VISION

To create a sustainable future for the Montelores region by aligning outdoor recreation, conservation, and community well-being through collaborative, locally-driven planning.

VALUES

- Collaboration
- Stewardship
- Accessibility
- Respect
- Community
- Transparency

HOW TO GET INVOLVED

Your voice matters. Whether you're a lifelong resident, a new community member, or simply someone who cares about the future of the Montelores region, there's a place for you in the Coalition. You can support our work by:

- **Signing up for our newsletter to stay informed and engaged**
- **Following us on social media and sharing our updates**
- **Reaching out with questions, personal experiences, or ideas**
- **Connecting us with underrepresented voices in your community**
- **Donating to help fund community-driven outdoor planning and programs**

Together, we can build a plan that reflects the needs, values, and vision of everyone who calls this place home.



MONTELORESCOALITION.ORG



CARA@MONTELORESCOALITION.ORG



970-570-3289

SIGN UP FOR OUR NEWSLETTER



FOLLOW US ON FACEBOOK



FOLLOW US ON INSTAGRAM



HOW WE GOT HERE & WHERE WE ARE GOING

2023

The Town of Dolores, with support from Montezuma and Dolores counties, is awarded a capacity grant to fund the forming of a regional partnership from Colorado Parks and Wildlife (CPW).

The Montelores Coalition hired a coordinator, established an Executive Committee, and developed a project plan, budget, governing documents, and brand identity. We also hosted a successful stakeholder welcome event in partnership with Pueblo Community College, CPW, and Envision Chaffee County. Throughout the year, we convened a Roundtable of engaged representatives from diverse stakeholder groups and user communities to guide our shared vision.

2024

2025

Our Roundtable completed a Draft Outdoor Recreation and Conservation Plan grounded in community values, state strategy, and local plans. This Fall, the Coalition will host a series of meetings to get local government and community input on the Plan. This feedback will allow us to create a finalized Plan that reflects the wants and needs of the community.

We've recently applied for funding to put the Outdoor Recreation and Conservation Plan into action, launch vetted community-driven programs, and support partner-led initiatives throughout the region.

WHAT'S NEXT?

- ✓ Write a letter of support for our funding application
- ✓ Help us align local goals with implementation priorities
- ✓ Invite us to present at your next board or planning meeting
- ✓ Promote opportunities for public input through upcoming meetings and online comment tools



MONTELORES COALITION



COLORADO
Department of Public
Health & Environment

October 3, 2025

Chauncey McCarthy
Town of Rico
Town Manager
2 N Commercial
Rico, CO 81322

Re: Town of Rico Drinking Water Revolving Fund (DWRF)
Project Needs Assessment (PNA) Approval Letter
DWRF Project No. 142291D-Q, Dolores County
PWSID #CO0117700

Chauncey McCarthy:

The Water Quality Control Division (Division), Infrastructure Unit, has reviewed the Drinking Water Revolving Fund (DWRF) PNA prepared by Bohannon and Houston Inc., dated July 2025, for the Town of Rico. The PNA is approved, and the project may proceed through the SRF process with the conditions listed in the following sections.

General PNA Review Comments:

- General comments from the PNA review letter have been adequately addressed.

Engineering Section Review Comments:

- Please review the attached ES PNA Acceptance memo.

Final Environmental Determination:

ENVIRONMENTAL ASSESSMENT

The project requires the preparation of an Environmental Assessment (EA). To comply with the requirements of the National Environmental Policy Act, it was determined by the Division that the project has the potential to impact federal crosscutters and may not meet the criteria of the State Environmental Review Policy for a Categorical Exclusion (CatEx) as it includes the replacement of a transmission line in areas close to water bodies and across forested areas.



At a minimum, the following coordination appears to be required to confirm there is no significant impact to state and/or federal crosscutters:

- SHPO - State Register Act review
- U.S. Fish and Wildlife Service - endangered species, migratory birds, eagles, etc.
- U.S. Army Corps of Engineers - permitting coordination for wetlands
- Local floodplain manager
- State Engineer's Office - water rights
- Colorado Parks and Wildlife - impacts to wildlife
- Other local, state, and federal crosscutter coordination as applicable. **It is the responsibility of the applicant to ensure that all required crosscutter coordination is completed to meet NEPA requirements.**

The SRF program may defer to the lead federal agency regarding environmental report submissions and environmental clearance. However, all Colorado SRF program requirements must still be met, and the SRF Program will require a review of all environmental documents to verify that requirements are achieved.

The PNA did not provide evidence of a properly noticed public meeting. The public meeting is a requirement of the environmental review process and the SRF Program public meeting requirements must be completed.

Financial Analysis Comments:

- An updated financial analysis has been completed by DOLA and is attached to this memo. Please review the memo for important notes and recommendations.
- Based on 2019-2023 ACS data, the Town met the requirements of a disadvantaged community. This determination is valid for eighteen months from the date of the PNA review letter (dated 9/11/2025).

Infrastructure Investment and Jobs Act (IIJA) Principal Forgiveness Eligibility Review:

- The Town of Rico confirmed that IIJA funding is requested for the project. IIJA funding will be used to evaluate the loan package, including the amount of IIJA principal forgiveness the applicant may be eligible for at the time of the time of loan application. This is not a guarantee of funds and may be subject to prioritization, potential caps, and availability of funds.

Project Priority Points:

If your project's priority score is at or above the threshold, you may apply at any loan application cycle throughout the year. If your project's priority score is below the threshold, you may only apply at the "Open" cycles. If you are applying only for Infrastructure Investment and Jobs Act, Emerging Contaminants funding, or only Green Project Reserve (GPR) Funding, you may apply at any loan application cycle, OR if your community is determined to be a DAC as indicated in the table above, you may apply at any loan application cycle.

The 2025 DWRF priority point threshold is 110 points. The 2025 WPCRF priority point threshold is 100 points.

The following table indicates your project's priority point score, whether the score is preliminary or final, and your disadvantaged community (DAC) status.

Final Scoring:	Final
Your project's DWRP priority score:	140
Disadvantaged Community Status:	DAC

Important Notes and Requirements:

- The following are outstanding items the Town of Rico must still complete before submittal of a loan application to the SRF program:
 - Public Meeting
 - Environmental Assessment (EA) submission
 - Basis of Design Report (DWRP) or Process Design Report (WPCRF) submission
 - Plans and Specifications submission
 - SRF Self-Certification Form submission
- A public meeting is required to inform the citizens in the affected area of the proposed project. The meeting must be publicly noticed in a local newspaper a minimum of one time at least 30 days before the meeting. The meeting must include a discussion of project alternatives, the preferred alternative, projected rate increases, and construction and environmental impacts of the project. Projects requiring an EA must provide a draft EA for review at the meeting. An affidavit of publication, agenda, meeting minutes, and a list of attendees must be submitted to the Division. [SRF Public Meeting guidance](#) is available on the Grants and Loans Unit website.
- The project is required to comply with federal requirements as described and detailed in the **Colorado SRF Required Specifications**. The requirements are listed below. Please note this list may be subject to change, and the final list of requirements will be verified at bid package approval.
 - Davis-Bacon Prevailing Wages
 - American Iron & Steel (AIS)
 - Suspension and Debarment, Equal Opportunity & Civil Rights, OSHA, and the Archeological & Historic Preservation Act
- This project is required to comply with the following SRF Certifications as applicable:
 - Technical, Managerial, and Financial compliance resolution (DWRP projects only)
- All State Revolving Fund recipients are required to include the **Colorado SRF Required Specifications** in the bid package and construction documents. The bid package must be submitted to the Grants and Loans Unit project manager for approval before any bidding. Submit the bid package and construction documents a minimum of 14 days before bid advertising. This requirement also includes all materials and equipment procurement, Construction Manager at Risk (CMAR) requests for proposals, Design-Build contracts, and any other construction-related contracts.
- The environmental clearance must be completed before starting construction. This means that the Categorical Exclusion (CatEx) has been published or the Finding of

No Significant Impact (FONSI) has been published, and the 30-day comment period has lapsed with no comments or all comments, if any, have been resolved.

- Before construction, the project must receive Final Plans and Specifications for Construction Approval from the Water Quality Control Division Engineering Section or receive acceptance of self-certification for eligible projects. If you have questions regarding the status, please contact the WQCD Engineering Section review engineer Iona Campbell at iona.campbell@state.co.us or contact CDPHE.WQEngReview@state.co.us
- If the project scope changes, the Town of Rico must submit an amended PNA for approval. Project amendments may result in environmental and/or design approval changes.
- This letter does not guarantee the award of funds. Award of funds is subject to meeting all technical and SRF requirements and approval by the Colorado Water Resources & Power Development Authority Board of Directors. Availability and terms of funding for both IIJA and base program SRF funds are subject to change at any time.

Resources:

- Information regarding the Infrastructure Investment and Jobs Act (IIJA) and important updates regarding the funding are posted at <https://cdphe.colorado.gov/wqibill>
- [Coaching assistance is available to assist the borrower in addressing drinking water system issues and/or meeting TMF capacity requirements. The division Local Assistance Unit offers free training and assistance for applicants who would like assistance. The training is presented onsite at the system and provides an understanding of the TMF requirements and tools. In addition, the unit can provide additional training for training units (TUs) to certified operators. To request assistance, visit: <http://cdphe.colorado.gov/dwtrain> and click "Online training request" under "Customized coaching and assistance" or contact the Local Assistance Unit at cdphe.wqdwtraining@state.co.us.]

Questions can be directed to me via telephone at 303-692-6273 or via e-mail at ana.ruiz@state.co.us.

Sincerely,

Ana Ruiz
Project Manager
Infrastructure Unit - SRF Program
Water Quality Control Division

cc: Andrew Swartswalter, Bohannon and Houston Inc.
Iona Campbell, WQCD Engineering Section
Emily Wong, WQCD Engineering Section
Patrick Rondinelli, DOLA Regional Manager
Monica Munoz-Revelo, DOLA Representative
Kevin Carpenter, Colorado Water Resources Power Development Authority

Aly Ulibarri, Work Group Lead, WQCD SRF Team
Alex Hawley, Unit Manager, WQCD SRF Team

Attachments:

DOLA Financial Analysis
ES PNA Acceptance Memo



COLORADO

Department of Local Affairs

Division of Local Government

MEMORANDUM

To: Ana Ruiz, WQCD Grants and Loans Unit
Cc: Kevin Carpenter, CWRPDA
From: Monica Munoz-Revelo, Division of Local Government
Date: October 2nd, 2025
Re: DWRP PNA Review, and Technical, Managerial and Financial (TMF) Review Findings for the the Town of Rico

We have reviewed the materials associated with the Town's DWRP project needs assessment.

TMF

Based on the TMF capacity criteria of the DWRP program, we found the following mandatory financial requirement needing follow up by the Town.

Financial Criterion #F-2: Cash Flow Projection/Analysis/Financial Plan

The Town should be prepared to raise rates as needed to meet loan coverage ratio requirements.

Financial Analysis Update

As a part of this review, we have reviewed the most up-to-date financial statements and have updated our financial analysis based on the selected alternative. Due to the large size of the proposed loan, the Town will require a leveraged funding package, as detailed in the scenarios presented.

As a disadvantaged community (DAC), the Town qualifies to receive a lower interest rate on the first \$3,000,000 of its repayable loan. Currently, the DAC interest rate is estimated at 2.50%. The remainder of the repayable loan will receive the estimated leveraged interest rate, which is dependent on the market at the time of application. For modeling purposes, scenarios utilize an estimated interest rate of 3.25% on the leveraged portion of the loans.

- For a total repayable loan amount of \$3,667,200, a 20-year loan term, an estimated 2.50% DAC interest rate on the first \$3,000,000, and an estimated leveraged loan interest rate of 3.25% on the remainder, the coverage ratio is 16%. Additional revenue of approximately \$237,158, or \$57 per tap per month, is projected to be needed to meet the 110% coverage ratio.
- Principal forgiveness is subject to availability at the time of loan application. If, at the time of application, there are enough funds for the Town to receive the current maximum in principal forgiveness (\$2,000,000), the scenario changes in the following manner:
 - For a total repayable loan amount of \$1,667,200 a 20-year loan term, and an estimated 2.50% DAC interest rate, the coverage ratio is 66%. Additional revenue of approximately \$46,501, or \$14 per tap per month, is projected to be needed to meet the 110% coverage ratio.





COLORADO

Department of Local Affairs

Division of Local Government

- The following scenarios demonstrate the impact on the community based on various repayable loan amounts. Scenarios under \$3,000,000 are using a 20-year loan term, and an estimated 2.50% DAC interest rate. Scenarios over \$3,000,000 are using a 20-year loan term and utilize a split interest rate of an estimated 2.50% DAC interest rate on the first \$3,000,000, and an estimated 3.25% leveraged loan interest rate on the remainder.

It is important to note that these estimates are based on the Town's 2024 financial statement audit, and 277 water taps. The scenarios presented do not account for any available/applicable principal forgiveness the Town may receive at the time of application.

Loan Amount	Coverage Ratio	Estimated Rate Increase per tap per month	Estimated Additional Annual Revenue
\$1,586,800	70%	\$12	\$101,306
\$2,080,400	53%	\$23	\$132,819
\$3,667,200	30%	\$57	\$237,158
\$9,019,600	12%	\$178	\$603,206

- Actual required rate increases are based on loan request, available principal forgiveness, current financial statements, and subsequent rate increases.
- Based on the last conversation with the community, the Town may be interested in pursuing additional funding packages through USDA-RD. It is important to note that the Town should secure all additional funding sources prior to submitting its SRF loan application to ensure that proper necessary rate increases (if any) are accurately estimated.

DOLA Priority Point Score: 65





Disadvantaged Community

Based on 2019-2023 ACS data, the Town met the requirements of a disadvantaged community. This determination is valid for eighteen months from the date of the PNA review letter.

DAC DETERMINATION				
	Benchmark		Borrower	Met?
P1: MHI	\$73,976	>=	\$70,490	Y
P2: MHV	\$502,200	>=	\$545,000	N
P3: County Unemployment	4.47%	<=	3.41%	N
County Job Change	0.00%	>=	-7.81%	Y
S1: County MHI	\$73,976	>=	\$70,490	Y
S2: Ten Year % Change in Population	0.00%	>=	-1.51%	Y
S3: Assessed Value per Housing unit	\$24,308	>=	\$28,569	N
S4a: Current System Debt	0.25%	<	0.00%	N
S5a: System Cost Per Tap to MHI	1.14%	<	1.08%	N

As a disadvantaged community, the Town may be eligible for certain benefits, such as a reduced interest rate, a Design & Engineering Grant, and/or receipt of a portion of their loan as principal forgiveness, subject to funding availability and any applicable principal forgiveness caps.

Please contact us if we can provide additional information.





COLORADO
Department of Public
Health & Environment

MEMORANDUM

Date: September 9, 2025

To: Ana Ruiz, GLU Project Manager

From: Iona Campbell, ES Review Engineer

cc: Alex Hawley, GLU Unit Manager
Aly Ulibarri, GLU Workgroup Lead
Emily Wong, ES Engineering Review Unit Manager
Ian Sutton, WQCD ES Work Group Lead
Lisa Pietrangelo, Compliance Assurance Section Enforcement Unit

Re: DW SRF Project Needs Assessment Review - Acceptance
Town of Rico, Storage Tank and Silver Creek Water System
Public Water System Identification Number: C00117700, Dolores County
GLU Project No.142291D-Q, ES Project No. 259682

The Colorado Department of Public Health & Environment (Department), Water Quality Control Division, Engineering Section reviewed the engineering related portions of the Project Needs Assessment (PNA). Based on the submitted information, the PNA engineering related portions appear to address the Department's PNA requirements and is in conformance with the Drinking Water Revolving Fund Intended Use Plan.

Project Components from the PNA and Pre-Qualification Form:

1. Demolition and replacement of one water storage tank
2. Reactivating the Silver Creek Water System
 - a. Replacement of the intake structure in Silver Creek
 - b. Replacement and protection of the raw water transmission line across an avalanche path
 - c. Rehabilitation of the Silver Creek water treatment plant
 - i. Replace membrane filters
 - ii. Replace gas chlorine system with sodium hypochlorite system

General Comments:

N/A.

Documents Reviewed:

- Drinking Water Project Needs Assessment with attachments dated July 2025. Prepared by Bohannon Huston, Inc. on behalf of the Town of Rico.

Self-Certification:

The DW PNA indicates that the system does not intend to self-certify all of the project.

Design Review Process:

For all public water systems, the supplier must not begin construction of any new waterworks, make improvements to or modify existing waterworks, or begin use of a new source until the supplier submits and receives Department approval of plans and specifications for such construction, improvements, modifications, or use.

Decisions regarding the review and approval of plans and specifications for new waterworks or improvements or modifications to existing waterworks shall be based on conformance to the design criteria developed by the Department specified in Policy DW-005, State of Colorado Design Criteria for Potable Water Systems.

DWRF Priority Points Worksheet:

Based on a review of the PNA documents, the priority points assigned by the Engineering Section have been completed.

Engineering Section Support:

- X The Engineering Section supports the PNA selected alternative.
- ☐ Other alternatives may be more affordable and/or better aligned with long-range planning.

Conclusion:

The engineering related portions of the PNA requirements appear to be adequately addressed. If you have any questions, please contact me via email at iona.campbell@state.co.us or by telephone at 303-691-4961.

Date: October 7, 2025

TO: Town of Rico Board of Trustees
 FROM: Chauncey McCarthy, Rico Town Manager
 SUBJECT: Project needs assessment cost breakout

Below is a table outlining the four individual projects identified within the Project needs assessment (PNA). The treatment and intake components will need to be addressed as a single project, as the existing Silver Creek intake is outdated and the proposed treatment plant would not function as designed without its replacement.

The treatment and storage projects can likely be designed during the winter and constructed during the summer, with an anticipated schedule of 12–18 months, depending on lead times. The transmission and intake projects will require additional field data collection, permitting, and detailed design, resulting in a longer estimated duration of 24–36 months, depending on permitting timelines and equipment availability.

<u>Project name</u>	<u>Construction Cost incl GRT</u>	<u>Planning, Design, and Const. Services</u>	<u>Total Project Cost</u>
Treatment	\$ 1,370,500.00	\$ 216,300.00	\$ 1,586,800.00
Silver Creek Intake	\$ 1,796,800.00	\$ 283,600.00	\$ 2,080,400.00
Transmission / Distribution	\$ 3,309,400.00	\$ 522,300.00	\$ 3,831,700.00
Storage	\$ 1,313,300.00	\$ 207,400.00	\$ 1,520,700.00
All Alternatives Cost - Construction	\$ 7,790,000.00		
All Alternatives - Design	\$ 1,229,600.00		
Full Project	\$ 9,019,600.00		

TO: Town of Rico Board of Trustees
 FROM: Chauncey McCarthy, Rico Town Manager
 SUBJECT: Park Pavilion Rental Policy Memo

Background:

The Town Park Pavilion is a key community asset available for public use. A formal rental policy will provide clarity for residents, staff, and event organizers regarding reservation procedures, permitted uses, and prohibited activities. The following draft is a baseline for the boards review and discussion. This draft incorporates common municipal best practices and addresses specific needs for the Town of Rico.

Draft Policy Components for Consideration:

1. Reservations & Scheduling

- Reservations must be made a minimum of 3 business days in advance, during regular business hours (Monday–Thursday).
- Reservations can be made no more than 3 months in advance.
- All reservations are for the entire day.
- Rentals are for pavilion space only. Skatepark, parking areas, trails, and surrounding park grounds remain open to the public.
- Pavilion is **not available for rental on holidays**.

2. Fees & Deposits *(to be determined by Board)*

- **Daily Rental Fee:** \$_____
- **Cleaning/Property Deposit:** \$_____ (refundable if all guidelines are met)
- **Non-Refundable Fees:** All fees are non-refundable except in the case of Town cancellation due to weather or other unforeseen circumstances.
- Reservations are not confirmed until payment is received.

3. Special Event Permits

- Required for events anticipating 100+ attendees, using amplified sound, or requiring traffic control, reservation of the parking lot
- A Special Event is defined as a non-town sponsored event using town facilities for large public gatherings or requiring additional accommodations (e.g., tents, temporary buildings).
- Private gatherings at or below the posted occupancy limit (e.g., family reunions, birthdays) are not considered Special Events.

4. Prohibited Uses

- No charcoal grills.
- No bouncy castles, inflatable gyms, or obstacle courses.
- No animal displays or petting zoos.
- No selling of merchandise, food, or other products.

5. User Responsibilities

- Groups are responsible for table and chair setup and returning furniture to its original location.
- All decorations, including tape, must be removed, and the pavilion and surrounding area cleaned after use.
- Garbage must be disposed of in designated receptacles; bringing a push broom, additional trash bags and cleaning supplies are recommended.
- Tables may not be removed from the pavilion.

6. Day-of Enforcement

- If the pavilion is occupied during a valid reservation, the renter may request the party to leave.
- Proof of reservation must be shown (digital or printed confirmation/receipt, and Special Event Permit if applicable).
- Daily reservations will be posted on signage near the pavilion.

7. Staff Discretion

- Town of Rico staff have the discretion to interpret and make decisions related to the Pavilion Rental Policy as needed, including addressing unforeseen circumstances or conflicts not expressly covered in the policy.

Discussion Points for the Board:

- Finalize rental fee and deposit amounts.
- Confirm lead time for reservations and maximum advance booking window.
- Determine if additional prohibited uses should be included.
- Decide on specific holiday exclusions.
- Clarify enforcement procedures for day-of conflicts.
- Confirm the scope of staff discretion and any limits on decision-making authority.