

**GYPSUM FIRE PROTECTION DISTRICT**  
GARFIELD AND EAGLE COUNTIES, COLORADO

FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2024

**GYPSUM FIRE PROTECTION DISTRICT**  
FOR THE YEAR ENDED  
DECEMBER 31, 2024

Board of Directors

William Stephens – President  
Raymond Conway– Vice President  
Katharine Hood– Secretary  
Jesse Meryhew – Treasurer  
Todd Burtar – Director

Administrative Staff

Justin Kirkland – Chief

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Officers and Directors  
Gypsum Fire Protection District  
Gypsum, Colorado 81637

**INDEPENDENT AUDITOR'S REPORT**

***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Gypsum Fire Protection District as of December 31, 2024 and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Gypsum Fire Protection 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 Gypsum Fire Protection 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.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism through 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 Gypsum Fire Protection 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Gypsum Fire Protection District's ability to continue as a going concern for a reasonable period of time.

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

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, listed as required supplementary information in the table of contents, 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 accounting standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Gypsum Fire Protection District's basic financial statements. The *Supplementary Information*, which are listed in the table of contents are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material aspects, in relation to the basic financial statements taken as a whole.



MAGGARD & HOOD, P.C.  
Glenwood Springs, Colorado  
September 22, 2025

**GYPSUM FIRE PROTECTION DISTRICT**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2024

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

The Gypsum Fire Protection District, with boundaries in Garfield and Eagle Counties, Colorado, was organized pursuant to the provisions set forth in the Colorado Special District Act. The governing body consists of a five-member Board of Directors which is elected by the registered voters within the District. The objective of the District is to provide for the preservation of life and protection of property from and during such fires and/or other emergencies as may occur within the fire protection district.

The discussion and analysis of the Gypsum Fire Protection District’s financial performance provides an overall review of the District’s financial activities for the fiscal year. The intent of this discussion and analysis is to look at the District’s financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader’s understanding of the District’s overall financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the fiscal year ended December 31, 2024 are as follows:

- In total, the District’s *overall* net position increased \$1,627,385 or 30.2%, from the previous fiscal year.
- General Revenues accounted for \$4,011,128 or 99.8%, of all revenues. These general revenues include taxes, grants and entitlements, general interest and other revenues not related to specific programs. Program specific revenues, in the form of charges for services and sales, as well as program specific grants and contributions, accounted for \$6,155 or 0.2%, of the District’s total revenues of \$4,017,283.
- The District had \$2,389,898 in expenses of which \$6,155 were offset by program specific charges for services and sales, operating & capital grants. The District’s general revenues (primarily property taxes) and reserves were adequate to provide for these programs.

**USING THE BASIC FINANCIAL STATEMENTS**

This annual report consists of three parts – *management’s discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two types of information on the same statement that present different views of the District:

- *Government-wide financial statements* that provide both *long-term* and *short-term* information about the District’s overall financial status.
- *Fund financial statements* that focus on *individual parts* of the District government, reporting the District’s operations *in more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Additionally, other supplemental information has also been included to enhance the reader’s understanding of the financial statements.

**GYPSUM FIRE PROTECTION DISTRICT**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2024

**REPORTING THE DISTRICT AS A WHOLE**

**Statement of Net Position and Statement of Activities**

While this report contains all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, “How did we do financially during the fiscal year?” The statement of net position and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting, similar to that used by most private sector companies, taking into account all of the current year’s revenues and expenses regardless of when cash was received or paid.

The focus of these government-wide financial statements is on the overall financial position and activities of the District. These financial statements are constructed around the concept of a primary government, the District.

The statement of net position and statement of activities report the District’s *net position* and changes therein. This change in net position is important because it identifies whether the financial position of the District has improved or diminished for the District as a whole. The cause of this change may be the result of many factors, some financial, some not. Non-financial factors include the District’s property tax base, current property tax laws, statutorily required reserves, facility conditions, frequency of fires within the District and other factors. In the statement of net position and the statement of activities, the District’s operations are reported as a “Governmental Activity.” Governmental activities are generally financed through taxes, intergovernmental revenues and other non-exchange revenues. All of the District’s programs and services are currently reported here.

**FUND FINANCIAL STATEMENTS**

The fund financial reports provide more detailed information about the District’s *funds*, focusing on its most significant funds – not on the District as a whole. The District’s major governmental funds include the General Fund and the Capital Projects Fund. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations. The District’s fund financial statements consist of governmental funds.

**Governmental Funds**

The District’s activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year-end for spending in future periods. These funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance the District’s programs. The relationship, or differences, between governmental *activities* reported in the statement of net position and the statement of activities and the governmental *funds* is reconciled in the financial statements. The *General Fund* is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund, and the *Capital Projects Fund* is used by the District for major capital improvements and acquisition of more expensive pieces of equipment, including the debt service thereon.

**GYPSUM FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2024

**THE DISTRICT AS A WHOLE**

**Statement of Net Position**

The perspective of the statement of net position is of the District as a whole. Following is a summary of the District's net position for the current and prior fiscal year:

	Governmental Activities		
	2024	2023	Increase (Decrease)
<u>ASSETS:</u>			
Current and Other Assets	\$ 7,524,965	\$ 6,653,504	\$ 871,461
Capital Assets, Net	2,693,624	2,141,787	551,837
Total Assets	10,218,589	8,795,291	1,423,298
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Pensions, net of Accumulated Amortization	574,123	594,364	(20,241)
<u>LIABILITIES:</u>			
Current & Other Liabilities	364,088	160,287	203,801
Long-term Obligations	368,283	465,350	(97,067)
Net Pension Liability	325,712	344,132	(18,420)
Total Liabilities	1,058,083	969,769	88,314
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Unavailable Revenue - Property Taxes	2,666,590	2,892,510	(225,920)
Pensions, net of Accumulation Amortization	50,087	136,809	(86,722)
Total Deferred Inflows of Resources	2,716,677	3,029,319	(312,642)
<u>NET POSITION:</u>			
Invested in Capital Assets, Net of Related Debt	2,285,447	1,661,149	624,298
Restricted	93,700	60,500	34,200
Unrestricted	4,638,805	3,668,918	968,887
Total Net Position	<u>\$ 7,017,952</u>	<u>\$ 5,390,567</u>	<u>\$ 1,627,385</u>

Total *assets* increased from the previous fiscal year, primarily due to the accumulation of cash reserves as a result revenues exceeding expenditures. Property taxes assessed in 2024, to be received in 2025 decreased by \$225,920.

The decrease in *deferred inflows of resources*, which consists of property taxes to be collected in 2025, reflects increases in the overall assessed valuation of properties within the District's boundaries; however, this is offset by a larger decrease in the collection from a reduced mil levy rate. The mil levy rate was impacted by the discontinuation of the Gallagher Tax Adjustment and a temporary credit to refund the state backfill. This will impact the amount of funds available to provide fire protection services during the next fiscal year.

Total Liabilities of the District increased from the previous fiscal year, due to an increase in current and other liabilities. The increase is primarily attributed to the final payment due for the purchase of a 2024 Spartan Fire Engine.

The Net position of the District increased from the prior fiscal year. Total net position may serve over time as a useful indicator of the District's financial health. The District's *overall* assets and deferred outflows exceeded its liabilities and deferred inflows by \$7,017,952 at December 31, 2024. The restricted portion of the District's net position reflects statutorily required Emergency Reserves (*Note 13*).

**GYPSUM FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2024

**Statement of Activities**

The statement of activities reflects the cost of program services and the charges for services and sales, grants, and contributions offsetting those services. The following detail reflects the total cost of services supported by program revenues and general property taxes, unrestricted state entitlements, and other general revenues, resulting in the overall change in net position for the current and prior fiscal year:

	Governmental Activities		
	2024	2023	Increase (Decrease)
<u>REVENUES:</u>			
<i>Program Revenues:</i>			
Charges for Services & Sales	\$ 6,155	\$ 2,717	\$ 3,438
Operating Grants & Contributions	-	20,000	(20,000)
Capital Grants and Contributions	-	27,951	(27,951)
<i>General Revenues:</i>			
Property & Ownership Taxes	3,315,110	2,088,732	1,226,378
Impact Fees	425,114	79,296	345,818
Miscellaneous	12,857	-	12,857
Rental Income	10,000	-	10,000
Gain (Loss) Asset Disposal	10,000	-	10,000
Interest & Investment Earnings	238,047	180,475	57,572
Total Revenues	4,017,283	2,399,171	1,618,112
<u>EXPENSES:</u>			
Fire Protection Services	2,363,256	1,982,848	(380,408)
Interest and Other Fiscal Charges	111,544	80,287	(31,257)
Net Pension Adjustment	(84,902)	(81,574)	3,328
Total Expenses	2,389,898	1,981,561	(408,337)
Increase (Decrease) in Net Position	\$ 1,627,385	\$ 417,610	\$ 1,209,775

Property taxes increased from the prior year due to increases in the overall assessed valuation of properties within the District's boundaries. Impact fees also increased as the Gypsum area economic growth recovers from prior years.

Increases in expenditures reflect the purchase of needed fire protection equipment, necessary repair and maintenance to the District's mobile fire equipment and increases in compensation for full time firefighting staff. Overall, the Board has continued with their cost saving procedures and elected to continue suspension of Board compensation.

**GYPSUM FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2024

**THE DISTRICT AS A WHOLE – CONTINUED**

As indicated above, the statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table summarizes the information from the statement of activities, reflecting the total cost of program services and the remaining net cost of program services that are supported by taxes and other general revenues:

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Fire Protection Services	\$ 2,363,256	\$ 1,982,848	\$ 2,357,101	\$ 1,932,180
Interest and Fiscal Charges	111,544	80,287	111,544	80,287
Net Pension Adjustment	(84,902)	(81,574)	(84,902)	(81,574)
 Total Expenses	 \$ 2,389,898	 \$ 1,981,561	 \$ 2,383,743	 \$ 1,930,893

The District's dependence on general revenues is apparent. In 2024 and 2023, approximately 99.7% and 97.4% of the District's governmental activities were supported through taxes and other general revenues, respectively. The community as a whole is the primary support for the District's activities.

**THE DISTRICT'S FUNDS**

The fund level financial statements focus on how services were financed in the short-term as well as what remains for future spending. The fund level financial statements are reported on the modified accrual basis of accounting. At the fund level, under the modified accrual basis of accounting, depreciable assets and their related depreciation expense are not reflected as they are not a current period financial resource or use. In addition, at the fund level, inflows from loans are presented as a revenue item while outflows for capital outlay and debt service payments are presented as an expenditure item, as these items represent current period financial resources and uses.

The General Fund ending fund balance increased \$526,918 from \$3,032,040 to \$3,558,958 during the current fiscal year. This represents the excess of current period revenues and other financing sources (financial resources) over expenditures and other financing uses (financial uses). Most financial resources are from property and specific ownership taxes. The majority of expenses are directly related to providing fire protection services to the District. The ending fund balance of \$3,558,958 represents the amount of net resources available for future spending.

The Capital Projects Fund ending fund balance increased \$367,707 from \$653,152 to \$1,020,859 during the current fiscal year. This represents the excess of current period revenues and other financing sources (financial resources) over current period expenses and other financing uses (financial uses). The financial resources are from impact fees collected during the current fiscal year and expenditures are for debt service. The ending fund balance of \$1,020,859 represents the amount of net resources in the Capital Projects Fund available for future capital investment and capital related debt service.

**RESTRICTED FUND BALANCE – RESERVED FOR EMERGENCIES**

The District, pursuant to the TABOR Amendment, reserves funds for emergencies. As discussed in *Note 13* of the financial statements, the District reserves 3% of the total of all operational expenses every fiscal year. As operational expenses increase, this reserve will grow accordingly. At the end of each fiscal year, if the emergency reserves were not used, the funds are carried into the next year's operational funds.

**GYPSUM FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2024

**GENERAL FUND BUDGETING HIGHLIGHTS**

The District's procedures in establishing the budgetary data reflected in the financial statements is summarized in *Note I(F)* of the financial statements. Budgets are adopted on a basis consistent with generally accepted accounting principles for governmental entities. The District uses a line-item based budget designed to control line-item expenditures, but provide flexibility for overall budgetary management.

***General Fund Resources (Inflows)***

The District's general fund revenues in the amount of \$3,557,566 exceeded budgetary expectations of \$3,402,016 by \$155,550. Positive variances occurred in ownership taxes and interest income being greater than expected. It is not anticipated that these variances will have a significant impact on future services or liquidity.

***General Fund Charges to Appropriations (Outflows)***

Actual expenditures and other financing uses of \$3,030,648 were \$583,468 less than the final appropriation of \$3,614,116. Budgetary savings were primarily the result of unexpended amounts for capital outlay, employee benefits, salaries and benefits, professional services, and other administrative costs.

The Board of Directors and the management continue to strive to budget appropriate amounts for each individual line item. The overall savings are also indicative of the efforts to provide services in the most economical manner. This year's overall savings will have a positive impact on future year's fund balances.

**CAPITAL ASSETS**

At the end of 2024, the District had a total of \$2,693,624 invested in capital assets. Current year net balances increased from the prior year due to current year investments in capital assets exceeding current year depreciation expense. Total depreciation expense for fiscal year 2024 was \$244,163.

The following reflects the balances of fiscal year 2024 compared to fiscal year 2023:

	Governmental Activities	
	2024	2023
<i>Net of Depreciation:</i>		
Non-depreciable Land	\$ 67,720	\$ 67,720
Buildings & Improvements	908,494	965,190
Vehicles & Equipment	1,717,410	1,108,877
Total Net Capital Assets	\$ 2,693,624	\$ 2,141,787

**DEBT ADMINISTRATION**

The District's debt consists of a purchase agreement for a Rescue Pumper Truck and a purchase agreement for station improvements. The following reflects year end long-term obligation balances and compensated absences of the current and prior fiscal year:

	Governmental Activities	
	2024	2023
Purchase Agreement	\$ 408,177	\$ 480,638
Compensated Absences	35,466	57,173
Total Long-Term Obligations	\$ 443,643	\$ 537,811

**GYPSUM FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2024

**CURRENT ISSUES, ECONOMIC CONDITION AND OUTLOOK**

The Gypsum Fire Protection District is a combination department of paid and volunteer members. There are eighteen paid employees, fourteen fulltime and four part-time members. The staff includes five engineers, three lieutenants, one shift captain, one administrative captain, one chief, seven firefighters and ten volunteer members to handle all alarms and administration needs. In November of 1995 the Voters of the District passed a De-Brucing question to help meet the ever-increasing financial needs of the District.

Fiscal year 2024 saw Gypsum Fire Protection District continue to climb out of the past recession. The Mill Levy increase approved in 2016 provided additional property tax revenue for the District, part of which included increases in property values as a whole. These funds are to be used to address staffing and 10 plus years of deferred maintenance.

Impact fees collected by Eagle County and the Town of Gypsum have increased as the result of population growth. The continued inflow of fees in 2024 made it possible for Capital Improvement Fund to satisfy 100% of the debt obligations without transferring funds from the General Fund to subsidize any shortages.

Even though expenditures of the District increased in 2024 from the previous year, the District's fund balances also experienced increases. The General Fund and Capital Improvement Fund balances to be carried into year 2025 are \$3,558,958 and \$1,020,859, respectively.

The District certified a total mill levy of 9.873 mills for the year which will generate approximately \$2,666,590 in property tax revenues for the District. For 2025, the District will continue managing expenditures to keep pace with conservative revenue forecasts, while trying to keep reserves intact as much as possible.

Gypsum Fire Protection has a long history of doing much with just a little. They intend and will succeed at doing precisely that. This District has much to be grateful for. The constituents of this District make the challenges worthwhile. Helping this community and the people in it is what keeps them positive and looking forward. The District will continue to collaborate with its local partner, Greater Eagle Fire Protection District, to train staff and continue to provide outstanding service to the members of the District.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our residents, customers, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional information, please contact the:

Gypsum Fire Protection District  
P.O. Box 243  
Gypsum, Colorado 81637  
Tel: (970) 524-7101  
[inbox@gypsumfd.com](mailto:inbox@gypsumfd.com)

GOVERNMENT - WIDE FINANCIAL STATEMENTS

**GYPSUM FIRE PROTECTION DISTRICT**  
**STATEMENT OF NET POSITION**  
December 31, 2024

	Governmental Activities
<u>ASSETS:</u>	
Cash and Cash Equivalents	\$ 4,585,041
Receivables – Net:	
Cash with County Treasurer	236,922
Accounts Receivable	13,183
Property Taxes	2,666,590
Prepaid Expense	20,733
Capital Assets:	
Non-depreciable Land	67,720
Other Capital Assets, Net of Accumulated Depreciation	2,625,904
Right-to-use Lease Assets, Net of Amortization	2,496
Net Pension Asset – Employer Plan	-
TOTAL ASSETS	10,218,589
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pensions, Net of Accumulated Amortization	574,123
TOTAL DEFERRED OUTFLOW OF RESOURCES	574,123
 <u>LIABILITIES</u>	
Accounts Payable	216,829
Accrued Liabilities	59,233
Accrued Interest	10,288
Present Value of Lease Obligations, Net	2,378
Long-term Obligations:	
Due within one year:	
Notes Payable – Purchase Agreement	75,360
Due in more than one year:	
Notes Payable – Purchase Agreement	332,817
Accrued Vacation and Comp Time	35,466
Net Pension Liability – Volunteer Plan	325,712
Net Pension Liability – Statewide Retirement Plan	-
TOTAL LIABILITIES	1,058,083
 <u>DEFERRED INFLOW OF RESOURCES</u>	
Unavailable Revenues – Property Taxes	2,666,590
Pension, Net of Accumulated Amortization	50,087
TOTAL DEFERRED INFLOW OF RESOURCES	2,716,677
 <u>NET POSITION:</u>	
Invested in Capital Assets, Net of Related Debt	2,285,447
Restricted for:	
Emergencies	93,700
Unrestricted	4,638,805
TOTAL NET POSITION	\$ 7,017,952

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

**GYPSUM FIRE PROTECTION DISTRICT**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended December 31, 2024

	PROGRAM REVENUES		
EXPENSES	Charges For Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES:			
Fire Protection Services	\$ 2,363,256	\$ 6,155	\$ -
Interest on Long-term Debt	17,400	-	-
Other Fiscal Charges	94,144	-	-
Net Pension Adjustment	(84,902)	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 2,389,898</b>	<b>\$ 6,155</b>	<b>\$ -</b>

GENERAL REVENUES:

Taxes:

- Property Taxes, Levied for General Purposes
- Specific Ownership Taxes, for General Purposes
- Impact Fees
- Rental Income
- Miscellaneous
- Unrestricted Interest and Investment Earnings
- Sale of Fixed Assets

Total General Revenues

Change in Net Position

NET POSITION – BEGINNING OF YEAR

NET POSITION – END OF YEAR

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

NET (EXPENSE) REVENUE AND  
CHANGES IN NET POSITION

Governmental  
Activities

---

\$ (2,357,101)  
(17,400)  
(94,144)  

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84,902

---

\$ (2,383,743)

3,173,567  
141,543  
425,114  
10,000  
12,857  
238,047  

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10,000

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4,011,128

1,627,385

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5,390,567

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\$ 7,017,952

FUND FINANCIAL STATEMENTS

**GYPSUM FIRE PROTECTION DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2024

	General Fund	Capital Projects	Total Governmental Funds
<b><u>ASSETS:</u></b>			
Cash and Cash Equivalents	\$ 3,797,735	\$ 787,306	\$ 4,585,041
Receivables – Net:			
Accounts Receivable	3,369	233,553	236,922
Cash with County Treasurer	13,183	-	13,183
Property Taxes	2,666,590	-	2,666,590
Prepaid Expenses	20,733	-	20,733
Total Assets	\$ 6,501,610	\$ 1,020,859	\$ 7,522,469
<b><u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES:</u></b>			
Liabilities:			
Accounts Payable	\$ 216,829	\$ -	\$ 216,829
Accrued Liabilities	59,233	-	59,233
Total Liabilities	276,062	-	276,062
Deferred Inflow of Resources:			
Unavailable Revenue – Property Taxes	2,666,590	-	2,666,590
Total Deferred Inflow of Resources	2,666,590	-	2,666,590
<b><u>Fund Equity:</u></b>			
Fund Balance:			
Restricted for Emergencies	90,900	2,800	93,700
Non-spendable	20,733	-	20,733
Assigned	541,708	1,018,059	1,559,767
Unassigned	2,905,617	-	2,905,617
Total Fund Balances	3,558,958	1,020,859	4,579,817
Total Liabilities, Deferred Inflows and Fund Balances	\$ 6,501,610	\$ 1,020,859	\$ 7,522,469

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

**GYPSUM FIRE PROTECTION DISTRICT**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
December 31, 2024

TOTAL GOVERNMENTAL FUND BALANCES \$ 4,579,817

Amounts reported for governmental activities on the Statement of Net Position are different because of the following:

Capital assets used in governmental activities are not financial resources, therefore, they are not reported in the governmental funds.

Governmental Capital Assets	\$ 4,496,603	
Less Accumulated Depreciation	<u>(1,802,979)</u>	2,693,624

Right-of-use (ROU) Lease Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental ROU Assets	\$ 4,539	
Less Accumulated Amortization	<u>(2,043)</u>	2,496

Some liabilities are not due and payable in the current year and, therefore, are not reported in the governmental funds:

Accrued Interest Payable	\$ (10,288)	
Current Portion of Long-term Liabilities	<u>(75,360)</u>	(85,648)

Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the governmental funds.

Accrued Vacation and Comp Time	\$ (35,466)	
Long-term Liability	(332,817)	
Right-to-Use Lease Liability	(2,378)	
Net Pension Asset – Statewide Retirement	-	
Net Pension Liability – FPPA Volunteer	(325,712)	
Net Pension Liability – Statewide Retirement	-	
Deferred Outflows of Resources - Pensions	574,123	
Deferred Inflows of Resources - Pensions	<u>(50,087)</u>	<u>(172,337)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 7,017,952

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

**GYPSUM FIRE PROTECTION DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2024

	General Fund	Capital Projects	Total Governmental Funds
<b>REVENUES:</b>			
Local Property Taxes	\$ 3,173,567	\$ -	\$ 3,173,567
Specific Ownership Taxes	141,543	-	141,543
Out of District Calls	1,932	-	1,932
Impact Fees	-	425,114	425,114
Fees, Permits, Fines & Other	4,223	-	4,223
Miscellaneous	12,857	-	12,857
Rental Income	10,000	-	10,000
Interest Income	203,444	34,603	238,047
Gain on Sale of Fixed Assets	10,000	-	10,000
Total Revenues	3,557,566	459,717	4,017,283
<b>EXPENDITURES:</b>			
Capital Outlay	812,717	-	812,717
Community Education	2,552	-	2,552
County Treas. Fees and Abatements	93,822	-	93,822
Collection Fees	-	322	322
Debt Service – Principal	-	72,462	72,462
Debt Service – Interest	-	19,226	19,226
Dispatch and Intergovernmental Support	125,632	-	125,632
Dues and Subscriptions	2,734	-	2,734
Employee Benefits	205,095	-	205,095
Fleet – Gas and Oil	14,313	-	14,313
Insurance	62,009	-	62,009
Miscellaneous Administrative	40,028	-	40,028
Office Expense	5,599	-	5,599
Payroll Taxes	22,249	-	22,249
Pension Contribution – FPPA	153,739	-	153,739
Professional Services	75,647	-	75,647
Protective Clothing, Uniforms & Tools	25,660	-	25,660
Repairs and Maintenance – Building	9,763	-	9,763
Repairs & Maintenance – Equipment	57,413	-	57,413
Salaries	1,231,156	-	1,231,156
Telecommunications	14,648	-	14,648
Training, Travel and Meals	28,766	-	28,766
Utilities	13,438	-	13,438
Volunteer Incentives/Reimbursement	10,964	-	10,964
Volunteer Pension Contrib. - FPPA	22,704	-	22,704
Total Expenditures	3,030,648	92,010	3,122,658
Excess of Revenues Over (Under) Expenditures	526,918	367,707	894,625
<b>Other Financing Sources and (Uses):</b>			
Transfer from Other Funds	-	-	-
Transfer (to) Other Funds	-	-	-
Total Other Financing Sources	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	526,918	367,707	894,625
Fund Balance – Beginning of Year	3,032,040	653,152	3,685,192
Fund Balance – End of Year	\$ 3,558,958	\$ 1,020,859	\$ 4,579,817

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

**GYPSUM FIRE PROTECTION DISTRICT**  
**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended December 31, 2024

NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS \$ 894,625

Amounts reported for governmental activities on the Statement of Activities are different because of the following:

Governmental Funds report capital outlays as expenditures; however, on the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current year:

Capital Outlay	\$	796,000	
Depreciation		<u>(244,163)</u>	551,837

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of debt that was repaid during the current year: 72,461

Compensated absences not payable from current resources are not reported as expenditures of the current year. In the Statement of Activities, these costs represent expenses of the current year. This is the amount by which accrued vacation, sick leave and comp time increased this year: 21,707

Interest expense is recognized as an expenditure in the governmental funds when it is due, and this requires the use of current financial resources; however, in the Statement of Activities interest expense is recognized as the interest accrues regardless of when it is due. This is the amount by which accrued interest decreased in the current year. 1,826

Changes in the District’s net pension obligation reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the change in Districts net pension obligation during the year, including differences between employer contributions to the pension plan and amortization of pension-related deferrals. 84,902

Some expenses reported in the Statement of Activities do not require current financial resources and, therefore, are not reported as expenditures in governmental funds. 27

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 1,627,385

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

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The accounting policies of the Gypsum Fire Protection District, herein referred to as the District, conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The District applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Significant accounting policies of the District are described below.

A. Financial Reporting Entity

The Gypsum Fire Protection District, with boundaries in Garfield and Eagle Counties, Colorado, was organized pursuant to provisions set forth in the Colorado Special District Act. The governing body consists of a five member Board of Directors which is elected by the registered voters within the District. The objective of the District is to provide for the preservation of life and protection of property from and during such fires and/or other emergencies as may occur within the fire protection district.

The Governmental Accounting Standards Board (GASB) has specified the criteria to be used in defining a governmental entity for financial reporting purposes.

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations that are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria discussed above, the District's financial statements do not include any component units, nor do they exclude any potential component units requiring inclusion in the District's reporting entity. The District is not a component unit of any other governmental reporting entity. The District's financial statements include the accounts of all District operations.

B. Basis of Presentation

**GOVERNMENT-WIDE STATEMENTS**

The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government. The statement of net position presents the financial condition of the governmental activities of the District at year-end. The difference between the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District is reported as net position.

The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. In the statement of activities, direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. 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.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

B. Basis of Presentation - continued

**FUND FINANCIAL STATEMENTS**

The fund financial statements provide information about the District's funds, which consist of *governmental funds*. During the fiscal year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance by segregating transactions related to certain governmental functions or activities. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

Governmental accounting systems are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The District's funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations based upon the purposes for which they are to be spent and by the means by which spending activities are controlled. The various funds of the District are outlined in the following paragraphs:

Governmental Funds

Governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are included on their balance sheets. The reported fund balance (net current assets) is considered a measure of "available spendable resources". The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

*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 Projects Fund*

The Capital Projects Fund is used to account for financial resources to be used for the acquisition of equipment and other capital improvements, including debt service thereon.

C. Basis of Accounting

**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 at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in return, consist of property taxes. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

C. Basis of Accounting

*FUND FINANCIAL STATEMENTS*

Governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual-basis of accounting*. Under this method, revenues are recognized when measurable and available. The District considers all revenues available if they are collected within 60 days after year-end. The following material revenue sources are considered susceptible to accrual because they are both measurable and available to finance expenditures of the current period:

- Property Taxes
- Specific Ownership Taxes

Taxpayer-assessed local property and specific ownership taxes are considered “measurable” when in the hands of intermediary collecting governments and are recognized as revenue at that time. Expenditures are recorded when the related fund liability is incurred, except for un-matured principal and interest on general long-term debt, which is recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities are reported as other financing sources.

D. Budgets and Budgetary Accounting

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

1. Prior to October 15, the District Secretary submits to the Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. A “Notice of Budget” is published when the budget is received.
2. Public hearings are held to obtain taxpayer comments.
3. Prior to November 20, the Board adopts, by resolution, the budget for the ensuing fiscal year and certifies the tax levy, unless an election for increased property tax is being held. The statutory deadline for certification of mill levies to the Board of County Commissioners if an election for increased property tax levy is held is December 15.
4. On or before December 15, the Board passes an annual appropriating ordinance in which such sums of money are appropriated as the Board deems necessary to defray all expenses and liabilities of the District during the ensuing year.
5. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) for governmental units, which provides that debt principal payments and capital outlay are treated as expenditures.
6. After adoption of the budget ordinance, the District may make by ordinance the following changes: a) supplemental appropriations to the extent of revenues in excess of the estimated budget; b) emergency appropriations; c) reduction of appropriations for which originally estimated revenues are insufficient.
7. Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the total budget of any fund. Budget amounts included in the financial statements are based on the final, legally amended budget.
8. Budget appropriations lapse at the end of each year.

The District legally adopted annual budgets for all of the District’s funds for 2024.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

E. Cash and Investments

The District's policy in determining which items are treated as cash equivalents include cash, demand deposits, treasury bills, and other short-term, highly liquid investments that are readily convertible to cash and have original maturities of three months or less. Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost which approximates fair value. Securities traded on a national or international exchange are valued at the last quoted market price. Cash deposits are reported at carrying amounts which reasonably estimate fair value. Additional cash disclosures are found in *Note 2* of the financial statements.

F. Property Taxes Receivable and Deferred Inflows – Unavailable Property Tax Revenue

Property taxes are levied on December 15, and attach as an enforceable lien on property on January 1<sup>st</sup> of the following year. They may be paid in either one installment (no later than April 30<sup>th</sup>) or two equal installments (not later than February 28<sup>th</sup> and June 15<sup>th</sup>) without interest or penalty. Taxes which are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16<sup>th</sup>. Property taxes are levied and collected on behalf of the District by the County Treasurer and are reported as revenue when received by the County Treasurer. Property taxes levied in the current year and payable in the following year are reported as a receivable at December 31. However, since the taxes are not available to pay current liabilities, the receivable is recorded as a deferred inflow of resources.

G. Allowance for Doubtful Accounts

Bad debts are provided on the allowance method based on the District's evaluation of outstanding accounts receivable at the end of the year. The District believes that all accounts are collectible, therefore, no allowance for bad debt is reflected in the financial statements.

H. Deferred Outflows and Inflows of Resources

The statement of net position and fund balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources, when applicable. Deferred outflow of resources represents a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as revenue in future periods.

I. Capital Assets

All capital assets purchased or acquired with an original cost in excess of capitalization thresholds set by the District are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their estimated fair value on the date of donation. Repairs and maintenance are recorded as expenditures as incurred; while additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Depreciation is provided on the straight-line basis over the following estimated useful lives.

Equipment	5-15 years
Infrastructure	7-40 years

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

J. Accrued Liabilities for Compensated Absences

The District's policy for compensated absences provides for a maximum one year carryover of unused sick time of up to 40 hours. The District's policy is to permit employees to accumulate a limited amount of earned but unused vacation and comp time which will be paid upon separation from District service, with vacation and comp time paid at 100%. The District accrues a liability only on the government-wide financial statements for compensated absences since it is anticipated that none of the liability will be liquidated with currently available expendable financial resources.

K. Inter-fund Receivables and Payables

To the extent that operating expenses are paid by another fund and/or transfers are made between the funds and these advances have not been repaid as of year-end, balances of inter-fund amounts receivable or payable are recorded.

L. Net Position/Fund Balance

In the government-wide financial statements, net position is classified in the following categories:

*Invested in Capital Assets, Net of Related Debt* – this category groups all capital assets into one component. Accumulated depreciation and the outstanding debt balances attributable to (already invested in) the acquisition, construction or improvement of these assets reduce this category.

*Restricted* – assets are reported as *restricted* when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or by various enabling legislation.

*Unrestricted* – represents the amount which is not restricted for any purpose. It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.

In the fund financial statements, fund balances of governmental funds are classified as follows:

*Nonspendable* – amounts that cannot be spent because they are either in non-spendable form such as inventory and prepaid expenses, or legally or contractually required to be maintained intact such as the corpus of permanently restricted funds to be retained in perpetuity. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale, when applicable.

*Restricted* – when constraints are placed on the use of resources either (a) externally imposed by creditors or (b) imposed by law through constitutional provisions or enabling legislation. As discussed in *Note 13*, Colorado voters passed an amendment to the State Constitution, one of the provisions of which requires local governments to establish an emergency reserve which is calculated at 3% of certain expenditures. These funds may only be expended in cases of emergencies as defined by the amendment, and are used to fund appropriations only after unrestricted resources are depleted.

*Committed* – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Board of Directors). These amounts cannot be changed except by taking the same type of action employed to previously commit these amounts.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

L. Net Position/Fund Balance - continued

*Assigned* – amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the governing body itself, or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The General Fund includes accumulated fundraising proceeds to be used for future scholarships, donations and capital grants to be used for capital replacement as assigned. The District considers available fund balances of the Capital Projects Fund as assigned for future capital outlay and/or debt service.

*Unassigned* – the residual for the general fund.

It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available. Committed and assigned amounts are considered to have been spent first when an expenditure is incurred for purposes for which such categories and unassigned amounts are available.

M. Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenses. Actual results could vary from the estimates that were used.

N. Pensions

The District participates in the Statewide Retirement Plan (SRP), administered by the Fire and Police Pension Association of Colorado (“FPPA”). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. Fair Value Measurements

The District has a number of financial instruments, including cash and equivalents, receivables, accounts payable, and notes payable, none of which are held for trading purposes. The District estimates that the fair values of its financial instruments at December 31, 2024 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet.

*NOTE 2 - CASH AND INVESTMENTS*

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. The eligible depository is required to pledge to the Colorado Division of Banking a pool of collateral having a market value that at all times exceeds 102 percent of uninsured aggregate public deposits. The eligible collateral is determined by the PDPA, which includes obligations of the United States, the State of Colorado, Local Colorado governments, and obligations secured by first lien mortgages on real property located in the state.

## GYPSUM FIRE PROTECTION DISTRICT

### NOTES TO FINANCIAL STATEMENTS

December 31, 2024

*NOTE 2 - CASH AND INVESTMENTS - continued*

PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The State Regulatory Commission for banks and financial services is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. There is no custodial credit risk for public deposits collateralized under PDPA.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. governmental agency securities, including securities issued by FNMA (federal national mortgage association), GNMA (governmental national mortgage association), FHLMC (federal home loan mortgage corporation), the federal farm credit bank, the federal land bank, the export-import bank, and by the Tennessee valley authority, and certain international agency securities, including the World Bank.
- General obligation and revenue bonds of U.S. local government entities, the District of Columbia, and territorial possessions of the U.S. rated in the highest two rating categories by two or more nationally recognized rating agencies.
- Bankers' acceptances of certain banks
- Certain securities lending agreements
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed Investment contracts
- Local government investment pools
- The investing local government's own securities including certificates of participation and lease obligations.

A summary of the District's cash and investments at December 31, 2024 is as follows:

Checking Accounts	\$ 979,159
Colostrust Investment Pool	<u>3,605,686</u>
Total Balances	4,584,845
Petty Cash	196
Outstanding Items	<u>-</u>
Total Cash and Cash Equivalents	<u>\$ 4,585,041</u>

The District's bank deposits were entirely covered by Federal Depository Insurance (FDIC) or uninsured but collateralized under PDPA in accordance with state statute. The District had bank balances of \$979,159 of which \$250,000 was covered by FDIC and \$729,159 by PDPA described above.

The District has not adopted a formal investment policy; however, the District invests public funds in a manner which will provide the highest investment return with the maximum security, meet daily cash flow demands, and conform to all federal, state and local statutes governing the investment of public funds. This applies to the investment of all financial assets of all funds of the District over which it exercises financial control.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 2 - CASH AND INVESTMENTS – continued*

As of December 31, 2024, the District had invested \$3,605,686 in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS +. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. As of December 31, 2024, the District had \$0 invested in COLOTRUST PRIME and \$3,605,686 invested in COLOTRUST PLUS+. The COLOTRUST investments are not categorized in terms of custodial credit risk, since they are not evidenced by securities that exist in physical or book entry form.

As of December 31, 2024 the District's investments had the following credit ratings:

<u>Investment</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Rating Agency</u>
Colostrust Accounts	\$ 3,605,686	AAAm	Standard & Poors

Additional investment and deposit disclosures for credit risk, interest rate risk, and foreign currency risk, as required by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, are included in the notes below.

To minimize custodial credit risk, or the risk that an insurer or other counterparty to an investment will not fulfill its obligations, state law limits District investments to those where the issuer is rated in one of the three highest rating categories by one or more nationally recognized organizations that rate such issuers. The District has deposits in Colostrust Plus+. Colostrust is rated AAAM by Standard & Poors. The concentration of credit risk, or the risk of loss attributed to the magnitude of a government’s investment in a single issuer, occurs when deposits are not diversified. District policy places no limit on the amount the District may invest in any one issuer; however the District maintains general guidelines for investments to ensure proper diversification by security type and institution. All District investments are issued or explicitly guaranteed by securities of the U.S. government, or insured by the Public Depository Protection Act, or are investments in mutual fund or external investment pools, and therefore are not subject to concentration of credit risk disclosure requirements.

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The District maintains an investment policy that limits investment maturities to three years as means of managing its exposure to fair value losses arising from increasing interest rates and to avoid undue concentration in any sector of the yield curve. Exceptions to this structure may be allowed where maturities can be structured to accommodate readily identifiable cash flows as approved by the Board. As of December 31, 2024, the District had no investments that were subject to interest rate risk as described above.

The District was not subject to foreign currency risk as of December 31, 2024.

**GYPSUM FIRE PROTECTION DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2024

*NOTE 3 - FAIR VALUES OF FINANCIAL INSTRUMENTS*

The District reports its investments using the fair value measurements established by generally accepted accounting principles. As such, fair value hierarchy categorizes the inputs used to measure the fair value into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs.

*NOTE 4 - CAPITAL ASSETS*

A summary of changes in Capital Assets follows:

	<u>Balance</u> <u>Jan 1, 2024</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance</u> <u>Dec 31, 2024</u>
GOVERNMENTAL ACTIVITIES				
Non-depreciable Land	\$ 67,720	\$ -	\$ -	\$ 67,720
Building/Improvements	1,850,400	-	-	1,850,400
Vehicles & Equipment	2,255,211	796,000	(472,728)	2,578,483
Less Accumulated Depreciation	<u>(2,031,544)</u>	<u>(244,163)</u>	<u>472,728</u>	<u>(1,802,979)</u>
Net Capital Assets	<u>\$ 2,141,787</u>	<u>\$ 551,837</u>	<u>\$ -</u>	<u>\$ 2,693,624</u>

*NOTE 5 - LONG-TERM OBLIGATIONS*

A summary of change in Long-Term Obligations follows:

	<u>Balance</u> <u>Jan 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec 31, 2024</u>	<u>Due Within</u> <u>One Year</u>
GOVERNMENTAL ACTIVITIES					
Purchase Agreement:					
Dated - July 29, 2009	\$ 480,638	\$ -	\$ (72,461)	\$ 408,177	\$ 75,360
Compensated Absences	<u>57,173</u>	<u>23,291</u>	<u>(44,998)</u>	<u>35,466</u>	<u>-</u>
Total Obligations	<u>\$ 537,811</u>	<u>\$ 23,291</u>	<u>\$ (117,459)</u>	<u>\$ 443,643</u>	<u>\$ 75,360</u>

Purchase Agreement dated July 29, 2009, in the amount of \$1,200,000 payable to Municipal Capital Markets Group, Inc., payable in annual installments of \$95,665 through 2029 at an interest rate of 5.04%, secured by Real Property and Improvements. Building Improvements in the amount of \$1,218,110 were capitalized under the agreement; there is approximately \$536,355 of accumulated depreciation on these assets as of December 31, 2024. The term of the agreement is subject to annual appropriation and, therefore, terminates at the end of each current fiscal year, with annual renewal at the same terms and conditions of the original term, unless terminated by the District. The District refinanced the purchase in September 2021. The new terms took effect May 2023, with a 4% interest rate and annual payments of \$91,687 through May 2029.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 5 - LONG-TERM OBLIGATIONS – continued*

*Purchase Agreement - continued*

The annual payments under the agreement are as follows:

Year Ended December 31,	Principal	Interest	Total
2025	\$ 75,360	\$ 16,327	\$ 91,687
2026	78,374	13,313	91,687
2027	81,509	10,178	91,687
2028	84,770	6,917	91,687
2029	88,164	3,523	91,687
Total	\$ 408,177	\$ 50,258	\$ 458,435

The District primarily uses the capital projects fund to retire debt on a year-to-year basis.

*NOTE 6 - LEASE COMMITMENTS*

The District has implemented the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*, and No. 96, *Subscription-Based Information Technology Arrangements* for government-wide Statement of Net Assets recognition of leases and note disclosure of certain information about lease arrangements.

The District is the lessee of office equipment under operating leases. The District determines whether a contract is a lease at inception. Identified leases are subsequently measured, classified and recognized as lease commitments and leases with contractual terms longer than twelve months as either operating or finance. The District’s equipment leases generally have terms from one to five years.

Right-to-use assets and lease obligations for operating leases are included in “ROU Lease Assets” and “Present Value of Lease Liability”, respectively, in the Statement of Net Assets. Leased assets represent the District’s right to use an underlying asset for the lease term and lease liabilities represent the District’s obligation to make lease payments arising from the lease, which are subject to annual appropriation.

Operating right-of-use assets and associated lease liabilities are recognized based on the present value of future minimum lease payments to be made over the expected lease term, generally using the risk-free discount rate at the commencement date in determining the present value of future payments.

Following are the required future minimum base rental payments under the District’s leases.

Year Ended December 31,	
2025	\$ 1,008
2026	1,008
2027	756
Thereafter	-

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
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*NOTE 7 - FPPA Statewide Retirement Plan*

**Plan Description:** The Statewide Retirement Plan (SRP) is a cost-sharing multiple-employer defined benefit pension plan. The SRP consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The SRP currently has 230 participating employer fire and police departments.

As of January 1, 2024, Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan (SRP) and the Statewide Defined Benefit Plan becomes the Defined Benefit Component of the Statewide Retirement Plan.

The Defined Benefit Component and Social Security Component covers substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. Unless the employer elects and is determined to be eligible to participate in the Statewide Money Purchase Plan, they may not withdraw from the SRP.

As of August 5, 2003, the plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection.

The SRP assets are in the Fire & Police Members' Benefit Investment Fund Long-term Pool and the Fire & Police Members' self-directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Money Purchase Component assets).

The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.

**Description of Benefits:** A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for normal retirement pension if the members' combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80). The FPPA Board of Directors may change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances.

A member is eligible for retirement after attainment of age 55 with at least five years of credited service. A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

The annual retirement benefit for the Defined Benefit Component is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average of the member's highest three years base salary for each year of service thereafter.

Beginning January 1, 2007, the annual normal retirement benefit for the Social Security Component is one percent of the average of the member's highest three years base salary for each year of credited service up to ten years plus 1.25 percent of the average of the member's highest three years base salary for each thereafter.

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 7 - FPPA Statewide Retirement Plan – continued*

Benefits paid to retired members and beneficiaries may be increased annually on October 1 via cost of living adjustment (COLA). COLAs may be compounding or non-compounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0 percent to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

Upon termination, the vested account balance within the Money Purchase Component becomes available to the member. Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

**Contributions:** Contribution rates for the SRP are set by State Statute. Contributions may be increased, equally between employer and members, by the FPPA Board of Directors upon approval through an election of both the employers and members.

Members of the Defined Benefit Component contribute 12 percent of base salary. Employer contribution rates increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25 percent of base salary in 2030. In 2023, the total combined contribution rate was 21.5 percent.

Contributions from Defined Benefit Component members and employers of SRPs re-entering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contributions for re-entry groups is determined for each group. Any additional contribution amounts are determined locally and may be paid by the member, the employer or split 50/50. Pursuant to the 2020 legislation, the required employer contribution rate for re-entry departments increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2023, the total minimum required combined contribution rate was 21.7 percent.

The contribution rate for members of the Social Security Component is 6.0 of base salary. Per the 2020 legislation, employer contribution rates increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. The 2023 total combined contribution rate was 10.75 percent.

The Hybrid Defined Benefit component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Component is set annually by the FPPA Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2023 through June 30, 2024 was 14.24 percent. For the period January 1, 2023 through June 30, 2023, the contribution rate was 13.9 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase component.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 7 - FPPA Statewide Retirement Plan – continued*

**Contributions (continued):** Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis

**Basis of Presentation:** The underlying financial information used to prepare the Schedule of Employer Contributions and Schedule of Collective Pension Amounts is based on FPPA's financial statements. FPPA follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA.

As reported in FPPA's Other Supplementary Schedule of Fiduciary Net Position by Participating Employer in the December 31, 2023 Annual Report, employer contributions to the Statewide Retirement Plan were \$93,183,037 compared to total employer contributions of \$93,332,038 on the Schedule of Employer Contributions. Adjustments were made to annualize employer contributions related to employers newly contributing to the plan, including employer departments completing re-entry, and for known significant adjustments of non-recurring amounts.

The Schedule of Collective Pension Amounts represents total pension amounts for the Statewide Retirement Plan. This schedule excludes employer-specific deferral amounts that may need to be recognized to comply with Governmental Accounting Standards Board (GASB) statement No. 68, Accounting and Financial Reporting for Pensions. Specifically, this schedule excludes deferral amounts arising from the changes in employer proportion, differences between employer contributions and proportionate share of contributions, and employer contributions subsequent to the measurement date.

**Actuarial Valuation Dates:** The collective total pension liability as of December 31, 2023 is based upon the January 1, 2024 actuarial valuation. The actuarially determined contributions as of December 31, 2023 are based upon the January 1, 2023 actuarial valuation.

**Collective Net Pension (Liability) Asset:** At December 31, 2024, the District reported a (liability)/asset of (\$0) for its proportionate share of the net pension (liability)/asset. The Plan's total pension liability is currently equal to the Plan Fiduciary Net Position, resulting in no liability reported by the District. The net pension (liability)/asset was measured as of December 31, 2023, and the total pension liability used to calculate the net pension (liability)/asset was determined by an actuarial valuation as of January 1, 2023. The District's proportion of the net pension (liability)/asset was based on the District's contributions to the Plan for calendar year 2023, relative to the total contributions of participating employers to the Plan.

At December 31, 2024 the District's proportionate share was 0.089361%, compared to 0.082110% at December 31, 2023.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 7 - FPPA Statewide Retirement Plan – continued*

**Collective Net Pension (Liability) Asset (continued):** For the year ended December 31, 2024, the District recognized net pension (revenues)/ expense of (\$79,853).

At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 170,181	\$ 8,177
Change in Assumptions	98,711	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	122,175	-
Changes in Proportionate Share of Contribution	-	-
Contributions Subsequent to Measurement Date	<u>114,600</u>	<u>-</u>
Total	<u>\$ 505,667</u>	<u>\$ 8,177</u>

The \$114,600 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as an adjustment against the net pension liability in the year ended December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as a component of pension expense as follows:

<u>Year Ended December 31,</u>	<u>Amortization</u>
2025	\$ 157,870
2026	37,005
2027	34,907
2028	27,094
2029	20,070
Thereafter	<u>105,944</u>
Total	<u>\$ 382,890</u>

**Actuarial Assumptions:** The actuarial valuations of the Statewide Retirement Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2023. The valuations used the following actuarial assumption and other inputs:

	<u>Total Pension Liability</u>	<u>Actuarial Determined Contributions</u>
Actuarial Valuation Date	January 1, 2024	January 1, 2023
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of payroll, Open
Amortization Period	N/A	30 years
Long-Term Investment Rate of Return, net	7.00%	7.00%
Projected Salary Increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustment (COLA)	0.00%	0.00%
*Includes inflation at	2.5%	2.5%

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 7 - FPPA Statewide Retirement Plan – continued*

**Actuarial Assumptions - (continued)**

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuity Mortality Tables for males and females, amount weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses PUB-2010 Safety Healthy Employee Mortality Tables for males and females, amount weighted, and then projected with the MP-2010 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60% multiplier. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based on their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5%). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Global Equity	35.00%	8.33%
Equity Long/Short	6.00%	7.27%
Private Markets	34.00%	10.31%
Fixed Income - Rates	10.00%	5.35%
Fixed Income – Credit	5.00%	5.89%
Absolute Return	9.00%	6.39%
Cash	<u>1.00%</u>	4.32%
Total	<u>100.00%</u>	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the Statewide Retirement Plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 7 - FPPA Statewide Retirement Plan – continued*

**Actuarial Assumptions - (continued)**

As of the measurement period ending December 31, 2023, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board’s Benefits Policy which includes a variable COLA and supplemental payments. Consistent with the Board’s policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

**Discount rate:** Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan’s projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.0 percent; the municipal bond rate is 3.77 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

Regarding the sensitivity of the net pension liability/ (asset) to changes in the single discount rate, the following represents the plan's net pension liability/ (asset), calculated using a single discount rate of 7.00 percent, as well as what the plan's net pension liability/ (asset) would be if it were calculated using a single discount rate that is one percent lower or one percent higher:

	<b>Current Single Discount</b>		
	<b>1% Decrease</b>	<b>Rate Assumption</b>	<b>1% Increase</b>
	<u><b>6.0%</b></u>	<u><b>7.0%</b></u>	<u><b>8.0%</b></u>
Net Pension Liability/ (Asset)	\$560,739,161	\$ 0	\$ 0
Proportionate Share of			
Net Pension Liability/ (Asset)	\$ 501,082	\$ 0	\$ 0

The net pension liability of \$0 reflects a reserve for cost-of-living adjustments and to manage adverse experience of \$19,633,099 at a 7.0% discount rate and \$500,364,385 at an 8.0% discount rate.

*NOTE 8 - VOLUNTEER FIREMEN'S PENSION FUND*

**Plan Description:** The District affiliated with the Fire and Police Pension Association of Colorado (FPPA) to administer its Volunteer Fire Fighter Pension Plan and to manage the plan's assets and activities. The Volunteer Firefighter Pension Plan is included in an agent multiple employer Public Employee Retirement System (PERS) maintained in trust by FPPA. The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. It operates under rules consistent with the enabling legislation in Title 31, Article 30, Part 11 of the Colorado Revised Statutes. While the District's plan is pooled with other plans by FPPA, it is a separate plan and is administered by a board of trustees composed of District board members and volunteer firefighters, selected in accordance with Colorado state statutes. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. That report also includes the District's Volunteer Firefighter Pension Plan.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 8 - VOLUNTEER FIRE FIGHTER'S PENSION – continued*

**Benefits Provided:** A volunteer firefighter electing to retire on or after the normal retirement date (the date on which he/ she has attained fifty years of age and completed twenty years of active service) is eligible for a monthly pension approved by the board, in accordance with state statute.

Benefits Used to Determine the Total Pension Liability for the Measurement Period Ending December 31, 2022 are as follows:

<i>Normal retirement benefit at age 50 with 20 years of service (monthly):</i>	
Regular	\$500
Extended service amount per year of service	\$25
<i>Vested retirement benefit (monthly):</i>	
With 10 to 20 years of service amount per year of service per minimum vesting years	\$25
Minimum vesting years	10
<i>Disability Retirement Benefit (monthly):</i>	
Short-term disability for line of duty injury	
Amount payable for not more than 1 year	\$225
Long-term disability for line of duty injury	
Lifetime benefit	\$150
<i>Survivors Benefits (monthly):</i>	
Following Death before retirement eligible:	
Due to death in line of duty as a volunteer firefighter	\$250
Following death after normal retirement	\$250
Following death after normal retirement with extended	
Service amount per year of service	\$12.50
Following death after vested retirement with 10-20 years	
of service, amount per year of service per minimum vesting years	\$12.50
Following death after disability retirement	\$0
<i>Funeral benefits (required benefit):</i>	
Funeral benefit lump sum, one time only	\$1,000

As of January 1, 2023, there were 5 active, 17 retirees and beneficiaries and 4 inactive, non-retired members.

**Funding Policy:** The funding of the plan by the District and members is authorized by the Board of Trustees. The contribution by the State of Colorado (the “State) toward fire pension funds has been a fixed dollar amount established by the legislature and allocated pro rata to all fire pension funds in the State who apply for State matching funds, based upon the amounts contributed by the employer up to a maximum of one half (1/2) mill on the assessed valuation or 90% of City contributions, whichever is less. Since the District currently offers maximum retirement benefits in excess of \$300 per month on an actuarially sound basis, and (2) the amount of State contributions provided in the prior year.

**Valuation Date:** Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2023, determines the contribution amounts for 2024 and 2025.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 8 - VOLUNTEER FIRE FIGHTER'S PENSION – continued*

**Valuation Date (continued):** Methods and assumptions used to determine contribution rates for the Fiscal Year Ended December 31, 2023:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 Years
Asset Valuation method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	<b>Pre-retirement:</b> 2006 central rates from the RP-2014 Mortality Tables for males and females projected to 2018, using the MP-2017 projection scales, then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. <b>Post-retirement:</b> 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females, projected to 2018 using the MP-2017 projection scales, then projected prospectively using the ultimate rates of the scale for all years. <b>Disabled:</b> 2006 central rates for them RP-2014 Disabled Mortality Tables for males and females, projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

\*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

**Single Discount Rate:** Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) the long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20 year obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.77% (based on weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.000%.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 8 - VOLUNTEER FIRE FIGHTER'S PENSION – continued*

**Long-term Rate of Return:** The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Cash	1.00%	4.32%
Fixed Income - Rates	10.00%	5.35%
Fixed Income - Credit	5.00%	5.89%
Absolute Return	9.00%	6.39%
Long/ Short	6.00%	7.27%
Global Equity	35.00%	8.33%
Private Markets	34.00%	10.31%
Total	<u>100.00%</u>	

**Sensitivity of the Proportionate Share of the Net Pension Liability/ (Asset) to Changes in the Discount Rate:** Regarding the sensitivity of the net pension liability/ (asset) to changes in the Single Discount Rate, the following represents the plan's net pension liability/ (asset), calculated using a Single Discount Rate of 7.00%, as well as what the plan's net pension liability/ (asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher.

	<b>Current Single Discount</b>		
	<b>1% Decrease</b>	<b>Rate Assumption</b>	<b>1% Increase</b>
	<u>6.0%</u>	<u>7.0%</u>	<u>8.0%</u>
Proportionate Share of			
Net Pension Liability/ (Asset)\$	440,732	\$ 325,712	\$ 230,455

**Pension Plan Fiduciary Net Position:** Detailed information about the fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at [www.fppaco.org](http://www.fppaco.org).

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:** At December 31, 2024, the District reported a net pension liability of \$325,712. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 9 - DEFERRED COMPENSATION PLAN – SECTION 457- (continued)*

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued):** For the year ended December 31, 2024, the District recognized pension income of \$5,048. In connection with the District’s Volunteer Fire and Police Protection Retirement Plan, the following deferred outflow of resources and deferred inflows of resources were reported at December 31, 2024:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ -	\$ -
Change in Assumptions	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	<u>68,456</u>	<u>41,910</u>
Total	<u>\$ 68,456</u>	<u>\$ 41,910</u>

Contributions subsequent to the measurement date of December 31, 2024, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in subsequent years. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized as a component of pension expense in future years as follows:

<u>Year Ended December 31,</u>	<u>Amortization</u>
2025	\$ 1,817
2026	8,697
2027	19,425
2028	(3,393)
2029	-
Thereafter	-
Total	<u>\$ 26,546</u>

*NOTE 9 - DEFERRED COMPENSATION PLAN – SECTION 457*

The District offers its employees an additional voluntary deferred compensation plan created in accordance with IRC section 457 (the “457 Plan). The 457 Plan is administered by FPPA. The 457 Plan is available to all paid staff and permits participants to defer a portion of their salary to future years. All compensation deferred under the 457 Plan, together with all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the participants and their designated beneficiaries. Compensation deferred under the 457 Plan is not available to participants until termination, retirement, death, or unforeseeable emergency.

Employees may elect or defer any percentage of their annual compensation, provided that the total annual contribution does not exceed limitations established by the Internal Revenue Service. The District contributes up to 8% of employee earnings. For the year ended December 31, 2024 the District and employees contributed \$14,256 and \$27,172, respectively.

The individual participants determine investment decisions within the 457 Plan and, therefore, the 457 Plan’s investment concentration varies between participants. The District, as Trustee of the 457 Plan, has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the 457 Plan. Consequently, the 457 Plan is not part of the District’s financial statements.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 10 - STATEWIDE DEATH & DISABILITY PLAN*

Plan Description – Firefighters of the District contribute to the Statewide Death and Disability Plan (“SWDD”). The SWDD is a cost-sharing multiple-employer defined benefit death and disability plan administered by FPPA. Contributions to the SWDD are used solely for the payment of death and disability benefits. The SWDD was established in 1980 pursuant to Colorado Revised Statutes.

SWDD benefits provide 24-hour coverage, both on-duty and off-duty for members not eligible for normal retirement under a defined benefit plan, or under a money purchase plan.

In the case of an on-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire, but were still working. Death and disability benefits are free from state and federal taxes in the event that a member’s disability is determined to be the result of an on-duty injury or an occupational disease.

Funding Policy– Prior to 1997, the SWDD was primarily funded by the State of Colorado (the “State”), whose contributions were established by Colorado state. In 1997 the State made a one-time contribution of \$39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated.

The SWDD is funded by voluntary member contributions or the employer may choose to make those contributions. Members hired on or after January 1, 1997, began contributing 2.4 percent of base salary to the SWDD. Contributions may be increased 0.1 percent biennially by the FPPA Board. As of January 1, 2024, the contribution rate is 3.4 percent of base salary. This percentage can vary depending on actuarial experience. All contributions are made by member or on behalf of members. The District made \$41,243 of contributions to the SWDD at December 31, 2024.

FPPA issues a publicly available comprehensive annual financial report which includes additional information on the Statewide Death and Disability Plan. That report can be obtained at <https://www.fppaco.org/annual-reports.html>.

*NOTE 11 - CONTINGENCIES*

*Claims*

During the normal course of business, the District incurs claims and other assertions against it from various agencies and individuals. Management of the District and their legal representatives feel none of these claims or assertions are significant enough that they would materially affect the fairness of the presentation of the financial statements at December 31, 2024.

*State/Federal Grants*

Under terms of state & federal grants, periodic audits may be required, and certain costs may be questioned as not being appropriate expenditures. Such audits could lead to reimbursements to the grantor agencies. The Districts management is not aware of any wrongful spending for which they would have to reimburse the grantor agencies for expenditures.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 12 - RISK MANAGEMENT*

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors and omissions; injuries to employees; or acts of God. The District maintains commercial insurance for all risks of loss. The District did not have any claim settlements in excess of coverage for each of the past three years.

*NOTE 13 - STATUTORY COMPLIANCE*

A. TABOR Amendment – Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer’s Bill of Rights (TABOR). TABOR contains revenue, spending, tax, and debt limitations, which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government. Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years. TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of spending (excluding bonded debt service). The required reserve at December 31, 2024 is approximately \$93,700.

The initial base for local government spending and revenue limits is December 31, 1992 fiscal year spending. Future spending and revenue limits are determined based on the prior year’s fiscal year spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue. In November 1995, voters approved a measure to allow the District to retain and spend all revenues in excess of the fiscal year spending limit and the 5.5% revenue increase limit provided the revenues are spent for fire, rescue and emergency medical services.

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

*NOTE 14 - GASB STATEMENT 101, Compensated Absences*

GASB Statement 101, *Compensated Absences*, became effective for periods after December 15, 2023. This Statement requires compensated absences to be recognized for:

1. Leave that has not been used
2. Leave that has been used but not yet been paid or settled through noncash means
3. Leave is attributed to services already rendered
4. Leave accumulates
5. The Leave is more likely than not to be used for time off or otherwise paid in cash or settled through non- cash means.

The implementation of GASB 101 did not change how the District estimates compensated absences as all liabilities paid upon termination have historically been included in the estimate.

**GYPSUM FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024

*NOTE 15 - SUBSEQUENT EVENTS*

Management has evaluated events subsequent to December 31, 2024 through the issuance date of this report. There have been no material events noted during this period that would impact the results reflected in this report or the District's results going forward.

REQUIRED SUPPLEMENTARY INFORMATION

**GYPSUM FIRE PROTECTION DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**December 31, 2024**

	GENERAL FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b><u>BUDGETARY REVENUES:</u></b>				
Local Property Taxes	\$ 2,919,574	\$ 3,182,016	\$ 3,173,567	\$ (8,449)
Specific Ownership Taxes	70,000	70,000	141,543	71,543
Out of District Calls	-	-	1,932	1,932
Fees, Permits, Fines and Other	-	-	4,223	4,223
Miscellaneous Income	-	-	12,857	12,857
Rental Income	-	-	10,000	10,000
Interest Income	60,000	150,000	203,444	53,444
Gain on Sale of Fixed Assets	-	-	10,000	10,000
Total Budgetary Revenues	<u>3,049,574</u>	<u>3,402,016</u>	<u>3,557,566</u>	<u>155,550</u>
<b><u>BUDGETARY EXPENDITURES:</u></b>				
General Expenditures:				
Capital Outlay	288,852	868,852	812,717	56,135
Community Education	8,870	8,870	2,552	6,318
County Treasurer Fees and Abatements	87,570	87,570	93,822	(6,252)
Dispatch and Intergovernmental Support	63,775	53,775	125,632	(71,857)
Dues and Subscriptions	5,350	5,350	2,734	2,616
Employee Benefits	282,367	282,367	205,095	77,272
Fleet – Gas and Oil	24,000	24,000	14,313	9,687
Insurance	48,549	48,549	62,009	(13,460)
Miscellaneous Administrative	72,870	72,870	40,028	32,842
Office Expense	16,001	16,001	5,599	10,402
Payroll Taxes	26,765	26,765	22,249	4,516
Pension Contributions – FPPA	185,021	185,021	153,739	31,282
Professional Services	86,065	86,065	75,647	10,418
Protective Clothing, Uniforms and Tools	55,502	55,502	25,660	29,842
Repairs and Maintenance – Building	22,470	22,470	9,763	12,707
Repairs and Maintenance – Equipment	66,552	66,552	57,413	9,139
Salaries and Benefits	1,580,559	1,580,559	1,231,156	349,403
Telecommunications	17,520	17,520	14,648	2,872
Training, Travel and Meals	47,521	47,521	28,766	18,755
Utilities	16,440	16,440	13,438	3,002
Volunteer Incentives/Reimbursements	15,000	15,000	10,964	4,036
Volunteer Pension Contributions – FPPA	26,497	26,497	22,704	3,793
Total Budgetary Expenditures	<u>3,044,116</u>	<u>3,614,116</u>	<u>3,030,648</u>	<u>583,468</u>
Other Financing Sources:				
Transfer (from) to Other Funds	-	-	-	-
Total Budgetary Expenditures and Other Financing Uses	<u>3,044,116</u>	<u>3,614,116</u>	<u>3,030,648</u>	<u>583,468</u>
Excess of Budgetary Revenues Over (Under) Budgetary Expenditures	5,458	(212,100)	526,918	739,018
Fund Balance – Beginning of Year	<u>3,032,040</u>	<u>3,032,040</u>	<u>3,032,040</u>	<u>-</u>
Fund Balance – End of Year	<u>\$ 3,037,498</u>	<u>\$ 2,819,940</u>	<u>\$ 3,558,958</u>	<u>\$ 739,018</u>

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

**GYPSUM FIRE PROTECTION DISTRICT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET)**  
**AND RELATED RATIOS**  
**FIRE AND POLICE PENSION ASSOCIATION OF COLORADO**  
**Last 10 Fiscal Years \***

*Measurement Period End December 31,*

<b><u>Employer Plan:</u></b>	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's Portion of the Net Pension (Asset)/ Liability	.00089361	.0008211	(.067528) %
District's Proportionate Share of the (Asset)/ Liability	\$ -	\$ 72,880	\$ (365,956)
District's Covered Payroll	1,149,566	879,737	714,368
District's Proportionate Share of the net Pension (Asset)/ Liability as a Percentage of Covered Payroll	0%	8%	(51) %
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/ Liability	0%	97.6%	116.20%
 <b><u>Volunteer Plan:</u></b>			
<b>Total Pension Liability</b>			
Service Cost	\$ 4,250	\$ 4,395	\$ 4,395
Interest on Total Pension Liability	68,403	67,750	67,724
Benefit Charges	-	-	-
Diff between Expected and Actual Experience	-	(766)	-
Changes of Assumptions	-	11,482	-
Benefit Payments	<u>(75,500)</u>	<u>(71,488)</u>	<u>(72,000)</u>
<b>Net Change in Total Pension Liability</b>		11,373	119
<b>Total Pension Liability - Beginning</b>	<u>(2,847)</u>	<u>1,000,831</u>	<u>1,000,712</u>
 <b>Total Pension Liability – Ending (A)</b>	 <u>\$ 1,009,357</u>	 <u>\$ 1,012,204</u>	 <u>\$ 1,000,831</u>
 <b>Plan Fiduciary Net Position</b>			
Employer Contributions	\$ 22,704	\$ 22,704	\$ 22,704
Pension Plan Net Investment Income	62,128	(61,571)	101,426
Benefit Payments	(75,500)	(71,488)	(72,000)
Pension Plan Administrative Expense	(8,159)	(6,289)	(6,323)
State of Colorado Suppl. Discretionary Payments	<u>14,400</u>	<u>14,400</u>	<u>28,800</u>
<b>Net Change in Fiduciary Net Position</b>	15,573	(102,244)	74,607
<b>Plan Fiduciary Net Position – Beginning</b>	<u>668,072</u>	<u>770,316</u>	<u>695,709</u>
 <b>Plan Fiduciary Net Position – Ending (B)</b>	 <u>\$ 683,645</u>	 <u>\$ 668,072</u>	 <u>\$ 770,316</u>
 <b>Net Pension Liability – Ending (A) – (B)</b>	 <u>\$ 325,712</u>	 <u>\$ 344,132</u>	 <u>\$ 230,515</u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	 67.73%	 66.00%	 76.97%

\*The amounts presented for each fiscal year were determined as of calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2015.

**Notes to the Schedule of Employer's Net Position Liability for the Year Ended December 31, 2024:**

*NOTE 1- Changes of Assumptions  
No changes in assumptions during the year presented.*

*NOTE 2- Changes of Benefit Terms  
No changes during the years presented.*

*NOTE 3- Changes of Size or Composition of Population Covered by Benefit Terms  
No changes during the years presented above.*

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
	(.065319) %	(.0688708) %	.071747%	(.62193) %	.051518%
\$	(141,809) 543,612	\$ (38,951) 507,600	\$ 90,707 480,600	\$ (89,475) 363,792	\$ 18,616 263,666
	(26) %	(8) %	19%	(24) %	7%
	106.7%	101.9%	95.2%	106.3%	98.21%
\$	4,869 68,578 -	\$ 4,869 68,622 -	\$ 8,379 65,168 -	\$ 8,379 64,658 -	\$ 8,074 61,564 -
	(12,845) -	- -	68,122 44,099	- -	10,389 21,036
	<u>(73,138)</u>	<u>(75,063)</u>	<u>(70,200)</u>	<u>(62,420)</u>	<u>(57,595)</u>
	(12,536)	(1,572)	115,568	10,617	43,468
	<u>1,013,248</u>	<u>1,014,820</u>	<u>899,252</u>	<u>888,635</u>	<u>845,167</u>
\$	<u>1,000,712</u>	<u>1,013,248</u>	<u>1,014,820</u>	<u>899,252</u>	<u>888,635</u>
\$	22,704 79,500 (73,138) (5,026) -	\$ 22,704 86,529 (75,063) (6,599) 14,400	\$ 22,704 35 (70,200) (6,023) 14,400	\$ 22,704 87,184 (62,420) (5,900) 11,952	\$ 13,280 31,589 (57,595) (1,222) 14,400
	<u>24,040</u>	<u>41,971</u>	<u>(39,084)</u>	<u>53,520</u>	<u>452</u>
	<u>671,669</u>	<u>629,698</u>	<u>668,782</u>	<u>615,262</u>	<u>614,810</u>
\$	<u>695,709</u>	<u>671,669</u>	<u>629,698</u>	<u>668,782</u>	<u>615,262</u>
\$	<u>305,003</u>	<u>341,579</u>	<u>385,122</u>	<u>230,470</u>	<u>273,373</u>
	69.52%	66.29%	62.05%	74.37%	72.74%

**GYPSUM FIRE PROTECTION DISTRICT**  
**SCHEDULE OF EMPLOYER'S CONTRIBUTIONS**  
**FIRE AND POLICE PENSION ASSOCIATION OF COLORADO**  
Last 10 Fiscal Years \*

<b><u>Employer Plan:</u></b>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually Required Contribution	\$ 114,600	\$ 83,402	\$ 64,293
Contributions in Relation to Contractually Required Payment	<u>(114,600)</u>	<u>(83,402)</u>	<u>(64,293)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	1,149,566	879,737	714,368
Contributions as a Percentage of Covered Payroll	10%	9.5%	9%
 <b><u>Volunteer Plan:</u></b>	 <u>2024</u>	 <u>2023</u>	 <u>2022</u>
Actuarially Determined Contribution	\$ 49,240	\$ 41,593	\$ 41,593
Actual Contribution, including State of Colorado Discretionary Payment	<u>(37,104)</u>	<u>(37,104)</u>	<u>(37,104)</u>
Contribution Deficiency (Excess)	<u>\$ 12,136</u>	<u>\$ 4,489</u>	<u>\$ 4,489</u>

**Notes to the Schedule of Employer's Net Position Liability for the Year Ended December 31, 2024:**

*NOTE 1- Changes of Assumptions*  
No changes during the years presented.

*NOTE 2- Changes of Benefit Terms*  
No changes during the years presented.

*NOTE 3- Changes of Size or Composition of Population Covered by Benefit Terms*  
No changes during the years presented above.

*NOTE 4- Actual Contribution, Including State of Colorado*  
Discretionary payment totaled \$14,400 for the Volunteer Plan.

*NOTE 5- Benefit Plans*  
Effective January 1, 2024 the Statewide Defined Benefit Plan and Statewide Hybrid Plan combined to form the Statewide Retirement Plan.

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

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 46,207	\$ 41,972	\$ 40,608	\$ 38,448	\$ 29,103	\$ 21,093
<u>(46,207)</u>	<u>(41,972)</u>	<u>(40,608)</u>	<u>(38,448)</u>	<u>(29,103)</u>	<u>(21,093)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
543,612	524,650	507,600	480,600	363,792	263,666
8.5%	8%	8%	8%	8%	8%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 43,733	\$ 43,733	\$ 34,096	\$ 34,096	\$ 34,646	\$ 27,680
<u>(51,504)</u>	<u>(22,704)</u>	<u>(37,104)</u>	<u>(37,104)</u>	<u>(34,646)</u>	<u>(27,680)</u>
<u>(7,771)</u>	<u>\$ 21,029</u>	<u>\$ (3,008)</u>	<u>\$ (3,008)</u>	<u>\$ -</u>	<u>\$ -</u>

SUPPLEMENTARY INFORMATION

CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
December 31, 2024

	CAPITAL PROJECTS FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>BUDGETARY REVENUES:</u>				
General Revenues:				
Impact Fees	\$ 1,500	\$ 196,681	\$ 425,114	\$ 228,433
Interest Income	<u>15,000</u>	<u>22,500</u>	<u>34,603</u>	<u>12,103</u>
Total Budgetary Revenues	<u>16,500</u>	<u>219,181</u>	<u>459,717</u>	<u>240,536</u>
<u>OTHER FINANCING SOURCES:</u>				
Transfers (to) from Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Budgetary Revenue and Other Financing Sources:	<u>16,500</u>	<u>219,181</u>	<u>459,717</u>	<u>240,536</u>
<u>BUDGETARY EXPENDITURES:</u>				
General Expenditures:				
Collection Fees	4,390	4,390	322	4,068
Bank Fees	-	100	-	100
Debt Service:				
Principal	72,462	72,462	72,462	-
Interest	<u>19,226</u>	<u>19,226</u>	<u>19,226</u>	<u>-</u>
Total Budgetary Expenditures	<u>96,078</u>	<u>96,178</u>	<u>92,010</u>	<u>4,168</u>
Excess of Budgetary Revenues Over (Under) Budgetary Expenditures	(79,578)	123,003	367,707	244,704
Fund Balance – Beginning of Year	<u>653,152</u>	<u>653,152</u>	<u>653,152</u>	<u>-</u>
Fund Balance – End of Year	<u>\$ 573,574</u>	<u>\$ 776,155</u>	<u>\$ 1,020,859</u>	<u>\$ 244,704</u>

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