



SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT

FINANCIAL STATEMENTS

AND

REQUIRED SUPPLEMENTARY INFORMATION

WITH

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024

SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT

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Independent Auditors' Report

**The Board of Directors
Southern Park County Fire Protection District
Guffey, Colorado**

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

CBIZ CPAs P.C.

Colorado Springs, Colorado
September 25, 2025

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

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- 1) Government-Wide Financial Statements
- 2) Fund Financial Statements
- 3) Notes to the Financial Statements

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

Government-Wide Financial Highlights

- The District’s net position at the end of 2024 is \$1,669,142.
- The District’s cash and cash equivalents at the end of 2024 was \$825,033.
- Total revenues for 2024 was \$896,150.
- The District purchased \$406,768 worth of new vehicles and equipment during 2024.

Government-Wide Financial Statements

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

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

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

The government-wide financial statements can be found on pages 9 and 10 of this report.

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

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements

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

Governmental Funds

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

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

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

The governmental fund financial statements are presented on pages 11 through 14 of this report.

Notes to the Financial Statements

The notes provided additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15 through 22 of this report.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

	<u>2024</u>	<u>2023 (Unaudited)</u>	<u>Change</u>
Assets			
Current Assets	\$ 1,453,910	\$ 1,378,978	\$ 74,932
Land	56,189	56,189	-
Capital Assets, Net of Depreciation	<u>783,467</u>	<u>502,914</u>	<u>280,553</u>
 Total Assets	 <u>\$ 2,293,566</u>	 <u>\$ 1,938,081</u>	 <u>\$ 355,485</u>
Liabilities			
Current Liabilities	\$ 60	\$ 28,147	\$ (28,087)
 Deferred Inflows of Resources	 <u>624,364</u>	 <u>661,868</u>	 <u>(37,504)</u>
 Total Liabilities and Deferred Inflows	 <u>\$ 624,424</u>	 <u>\$ 690,015</u>	 <u>\$ (65,591)</u>
Net Position			
Net Investment in Capital Assets	\$ 839,656	\$ 559,103	\$ 280,553
Restricted	22,669	13,055	9,614
Unrestricted	<u>806,817</u>	<u>675,908</u>	<u>130,909</u>
 Total Net Position	 <u>\$ 1,669,142</u>	 <u>\$ 1,248,066</u>	 <u>\$ 421,076</u>

Total Assets

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

Capital Assets (Net of Depreciation)

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Statement of Activities

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

	2024	2023 (Unaudited)	Change
Expenses			
Administration	\$ 137,410	\$ 100,890	\$ 36,520
Fire Fighting and Training	211,449	304,461	(93,012)
Depreciation	121,339	71,122	50,217
Loss on Sale of Capital Asset	4,876	-	4,876
Total Expenses	475,074	476,473	(1,399)
Revenues			
Program Revenues			
Charges for Services	18,211	15,947	2,264
General Revenues			
Property Taxes	677,508	417,365	260,143
Specific Ownership Tax	58,704	48,179	10,525
Grants, Donations, and Other	100,055	5,262	94,793
Investment Earnings	41,672	37,545	4,127
Gain on Sale of Capital Assets	-	4,188	(4,188)
Total Revenues	896,150	528,486	367,664
Change in Net Position	421,076	52,013	369,063
Net Position - Beginning of Year	1,248,066	1,196,053	52,013
Net Position - End of Year	\$ 1,669,142	\$ 1,248,066	\$ 421,076

Revenue

Revenues increased primarily from an increase in property tax valuation, additional tax revenue from the Colorado Senate bills 22-238 and 23B-001, and grants to assist with the purchase of a new ambulance.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements. At the end of the current fiscal year, the District's governmental funds reported an ending unassigned fund balance of \$806,817 in the general fund. Restricted fund balance of \$22,669 is not available for new spending under restrictions required by the Colorado Taxpayer Bill of Rights (TABOR).

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2024 amounted to \$839,656 (net accumulated depreciation). This investment in capital assets includes land, buildings, equipment, and vehicles. Additional information can be found in Note 4 to the financial statements.

BUDGET ANALYSIS

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Tax Revenue	\$ 661,868	\$ 661,868	\$ 736,212	\$ 74,344
Grants, Donations, and Other	105,342	105,342	100,055	(5,287)
Investment Earnings	24,102	24,102	41,672	17,570
Charges for Services	-	-	18,211	18,211
Total Revenues	791,312	791,312	896,150	104,838
Expenditures				
Payroll Expenses	189,790	189,790	170,159	19,631
Administrative	143,906	143,906	77,386	66,520
Fire Fighting and Medical Supplies	238,600	238,600	101,314	137,286
Capital Outlay	504,800	504,800	406,768	98,032
Total Expenditures	1,077,096	1,077,096	755,627	321,469
Net Change in Fund Balance	(285,784)	(285,784)	140,523	426,307
Beginning Fund Balance, January 1	145,316	145,316	688,963	543,647
Ending Fund Balance, December 31	\$ (140,468)	\$ (140,468)	\$ 829,486	\$ 969,954

Budgeted Revenue

Revenues increased from budgeted amounts from an additional tax revenue received due to one time payments from the Colorado Senate bills 22-238 and 23B-001.

Budgeted Expenditures

Expenses were lower than budgeted due to lower than expected depreciation and interest expenses along with reduced maintenance costs and costs to restock firefighting/medical supplies.

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

BUDGET ANALYSIS (CONTINUED)

Request for information

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

Southern Park County Fire Protection District
Attn: Mike Brandt, Treasurer
PO Box 11
Guffey, CO 80820

Or

Treasurer@GuffeyFire.Net

FINANCIAL STATEMENTS

**SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
GOVERNMENT-WIDE
December 31, 2024**

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 825,033
Cash Held by County Treasurer	4,513
Property Tax Receivable	624,364
Land	56,189
Capital Assets, Net of Depreciation	783,467
Total Assets	\$ 2,293,566
LIABILITIES	
Accounts Payable	\$ 60
Total Liabilities	\$ 60
DEFERRED INFLOWS OF RESOURCES	
Unearned Tax Revenue	\$ 624,364
Total Deferred Inflows of Resources	\$ 624,364
NET POSITION	
Net Investment in Capital Assets	\$ 839,656
Restricted	22,669
Unrestricted	806,817
Total Net Position	\$ 1,669,142

See accompanying notes to financial statements.

SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
GOVERNMENT-WIDE
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues		Net Program Expense
		Charges for Services	Operating Grants and Contributions	
Administration				
Salaries and Benefits	\$ 67,061	\$ -	\$ -	\$ 67,061
Professional Fees	7,018	-	-	7,018
Insurance	25,240	-	-	25,240
Office Supplies and Services	4,366	-	-	4,366
Telephone and Utilities	12,644	-	-	12,644
Treasurer Fees	18,318	-	-	18,318
Meetings	507	-	-	507
Contract Labor	2,256	-	-	2,256
Total Administration	137,410	-	-	137,410
Fire Fighting and Training				
Salaries and Benefits	103,098	-	-	103,098
Vehicle Fuel	7,037	-	-	7,037
Training	8,840	-	-	8,840
Fire Fighting and Medical Supplies	38,828	18,211	-	20,617
Repairs and Maintenance	53,646	-	-	53,646
Loss on Disposal of Capital Assets	4,876	-	-	4,876
Total Fire Fighting and Training	216,325	18,211	-	198,114
Fire Stations and Buildings				
Depreciation	121,339	-	-	121,339
Total Fire Stations and Buildings	121,339	-	-	121,339
Total Governmental Activities	\$ 475,074	\$ 18,211	\$ -	456,863
General Revenues				
General Property Tax				677,508
Specific Ownership Tax				58,704
Grants, Donations, and Other				100,055
Investments Earnings				41,672
Total General Revenues				877,939
Change in Net Position				421,076
Net Position - Beginning				1,248,066
Net Position - Ending				\$ 1,669,142

See accompanying notes to financial statements.

**SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUND – GENERAL FUND
December 31, 2024**

ASSETS

Cash and Cash Equivalents	\$	825,033
Cash Held by County Treasurer		4,513
Property Tax Receivable		<u>624,364</u>
 Total Assets	 \$	 <u><u>1,453,910</u></u>

LIABILITIES AND FUND BALANCE

Liabilities		
Accounts Payable	\$	<u>60</u>
 Total Liabilities		 <u>60</u>
 Deferred Inflow of Resources		
Unearned Tax Revenue		<u>624,364</u>
 Total Deferred Inflow of Resources		 <u>624,364</u>
 Fund Balance		
Restricted		22,669
Unassigned		<u>806,817</u>
 Total Fund Balance		 <u>829,486</u>
 Total Liabilities, Deferred Inflow of Resources, and Fund Balance	 \$	 <u><u>1,453,910</u></u>

See accompanying notes to financial statements.

**SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2024**

Total Fund Balance - Governmental Fund	\$ 829,486
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Amounts reported for governmental activities in the statement of net position are different because:

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

Land	56,189
Capital Assets	1,630,471
Accumulated Depreciation	<u>(847,004)</u>
 Total Net Position - Governmental Activities	 <u><u>\$ 1,669,142</u></u>

SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – GENERAL FUND
For the Year Ended December 31, 2024

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Revenues	
General Property Tax	\$ 677,508
Specific Ownership Tax	58,704
Grants, Donations, and Other	100,055
Investment Earnings	41,672
Charges for Services	18,211
Total Revenues	896,150
Expenditures	
Administration	
Current	
Salaries and Benefits	67,061
Professional Fees	7,018
Insurance	25,240
Office Supplies and Services	4,366
Telephone and Utilities	12,644
Treasurer Fees	18,318
Meetings	507
Contract Labor	2,256
Capital Outlay	406,768
Total Administration	544,178
Fire Fighting and Training	
Salaries and Benefits	103,098
Vehicle Fuel	7,037
Training	8,840
Fire Fighting and Medical Supplies	38,828
Repairs and Maintenance	53,646
Total Fire Fighting and Training	211,449
Total Expenditures	755,627
Net Change in Fund Balance	140,523
Fund Balance - Beginning	688,963
Fund Balance - Ending	\$ 829,486

See accompanying notes to financial statements.

**SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024**

Total Net Change in Fund Balance - Governmental Funds	\$	140,523
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays.

Depreciation Expense		(121,339)
Capital Outlay		406,768

In the statement of activities, only the gain or loss on the sale of capital assets is reported. Thus, the change in net assets differs from the change in fund balance by the cost of the assets sold.

Loss on the Disposal of Capital Assets		<u>(4,876)</u>
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Change in Net Position - Governmental Activities	\$	<u>421,076</u>
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NOTES TO FINANCIAL STATEMENTS

SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The District was established in 1997 as a special district as defined by Colorado State Statutes. The District was formed to provide fire suppression and protection and emergency services to the residents and visitors within their jurisdiction. The District has its own elected governing board (the Board) and levies a tax on the property within the District for operations.

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

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

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

Fund Financial Statements

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

SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District reports the following major fund:

Governmental Fund

General Fund

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

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

Governmental Fund Financial Statements

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

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

General Budget

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

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

**SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Budget Basis of Accounting

The modified accrual basis of accounting is used for budget purposes as well as financial reporting in the general fund.

Cash and Cash Equivalents

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

Property Taxes Receivable

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

Accounts Receivable

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

Capital Assets

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

The District maintains a capitalization threshold of \$5,000. Improvements to capital assets are capitalized and the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. All reported capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues

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

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

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

Property Taxes

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

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

Expenses/Expenditures

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

SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position Classifications

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

Net Investment in Capital Assets

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

Restricted Net Position

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

Unrestricted Net Position

Includes all other assets that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Balances

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

Fund balance descriptions are presented below:

Nonspendable

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

Restricted

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

Committed

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

SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances (Continued)

Assigned

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

Unassigned

This is the residual classification for the general fund.

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

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

Use of Estimates

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

New Accounting Pronouncements

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

NOTE 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

Deposits

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

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

SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Deposits (Continued)

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

The District has \$748,065 invested with the Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+) being reported at fair value. However, these investments are not subject to the fair value hierarchy. The Trust is rated AAAM by Standard & Poor's.

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

Custodial Credit Risk Deposits

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

At December 31, 2024, the District's cash deposits had a book balance of \$825,033, and a corresponding bank balance of \$831,357. The difference between the book and bank balances is due to outstanding checks and deposits not yet processed by the banks. Of the bank balance, \$82,325 was covered by federal depository insurance. The remainder of the bank balance was collateralized with securities held by the pledging financial institution and covered by eligible collateral as determined by PDPA.

NOTE 3 - ACCOUNTS RECEIVABLE

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

**SOUTHERN PARK COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

NOTE 4 - CAPITAL ASSETS

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

	Balance January 1,	Additions	Dispositions	Balance December 31,	Useful Lives
Capital Assets, Not Being Depreciated					
Land	\$ 56,189	\$ -	\$ -	\$ 56,189	Undefined
Capital Assets, Being Depreciated:					
Building	305,109	-	-	305,109	5-40 Years
Vehicles	717,753	375,432	(155,798)	937,387	10 Years
Medical Equipment	141,964	-	-	141,964	5 Years
Equipment	214,675	31,336	-	246,011	5 Years
Total	1,379,501	406,768	(155,798)	1,630,471	
Less Accumulated Depreciation:					
Total	(876,587)	(121,339)	150,922	(847,004)	
Capital Assets, Being Depreciated, Net	502,914	285,429	(4,876)	783,467	
Total Capital Assets, Net	\$ 559,103	\$ 285,429	\$ (4,876)	\$ 839,656	

Depreciation expense for the year ended December 31, 2024 was \$121,339.

NOTE 5 - TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, otherwise known as the Taxpayer Bill of Rights (TABOR), which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. However, the District has made certain interpretations of TABOR's language in order to determine its compliance. Net Position and fund balance in the General Fund in the amount of \$22,669 at December 31, 2024 is restricted in accordance with TABOR.

NOTE 6 - RISK OF LOSS

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

NOTE 7 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 25, 2025, which is the date the financial statements were available to be issued. As of the date of the report, the District has spent approximately \$140,000 on the purchase and retrofitting of vehicles.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

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

	Budgeted Amounts		Actual Budgetary Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Tax Revenue	\$ 661,868	\$ 661,868	\$ 736,212	\$ 74,344
Grants, Donations, and Other	105,342	105,342	100,055	(5,287)
Investment Earnings	24,102	24,102	41,672	17,570
Charges for Services	-	-	18,211	18,211
Total Revenues	791,312	791,312	896,150	104,838
Expenditures				
Payroll Expenses	189,790	189,790	170,159	19,631
Administrative	143,906	143,906	77,386	66,520
Fire Fighting and Medical Supplies	238,600	238,600	101,314	137,286
Capital Outlay	504,800	504,800	406,768	98,032
Total Expenditures	1,077,096	1,077,096	755,627	321,469
Net Change in Fund Balance	(285,784)	(285,784)	140,523	426,307
Beginning Fund Balance, January 1	145,316	145,316	688,963	543,647
Ending Fund Balance, December 31	\$ (140,468)	\$ (140,468)	\$ 829,486	\$ 969,954

See independent auditors' report and notes to required supplementary information.

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

BUDGETARY INFORMATION

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

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

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