

FLORISSANT FIRE PROTECTION DISTRICT

FINANCIAL STATEMENTS

AND

REQUIRED SUPPLEMENTARY INFORMATION

WITH

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024

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CBIZ CPAs P.C.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Florissant Fire Protection District
Florissant, CO

Opinions

We have audited the financial statements of the governmental activities and each major fund of Florissant Fire Protection District (District), as of December 31, 2024 and for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and governmental funds of the District as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget (GAAP Basis) and Actual – General Fund, and the Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget (GAAP Basis) and Actual – Capital Expenditure Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

CBIZ CPAs P.C.

**Colorado Springs, Colorado
July 31, 2025**

***MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)***

**FLORISSANT FIRE PROTECTION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024**

As management of Florissant Fire Protection District (the “District”), we offer readers of the District’s financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2024.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District’s basic financial statements. The District’s basic financial statements are composed of three components:

- 1) Government-wide financial statements
- 2) Fund financial statements
- 3) Notes to the financial statements.

This report also contains other supplementary information in addition to the financial statements. Comparative data is presented when available.

Government-Wide Financial Highlights

- The District’s net position at the end of 2024 is \$1,244,936.
- The District’s cash and cash equivalents at the end of 2024 was \$443,367.
- Total general revenues for 2024 was \$785,084.
- The District purchased \$208,507 worth of new vehicles and equipment during 2024.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District’s finances as a whole, in a manner similar to a private-sector business. The governmental activity of the District is primarily providing fire protection and emergency medical services within their district.

The Statement of Net Position presents information on all the District’s assets, liabilities, deferred outflows, and deferred inflows with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., earned but not used vacation leave).

The government-wide financial statements can be found on pages 11 and 12 of this report.

**FLORISSANT FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS – Continued

Fund Financial Statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has two funds, the General Fund and Capital Expenditure Fund, both of which are governmental funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. A reconciliation of the fund balance as reported in the governmental funds to the net change in fund balance to the change in net position has been provided to facilitate the comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

The governmental fund financial statements are presented on pages 13 through 16 of this report.

Notes to the Financial Statements - The notes provided additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 through 24 of this report.

**FLORISSANT FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

	<u>2024</u>	<u>2023</u>	<u>Increase (Decrease)</u>
Assets			
Current and Other Assets	\$ 1,019,737	\$ 852,536	167,201
Land	61,701	61,701	-
Capital Assets, Net of Depreciation	759,370	630,387	128,983
Total Assets	<u>\$ 1,840,808</u>	<u>\$ 1,544,624</u>	<u>\$ 296,184</u>
Liabilities			
Accounts Payable	<u>\$ 48,129</u>	<u>\$ 65,304</u>	<u>\$ (17,175)</u>
Deferred Inflows of Resources			
Unearned Tax Revenue	<u>\$ 547,743</u>	<u>\$ 541,831</u>	<u>\$ 5,912</u>
Net Position			
Net Investment in Capital Assets	\$ 821,071	\$ 692,088	\$ 128,983
Restricted	15,000	21,000	(6,000)
Unrestricted	408,865	224,401	184,464
Total Net Position	<u>\$ 1,244,936</u>	<u>\$ 937,489</u>	<u>\$ 307,447</u>

Current Assets

Current assets increased as new vehicles and equipment were purchased along with an increase in cash reserves due to a decrease in expenses and increase in revenue, resulting in an increase in net position.

Capital Assets (Net of Depreciation)

Capital assets, Net of Depreciation increased due to the purchase of vehicles and equipment.

**FLORISSANT FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Statement of Activities

The statement of activities reflects the cost of operation and the charges for services and receipt of grants offsetting those services. The following detail reflects the total cost of services supported by operating revenues and property taxes, as well as other general revenues, resulting in the overall change in net position for the fiscal year. The following is a comparative summary of the District's revenues and expenses for the year ended December 31:

General Revenues	2024	2023	Increase (Decrease)
General Property Tax	\$ 542,721	\$ 401,952	\$ 140,769
Specific Ownership Tax	51,682	43,328	8,354
Investment Income	24,864	10,637	14,227
Other Income	91,997	8,359	83,638
Gain/(Loss) on Disposal of Capital Assets	10,500	(1,248)	11,748
Operating Grants and Contributions	63,320	140,159	(76,839)
Deployment Reimbursements	-	10,462	(10,462)
Total General Revenues	<u>785,084</u>	<u>613,649</u>	<u>171,435</u>
 Functions/Programs			
Governmental Activities			
Operations	190,254	249,410	(59,156)
Administrative	41,448	138,487	(97,039)
Equipment Repairs and Maintenance	4,962	2,909	2,053
Station Maintenance and Supplies	15,139	18,844	(3,705)
New Equipment and Supplies	52,329	58,487	(6,158)
Training and Education	21,145	23,935	(2,790)
Utilities	24,428	30,475	(6,047)
Vehicles	48,408	52,850	(4,442)
Depreciation	79,524	98,532	(19,008)
Total Governmental Activities	<u>477,637</u>	<u>673,929</u>	<u>(196,292)</u>
 Change in Net Position	 307,447	 (60,280)	 367,727
 Net Position - Beginning	 <u>937,489</u>	 <u>997,769</u>	 <u>(60,280)</u>
 Net Position - Ending	 <u>\$ 1,244,936</u>	 <u>\$ 937,489</u>	 <u>\$ 307,447</u>

**FLORISSANT FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Revenue

Revenues increased primarily from an increase in property tax valuation and additional tax revenue from the Colorado Senate bills 22-238 and 23B-001.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements. At the end of the current fiscal year, the District's governmental funds reported an ending unassigned fund balance of \$384,350 in the general fund. Non-spendable fund balance of \$24,515 is associated with prepaid expense. Restricted fund balance of \$15,000 is not available for new spending because it has been restricted by the reserve required under the Colorado Taxpayer Bill of Rights (TABOR).

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2024 amounted to \$821,071 (net accumulated depreciation). This investment in capital assets includes land, buildings, equipment, and vehicles. Additional information can be found in Note 3 to the financial statements.

BUDGET ANALYSIS

The District continues to use best practices in managing the finances and assets of the District. We continue to seek opportunities to enhance our revenue stream through pursuing grants and donations. These opportunities continue to enhance our capabilities and service delivery. In 2024, the general fund realized gross revenues of \$660,973 and the capital expenditure fund realized gross revenues of \$113,611.

**FLORISSANT FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024**

BUDGET ANALYSIS - Continued

A condensed schedule of the general fund budget depicting original budgeted amounts and final amended is as follows:

	<u>Budgeted Amounts</u>		<u>Actual Budgetary Basis</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
General Property Tax	\$ 479,694	\$ 479,694	\$ 450,674	\$ (29,020)
Specific Ownership Tax	39,000	39,000	42,897	3,897
Investment Income	10,050	10,050	24,647	14,597
Other Income	-	-	79,435	79,435
Operating Grants and Contributions	25,000	25,000	63,320	38,320
Total Revenues	<u>553,744</u>	<u>553,744</u>	<u>660,973</u>	<u>107,229</u>
Expenditures				
Operations	256,615	256,615	187,321	69,294
Administrative	79,000	79,000	41,448	37,552
Equipment Repairs and Maintenance	4,750	4,750	4,962	(212)
Station Maintenance and Supplies	18,084	18,084	15,139	2,945
New Equipment and Supplies	28,200	28,200	52,329	(24,129)
Training and Education	20,700	20,700	21,145	(445)
Utilities	34,900	34,900	24,428	10,472
Vehicles	59,500	59,500	48,408	11,092
Capital Outlay	-	-	-	-
Contingency	49,000	49,000	-	49,000
Total Expenditures	<u>550,749</u>	<u>550,749</u>	<u>395,180</u>	<u>155,569</u>
Other Financing Sources				
Transfers	-	-	(97,829)	(97,829)
Proceeds from Sale of Capital Assets	-	-	10,500	10,500
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>(87,329)</u>	<u>(87,329)</u>
Net Change in Fund Balance	2,995	2,995	178,464	273,298
Beginning Fund Balance, January 1	<u>71,561</u>	<u>71,561</u>	<u>245,401</u>	<u>173,840</u>
Ending Fund Balance, December 31	<u>\$ 74,556</u>	<u>\$ 74,556</u>	<u>\$ 423,865</u>	<u>\$ 349,309</u>

**FLORISSANT FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024**

BUDGET ANALYSIS - Continued

A condensed schedule of the capital expenditure fund budget depicting original budgeted amounts and final amended is as follows:

	<u>Budgeted Amounts</u>		<u>Actual Budgetary Basis</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
General Property Tax	\$ 92,101	\$ 92,101	\$ 92,047	\$ (54)
Specific Ownership Tax	-	-	8,785	8,785
Investment Income	-	-	217	217
Other Income	-	-	12,562	12,562
Total Revenues	<u>92,101</u>	<u>92,101</u>	<u>113,611</u>	<u>21,510</u>
Expenditures				
Operations	-	-	2,933	(2,933)
Capital Outlay	95,000	95,000	208,507	(113,507)
Total Expenditures	<u>95,000</u>	<u>95,000</u>	<u>211,440</u>	<u>(116,440)</u>
Other Financing Sources				
Transfers	-	-	97,829	97,829
Net Change in Fund Balance	(2,899)	(2,899)	-	2,899
Beginning Fund Balance, January 1	<u>2,899</u>	<u>2,899</u>	<u>-</u>	<u>(2,899)</u>
Ending Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Economic Factors, Trends and Future Plans

In the General Fund 2024 tax revenue increased overall by 33% due to an increase in the assessed property value of the District. The District also received a one-time State backfill of \$73,902. We expect similar tax revenues for 2025, but not the State backfill. Tax revenues for future years are expected to decrease due to lower assessed property values in 2025. The full effects of legislation passed late in 2024 is still being analyzed, but initial guidance is concerning for small rural districts such as Florissant Fire Protection District that rely on property tax revenues as their primary source of revenue. We expect a significant decrease in tax revenues beginning on 2026.

**FLORISSANT FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024**

Request for information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Attn: LeAnne Spicer, Treasurer
2606 Hwy 24
Florissant, CO 80816
Tel: (719)748-3909

FINANCIAL STATEMENTS

FLORISSANT FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 443,367
Cash Held by County Treasurer	4,112
Prepaid Expense	24,515
Property Tax Receivable	547,743
Land	61,701
Capital Assets, Net of Depreciation	759,370
Total Assets	\$ 1,840,808
 Liabilities	
Accounts Payable	\$ 48,129
 Deferred Inflows of Resources	
Unearned Tax Revenue	\$ 547,743
 Net Position	
Net Investment in Capital Assets	\$ 821,071
Restricted	15,000
Unrestricted	408,865
Total Net Position	\$ 1,244,936

**FLORISSANT FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

Functions/Programs

Governmental Activities

Operations	\$	190,254
Administrative		41,448
Equipment Repairs and Maintenance		4,962
Station Maintenance and Supplies		15,139
New Equipment and Supplies		52,329
Training and Education		21,145
Utilities		24,428
Vehicles		48,408
Depreciation		79,524

Total Governmental Activities

477,637

General Revenues

General Property Tax		542,721
Specific Ownership Tax		51,682
Investment Income		24,864
Other Income		91,997
Gain on Disposal of Capital Assets		10,500
Operating Grants and Contributions		63,320

Total General Revenues

785,084

Change in Net Position

307,447

Net Position - Beginning

937,489

Net Position - Ending

\$ 1,244,936

**FLORISSANT FIRE PROTECTION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

ASSETS

Assets	General Fund	Capital Expenditure	Total
Cash and Cash Equivalents	\$ 443,367	\$ -	\$ 443,367
Cash Held by County Treasurer	4,112	-	4,112
Prepaid Expense	24,515	-	24,515
Property Tax Receivable	454,378	93,365	547,743
Total Assets	<u>\$ 926,372</u>	<u>\$ 93,365</u>	<u>\$ 1,019,737</u>

LIABILITIES AND FUND BALANCE

Liabilities			
Accounts Payable	\$ 48,129	\$ -	\$ 48,129
Total Liabilities	<u>48,129</u>	<u>-</u>	<u>48,129</u>
Deferred Inflow of Resources			
Unearned Tax Revenue	454,378	93,365	547,743
Total Deferred Inflow of Resources	<u>454,378</u>	<u>93,365</u>	<u>547,743</u>
Fund Balance			
Nonspendable	24,515	-	24,515
Restricted	15,000	-	15,000
Unassigned	384,350	-	384,350
Total Fund Balance	<u>423,865</u>	<u>-</u>	<u>423,865</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balance	<u>\$ 926,372</u>	<u>\$ 93,365</u>	<u>\$ 1,019,737</u>

**FLORISSANT FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024**

Total Fund Balance - Governmental Fund	\$	423,865
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore are not reported as assets in governmental funds.

Land		61,701
Capital Assets		2,015,331
Accumulated Depreciation		<u>(1,255,961)</u>

Total Net Position - Governmental Activities	\$	<u><u>1,244,936</u></u>
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**FLORISSANT FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024**

	<u>General Fund</u>	<u>Capital Expenditure Fund</u>	<u>Total</u>
Revenues			
General Property Tax	\$ 450,674	\$ 92,047	\$ 542,721
Specific Ownership Tax	42,897	8,785	51,682
Investment Earnings	24,647	217	24,864
Other Income	79,435	12,562	91,997
Grants, Donations, and Other	63,320	-	63,320
Total Revenues	<u>660,973</u>	<u>113,611</u>	<u>774,584</u>
Expenditures			
Current			
Operations	187,321	2,933	190,254
Administrative	41,448	-	41,448
Equipment Repairs and Maintenance	4,962	-	4,962
Station Maintenance and Supplies	15,139	-	15,139
New Equipment and Supplies	52,329	-	52,329
Training and Education	21,145	-	21,145
Utilities	24,428	-	24,428
Vehicles	48,408	-	48,408
Capital Outlay	-	208,507	208,507
Total Expenditures	<u>395,180</u>	<u>211,440</u>	<u>606,620</u>
Other Financing Sources			
Transfers	(97,829)	97,829	-
Proceeds From Sale of Capital Assets	10,500	-	10,500
Total Other Financing Sources	<u>(87,329)</u>	<u>97,829</u>	<u>10,500</u>
Net Change in Fund Balance	178,464	-	178,464
Fund Balance - Beginning	<u>245,401</u>	<u>-</u>	<u>245,401</u>
Fund Balance - Ending	<u>\$ 423,865</u>	<u>\$ -</u>	<u>\$ 423,865</u>

**FLORISSANT FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2024**

Total Net Change in Fund Balance - Governmental Funds	\$	178,464
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The detail of depreciation and capital outlays follows:

Capital outlay		208,507
Depreciation expense		(79,524)
Gain on disposal of capital assets		(10,500)

The proceeds received on the disposal of assets provides current financial resources to governmental funds, while the purchase of assets consumes the current financial resources of the governmental funds. Neither transaction has any effect on net position. The detail of disposal of assets follows:

Proceeds on disposal of assets		10,500
Change in Net Position - Governmental Activities	\$	<u>307,447</u>

NOTES TO FINANCIAL STATEMENTS

FLORISSANT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Florissant Fire Protection District (the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting policies that are described below. The following is a summary of the significant accounting policies.

Reporting Entity - The District was established in 1953 as a special district as defined by Colorado State Statutes. The District was formed to provide fire suppression and protection and emergency services to the residents and visitors within their jurisdiction. The District has its own elected governing board (the Board) and levies a tax on the property within the District for operations.

The District follows U.S. generally accepted accounting principles, including Governmental Accounting Standards Board accounting pronouncements that provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial information of the primary government. The statement of net position presents the financial condition of the governmental activities at year-end. The statement of activities presents a comparison between direct expenses and the program revenues for each program or function of the District's governmental activities. Program expenses are those that are specifically associated with a service, program, or department, and therefore, are clearly identifiable to a particular function. Program revenues include charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment. Other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements - Fund financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund balances, revenues and expenditures-expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary.

**FLORISSANT FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The District reports the following major funds:

Governmental Fund

General Fund - The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Expenditure Fund – The capital expenditure fund is the fund used for the receipt and disbursement of property tax funds for capital asset purchases.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

This reporting approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

General Budget - In accordance with the State Budget Law, the District’s Board of Directors hold a public hearing in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District’s Board of Directors can modify the budget line item within the total appropriation without notification.

The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

**FLORISSANT FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- A. Budgets are required by State law for all funds. By October 15, the District Manager submits to the District's Board of Directors a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end. Prior to December 31, the budget is adopted by formal resolution.
- B. Budgets are required to be filed with the State of Colorado within thirty days after the beginning of the fiscal year.
- C. Expenditures may not legally exceed appropriations at the fund level.
- D. Revisions that alter the total expenditures of any fund must be approved by the District's Board of Directors.
- E. Budgeted amounts reported in the accompanying financial statements are as originally adopted by the District's Board of Directors.

Budget Basis of Accounting - The modified accrual basis of accounting is used for budget purposes as well as financial reporting in the general fund, except for capital lease refinancing. If the refinance does not generate or use cash proceeds, the refinance is not budgeted.

Cash and Cash Equivalents - Cash and invested cash are carried at fair value. The District considers all highly liquid investments, including restricted assets, with a maturity of three months or less to be considered cash equivalents.

Property Taxes Receivable - Taxes receivable include current year property taxes, which become payable January 1 of the following year.

Accounts Receivable - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Capital Assets - Capital assets are reported in the government-wide statements only. All capital assets are capitalized at cost (or estimated historical cost). Donated capital assets are recorded at their fair market values as of the dates received.

The District maintains a capitalization threshold of \$5,000. Improvements to capital assets are capitalized and the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. All reported capital assets are depreciated, except for land and construction in progress.

**FLORISSANT FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Revenues – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

Non-exchange transactions, in which the District receives value without directly giving value in return, include property taxes, grants, and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include: 1) timing requirements, which specify the year when the resource is required to be used, or the fiscal year when use is first permitted, 2) matching requirements, in which the District must provide local resources to be used for a specific purpose, and 3) expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

Property Taxes - Property taxes are reported as a receivable and a deferred inflow of resources when the levy is certified and as revenue when due for collection in the subsequent year. Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the Teller County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of December 31 of each year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally, sales of the tax liens on delinquent properties are normally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The deferred inflow of resources is recorded as revenue in the year it is available or collected.

Expenses/Expenditures – On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocation of cost, such as depreciation and amortization, are not recognized in governmental funds.

**FLORISSANT FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Net Position Classifications

Net position classification in the government-wide financial statements are as follows:

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, loans, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

Restricted Net Position - Consists of net position with constraints placed on the use either by external groups, such as creditors, or laws or regulations of other governments.

Unrestricted Net Position - Includes all other assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Fund Balances - The governmental fund reports fund balance classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Fund balance descriptions are presented below:

Nonspendable - includes amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash such as inventories, prepaid items, and long-term fund advances.

Restricted - includes amounts that are restricted for specific purposes stipulated by external resource providers constitutionally or through enabling legislation.

Committed - includes amounts that can only be used for the specific purposes determined by the passage of a resolution of the District's Board of Directors. Commitments may be modified or changed only by the District's Board of Directors approving a new resolution. Commitments also include contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned - includes amounts intended to be used by the District for specific purposes that are neither restricted nor committed. Intent is expressed by the District's Board of Directors to which the assigned amounts are to be used for specific purposes. Assigned amounts include appropriations of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget.

Unassigned - this is the residual classification for the governmental funds.

As of December 31, 2024, the District had restricted, nonspendable, and unassigned fund balances.

**FLORISSANT FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

New Accounting Pronouncements - For 2024, the District implemented GASB Statement No. 101, *Compensated Absences*. GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Adoption of this new standard had no material impact on the District’s financial statements.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications, fund balance is reduced in the order of restricted, committed, assigned, and unassigned.

Use of Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 1 – CASH, CASH EQUIVALENTS, AND INVESTMENTS

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows eligible institutions to create single collateral pools for all public funds. Pools are to be maintained by separate institutions or held in trust for all the uninsured public funds. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The PDPA has the effect of perfecting a security interest in the name of the local government agency. Accordingly, all collateral held under the PDPA is considered to be held for, and in the name of, the local government agency.

Deposits are categorized as follows: Category a) Uncollateralized, b) Collateralized with securities held by the pledging financial institution, c) Collateralized with securities held by the pledging financial institution’s trust department or agent but not in the depositor-government name.

The District has \$391,266 invested with the Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+) being reported at fair value. However, these investments are not subject to the fair value hierarchy. The Trust is rated AAAM by Standard & Poor’s.

COLOTRUST is not a 2a7-like external investment pool. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1. The unit of account is each share held, and the value of the position would be the fair value of the pool’s share price multiplied by the number of shares held. The government-investor does not “look through” the pool to report a pro rata share of the pool’s investments, receivables, and payables. COLOTRUST may invest in securities with a maximum maturity of 365 days and an average weighted maturity not in excess of 60 days.

**FLORISSANT FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – CASH, CASH EQUIVALENTS, AND INVESTMENTS – Continued

COLOTRUST is rated AAAM by Standard and Poor’s. The investment pool financial statements can be obtained at www.colotrust.com.

Custodial Credit Risk Deposits - Custodial credit risk is the risk that in the event of bank failure, the District’s deposits will not be returned to it. The District does not have a policy related to custodial credit risk. At December 31, 2024, the District did not have any funds exposed to credit risk.

At December 31, 2024, the District’s cash deposits had a book balance of \$443,367, and a corresponding bank balance of \$448,001. The difference between the book and bank balances is due to outstanding checks and deposits not yet processed by the banks. Of the bank balance, \$56,735 was covered by federal depository insurance. The remainder of the bank balance was collateralized with securities held by the pledging financial institution and covered by eligible collateral as determined by PDPA.

NOTE 2 – ACCOUNTS RECEIVABLE

No allowance for uncollectible property taxes has been provided because the County Treasurer is empowered to file liens on properties where delinquencies exist. Accordingly, the District believes any delinquencies will eventually be paid.

NOTE 3 – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2024:

	<u>Balance January 1,</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance December 31,</u>
Capital Assets, Not Being Depreciated				
Land	\$ 61,701	\$ -	\$ -	\$ 61,701
Capital Assets, Being Depreciated:				
Building	648,554	14,330	(5,757)	657,127
Equipment	410,968	20,472	(57,014)	374,426
Vehicles	842,073	173,705	(32,000)	983,778
Total	<u>1,901,595</u>	<u>208,507</u>	<u>(94,771)</u>	<u>2,015,331</u>
Less Accumulated Depreciation:				
Total	<u>(1,271,208)</u>	<u>(79,524)</u>	<u>94,771</u>	<u>(1,255,961)</u>
Capital Assets, Being Depreciated, Net	<u>630,387</u>	<u>128,983</u>	<u>-</u>	<u>759,370</u>
Total Capital Assets, Net	<u><u>\$ 692,088</u></u>	<u><u>\$ 128,983</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 821,071</u></u>

Depreciation expense for the year ended December 31, 2024 was \$79,524.

**FLORISSANT FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE 4 – TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, otherwise known as the Taxpayer Bill of Rights (TABOR), which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. However, the District has made certain interpretations of TABOR’s language in order to determine its compliance. Fund balance in the General Fund in the amount of \$15,000 at December 31, 2024 is restricted in accordance with TABOR.

NOTE 5 – RISK OF LOSS

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries and natural disasters. The District carries commercial insurance for all risks of loss, including workers’ compensation and employee health and accident insurance. The District retains no risk of loss. There have been no settled claims resulting from these risks that have exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage.

NOTE 6 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the Independent Auditors’ Report, which is the date the financial statements were available to be issued. In June, the District received a donation of approximately \$100,000 to purchase a 2024 Dodge Ram and accessories to convert the vehicle into a brush truck. As of the date of the report, approximately \$77,000 has been spent on the purchase and retrofit of the vehicle. Additionally, in July, the District paid approximately \$40,000 for new paved parking lots for Station #1 and Station #2.

***REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)***

**FLORISSANT FIRE PROTECTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE,
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED DECEMBER 31, 2024 (UNAUDITED)**

Revenue	Budgeted Amounts		Actual Budgetary Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
General Property Tax	\$ 479,694	\$ 479,694	\$ 450,674	\$ (29,020)
Specific Ownership Tax	39,000	39,000	42,897	3,897
Investment Income	10,050	10,050	24,647	14,597
Other Income	-	-	79,435	79,435
Operating Grants and Contributions	25,000	25,000	63,320	38,320
Total Revenues	<u>553,744</u>	<u>553,744</u>	<u>660,973</u>	<u>107,229</u>
Expenditures				
Operations	256,615	256,615	187,321	69,294
Administrative	79,000	79,000	41,448	37,552
Equipment Repairs and Maintenance	4,750	4,750	4,962	(212)
Station Maintenance and Supplies	18,084	18,084	15,139	2,945
New Equipment and Supplies	28,200	28,200	52,329	(24,129)
Training and Education	20,700	20,700	21,145	(445)
Utilities	34,900	34,900	24,428	10,472
Vehicles	59,500	59,500	48,408	11,092
Contingency	49,000	49,000	-	49,000
Total Expenditures	<u>550,749</u>	<u>550,749</u>	<u>395,180</u>	<u>155,569</u>
Other Financing Sources				
Transfers	-	-	(97,829)	(97,829)
Proceeds from Sale of Capital Assets	-	-	10,500	10,500
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>(87,329)</u>	<u>(87,329)</u>
Net Change in Fund Balance	2,995	2,995	178,464	175,469
Beginning Fund Balance, January 1	71,561	71,561	245,401	173,840
Ending Fund Balance, December 31	<u>\$ 74,556</u>	<u>\$ 74,556</u>	<u>\$ 423,865</u>	<u>\$ 349,309</u>

See Independent Auditors' Report and Notes to Required Supplementary Information

**FLORISSANT FIRE PROTECTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE,
BUDGET AND ACTUAL - CAPITAL EXPENDITURE FUND
YEAR ENDED DECEMBER 31, 2024 (UNAUDITED)**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	Final Budget
Revenue			Basis	Favorable (Unfavorable)
General Property Tax	\$ 92,101	\$ 92,101	\$ 92,047	\$ (54)
Specific Ownership Tax	-	-	8,785	8,785
Investment Income	-	-	217	217
Other Income	-	-	12,562	12,562
Total Revenues	<u>92,101</u>	<u>92,101</u>	<u>113,611</u>	<u>21,510</u>
Expenditures				
Operations	-	-	2,933	(2,933)
Capital Outlay	95,000	95,000	208,507	(113,507)
Total Expenditures	<u>95,000</u>	<u>95,000</u>	<u>211,440</u>	<u>(116,440)</u>
Other Financing Sources				
Transfers	-	-	97,829	97,829
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>97,829</u>	<u>97,829</u>
Net Change in Fund Balance	(2,899)	(2,899)	-	2,899
Beginning Fund Balance, January 1	<u>2,899</u>	<u>2,899</u>	<u>-</u>	<u>(2,899)</u>
Ending Fund Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report and Notes to Required Supplementary Information

***NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)***

**FLORISSANT FIRE PROTECTION DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024 (UNAUDITED)**

BUDGETARY INFORMATION

The District adheres to the following procedures in establishing the budgetary data reflected in the budgetary comparison schedule.

The proposed budget is submitted to the Board of Directors in October for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the Board of Directors to obtain taxpayer comments. The District adopts budgets for all funds. The general fund uses the current financial resources measurement focus and the modified accrual basis of accounting in preparing the budgets.

Expenditure estimates in the annual budget are enacted into law by the passage of appropriation resolutions. Budgetary control exists at the total fund level and encumbrance accounting is not employed as a part of the budgetary process.