

Annual Financial Report

Nunn Fire Protection District
Nunn, Colorado

For the Year Ended December 31, 2024

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NUNN FIRE PROTECTION DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Nunn Fire Protection District
Nunn, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of The Nunn Fire Protection District, State of Colorado as of and for the years ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 the 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 Nunn Fire Protection District, State of Colorado's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-6, budgetary comparison information on pages 24-25, the Schedule of Changes in Net Pension Liability / Asset and Related Ratios on Page 26, and the Schedule of Contributions on page 27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Greeley, Colorado
May 30, 2025

Tim Chavies & Associates, Inc.
Tim Chavies & Associates, Inc.
Certified Public Accountants

NUNN FIRE PROTECTION DISTRICT
P.O. Box 250
Nunn, Colorado 80648-0250

Management's Discussion and Analysis
December 31, 2024

The management's discussion and analysis (MD&A) of the Nunn Fire Protection District's financial performance provides an overview and analysis of the District's financial activities for the fiscal year. It should be read in conjunction with the accompanying basic financial statements. When available, the District has included comparative analysis of such data.

Financial Highlights

- The District's total net position was \$6,781,017 in 2024 compared to \$5,911,219 in 2023, an increase of \$869,798 or 14.71%.
- Total revenues were \$1,044,798 in 2024 compared to \$828,667 in 2023, an increase of \$216,131 or 26.08%.
- Total expenditures were \$301,942 in 2024 compared to \$276,837 in 2023, an increase of \$25,105 or 9.07%.
- Equipment purchases were \$405,968 in 2024 compared to \$23,787 in 2023.
- The District purchased land for \$360,239 for a new station site.

Overview of the Financial Statements

This management discussion and analysis serves as an introduction to the Nunn Fire Protection District's basic financial statements which are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the basic financial statements, and 4) required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements are comprised of the Statement of Net Position and the Statement of Activities. These two statements are designed to provide readers with a broad overview of the District's finances utilizing the full accrual method of accounting.

The Statement of Net Position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful Indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include only the general government. The District does not have any business-type activities or component units.

Fund Financial Statements focus on current available resources and are organized and operated on the basis of funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the District can be divided into three categories: 1) governmental funds, 2) proprietary funds and 3) fiduciary funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements utilize the modified accrual basis of accounting, which focuses on near-term inflow and outflow of spendable resources, as well as on balances on spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

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

The District only maintains one governmental fund (general) and adopts an annually appropriated budget for this governmental fund. Budgetary comparison statements for the governmental fund are required to be presented and are included as part of the required supplemental information of this report.

The District does not have any **Proprietary Funds or Fiduciary Funds**.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information includes certain required supplementary information containing budgetary comparison schedules of revenues, expenditures and changes in fund balances for all funds and pension fund disclosures.

Government-Wide Financial Analysis

Condensed financial information from the **Statement of Net Position** at December 31:

	2024	2023
Assets		
Current	\$ 5,070,055	\$ 4,671,564
Noncurrent	1,293,785	1,143,567
Capital assets, net	1,056,239	783,159
Total Assets	7,420,079	6,598,290
Deferred Outflows	190,831	241,754
Liabilities		
Long-term debt outstanding	-	-
Other liabilities	36,829	2,366
Total Liabilities	36,829	2,366
Deferred Inflows	793,064	926,459
Net Position:		
Net investment in capital assets	1,056,239	783,159
Restricted	31,345	24,861
Unrestricted	5,693,433	5,103,199
Total Net Position	\$ 6,781,017	\$ 5,911,219

Net position of the District increased by \$869,798, the increase was due to property taxes and miscellaneous revenue and an increase in net pension asset.

Condensed financial information from the **Statement of Activities** at December 31:

	2024	2023
Revenues:		
Operating revenues	\$ 870,422	\$ 717,005
Investment income	166,860	94,002
Miscellaneous revenues	7,516	17,660
Total Revenues	1,044,798	828,667
Other Financing Sources (Uses)		
Proceeds from sale of assets	-	-
Insurance proceeds	-	-
Pension net asset	126,942	111,400
Total Other Financing Sources (Uses)	126,942	111,400
Expenses:		
Fire administration	113,909	93,769
Fire fighting	55,145	37,269
Depreciation	132,888	145,799
Total Expenses	301,942	276,837
Net Change in Net Position	869,798	663,230
Net Position - beginning of year	5,911,219	5,247,989
Net Position - end of year	\$ 6,781,017	\$ 5,911,219

During 2024, the District's net position increased by \$869,798. Fire administration and firefighting expenses increased, depreciation decrease and property tax revenues increased.

Governmental Funds Financial Analysis

Governmental funds. All of the District's functions are reported in the general fund. The focus of this fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of its fiscal year.

Proprietary funds. As mentioned earlier, the District does not have any of these types of funds.

Fiduciary funds. As mentioned earlier, the District does not have any of these types of funds.

Budgetary Highlights

The budget is prepared in accordance with accounting principles generally accepted in the United States of America. Budget and actual comparison schedules are provided in the other supplementary information section of this report. The budget and actual comparison schedules show the original adopted budget, the final revised budget, actual results, and variance between the final budget and actual results for the general (operating) fund.

There were no differences from the original adopted and the final revised budget.

Capital Assets

Capital Assets (Net of Depreciation)

	2024	2023
Land	\$ 583,314	\$ 223,075
Building	299,448	299,448
Equipment	2,245,665	2,199,936
Construction in progress	-	-
Total Capital Assets	3,128,427	2,722,459
Less: Accumulated depreciation	(2,072,188)	(1,939,300)
Net Capital Assets	\$ 1,056,239	\$ 783,159

Capital assets – net of depreciation increased during 2024 due to capital outlay of \$405,968 (assets acquired) and depreciation of \$132,888. See Note 4 for further discussion.

Economic Factors

The District's revenues are not generally dependent on economic factors. Approximately 80.53% of the District's revenues for 2024 were from property taxes levied upon all real property within the District. Other revenues are comprised of earnings on investments and miscellaneous donations.

Financial Contact

This financial report is designed to provide a general overview of the District's finances for those who have an interest in the District. If you have any questions about the report or need additional financial information, please contact the District's office at PO Box 250, Nunn, Colorado 80648-0250.

BASIC FINANCIAL STATEMENTS

NUNN FIRE PROTECTION DISTRICT

Statement of Net Position

December 31, 2024 and 2023

	2024	2023
ASSETS		
Current Assets		
Cash on hand and in checking	\$ 365,646	\$ 483,099
Cash with county treasurer	2,382	2,166
Investments:		
Money market account	301,523	23
Certificates of deposit	1,158,673	2,110,089
ColoTrust	2,527,599	1,248,296
Accounts receivable - property taxes	696,091	801,839
Accounts receivable - other	500	5,000
Accrued interest receivable	7,433	11,356
Prepaid expenditures	10,208	9,696
Total Current Assets	5,070,055	4,671,564
Noncurrent Assets		
Net pension asset	1,293,785	1,143,567
Capital Assets:		
Land	583,314	223,075
Building	299,448	299,448
Equipment	2,245,665	2,199,936
Construction in progress	-	-
Total Capital Assets	3,128,427	2,722,459
Less: accumulated depreciation	(2,072,188)	(1,939,300)
Net Capital Assets	1,056,239	783,159
Total Noncurrent Assets	2,350,024	1,926,726
Total Assets	7,420,079	6,598,290
DEFERRED OUTFLOWS		
Deferred outflows related to pensions	190,831	241,754
LIABILITIES		
Current Liabilities:		
Accounts payable	36,829	2,366
Total Current Liabilities	36,829	2,366
Total Liabilities	36,829	2,366
DEFERRED INFLOWS		
Unearned revenue - property taxes	696,091	801,839
Deferred inflows related to pensions	96,973	124,620
Total Deferred Inflows	793,064	926,459
NET POSITION		
Net investment in capital assets	1,056,239	783,159
Restricted	31,345	24,861
Unrestricted	5,693,433	5,103,199
Total Net Position	\$ 6,781,017	\$ 5,911,219

See accompanying notes to basic financial statements

NUNN FIRE PROTECTION DISTRICT*Statement of Activities*

For the Years Ended December 31, 2024 and 2023

	2024	2023
Expenses:		
Fire administration	\$ 113,909	\$ 93,769
Fire fighting	55,145	37,269
Depreciation	132,888	145,799
Total Expenses	301,942	276,837
Revenues:		
Operating revenues	870,422	717,005
Investment income	166,860	94,002
Miscellaneous Revenues	7,516	17,660
Total Revenues	1,044,798	828,667
Other Financing Sources (Uses):		
Proceeds from sale of assets	-	-
Insurance proceeds	-	-
Transfers in	-	-
Transfers out	-	-
Pension net increase	126,942	111,400
Total Other Financing Sources (Uses)	126,942	111,400
Net Change in Net Position	869,798	663,230
Net Position - beginning of year	5,911,219	5,247,989
Net Position - end of year	\$ 6,781,017	\$ 5,911,219

See accompanying notes to basic financial statements

NUNN FIRE PROTECTION DISTRICT

Governmental Funds

Balance Sheet

December 31, 2024 and 2023

	General Fund	Total Governmental Funds	
		2024	2023
ASSETS			
Current Assets			
Cash on hand and in checking	\$ 365,646	\$ 365,646	\$ 483,099
Cash with county treasurer	2,382	2,382	2,166
Investments:			
Money market account	301,523	301,523	23
Certificates of deposit	1,158,673	1,158,673	2,110,089
ColoTrust	2,527,599	2,527,599	1,248,296
Accounts receivable - property taxes	696,091	696,091	801,839
Accounts receivable - other	500	500	5,000
Accrued interest receivable	7,433	7,433	11,356
Prepaid expenditures	10,208	10,208	9,696
Total Current Assets	5,070,055	5,070,055	4,671,564
Total Assets	5,070,055	5,070,055	4,671,564
DEFERRED OUTFLOWS			
Grant expenditures paid in advance of meeting timing requirements	-	-	-
Total Assets & Deferred Outflows	\$ 5,070,055	\$ 5,070,055	\$ 4,671,564
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 36,829	\$ 36,829	\$ 2,366
Total Current Liabilities	36,829	36,829	2,366
Total Liabilities	36,829	36,829	2,366
DEFERRED INFLOWS			
Unearned revenue - property taxes	696,091	696,091	801,839
Total Liabilities & Deferred Inflows	732,920	732,920	804,205
FUND BALANCE			
Nonspendable - prepaid	10,208	10,208	9,696
Restricted - labor	31,345	31,345	24,861
Committed - subsequent year's expenditures	-	-	-
Assigned	-	-	-
Unassigned	4,295,582	4,295,582	3,832,802
Total Fund Balance	4,337,135	4,337,135	3,867,359
Total Liabilities, Deferred Inflows & Fund Balance	\$ 5,070,055	\$ 5,070,055	\$ 4,671,564
Reconciliation of the Balance Sheet to the Statement of Net Position			
Total Governmental Fund Balance		\$ 4,337,135	\$ 3,867,359
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>			
Net pension asset and deferred outflows/inflows of resources related to participation in FPPA retirement plan is not recorded in the governmental fund but is recorded in the statement of net position		1,387,643	1,260,701
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund:			
Capital assets		3,128,427	2,722,459
Less: accumulated depreciation		(2,072,188)	(1,939,300)
		1,056,239	783,159
Net Position of Governmental Activities		\$ 6,781,017	\$ 5,911,219

See accompanying notes to basic financial statements

NUNN FIRE PROTECTION DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Years Ended December 31, 2024 and 2023

	Total Governmental Funds		
	General Fund	2024	2023
Revenues			
Operating revenues	\$ 870,422	\$ 870,422	\$ 717,005
Investment income	166,860	166,860	94,002
Miscellaneous Revenues	7,516	7,516	17,660
Total Revenues	1,044,798	1,044,798	828,667
Expenditures:			
Fire administration	113,909	113,909	93,769
Fire fighting	55,145	55,145	37,269
Capital outlay	405,968	405,968	23,787
Contingency reserve	-	-	-
Total Expenditures	575,022	575,022	154,825
Excess (Deficiency) of Revenues over Expenditures	469,776	469,776	673,842
Other Financing Sources (Uses):			
Proceeds from sale of assets	-	-	-
Insurance proceeds	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	469,776	469,776	673,842
Fund balance - beginning of year	3,867,359	3,867,359	3,193,517
Fund balance - end of year	\$ 4,337,135	\$ 4,337,135	\$ 3,867,359
 <i>Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities</i>			
Net change in fund balance - total governmental funds		\$ 469,776	\$ 673,842
Amounts reported for governmental activities in the Statement of Activities are different because:			
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:			
Capital asset purchases capitalized		405,968	23,787
Capital asset disposal		-	-
Depreciation expense		(132,888)	(145,799)
Net pension asset and deferred outflows/inflows of resources related to participation in FPPA retirement plan is not recorded in the governmental fund but is recorded in the statement of net position		126,942	111,400
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:			
Donated capital assets		-	-
Change in Net Position of Governmental Activities		\$ 869,798	\$ 663,230

See accompanying notes to basic financial statements

NOTES TO THE BASIC FINANCIAL STATEMENTS

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nunn Fire Protection District (District) was created in the District Court in and for the County of Weld, State of Colorado, on July 20, 1951. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing governmental accounting and financial reporting standards followed by governmental entities.

Reporting Entity

The District is a primary government that has a separately elected governing board and is legally separate, as well as financially independent of other state and local governments. The primary government may appoint a simple majority of the organization's governing board or have the ability to impose its will on the organization. A component unit may be a financial benefit or burden to the primary government and is a legally separate organization of which the elected officials of the primary government are financially accountable. The District does not have any component units.

New Accounting Pronouncements

GASB Statement No 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. This statement establishes accounting and financial reporting requirements for accounting changes and error corrections in previously issued financial statements. Implementation had no impact to the District's financial statements.

GASB Statement No 101, *Compensated Absences*. This statement establishes standards of accounting and financial reporting compensated absences and associated salary-related payments, including certain defined contributions pensions and defined contribution other post-employment benefits. Implementation had no impact on the District's financial statements.

Basic Financial Statements

Government-Wide Financial Statements consist of Statement of Net Position and Statement of Activities, these statements report information about the reporting entity as a whole. These statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, the assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period earned while expenses are recognized in the period the liability is incurred, regardless of the timing of the related cash flows.

Governmental Fund Financial Statements consist of Balance Sheet and Statement of Revenue, Expenditures and Changes in Fund Balance for all major governmental funds and non-major funds aggregated. These statements are presented on the “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are recognized when received in cash, except for revenues subject to accrual (generally 60 days after year-end) are recognized when due.

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basic Financial Statements (continued)

The District reports the following major governmental funds:

General Fund is the general operating fund of the District and is always classified as a major fund. It is used to account for day-to-day operations of the District which are financed from property taxes and other general revenues. When both restricted and unrestricted resources are available for use, it is the District's policy to use the restricted resources first, then the unrestricted resources as they are needed.

The District does not have any **Proprietary Funds or Fiduciary Funds**.

Required supplementary information includes Management's Discussion and Analysis which includes an analytical overview of the District's financial activities and a budgetary comparison statement that compares the adopted and modified budget with actual results.

Budgets and Budgetary Accounting

An annual budget and appropriation resolution are adopted by the District in accordance with the Colorado State Statutes. The budget for the General Fund is prepared on a basis consistent with generally accepted accounting principles, except capital outlays are treated as expenditures.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- On or about November 1, the board submits a proposed General Fund budget for the fiscal year commencing January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments. Prior to December 15, the District certifies the levy to the Board of County Commissioners.
- Prior to December 31, the budget is legally adopted by the District. Colorado law requires that the General Fund have a legally adopted budget and total expenditures cannot exceed the amount appropriated. Appropriations lapse at the end of the fiscal year, but appropriations may be increased prior to the end of the fiscal year provided that the increase is offset by unanticipated resources.

The District incurred expenditures in excess of appropriations in the General Fund for the year ended December 31, 2024, which may be in violation of the Local Government Budget Law.

Encumbrances

Encumbrances are commitments under purchase orders, contracts, and other commitments (as opposed to expenditures) and are shown in the governmental fund types as a designated portion of fund balance for subsequent fiscal year's expenditures.

Cash and Cash Equivalents

For purposes of the basic financial statements, the District considers cash equivalents to be highly liquid short-term investments that are readily convertible to known amounts of cash and mature within three months of the date they are acquired.

Investments

Investments are carried at fair value plus accrued interest with net appreciation or depreciation on investments included in earnings on investments. (See Note 3 for further discussion)

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the governmental-wide financial statements. The District records its property and equipment at historical cost. Contributed capital assets are valued at their estimated fair value on the date donated. Maintenance and repairs are charged to current period operating expenses, whereas additions and improvements are capitalized. Upon retirement or other disposition of property and equipment, the costs and related accumulated depreciation are removed from the respective accounts and any gains or losses are included in operations. Interest costs relating to construction are capitalized. During years ended December 31, 2024 and 2023, no interest was capitalized. The District capitalization level was increased from \$2,500 to \$5,000 for capital assets by the Board on June 12, 2024.

Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	30
Equipment	7 to 10

As a result of the implementation of Statement No. 34, the District is accounting for infrastructure and capital assets on its financial statements. The government-wide financial statements include those assets that were completed during the fiscal year-end, considered construction in progress or purchased or constructed in prior years.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Restricted Assets

Restricted assets are mandatory segregations of assets required by bond agreements or other external parties. The District had no restricted assets as of December 31, 2024.

Equity - Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity - Fund Balance

In the governmental funds, fund balances should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, or unassigned. The following classifications describe the relative strength of spending constraints:

- (1) ***Nonspendable Fund Balance*** – the portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.
- (2) ***Restricted Fund Balance*** – the portion of fund balance that is constrained to be used for a specific purpose by external parties (creditors, grantors, or contributors), enabling legislation or constitutional provisions.
- (3) ***Committed Fund Balance*** – the portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making, District Board. The constraint may be removed or changed only through formal action of District’s Board through approval of resolutions.
- (4) ***Assigned Fund Balance*** – the portion of fund balance that is constrained by the government’s intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the District Board to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.
- (5) ***Unassigned Fund Balance*** – the residual portion of fund balance that does not meet any of the criteria described above. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

If more than one classification of fund balances is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Article X, Section 20, of the Colorado Constitution contains several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The District believes that it is in compliance with the requirements of the amendment. However, the District has made certain interpretations of the amendment's language in order to determine its compliance.

At an election on May 5, 1998, District voters approved a ballot issue allowing the District to be governed by prior State law regarding retention and limitation of revenues to a five and one-half (5 ½) percent increase per year as determined by the division of local governments for year 1999, also to be effective for all years thereafter.

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The Amendment also requires the local government to reserve three (3) percent of total expenditures for emergencies in 1995 and years thereafter. (The definition of an “emergency”, under the Amendment is restricted to natural events, but excludes “economic conditions, revenue shortfalls, District salary or fringe benefit increase.”) Accordingly, the District has reviewed the existing reserves and determined that a minimum of three (3) percent or \$31,345 and \$24,861 existed at December 31, 2024 and 2023, respectively, to comply with the provision of the Amendment.

NOTE 3 - CASH DEPOSITS AND INVESTMENTS

Cash deposits and investments are reported in the financial statements as follows:

	2024	2023
Cash on hand and in checking	\$ 365,646	\$ 483,099
Cash with county treasurer	2,382	2,166
Investments:		
Money market account	301,523	23
Certificates of deposit	1,158,673	2,110,089
Local government investment pools	2,527,599	1,248,296
Total	\$ 4,355,823	\$ 3,843,673

Cash deposits and investments consist of the following:

	2024	2023
Cash on hand and deposit	\$ 2,382	\$ 2,166
Bank accounts	365,646	483,099
Investments	3,987,795	3,358,408
Total	\$ 4,355,823	\$ 3,843,673

Cash Deposits

As of December 31, 2024, the carrying amount of the District’s deposits were \$365,778.

Custodial Credit Risk is the risk that, in the event of the failure of a bank, the government’s deposits may not be returned to it. District bank accounts at year-end were entirely covered by federal depository insurance or by eligible collateral maintained by another financial institution or held by the District’s custodial banks in its name under provisions of the Colorado Public Deposit Protection Act (CPDPA). The CPDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate uninsured deposits.

The State Regulatory Commissions for banks are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which a political subdivision may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (continued)

- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2024, the District had the following investments:

	S&P Rating	Investment Maturities in Years				Total
		Less than 1	1 to 5	6 to 10	More than 10	
Money market account		\$ 301,523	\$ -	\$ -	\$ -	\$ 301,523
Certificates of deposit		1,158,673	-	-	-	1,158,673
Local govt investment pools	AAAm	2,527,599	-	-	-	2,527,599
Total		\$ 3,987,795	\$ -	\$ -	\$ -	\$ 3,987,795

The District's policy is to hold investments until maturity and to invest its funds in a manner which will provide for the highest investment return consistent with the preservation of principal and provision of the liquidity necessary for daily cash flow demands.

Interest Rate Risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The District investment portfolio does not contain investments that exceed the five-year limitation imposed by Colorado Statutes.

Credit Risk is the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligations to the District. The District's investment policy follows Colorado Revised Statutes.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of a District's investment in a single issuer. The District has no such policy limiting how much can be with one financial institution.

Custodial Credit Risk is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investment or related collateral securities that are in the possession of an outside party. The District had custodial credit risk for its investments at December 31, 2024.

Local Governmental Investment Pools, the District had investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST), a local government investment pool, comprised of two funds: COLOTRUST PRIME and COLOTRUST PLUS+. Prime invests only in U.S. Treasury and government agencies, while Plus invests in U.S. Treasury, government agencies and in the highest-rated commercial paper. Both investment pools are rated AAAM by S&P Global Ratings and operate similar to a money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. As an investment pool, COLOTRUST operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. The Trust is exempt from registration with the Securities and Exchange Commission. For more information on COLOTRUST call (303) 864-7474 or go to www.colotrust.com.

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (continued)

Foreign Currency Risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value, as a result of changes in foreign currency exchange rates. The District has no policy for foreign currency risk.

Fair Value of Investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There are three levels of inputs that may be used to measure fair value, as follows:

Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs other than quoted prices in Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs that cannot be corroborated by observable market data.

The District's investment in COLOTRUST is measured at net asset value, equal to \$1.00 per share. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. There is not an investment component to be valued under GASB Statement 72, *Fair Value Measurement and Application*.

Investment Income

Investment income is reported in the financial statements as follows:

	2024	2023
Earnings on investments	\$ 160,468	\$ 100,394
Net increase (decrease) in the fair value of investments	6,392	(6,392)
Total Investment Income	\$ 166,860	\$ 94,002

The net increase (decrease) in the fair value of investments represents the difference in fair value from one year to the next. This figure will vary year to year depending on the fair market value of the investments at year end and is not a budgetary item.

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 4 – CAPITAL ASSETS

The following is a summary of capital assets as of December 31, 2024:

<u>Governmental Activities</u>	Beginning Balance	Additions	Retirements	Ending Balance
Non-Depreciable Assets:				
Land	\$ 223,075	\$ 360,239	\$ -	\$ 583,314
Depreciable Assets:				
Building	299,448	-	-	299,448
Equipment	2,199,936	45,729	-	2,245,665
Construction in progress	-	-	-	-
Total Assets at Historical Cost	2,722,459	405,968	-	3,128,427
Less: Accumulated Depreciation for:				
Building	(187,930)	(6,124)	-	(194,054)
Equipment	(1,751,370)	(126,764)	-	(1,878,134)
Total Accumulated Depreciation	(1,939,300)	(132,888)	-	(2,072,188)
Capital Assets - Net	\$ 783,159	\$ 273,080	\$ -	\$ 1,056,239

Depreciation expense was charged to governmental functions as follows:

Administration and general	\$ 132,888
Total Depreciation Expense	\$ 132,888

NOTE 5 - ASSESSMENTS

Property taxes are attached as an enforceable lien on property as of January 1. Taxes are certified by Weld County, Colorado. Weld County also bills and collects the District’s property taxes. Property taxes are recognized as receivables and deferred revenues when levied and as revenue when due for collection in the following year.

The fiscal year assessments calendar is as follows:

Lien Date	January 1
Assessment Date	November 1
Assessment bills mailed	January 1
First installment due	February 28
Second installment due	June 15
If paid in full, due	April 30
Tax sale – delinquent assessments	November 15

On March 11, 2020, the District signed an Intergovernmental Agreement for Boundary Realignment (Agreement) with the Town of Pierce and Ault Fire Protection District (Parties). The Agreement specifies which Parties to the Agreement receive property tax revenue for 2021, 2022 and future years. The District paid \$38,863 in 2021, received \$95,748 in 2022, and \$0 in 2023 per the Agreement. This Agreement is complete and the District will receive no more property tax revenue due to the boundary realignment.

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 6 - RISK FINANCING

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and subcontractors, and natural disasters. The District purchases commercial insurance for most risks of loss. As of December 31, 2024, and 2023, the District did not have any liabilities in excess of insurance limits. Claims have not exceeded insurance coverage in the prior three years.

NOTE 7 - CONTINGENCIES

In the opinion of the District’s management and counsel, there is no material pending or threatened litigation, claims, and assessments. Furthermore, the District’s management and counsel are unaware of any unasserted possible claims or assessments that are probable of assertion and must be disclosed as of December 31, 2024 and 2023.

NOTE 8 – FIREMEN’S PENSION

Plan Description

The District contributes to the Statewide Defined Benefit Plan, a cost sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage are provided for members through the Statewide Death and Disability Plan which is also administered by the FPPA. This is a non-contributory plan. All volunteers of the District are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan.

Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. That report may be obtained by writing to FPPA of Colorado, Stanford Place II, 7979 E. Tufts Ave, Suite 900, Denver, Colorado 80237 or by calling FPPA at 303-770-3772 in the Denver metro area, or 1-800-332-FPPA (3772) from outside the metro area.

System Description

The FPPA administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at: FPPAco.org. Once on the site, locate the site map at the bottom of the web page and you will find the “Annual Report” link.

Membership

Plan membership at December 31, consisted of the following:

Inactive members or beneficiaries currently receiving benefits
Inactive members entitled to but not yet receiving benefits
Active members not entitled to benefits

	2024	2023
	7	7
	-	-
	7	7
	14	14

Covered Payroll

N/A

N/A

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 8 – FIREMEN’S PENSION (CONTINUED)

Actuarial Assumptions

The total pension liability (asset) was determined by an actuarial valuation on January 1, 2023, using the following key actuarial assumptions:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, open *
Remaining amortization period	20 years *
Asset valuation method	5-year smoothed fair market
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	Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018, 50% multiplier for off-duty mortality. Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018. All tables using MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
Changes in actuarial assumptions	There were no assumption or method changes since the prior valuation.

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

Investments

The FPPA Board Members serve as the fiduciaries for the Funds and are responsible for the investment of the Funds, or the selection of investment options available to defined contribution, deferred compensation and self-directed DROP plan members. As fiduciaries, the FPPA Board Members are required to discharge their duties solely in the interest of fund participants and beneficiaries. The Board has established investment policies and allocates assets, or selects investment options, based upon member characteristics, plan provisions, and the financial requirements of the Funds, in addition to considering the risk/reward trade-offs of various investments.

The Association has established long range statements of investment objectives and policies for managing and monitoring the Funds. The investment policies establish investment objectives and define the responsibilities of the fiduciaries with respect to the Funds, their investment authority under Colorado law, the level of acceptable risk for investments, investment allocation targets, investment performance objectives, and guidelines within which outside investment managers must operate.

The assets in the Fire & Police Members’ Benefit Investment Fund are managed primarily by professional investment management firms. Similarly, investment options offered to defined contribution and deferred compensation plan members are typically pooled investment vehicles managed by professional money managers. Best estimates of arithmetic real rates of return for each major asset class included in the plans target asset allocation are as follow:

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 8 – FIREMEN’S PENSION (CONTINUED)

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	1.0%	4.32%
Fixed Income - Rates	10.0%	5.35%
Fixed Income - Credit	5.0%	5.89%
Absolute Return	9.0%	6.39%
Long Short	6.0%	7.27%
Global Equity	35.0%	8.33%
Private Markets	34.0%	10.31%
Total	100.0%	

Plan Contributions

Funding of accrued pension benefits is accomplished primarily through the State of Colorado supplemental discretionary payment and the District contributions. Volunteer participant’s contributions are not permitted or required. Colorado statutes provide that benefits are payable only to the extent of assets available in the Firemen’s Pension Plan.

Changes in Net Pension Liability / (Asset)

	Increase (Decrease)		
	Total Pension Liability (a.)	Plan Fiduciary Net Position (b.)	Net Pension Liability (Asset) (a.) - (b.)
Changes for the year:			
Service cost	\$ 2,772	\$ -	\$ 2,772
Interest on the total pension liability	28,967	-	28,967
Benefit changes	-	-	-
Changes of assumptions	-	-	-
Diffence between expected and actual experience	-	-	-
Benefit payments	(25,740)	(25,740)	-
Employer contributions	-	31,992	(31,992)
Member contributions	-	-	-
State supplemental discretionary payment	-	5,252	(5,252)
Net investment income	-	150,903	(150,903)
Adminstrative expenses	-	(6,190)	6,190
Net change in total pension liability	5,999	156,217	(150,218)
Total pension liability - beginning	425,099	1,568,666	(1,143,567)
Total pension liability - ending	\$ 431,098	\$ 1,724,883	\$ (1,293,785)

Plan fiduciary net position as a % of the total pension liability	400.11%
Covered payroll	N/A
Net pension liability as a % of covered payroll	N/A

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 8 – FIREMEN’S PENSION (CONTINUED)

Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects, the long-term expected rate of return on pension plan investments of 7.00%; the municipal bond rate is 3.77% (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%.

Sensitivity to Single Discount Rate Assumption

The following presents 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:

	1% Decrease 6.00%	Current Rate 7.00%	1% Increase 8.00%
Pension Plan's Net Pension Liability / (Asset)	\$ (1,246,981)	\$ (1,293,785)	\$ (1,332,929)

Deferred Outflows/Inflows of Resources by Source

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
Contributions subsequent to measurement date	\$ 35,000	\$ -	\$ 35,000
Difference between expected and actual experiences	-	2,426	(2,426)
Assumption changes	2,421	-	2,421
Net difference between projected and actual earnings on pension plan investments	153,410	94,547	58,863
Total	\$ 190,831	\$ 96,973	\$ 93,858

The \$35,000 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024.

Deferred Outflows/Inflows of Resources by Year to be recognized in Future

Year Ending December 31.	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ 4,062
2026	20,023
2027	42,955
2028	(8,182)
2029	-
Thereafter	-
Total	\$ 58,858

NUNN FIRE PROTECTION DISTRICT

Notes to the Basic Financial Statements

December 31, 2024

NOTE 9 – SHORT-TERM DEBT

The District had no short-term debt obligations and had no borrowing during the years ending December 31, 2024 and 2023.

	Beginning Balance	Additions	Reductions	Ending Balance
Short-Term Debt	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -

Other Debt and Line of Credit

The District has no other debt or unused lines of credit.

NOTE 10 – RELATED PARTY TRANSACTIONS

The District’s President and Fire Chief are related to the owner of JV Farms, Inc., an agriculture company within the Nunn area. JV Farms, Inc. planted seed on a lot the District owns to reduce the weed growth at a cost of \$1,400 and \$0 for 2024 and 2023, respectively. There were no balances due JV Farms, Inc. at December 31, 2024 or 2023.

NOTE 11 – SUBSEQUENT EVENTS

The District has evaluated events and transactions occurring subsequent to the end of the fiscal year for potential recognition or disclosure through May 30, 2025, the date on which the financial statements were issued, and did identify an event or transaction that would have a material impact on the financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

NUNN FIRE PROTECTION DISTRICT

Schedule of Revenues & Expenditures

*Budget to Actual - **General Fund** (unaudited)*

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

Non-GAAP Budgetary Basis	2024			2023 Actual
	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)	
REVENUES:				
Operating Revenues:				
Property taxes	\$ 801,839	\$ 841,394	\$ 39,555	\$ 687,760
Specific ownership taxes	42,000	29,028	(12,972)	29,245
Total Operating Revenues	843,839	870,422	26,583	717,005
Investment Income:				
Earnings on investments	25,000	160,468	135,468	100,394
Net increase (decrease) in the fair value of investments	-	6,392	6,392	(6,392)
Sale of assets	-	-	-	-
Total Investment Income	25,000	166,860	141,860	94,002
Miscellaneous Revenues:				
Other revenues	7,000	7,516	516	17,660
Insurance proceeds	-	-	-	-
Total Miscellaneous Revenues	7,000	7,516	516	17,660
Total Revenues	875,839	1,044,798	168,959	828,667
EXPENDITURES:				
Fire Administration:				
Treasurer's fee	9,000	12,629	(3,629)	10,325
Dues and meetings	1,500	9,985	(8,485)	1,385
Telephone and communications	13,000	12,269	731	1,986
Repairs and maintenance - building	-	-	-	-
Insurance	20,000	19,092	908	18,786
Utilities	15,000	8,214	6,786	10,235
Office expense	2,000	4,044	(2,044)	4,498
Fire department fee	3,000	2,752	248	2,646
Professional services	20,000	9,924	10,076	11,787
Medical supplies	-	-	-	-
Election expense	150	-	150	129
Support expense	35,000	35,000	-	31,992
Other expenses	-	-	-	-
Total Fire Administration	118,650	113,909	4,741	93,769
Fire Fighting:				
Supplies	-	10,475	(10,475)	26,092
Education and training	7,000	7,455	(455)	2,497
Repairs, maintenance and fuel	20,000	37,215	(17,215)	8,680
Total Fire Fighting	27,000	55,145	(28,145)	37,269
Capital Outlay	200,459	405,968	(205,509)	23,787
Contingency Reserve	-	-	-	-
Total Expenditures	346,109	575,022	(228,913)	154,825
Excess (Deficiency) of Revenues over Expenditures	\$ 529,730	469,776	\$ (59,954)	673,842
Fund Balance - beginning of Year		3,867,359		3,193,517
Fund Balance - End of Year		\$ 4,337,135		\$ 3,867,359

NUNN FIRE PROTECTION DISTRICT

Reconciliation of Budgetary Basis to GAAP Basis

Budget to Actual - General Fund (unaudited)

Year Ended December 31, 2024

With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024			2023 Actual
	Original and Final Budget	Actual	Variance Favorable (Unfavorable)	
Non-GAAP Budgetary Basis				
Revenues:				
Operating revenues	\$ 843,839	\$ 870,422	\$ 26,583	\$ 717,005
Investment income	25,000	166,860	141,860	94,002
Miscellaneous Revenues	7,000	7,516	516	17,660
Total Revenues	875,839	1,044,798	168,959	828,667
Expenditures:				
Fire administration	118,650	113,909	4,741	93,769
Fire fighting	27,000	55,145	(28,145)	37,269
Capital outlay	200,459	405,968	(205,509)	23,787
Contingency reserve	-	-	-	-
Total Expenditures	346,109	575,022	(228,913)	154,825
Excess (Deficiency) of Revenues over Expenditures	\$ 529,730	469,776	\$ (59,954)	673,842
Reconciliation of Budgetary Basis to GAAP Basis:				
Capital asset purchases capitalized		405,968		23,787
Capital asset disposal		-		-
Depreciation expense		(132,888)		(145,799)
Net pension asset		126,942		111,400
Net Change in Net Position		\$ 869,798		\$ 663,230

NUNN FIRE PROTECTION DISTRICT

Schedule of Changes in Net Pension Liability / (Asset) and Related Ratios

For The Last 10 Years

Measurement Date Ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	2,772	2,712	2,712	4,576	4,576	4,206	4,206	4,037	4,037	5,191
Interest on the Total Pension Liability	28,967	28,257	27,859	28,260	27,255	28,984	27,743	24,940	23,875	26,303
Benefit Changes	-	-	-	-	-	-	-	58,629	-	-
Difference between Expected and Actual Experience	-	(4,033)	-	(15,667)	-	(32,720)	-	(48,147)	-	(49,308)
Assumption Changes	-	8,011	-	-	-	18,258	-	12,735	-	-
Benefit Payments	(25,740)	(23,969)	(25,770)	(18,330)	(16,624)	(15,405)	(15,405)	(14,418)	(13,035)	(14,898)
Net Change in Total Pension Liability	5,999	10,978	4,801	(1,161)	15,207	3,323	16,544	37,776	14,877	(32,712)
Total Pension Liability - Beginning	425,099	414,121	409,320	410,481	395,274	391,951	375,407	337,631	322,754	355,466
Total Pension Liability - Ending (a)	431,098	425,099	414,121	409,320	410,481	395,274	391,951	375,407	337,631	322,754
Plan Fiduciary Net Position										
Employer Contributions	31,992	30,181	28,608	27,117	25,343	24,022	22,770	20,890	19,745	18,698
Pension Plan Net Investment Income	150,903	(136,550)	218,005	170,728	161,568	(179)	140,855	48,321	15,297	53,390
Benefit Payments	(25,740)	(23,969)	(25,770)	(18,330)	(16,624)	(15,405)	(15,405)	(14,418)	(13,035)	(14,898)
Pension Plan Administrative Expense	(6,190)	(4,911)	(5,040)	(4,267)	(6,399)	(5,362)	(6,927)	(3,262)	(5,235)	(3,266)
State Supplemental Discretionary Payment	5,252	5,252	10,504	-	5,252	5,252	18,801	17,771	16,828	15,876
Net Change in Plan Fiduciary Net Position	156,217	(129,997)	226,307	175,248	169,140	8,328	160,094	69,302	33,600	69,800
Plan Fiduciary Net Position - Beginning	1,568,666	1,698,663	1,472,356	1,297,108	1,127,968	1,119,640	959,546	890,244	856,644	786,844
Plan Fiduciary Net Position - Ending (b)	1,724,883	1,568,666	1,698,663	1,472,356	1,297,108	1,127,968	1,119,640	959,546	890,244	856,644
Net Pension Liability/(Asset) -Ending (a)-(b)	(1,293,785)	(1,143,567)	(1,284,542)	(1,063,036)	(886,627)	(732,694)	(727,689)	(584,139)	(552,613)	(533,890)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	400.11%	369.01%	410.19%	359.71%	316.00%	285.36%	285.66%	255.60%	263.67%	265.42%
Covered Payroll (1)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability/(Asset) as a Percentage of Covered Payroll (1)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) The plan participants are unpaid volunteers, so payroll is not applicable.

NUNN FIRE PROTECTION DISTRICT

Schedule of Contributions

For The Last 10 Years

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution (1) *	Contribution Deficiency (Excess)	Covered Payroll (2) **	Actual Contribution as a % of Covered Payroll
(a.)	(b.)	(c.)	(d.) = (b.) - (c.)	(e.)	(f.)
2023	\$ -	\$ 37,222	\$ (37,222)	N/A	N/A
2022	\$ -	\$ 35,433	\$ (35,433)	N/A	N/A
2021	\$ -	\$ 39,112	\$ (39,112)	N/A	N/A
2020	\$ -	\$ 27,117	\$ (27,117)	N/A	N/A
2019	\$ -	\$ 30,595	\$ (30,595)	N/A	N/A
2018	\$ -	\$ 29,274	\$ (29,274)	N/A	N/A
2017	\$ -	\$ 41,571	\$ (41,571)	N/A	N/A
2016	\$ -	\$ 38,661	\$ (38,661)	N/A	N/A
2015	\$ -	\$ 36,573	\$ (36,573)	N/A	N/A
2014	\$ -	\$ 34,574	\$ (34,574)	N/A	N/A

- * Includes both District and State of Colorado Supplemental Discretionary Payment.
- ** The plan participants are unpaid volunteers, so payroll is not applicable.

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag: Actuarial valuation as of January 1, 2021 determines contributions amounts for 2022 and 2023.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open *
Remaining Amortization Period	20 years *
Asset Valuation Method	5-Year smoothed market
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	Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018, 50% multiplier for off-duty mortality. Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018. All tables using MP-2017 projected scales, and then projected prospectively using the ultimate rates of 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.

FPPA SYSTEM DESCRIPTION

The Fire & Protection Pension Association (FPPA) administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. Once on the site, locate the site map at the bottom of the web page and you will find the "Annual Report" link.