

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.

New Tax Entity? YES NO

**CERTIFICATION OF VALUATION BY
DOLORES COUNTY ASSESSOR**

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 Audit	2025 Budget	2025 Original vs Amended	2025 Projected Year End Budget	2026 Proposed Budget	Notes
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

Water Fund Revenues	2024	2025	2025	2025	2026	Notes
	Audit	Budget	Original vs Projected	Projected Year End Budget	Proposed Budget	
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 Audit	2025 Budget	2025 Original vs Amended	2025 Projected Year End Budget	2026 Proposed Budget	Notes
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 Audit	2025 Budget	2025 Original vs Projected	2025 Projected Year End Budget	2026 Proposed Budget	Notes
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								