Aspen Fire Protection District

Financial Statements

December 31, 2025

Aspen Fire Protection District

420 E Hopkins Avenue ▪ Aspen, CO 81611 ▪ 970-925-5532 ▪ www.aspenfire.com

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Financial Report
December 31, 2025

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M & A

McMahan and Associates, L.L.C.

Certified Public Accountants and Consultants

Web Site: www.McMahanCPA.com Main Office: (970) 845-8800

INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the discretely presented component unit of Aspen Fire Protection District (the "District"), as of and for the year ended December 31, 2025, which collectively comprise the District's basic financial statements as listed in table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the discretely presented component unit as of December 31, 2025 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 ("U.S. GAAP").

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). 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 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

District's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. 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 one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 U.S. 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 U.S. 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

U.S. GAAP requires the Management's Discussion and Analysis in Section B, the Schedule of the District's Proportionate Share of the Net Pension Liability/(Asset), the Schedule of District Contributions (Statewide Retirement Plan), the Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios, the Schedule of District Contributions (Volunteer Pension Fund), and the Notes to the Required Supplementary Information in Section E, 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 section B in accordance with U.S. 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.

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Aspen Fire Protection District
Aspen, Colorado

Required Supplementary Information (continued)

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. The budgetary comparison information in section E is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining fund financial statements and individual fund budgetary information in Section F are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining fund financial statements and individual fund budgetary information in Section F is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the combining fund financial statements and individual fund budgetary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
September 3, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Aspen Fire Protection District

420 E Hopkins Avenue • Aspen, CO 81611 • 970-925-5532 • www.aspenfire.com

Management’s Discussion and Analysis

As management of Aspen Fire Protection District, (the “District”), we offer readers of the District’s financial statements this management’s discussion and analysis. This analysis provides a narrative overview and analysis of the financial statements of the District for the fiscal year ended December 31, 2025, focusing on why amounts changed from the prior year.

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 consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District’s finances, in a manner similar to a private-sector business. The government-wide financial statements include the governmental activities and the District’s discretely presented component unit.

The statement of net position presents financial information on all the District assets, liabilities, and deferred inflows/outflows of resources, 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 related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused paid time off).

Both government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District are for public safety purposes.

The government-wide financial statements include not only the District itself (known as the primary government), but also a legally separate nonprofit corporation for which the District is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.
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The government-wide financial statements can be found in Section C of this report.

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. All of the funds of the District are classified as governmental funds.

Governmental 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, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government’s near-term financing requirements.

Overview of the Financial Statements (continued)

Fund Financial Statements (continued)

Governmental Funds (continued) 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. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund, and the Housing Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The basic governmental fund financial statements can be found in Section C of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the financial statements. The District uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies).

The notes to the financial statements can be found in Section D of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information. The District presents budgetary comparison schedules for the General Fund and the Housing Fund; and the District's progress in funding its obligations to provide pension benefits to its employees.

Required supplementary information can be found immediately after the notes to the financial statements in Section E of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on budgetary comparisons, and pensions.

Combining and individual fund statements and schedules can be found in Section F of this report.

Financial Summary and Detailed Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $24.5 million, at the close of the most recent fiscal year, an increase of $0.8 million from the previous year.

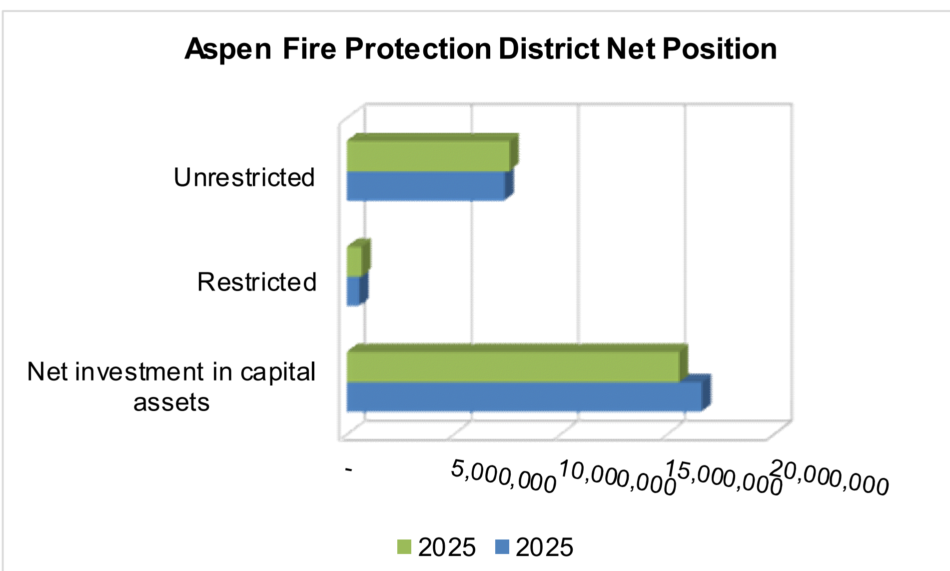
Financial Summary and Detailed Analysis (continued)

Aspen Fire Protection District's Net Position

	2025	2024
Assets:		
Current assets	$ 20,104,704	$ 19,604,096
Capital assets	29,579,267	30,278,872
Total Assets	49,683,971	49,882,968
Total Deferred Outflows of Resources	1,640,566	1,792,991
Liabilities:		
Other liabilities	260,122	290,343
Long-term liabilities	15,244,368	16,200,710
Total Liabilities	15,504,490	16,491,053
Total Deferred Inflows of Resources	11,369,199	11,460,929
Net Position:		
Net investment in capital assets	16,582,812	15,511,191
Restricted	526,835	639,200
Unrestricted	7,341,201	7,573,586
Total Net Position	$ 24,450,848	$ 23,723,977

The largest portion of the District's net position, $16.6 million, reflects its investment in capital assets (e.g., land, buildings, building improvements, machinery, equipment, and vehicles), net of accumulated depreciation and less any related outstanding debt that was used to acquire those assets. The District uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, $0.5 million represents resources that are subject to external restrictions on how they may be used.



Financial Summary and Detailed Analysis (continued)

Long-term liabilities, which consist of bonds, certificates of participation, compensated absences, and pension obligations, decreased $956,342 from the prior year. The decrease is mostly attributed to $1,635,000 of principal payments made on long-term debt, offset by an increase of $894,387 in net pension liabilities, and $155,445 of amortization expense related to long-term debt premiums.

Aspen Fire Protection District's Change in Net Position

	2025	2024
Revenues:		
Program revenues:		
Charges for services	$ 673,986	$ 598,648
Operating grants and contributions	361,692	1,000,747
Capital grants and contributions	473,919	-
General revenues:		
Property taxes	10,946,147	10,198,285
Specific ownership taxes	311,654	295,641
Interest on delinquent taxes	22,334	19,212
Miscellaneous	-	169,518
Unrestricted investment earnings	425,375	464,795
Total Revenues	13,215,107	12,746,846
Expenses:		
Public safety	12,047,875	8,968,218
Interest on long-term debt	393,158	423,113
Total Expenses	12,441,033	9,391,331
Change in Net Position	774,074	3,355,515
Net Position - January 1, as Previously Printed	23,723,977	20,368,462
Adjustments	(47,203)	-
Net Position - As Restated	23,676,774	20,368,462
Net Position - December 31	$ 24,450,848	$ 23,723,977

Total revenues increased slightly by $468,261 from prior year.

Property taxes make up the largest source of revenue from the District, accounting for 82.8% of 2025 revenue. Property tax revenues increased 7.3% from 2024. The change is attributed to the District levying mills for collection year 2025 for general obligation bond debt service, which was not done in 2024 due to adequate fund balance.

The District also received a capital contribution from the Aspen Wildfire Foundation for $473,919, for the donation of a wildland fire truck.

Expenses increased during the current year by $3,049,702, or 32.5%. Most of this change is fueled by pension expense. Between 2024 and 2025, pension expense grew $2,092,646, which is due to changes in actuarial assumptions, investment performance, differences between actual and expected experience, and the recognition of deferred inflows and outflows of resources associated with the plans. Pension expense is calculated using actuarial measurements and may fluctuate from year to year independent of District contributions.

Detailed Analysis of Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District reports four major funds individually in the governmental fund financial statements, the General Fund, the Debt Service Fund, and the Housing Fund (a special revenue fund).

General Fund. The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was $1,960,281, while total fund balance decreased to $4,008,337. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 16.6% of total General Fund expenditures and transfers out, while total fund balance represents 33.9% of the same amount.

The fund balance of the General Fund decreased by $233,482 during the current fiscal year. The decrease was largely due to unfavorable personnel (salaries, wages, and benefits) costs. Personnel costs make up the largest percent of expenditures, accounting for 65.3% and 68.1%, of current year and prior year expenditures, respectively. Non-pension retirement expense and health insurance costs were both higher than expected due to an increase in employees.

Housing Fund. The Housing Fund had an increase in fund balance of $1,045,887 from 2024. A portion of the large increase in fund balance is attributed to earnest deposits that have been paid to a developer of condominium units, which the District has committed to purchasing. These deposits were moved out of expenditures and reflected as deposits on the balance sheet, until such sales are executed. These units will be utilized as employee housing units. General Fund subsidies (transfers in) accounted for 83.7% of 2025 total revenue. These transfers are funded by a 2018 ballot measure which authorized the District to increase the District's property tax mill levy for an additional 20-year period through collection year 2038, which may be utilized to provide firefighter housing. The District also pays for the 2019 certificates of participation out of this fund, which were utilized to construct employee housing units.

Debt Service Fund. The Debt Service Fund had a decrease in fund balance of $9,162 during the year.

Budget Variances in the General Fund

Total expenditures in the General Fund had a $755,821 unfavorable budget variance at year end. As discussed previously, a portion of this unfavorable variance ($473,919) is attributed to the donation of a wildland fire truck, which was donated through the District's component unit. The District also experienced higher personnel costs than expected relating to health insurance and non-pension retirement benefits.

Significant Capital Assets and Long-term Financing Activity

Capital assets. In 2025, the District purchased new vehicles, improved building systems and equipment.

Additional information as well as a detailed classification of the District's capital assets can be found in Section D of this report.

Long-term financing. The District is required to report its net pension liabilities or assets. In addition, the District currently has compensated absences and certificates of participation outstanding, for which annual appropriations will be required until 2038. As of December 31, 2025, the District had $15,008,810 of net pension liabilities, compensated absences and general obligation bonds and certificates of participation.

Additional information on the District's long-term financings can be found in Section D of this report.

Next Year's Budget and Rates

The District's General Fund balance at the end of the current fiscal year was $4,008,337. The District's 2026 budget is conservatively prepared and anticipates a $220,000 positive change in fund balance.

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 information should be addressed to the District's Administrative Offices, 420 E Hopkins Ave, Aspen Colorado 81611.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Aspen Fire Protection District

420 E Hopkins Avenue • Aspen, CO 81611 • 970-925-5532 • www.aspenfire.com

Aspen Fire Protection District
Statement of Net Position
December 31, 2025

	Primary Government Governmental Activities	Component Unit Aspen Wildfire Foundation
Assets:		
Cash and investments	7,857,039	532,334
Cash with County Treasurer	24,653	-
Restricted cash and investments	201,736	335,599
Due from other governments	165,561	-
Property taxes receivable	10,694,040	-
Grants receivable	16,615	-
Other receivable	96,966	-
Prepaid expenses	401,719	-
Deposits	646,375	-
Capital assets, net of accumulated depreciation	29,579,267	-
Total Assets	49,683,971	867,933
Deferred Outflows of Resources:		
Pension related deferred outflows	1,640,566	-
Total Deferred Outflows of Resources	1,640,566	-
Liabilities:		
Accounts payable	111,743	-
Accrued expenses	113,806	-
Prepaid rents	9,700	-
Accrued interest payable	24,873	-
Long-term liabilities:		-
Due within one year	1,804,478	-
Due in more than one year	11,629,888	-
Net pension liability - Volunteer Pension Fund	1,810,002	-
Total Liabilities	15,504,490	-
Deferred Inflows of Resources:		
Unavailable property taxes	10,694,040	-
Pension related deferred inflows	675,159	-
Total Deferred Inflows of Resources	11,369,199	-
Net Position:		
Net investment in capital assets	16,582,812	-
Restricted for emergencies	377,000	-
Restricted for debt service	149,835	-
Restricted for donor stipulated purchases	-	414,437
Unrestricted	7,341,201	453,496
Total Net Position	24,450,848	867,933

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

Aspen Fire Protection District
Statement of Activities
For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Primary Government				Component Unit
Functions/Programs:	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Aspen Wildfire Foundation**
Primary government:						
Governmental Activities:						
Public safety	12,047,875	673,986	361,692	473,919	(10,538,278)	-
Interest on long-term debt	393,158	-	-	-	(393,158)	-
Total Governmental Activities	12,441,033	673,986	361,692	473,919	(10,931,436)	-
Component unit:						
Aspen Wildfire Foundation	614,740	-	593,645	834,181	-	813,086
	614,740	-	593,645	834,181	-	813,086
General Revenues:						
Taxes:						
Property taxes					10,946,147	-
Specific ownership taxes					311,654	-
Interest on delinquent taxes					22,334	-
Unrestricted investment earnings					425,375	7,644
Total General Revenues					11,705,510	7,644
Change in Net Position					774,074	820,730
Net Position - Beginning, as Previously Presented					23,723,977	-
Adjustments					(47,203)	47,203
Net Position - Beginning, As Restated					23,676,774	47,203
Net Position - Ending					24,450,848	867,933

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

Aspen Fire Protection District
Governmental Funds
Balance Sheet
December 31, 2025

	General Fund	Debt Service Fund	Housing Fund	Non-major Governmental Funds	Total
Assets:					
Cash and investments	3,250,452	-	2,632,316	1,974,271	7,857,039
Cash with County Treasurer	24,653	-	-	-	24,653
Restricted cash and investments	-	164,628	37,108	-	201,736
Due from other governments	165,561	-	-	-	165,561
Property taxes receivable	9,651,990	1,042,050	-	-	10,694,040
Grants receivable	16,615	-	-	-	16,615
Other receivable	79,248	-	17,718	-	96,966
Prepaid expenditures	241,550	-	10,940	149,229	401,719
Deposits	-	-	646,375	-	646,375
Due (to) / from other funds	411,130	-	-	-	411,130
Total Assets	13,841,199	1,206,678	3,344,457	2,123,500	20,515,834
Liabilities:					
Accounts payable	104,174	-	2,069	5,500	111,743
Accrued expenses	76,698	-	37,108	-	113,806
Prepaid rents	-	-	9,700	-	9,700
Due to other funds	-	14,793	37,308	359,029	411,130
Total Liabilities	180,872	14,793	86,185	364,529	646,379
Deferred Inflows of Resources:					
Unavailable property taxes	9,651,990	1,042,050	-	-	10,694,040
Total Deferred Inflows of Resources	9,651,990	1,042,050	-	-	10,694,040
Fund Balances:					
Non-spendable	241,550	-	657,315	149,229	1,048,094
Restricted	377,000	149,835	-	-	526,835
Assigned	1,429,506	-	-	-	1,429,506
Committed	-	-	2,600,957	1,609,742	4,210,699
Unassigned	1,960,281	-	-	-	1,960,281
Total Fund Balances	4,008,337	149,835	3,258,272	1,758,971	9,175,415
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	13,841,199	1,206,678	3,344,457	2,123,500	20,515,834

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

Aspen Fire Protection District
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2025

Governmental Funds Total Fund Balance		9,175,415
Capital assets used in governmental activities are not considered current financial resources and, therefore, not reported in the governmental funds.		29,579,267
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings and contributions subsequent to the measurement date for pensions are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Pension related deferred outflows of resources	1,640,566	
Pension related deferred inflows of resources	(675,159)	
		965,407
Long-term liabilities and related deferred items are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities and related items include:		
Bonds and notes payable	(11,960,000)	
Accrued compensated absences	(437,911)	
Accrued interest payable	(24,873)	
Net pension liabilities	(1,810,002)	
		(14,232,786)
Governmental funds report the effect of premiums, refundings, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Premium on bonds and certificates of participation payable	(1,036,455)	
		(1,036,455)
Net position of governmental activities		24,450,848

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

Aspen Fire Protection District
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2025

	General Fund	Debt Service Fund	Housing Fund	Non-major Governmental Funds	Total
Revenues:					
Property taxes	9,888,435	1,057,712	-	-	10,946,147
Specific ownership taxes	280,128	31,526	-	-	311,654
Interest on delinquent taxes	20,136	2,198	-	-	22,334
Charges for services	436,140	-	237,846	-	673,986
Investment income	180,544	30,115	130,732	83,984	425,375
Grants and contributions	641,035	-	-	51,400	692,435
Other	140,022	-	3,154	-	143,176
Total Revenues	11,586,440	1,121,551	371,732	135,384	13,215,107
Expenditures:					
Current:					
Fire fighting	470,001	-	-	-	470,001
Fire fighting - Wildfire Program	304,348	-	-	-	304,348
Administrative	1,218,657	54,138	2,500	10,992	1,286,287
Personnel (salaries, wages, and benefits):	6,360,117	-	-	40,829	6,400,946
Fire prevention	24,997	-	-	-	24,997
Training	197,837	-	-	-	197,837
Communications	157,363	-	-	-	157,363
Fleet and equipment repairs	245,812	-	-	-	245,812
Operations	-	-	-	87,443	87,443
Stations, buildings and grounds	282,575	-	-	-	282,575
Aspen Fireplace rental operations	-	-	107,624	-	107,624
Capital outlay	473,919	-	28,017	140,877	642,813
Debt service:					
Principal	-	1,005,000	630,000	-	1,635,000
Interest	-	71,575	462,000	-	533,575
Total Expenditures	9,735,626	1,130,713	1,230,141	280,141	12,376,621
Excess (Deficiency) of Revenues Over Expenditures	1,850,814	(9,162)	(858,409)	(144,757)	838,486
Other Financing Sources (Uses):					
Transfers in (out)	(2,084,296)	-	1,904,296	180,000	-
Total Other Financing Sources (Uses)	(2,084,296)	-	1,904,296	180,000	-
Net Change in Fund Balances	(233,482)	(9,162)	1,045,887	35,243	838,486
Fund Balance - Beginning, as Previously Presented	4,241,819	158,997	2,212,385	1,770,931	8,384,132
Adjustments	-	-	-	(47,203)	(47,203)
Fund Balance - Beginning, as Restated	4,241,819	158,997	2,212,385	1,723,728	8,336,929
Fund Balances - Ending	4,008,337	149,835	3,258,272	1,758,971	9,175,415

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

Aspen Fire Protection District
Reconciliation of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2025

Net Change in Fund Balances of Governmental Funds		838,486
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 of by which depreciation exceeded capital outlay expenses for the year.		
Capital outlays	580,298	
Depreciation expense	(1,279,903)	
		(699,605)
The issuance of long-term debt (e.g., bonds, leases, subscriptions, and notes payable, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net position. This is the effect the net difference in the treatment of the repayment of principal of long-term debt in the current year:		
Principal paid on bonds and certificate of participation		1,635,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Details of these items are as follows:		
Change in accrued compensated absences	60,284	
Amortization of bond premiums	155,445	
Amortization of deferred amounts on refunding	(19,219)	
Change in accrued interest	4,191	
Changes in pension liabilities and related deferred outflows and inflows of resources	(1,200,508)	
		(999,807)
Change in Net Position of Governmental Activities		774,074

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

NOTES TO THE FINANCIAL STATEMENTS

Aspen Fire Protection District

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I. Summary of Significant Accounting Policies

The Aspen Fire Protection District (the "District") is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide emergency and non-emergency services for the protection of life and property in Aspen, Colorado and the surrounding areas.

The financial statements of the District have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established by GAAP used by the District are discussed below.

Financial Reporting Entity

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

Based on the application of these criteria, the District includes a nonprofit within its reporting entity. The Aspen Wildfire Foundation (the "Foundation") is a 501(c)(3) corporation and is included in the District's reporting entity because the nature and significance of its relationship with the District are such that exclusion would cause the financial statements to be misleading or incomplete. Because the Foundation is legally separate from the District and does not provide services exclusively or almost exclusively to the District, it is reported as a discretely presented component unit.

Government-wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Government-wide financial statements report information on all the activities of the District. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District does not report any business-type activities.

The statement of activities reports both the gross and net cost of each of the District's governmental. The governmental functions are also supported by general government revenues (property taxes, specific ownership taxes, investment earnings, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants.

Program revenues must be directly associated with the governmental function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's operations.

I. Summary of Significant Accounting Policies (continued)

Fund Financial Statements

The financial transactions of the District are reported in individual fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise assets, liabilities, fund equity, revenues, and expenditures/expenses.

The fund focus is on current available resources and budget compliance.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources.

The *Debt Service Fund is* used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The District's Debt Service Fund accounts for property taxes levied for debt and interest payments on general obligation bonds.

The *Housing Fund* is a special revenue fund used to account for the rent revenue and operations of District's housing projects.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source, and expenditures or expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both the governmental and business-type activities in the government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred.

I. Summary of Significant Accounting Policies (continued)

<u>Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)</u>

2. Current Financial Focus and Modified Accrual Basis (continued)

The exception to this general rule is that principal and interest on general long-term debt and compensated absences are recorded only when payment is due. Property taxes, intergovernmental revenues, charges for services, other taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when qualified expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the District.

<u>Financial Statement Accounts</u>

Cash and Cash Equivalents

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with original maturities of three months or less. Investments are stated at net asset value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

The District is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, custodial and concentration risk criteria in which local governments may invest, which include (with applicable minimum Nationally Recognized Statistical Rating Organization credit rating restrictions):

- Obligations of the United States and certain U.S. agency securities
- General obligation and revenue bonds of U.S. local government entities (AA)
- Bankers' acceptance of certain banks (AA)
- Commercial paper and corporate bonds (A-1)
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds (AAAm)
- Certificates of deposit – non-negotiable
- Local government investment pools (AAAm)

Receivables

All property tax and other receivables are shown net of an allowance for uncollectible accounts, which was $0 at December 31, 2025.

Prepaid Expenses

The District uses the consumption method to account for prepaid items. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

Deposits

Deposits represent earnest money paid on housing units to be acquired for employee housing and are recorded as assets until closing

I. Summary of Significant Accounting Policies (continued)

Financial Statement Accounts

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets that have a useful life of one or more years and have a cost of $10,000 or more. Such assets are recorded at cost where historical records are available and at an estimated historical cost where no historical record exists. Donated capital assets are recorded at acquisition value.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital outlay for projects is capitalized as projects are constructed. Costs related to the construction of assets including engineering, legal, surveying, and landscaping that were incurred from the beginning of construction until the assets were substantially complete are capitalized. Interest is expensed as incurred.

Capital assets (excluding land) are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings	40 years
Mobile equipment	5 - 25 years
Firefighting and training equipment	7 - 15 years
Administrative assets	5 - 7 years

Interfund Receivables and Payables

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Balances at year-end between funds are reported as “due to/from other fund” in the fund financial statements.

Compensated Absences

The District allows its employees to accumulate paid time off (“PTO”), based on the employees’ years of continuous service. PTO may be used for vacation, personal time, and other health and safety reasons pursuant to the Healthy Family and Workplaces Act. Full-time employees earn 4.61 – 12.92 hours of PTO a pay period, up to a maximum total accrual of 952 hours. Up to one week of unused but earned PTO can be cashed out annually, so long as at least two weeks are left in the bank after cash-out.

The liability for PTO is reported as incurred in the government-wide financial statements. A liability for PTO is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for PTO includes salary-related benefits, where applicable.

Any unused but earned PTO upon termination is paid out up to the maximum accrual at the employee’s current pay rate.

I. Summary of Significant Accounting Policies (continued)

Financial Statement Accounts

Long-term Debt

In the governmental activities financial statements, long-term obligations are reported as liabilities.

In the governmental fund financial statements, the face amount of the debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources or uses. Issuance costs are reported as current period expenditures.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The District has one item that qualifies for reporting in this category. The deferred amounts related to pensions relate to difference between estimated and actual investment earnings, changes in actuarial assumptions, and other pension related changes, the detail of which can be found in Note III.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category. Unavailable revenue from property taxes, reported in the governmental balance sheet are deferred and recognized as an inflow from resources in the period that the amounts become available. The deferred amounts related to pensions relate to difference between estimated and actual investment earnings, changes in actuarial assumptions, and other pension related changes, the detail of which can be found in Note III.

Pensions

1. Statewide Retirement Plan

The District contributes to the Statewide Retirement Plan (“SRP”), a cost-sharing multiple-employer defined benefit pension plans administered by the Fire and Police Pension Association of Colorado (“FPPA”). SRP consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the SRP plan and additions to/deductions from the SRP plans fiduciary net position have been determined on the same basis as they are reported by the FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

I. Summary of Significant Accounting Policies (continued)

Financial Statement Accounts

Pensions (continued)

2. Volunteer Firefighters' Plan

The District contributes to a defined benefit pension plan to provide retirement income for volunteer firefighters in recognition of their service to the District. This plan is an agent multiple-employer Public Employee Retirement System affiliated with the FPPA for the purpose of administering the plan and managing the funds of the plan for investment.

Categories and Classification of Fund Balances

Government accounting standards establish fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, include Non-spendable, Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity to the level of restriction place upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification with the General Fund. The General Fund should be the only fund balance that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

The District classified governmental fund balances as follows:

Non-spendable – includes fund balance amounts inherently non-spendable since they represent inventories, prepaid items, etc.

Spendable Fund Balance:

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation. The General Fund had $377,000 restricted by law for emergencies. The entire balance in the Debt Service fund was restricted for debt service payments.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority, which is the Board of the District.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board of the District or its management designees.

Unassigned – includes residual positive fund balance within the General Fund, which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

I. Summary of Significant Accounting Policies (continued)

<u>Financial Statement Accounts</u>

Categories and Classification of Fund Balances (continued)

The District uses restricted amounts first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit this, such as grant agreements that require dollar for dollar spending. The District would first use committed, then assigned and lastly unassigned amounts when expenditures are made. The District does not have an adopted minimum fund balance policy. The District's budget includes calculations of targeted reserves, and is reported annually to the Board of the District.

<u>Significant Accounting Policies</u>

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Credit Risk

Receivables in the District's General Fund are primarily due from other governments. Management believes that the credit risk related to these receivables is minimal.

Restricted and Unrestricted Resources

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.

II. Stewardship, Compliance and Accountability

<u>Budgets and Budgetary Accounting</u>

In the fall of each year, the District's Board of Directors formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Colorado Local Budget Law. The budget for the governmental funds and the fiduciary fund are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).

(1) For the 2025 budget, prior to October 15, 2024, the budget office submits to the board a proposed budget for the fiscal year commencing the following January 1. Upon receiving the proposed budget, the District will publish a "Notice of Budget". The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the board to obtain taxpayer comments.

(2) On or before December 15, 2024, the District submits a certification of mill levy to the county commissioners; the budget is approved through passage of a formal resolution prior to the submission of the certification.

(3) For the 2025 budget, prior to December 15, 2024, the District computed and certified to the County Commissioners a rate of a levy that derived the necessary property taxes as computed in the proposed budget.

II. Stewardship, Compliance and Accountability (continued)

Budgets and Budgetary Accounting (continued)

(4) After adoption of the budget resolution, the District may make the following changes: (a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; (b) it may approve supplemental appropriations to the extent of revenues in excess of the estimated in the budget; (c) it may approve emergency appropriations; and (d) it may approve the reduction of appropriations for which originally estimated revenues are insufficient.

All appropriations lapse at a year-end.

Taxes levied in one year are collected in the succeeding year. Thus taxes certified in 2024 were collected in 2025 and taxes certified in 2025 will be collected in 2026. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 15th.

The following funds had expenditures in excess of appropriations for fiscal year 2025, which may be a violation of state statute:

Fund	Final Budget, Including Transfers Out	2025 Expenditures	Over Budget
General Fund	$ 11,064,100	$ 11,819,922	$ 755,822
Housing Fund	1,221,493	1,230,141	8,648

TABOR Amendment - Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (“TABOR”). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service) for the fiscal year ended December 31, 2025. The District has reserved a portion of its December 31, 2025 year-end fund balance in the General Fund for emergencies as required under TABOR in the amount of $377,000 which is the approximate required reserve at December 31, 2025.

II. Stewardship, Compliance and Accountability (continued)

<u>TABOR Amendment - Revenue and Spending Limitation Amendment (continued)</u>

The initial base for local government spending and revenue limits is December 31, 1992, fiscal year spending. Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

On November 2, 1999 the District's electorate approved exemption from certain aspects of TABOR. The electorate approved the following ballot question: *Shall Aspen Fire Protection District be authorized to collect, retain and spend all revenue and other funds received from any source, including without limitation the Districts current property tax rate of 0.874 Mills, which rate shall not be increased without subsequent voter approval, commencing as of January 1, 1998, and continuing annually thereafter until repealed, as a voter approved revenue change, offset and exception to the limits which would otherwise apply under, and without regard to any spending, revenue-raising or other limitation contained within Article X, Section 20 of the Colorado Constitution or any other law, and as a permanent waiver of the 5.5% Limitation under section 29-1-301, C.R.S.*

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

III. Detailed Notes on All Funds

<u>Deposits and Investments</u>

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 in deposit in excess of Federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of collateral must be at least equal to the aggregate uninsured deposits.

Local Government Investment Pool – At December 31, 2025, the District had invested $7,709,624 in the Colorado Government Liquid Asset Trust ("COLOTRUST"). COLOTRUST is an investment vehicle established by State statute for local government entities in Colorado to pool surplus funds for investment purposes, and is registered with the State Securities Commissioner. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment.

The majority of securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify investments owned by COLOTRUST. COLOTRUST's investments consist of U.S. Treasury and U.S. agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. agency securities. These investments are not categorized because the underlying securities cannot be determined. Of the investments held in COLOTRUST at December 31, 2025, the District had invested in COLOTRUST PLUS+, which operates similarly to money market funds and each share is equal in value to $1.

III. Detailed Notes on All Funds

Deposits and Investments (continued)

At December 31, 2025, the District had the following cash and investments with the following maturities:

	Standard & Poor's Rating	Carrying Amounts	Investment Maturities: Less than 1 year	Investment Maturities: 1 to 5 Years
Cash and Cash Equivalents:				
Checking	Not rated	$ 349,151	$ 349,151	$ -
Investments:				
Colotrust	AAAm	7,709,624	7,709,624	-
Total Cash and Investments		**$ 8,058,775**	**$ 8,058,775**	**$ -**

The District measures and records its investments using fair value measurement guidelines established by GAAP. At December 31, 2025, the District had the following recurring fair value measurements:

Investments Measured at Net Asset Value	Total
Colotrust	$ 7,709,624

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the District diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The District coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years from the purchase date. As a result of the limited length on maturities, the District has limited its interest rate risk.

Credit Risk. State law and District policy limit investments to those authorized by State statutes as listed in Note I.D. The District's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The District diversifies its investments by security type and institution. Investments may only be made in those financial institutions which are insured by the Federal Deposit Insurance Corporation, the Federal Home Mortgage Association, the Federal Savings and Loan Insurance Corporation, congressionally authorized mortgage lenders and investments that are federally guaranteed. Financial institutions holding District funds must provide the District with a statement of collateral in the form of a listing of securities pledged, and a copy of the certificate from the Banking Authority that states that the institution is an eligible depository.

III. Detailed Notes on All Funds (continued)

Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2025, is as follows:

	Payable Fund:			
	Debt Service Fund	Housing Fund	Non-major Governmental Funds	Total
Receivable fund:				
General Fund	$ 14,793	$ 37,308	$ 359,029	$ 411,130

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

interfund transfers for the year ended December 31, 2025, is as follows:

	Transfers In:		
	Housing Fund	Non-major Governmental Funds	Total
Transfers out:			
General Fund	$ 1,904,296	$ 180,000	$ 2,084,296

Capital Assets

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 1,700,000	$ -	$ -	$ 1,700,000
Total capital assets not being depreciated	1,700,000	-	-	1,700,000
Capital assets being depreciated:				
Buildings and improvements	32,294,465	-	-	32,294,465
Mobile equipment	5,892,521	473,919	-	6,366,440
Firefighting and training equipment	618,700	106,379	-	725,079
Administrative assets	434,990	-	-	434,990
Total capital assets being depreciated	39,240,676	580,298	-	39,820,974
Less accumulated depreciation for:				
Buildings and improvements	(6,905,142)	(895,610)		(7,800,752)
Mobile equipment	(3,254,955)	(289,821)		(3,544,776)
Firefighting and training equipment	(163,340)	(62,380)		(225,720)
Administrative assets	(338,367)	(32,092)		(370,459)
Total accumulated depreciation	(10,661,804)	(1,279,903)	-	(11,941,707)
Total capital assets being depreciated, net	28,578,872	(699,605)	-	27,879,267
Total capital assets, net	**$ 30,278,872**	**$ (699,605)**	**$ -**	**$ 29,579,267**

III. Detailed Notes on All Funds (continued)

Long-Term Liabilities

1. General Obligation Refunding Bonds, Series 2012

On March 20, 2012, the District issued General Obligation Refunding Bonds, Series 2012 in the amount of $8,775,000. The net proceeds of these bonds were deposited in an escrow account for the advance refunding of the General Obligation Bonds, Series 2006, maturing on December 1, 2018 through December 1, 2027. The bonds are issued in denominations of $5,000 and bear interest at an annual rate of 2.0% to 3.5%. The bonds maturing on and after December 1, 2023 are subject to redemption prior to maturity at the option of the District at a redemption price equal to the principal amount plus accrued interest. These funds were issued at a present value savings of $514,188.

The following is a schedule of future principal and interest payments due at December 31, 2025

Year	Principal	Interest	Total
2026	$ 1,040,000	$ 71,575	$ 1,111,575

2. Certificates of Participation, Series 2019

On December 10, 2019, the District issued $14,375,000 in Certificates of Participation. The net proceeds of $16,014,358, after issuance costs of $197,287 and original issue premium of $1,836,645, will be used to construct fire fighter housing at Station 62. Interest with rates ranging from 3.00% to 4.00% is payable semi-annually on June 1 and December 1, with base rental payments payable December 1.

The certificates are not subject to optional redemption, in whole or in part in integral multiples of $5,000, and if in part in such order of maturities as directed by the District and by lot within a maturity, on any date on and after December 1, 2030, at a redemption price equal to the principal amount of the Certificates to be redeemed, plus accrued interest to the redemption date (without any premium), in the event of, and to the extent that moneys are actually received by the Trustee for such purpose.

The following is a schedule of future principal and interest payments due at December 31, 2025

Year	Principal	Interest	Total
2026	$ 655,000	$ 423,700	$ 1,078,700
2027	685,000	396,960	1,081,960
2028	710,000	369,000	1,079,000
2029	740,000	340,000	1,080,000
2030	770,000	309,800	1,079,800
2031 - 2035	4,330,000	1,052,600	5,382,600
2036 - 2038	3,030,000	185,000	3,215,000
Total	**$ 10,920,000**	**$ 3,077,060**	**$ 13,997,060**

III. Detailed Notes on All Funds (continued)

Long-Term Liabilities

3. Changes in Long-term Liabilities

The District had the following changes in long term liabilities at December 31, 2025:

	Beginning Balance	Increases	Decreases	Ending Balance	Due In One Year
Series 2012 GO Bonds	$ 2,045,000	$ -	$ (1,005,000)	$ 1,040,000	$ 1,040,000
Series 2012 GO Bonds premium	10,139	-	(10,139)	-	-
Series 2019 COPs	11,550,000	-	(630,000)	10,920,000	655,000
Series 2019 COPS premium	1,181,761		(145,306)	1,036,455	-
Compensated absences*	498,195	-	(60,284)	437,911	109,478
Net pension liability - Volunteer	915,615	894,387	-	1,810,002	-
Total	**$ 16,200,710**	**$ 894,387**	**$ (1,850,729)**	**$ 15,244,368**	**$ 1,804,478**

*The change in the compensated absences liability is presented as a net change.

Pension Plans

The District contributes to two defined benefit pension plans, (1) the Statewide Retirement Plan (“SRP”), a cost-sharing, multi-employer defined benefit pension plan administered by the Fire & Police Pension Association of Colorado (“FPPA”), which is a statutorily funded plan, and (2) the Volunteer Firefighters Pension Plan, which is a single-employer pension plan for which no advanced funding is provided.

As of and for the year ended December 31, 2025, the two plans had the following balances reported in the government-wide financial statements:

	Total Pension Liability	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
SRP (proportionate share)	N/A	$ -	$ 1,218,972	$ 464,221	$ 56,846
Volunteer Firefighters Pension Plan	1,810,002	1,810,002	421,594	210,938	#REF!
Total Pension Plans	**$ 1,810,002**	**$ 1,810,002**	**$ 1,640,566**	**$ 675,159**	**#REF!**

Detailed disclosures for each plan follow.

1. FPPA Statewide Retirement Plan

Plan Description. The SRP is a cost-sharing multiple-employer defined benefit pension plan. The SRP consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The SRP currently has 229 participating employer fire and police departments.

The Defined Benefit Component and Social Security Component cover substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. Employers once had the option to withdraw from the SRP, but a change in state statutes eliminated this option effective January 1, 1988, unless the employer elects and is determined to be eligible to participate in the Statewide Money Purchase Plan.

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

1. FPPA Statewide Retirement Plan (continued)

In 2003, legislation was enacted that allows departments who cover their firefighters and police officers in money purchase plans to elect coverage under the SRP. As of August 5, 2003, clerical and other personnel from fire districts whose services are auxiliary to fire protection may also participate in the SRP. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the SRP.

The SRP assets are in the Fire & Police Members' Benefit Investment Fund Long-Term Pool and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan ("DROP") assets and Money Purchase Component assets). The Long-Term Pool is designed primarily for open plans with a longer time horizon, appropriate risk tolerance, and lower liquidity needs. The investment return assumption is 7.00 percent.

Members participating in DROP or in the Money Purchase Component choose among various investment options offered by an outside investment manager.

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

Description of Benefits. The FPPA Board of Directors may change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The Normal Retirement Age should not be less than age 55 or more than age 60. Any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension. Members with combined age and years of service totaling 80 or more, with a minimum age of 50 also qualify for a normal retirement pension.

A member is eligible for retirement after attainment of age 55 with at least five years of credited service.

The annual retirement benefit for the Defined Benefit Component is 2.0 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average of the member's highest three years' base salary for each year of service thereafter.

Beginning January 1, 2007, the annual normal retirement benefit for the Social Security Component is 1.0 percent of the average of the member's highest three years base salary for each year of credited service up to ten years plus 1.25 percent of the average of the member's highest three years' base salary for each year thereafter. Prior to 2007, the benefit for members of the Social Security Component will be reduced by the amount of social security income the member receives annually, calculated as if the social security benefit started as of age 62.

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

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

1. FPPA Statewide Retirement Plan (continued)

Description of Benefits (continued)

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

Upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

Contributions. Contribution rates for the SRP are set by state statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election of both employers and members.

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the SRP beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 22.0 percent.

Contributions from Defined Benefit Component members and employers of SRPs reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2024, the total minimum required member and employer contribution rate was 22.2 percent.

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 11.00 percent.

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

1. FPPA Statewide Retirement Plan (continued)

Contributions (continued)

The Hybrid Defined Benefit Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2024, the total combined member and employer contribution rate was 17.00 percent.

The Hybrid Defined Benefit Component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Component is set annually by the FPPA Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2024 through June 30, 2025 is 14.56 percent. The Hybrid Defined Benefit Component contribution rate from July 1, 2023 through June 30, 2024 was 14.24 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase Component.

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

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

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

Net Pension Liability/(Asset). At December 31, 2025, the District reported $0 for its proportionate share of the net pension liability/(asset). The net pension liability/(asset) was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of January 1, 2025. The District’s proportionate share of the net pension liability/(asset) was based on the District’s contributions to the SRP for the calendar year 2024 relative to the total contributions of participating employers to the SRP.

At December 31, 2025, the District’s proportionate share was 0.2308%, as compared to 0.1684% at December 31, 2024.

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

1. FPPA Statewide Retirement Plan (continued)

Net Pension Liability/(Asset) (continued)

For the year ended December 31, 2025, the District recognized pension expense of $364,285. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ 554,652	$ 17,349
Changes in assumptions or other inputs	198,505	756
Net difference between projected and actual earnings on plan investments	78,794	-
Differences between actual employer contributions and proportionate share	67,795	-
Changes in proportionate share of contributions	11,787	446,116
Contributions subsequent to the measurement date	307,439	-
	$ 1,218,972	**$ 464,221**

Contributions subsequent to the measurement date of December 31, 2025, which are reported as deferred outflows of resources, will be recognized as a reduction of the net pension liability in the year ended December 31, 2026.

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

Year Ended December 31,	Amortization
2026	$ 175,927
2027	286,956
2028	(25,398)
2029	(15,122)
2030	13,526
Thereafter	11,423
Total	**$ 447,312**

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

1. FPPA Statewide Retirement Plan (continued)

Actuarial Assumptions. The actuarial valuations for the SRP were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2025. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial valuation date	January 1, 2025
Actuarial method	Entry Age Normal
Amortization method	N/A
Amortization period	N/A
Long-term investment rate of return, net*	7.00%
Projected salary increases*	4.25% - 11.75%
Cost of living adjustments (COLA)	0%
*Includes inflation at	2.5%

	Actuarial Determined Contributions
Actuarial valuation date	January 1, 2024
Actuarial method	Entry Age Normal
Amortization method	Level % of Payroll, Open
Amortization period	30 Years
Long-term investment rate of return, net*	7.00%
Projected salary increases*	4.25% - 11.75%
Cost of living adjustments (COLA)	0%
*Includes inflation at	2.5%

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

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

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

1. FPPA Statewide Retirement Plan (continued)

Actuarial assumptions (continued)

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2023 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2024. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	33.0%	7.00%
Equity Long/Short	6.0%	6.20%
Private Markets	34.0%	8.80%
Fixed Income - Rates	7.0%	5.00%
Fixed Income - Credit	7.0%	6.50%
Absolute Return	9.0%	5.70%
Cash	4.0%	4.20%
Total	100.0%	

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

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

1. FPPA Statewide Retirement Plan (continued)

Actuarial assumptions (continued)

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

Sensitivity of the District's Proportionate Share of the Net Pension Liability/(Asset) to Changes in the Discount Rate. Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the SRP's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the SRP's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.08 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

Regarding the sensitivity of the net pension liability/(asset) to changes in the single discount rate, the following presents the SRP's net pension liability/(asset), calculated using a single discount rate of 7.00 percent, as well as what the SRP'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%	Single Discount Rate Assumption 7.00%	1% Decrease 8.00%
Proportionate share of the net pension liability / (asset)	$ 1,126,370	$ -	$ -

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

2. FPPA Volunteer Firefighters Plan

Plan Description. The District has established the Volunteer Firefighters' Pension Plan (the "Plan"), an agent multiple-employer defined benefit pension plan administered by FPPA. As of January 01, 2025, the Plan has 56 retirees and beneficiaries, 1 inactive nonretired member, and 8 active members. FPPA issues an annual, publicly available financial report that includes the assets of the Volunteer Plan. The report may be obtained on FPPA's website at http://www.fppaco.org.

Benefit Provisions: The Plan provides normal retirement benefits, disability retirement and survivor benefits. The following benefit provisions were used to determine the District's pension liability at the measurement date of December 31,2024:

1. Normal Retirement Benefit at Age 50 with 20 years of Service (monthly):	
a. Regular	$850.00
b. Extended Service Amount Per Year of Service	$42.50
2. Vested Retirement Benefit (monthly):	
a. With 10 to 20 Years of Service Amount Per Year of Service per Minimum Vesting Years	$42.50
b. Minimum Vesting Years	10
3. Disability Retirement Benefit (monthly):	
a. Short Term Disability for line of duty injury amount payable for not more than 1 year	$0.00
b. Long Term Disability for line of duty injury Lifetime Benefit	$0.00
4. Survivor Benefits (monthly):	
a. Following Death before Retirement Eligible; Due to death in line of duty as a volunteer firefighter	$0.00
b. Following Death after Normal Retirement	$425.00
c. Following Death after Normal Retirement with Extended Service Amount Per Year of Service	$0.00
d. Following Death after Vested Retirement with 10 to 20 years of Service Amount per Year of Service per Minimum Vesting Years	$21.25
e. Following Death after Disability Retirement	$0.00
f. Optional Survivor Benefit Following Death before or after Retirement Eligible; due to death on or off duty as a volunteer firefighter (Purchase of Life Insurance Required)	$0.00
5. Funeral Benefits (Required Benefit):	
a. Funeral Benefit Lump Sum, one time only	$500.00

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

2. FPPA Volunteer Firefighters Plan

Funding Policy. The funding of the Plan by the District and members is authorized by the Board of Trustees. The contribution by the State of Colorado (the "State") toward fire pension funds has been a fixed dollar amount established by the legislature and allocated pro rata to all fire pension funds in the State who apply for State matching funds, based upon the amounts contributed by the employer up to a maximum of one half (1/2) mill on the assessed valuation or 90% of District contributions, whichever is less. Since the District currently offers maximum retirement benefits is excess of $300 per month, the State will match at the level determined above but no greater than the maximum of: (1) the amount necessary to fund a pension of $300 per month on an actuarially sound basis, and (2) the amount of State contributions provided in the prior year.

Net Pension Liability. At December 31, 2025, the District reported a net pension liability/(asset) of $1,810,002. The net pension liability/(asset) is based on an actuarial valuation performed as of January 1, 2025, and a measurement date of December 31, 2024.

For the year ended December 31, 2025, the District recognized pension expense of $1,143,662. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	$ 261,594	$ 210,938
Contributions subsequent to the measurement date	160,000	-
	$ 421,594	**$ 210,938**

Contributions subsequent to the measurement date of December 31, 2024, which are reported as deferred outflows of resources, will be recognized as a reduction to the net pension liability in the year ended December 31, 2026.

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

Year Ended December 31,	Amortization
2026	$ 27,622
2027	88,331
2028	(42,468)
2029	(22,829)
Total	**$ 50,656**

Actuarial Assumptions. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2025 determines the contribution amounts for 2025 and 2026.

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

2. FPPA Volunteer Firefighters Plan (continued)

Actuarial Assumptions (continued)

The methods and assumptions used to determine contribution rates for the fiscal year ending December 31, 2025 were:

Actuarial cost method:	Entry age normal
Amortization method	Level dollar, open*
Remaining amortization method:	20 years
Asset valuation method:	5-year smoothed fair value
Inflation	2.50%
Salary increases	N/A
Investment rate of return:	7.00%
Retirement age:	50% per year of eligibility until 100% at age 65
Mortality	**Pre-retirement:** Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale, 60% multiplier for off-duty mortality. **Post-retirement:** Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale. **Disabled:** Pub-2010 Public Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, set forward five years projected with the MP-2020 Ultimate projection scale, with minimum probability of 3.5% for males and 2.% for females.

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

III. Detailed Notes on All Funds (continued)

Pension Plans (continued)

2. FPPA Volunteer Firefighters Plan (continued)

Actuarial Assumptions (continued)

Long-term Expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	4.0%	4.2%
Fixed Income - Rates	7.0%	5.0%
Fixed Income - Credit	7.0%	6.5%
Absolute Return	9.0%	5.7%
Long Short	6.0%	6.2%
Global Equity	33.0%	7.0%
Private Markets	34.0%	8.8%
Total	**100.0%**	

Discount Rate. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year obligation bonds with an average AA credit rating as of the measurement date (to the extent the plan's fiduciary net position is projected to be sufficient to pay benefits). For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.71% (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 of the Net Pension Liability/(Asset) to Changes in the Single Discount Rate. The following presents the proportionate share of the net pension liability calculated using a single discount rate of 6.00%, as well as what the proportionate share of the net pension liability/(asset) would be if it were calculated using a single discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current rate:

	1% Decrease 5.00%	Current Single Discount Rate Assumption 6.00%	1% Decrease 7.00%
Net pension liability	$ 2,440,690	$ 1,810,002	$ 1,278,663

IV. Other Information

FPPA Statewide Death and Disability Plan

Plan Description. Firefighters of the District contribute to the Statewide Death and Disability Plan ("SWDD"). The SWDD is a cost-sharing multiple-employer defined benefit death and disability plan covering full-time employees of substantially all fire and police departments in Colorado. As of August 5, 2003, the Plan may include part-time police and fire employees. Contributions to the SWDD are used for payment of death and disability benefits. Employers who are covered by Social Security may elect supplementary coverage by the SWDD. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Defined Benefit System and Statewide Death & Disability Plan. The SWDD was established in 1980 pursuant to Colorado Revised Statutes. The SWDD assets are included in the Fire & Police Members' Benefit Investment Fund Long-Term Pool.

SWDD benefits provide 24-hour coverage, both on- and off-duty and are available for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase plan.

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

Contributions. Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of $39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. In 2022 and 2023, the State made additional one-time contributions of $6,650,000 to fund past and future service costs for the same members based on updated actuarial calculation of liabilities.

Members hired on or after January 1, 1997, and members covered by Social Security contribute to this plan. The contribution rate may be increased to 0.2 percent annually by the FPPA Board. Effective January 1, 2024, the contribution rate is 3.6 percent of Base Salary. This contribution percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The contribution may be paid entirely by the employer or member, or may be split between the employer and the member. The District paid $107,988 on-behalf of members to the SWDD during the current year ended December 31, 2025. FPPA classifies all contributions to the Plan as member contributions. The District has no requirements to make contributions to the Plan, there is no payable to the Plan, and the Plan does not receive support from a nonemployer contributing entity. As such, the District does not have an OPEB liability, expense or related deferred outflows of resources or deferred inflows of resources related to the plan.

Benefits. Benefits are established by Colorado Statute.

FPPA issues a publicly available annual comprehensive financial report that includes financial statements and the required supplementary information for the SWDD plan. The report may be obtained on FPPA's website at http://www.fppaco.org.

IV. Other Information

Defined Contribution Volume Submitter Plan – 401a Plan

The District adopted the Aspen Fire Protection District Defined Contribution Defined Contribution Volume Submitter Plan (the "VSP") in January 1989. The VSP is administered by Nationwide Financial Services, Inc. All paid full-time personnel of the District are eligible to participate in the VSP. The contribution rate for District is 14.2% of covered salaries. The District contributed $294,111 to the VSP in 2025. Employer contribution vesting schedules are below, however they also become fully vested at normal retirement age, die, or become disabled:

Vesting Schedule
Nonelective Contributions

Years of Service	Percentage
Less than 1	50%
1	60%
2	70%
3	80%
4	90%
5	100%

The nonvested portion of the participant account balance remains with VSP and is called a forfeiture. Forfeitures for 2025 totaled $0.

Section 457 Deferred Compensation Plan

The District has adopted an IRC Section 457 deferred compensation plan administered by Nationwide Financial Services, Inc. All full-time personnel are eligible for the plan and may elect to defer any percentage of their annual compensation, provided that the total annual contribution does not exceed limitations established by the Internal Revenue Service. The District will match contributions up to 2%. All compensation deferred under the 457 Plan, together with all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are to be held in trust for exclusive benefit of the participants and their designated beneficiaries. Compensation deferred under the 457 Plan is not available to participants until termination, retirement, death or unforeseeable emergency. Contributions are vested immediately at 100% and cannot be forfeited.

For calendar year 2025, participants may defer up to the lesser of $23,500 or 100% of the participants' includable compensation. Participants over 50 are eligible to contribute more than the $31,000 limit due to a catch-up provision in the plan.

For the year ending December 31, 2025, total payroll was $4,695,679, while covered payroll for this plan was $4,218,430, and resulted in District contributions of $84,369.

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

IV. Other Information (continued)

Volunteer Firefighter Length of Service Award Plan

Effective January 1, 2017, the District adopted the Volunteer Firefighter Length of Service Award Plan (the "LOSAP"). The LOSAP is established and maintained for the purpose of providing defined contribution length of service awards to qualified volunteer firefighters in accordance with IRS Section 457(e)(11)(A)(ii). The LOSAP is administered by Lincoln Financial Group.

To be eligible for the service award, a participant must have performed an additional full year of service, be in good standing on December 31 of the respective plan year and have met all the minimum certifications as outlined in the LOSAP. In any plan year, the District Fire Chief, in his/her sole discretion, may grant a participant a service award in an amount determined in the Board's sole discretion for that plan year, within the limitations contained in the LOSAP. No service award may be granted to a participant in any plan year in an amount in excess of $5,000, or such amount is adjusted by the IRS. A participant will be fully vested in accrued benefit at all times. For the year ended December 31, 2025, the District made LOSAP contributions of $56,250.

Commitments

As of December 31, 2025, the District has committed to purchase 3 1-bedroom condominium units at Midland Residences Condominiums in downtown Basalt, for employee housing for the District.

As of year-end, the District had paid $646,375 in earnest deposits, with a remaining commitment of $1,938,625 to be paid to the developer once the units are fully constructed.

Subsequent Events

A. Significant Purchases

As discussed in the note above, the District had committed to purchasing certain housing units. The District purchased these 3 units in fiscal year 2026.

B. Sales Tax Ballot

In November 2025, District voters approved Ballot Issue 6A authorizing the collection of sales tax at a rate of 0.5%. Collections of sales tax will commence January 1, 2026. Management anticipates that the additional sales tax revenues will provide significant funding for future District operations and capital needs. No amounts related to the approved tax have been recognized in the accompanying December 31, 2025 financial statements.

IV. Other Information (continued)

Restatement of Beginning Net Position and Fund Balance

	12/31/2024 As Previously Reported	Change to or within the Financial Reporting Entity	12/31/2024 As Restated
Government-Wide:			
Governmental Activities	$ 23,723,977	$ (47,203)	$ 23,676,774
Governmental Funds:			
Nonmajor funds	1,770,931	(47,203)	1,723,728
Discretely Presented Component Unit:			
Aspen Wildfire Foundation	-	47,203	47,203

The beginning fund balance of the Wildfire Community Action Fund was restated to reflect the Aspen Wildfire Foundation as a discretely presented component unit rather than a blended component unit, as described in the District's summary of significant accounting policies. As a result of this change in the financial reporting entity, the beginning fund balance of the Wildfire Community Action Fund and the beginning net position of governmental activities were each decreased by $47,203.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Aspen Fire Protection District

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I. Schedule of District's Proportionate Share of the Net Pension Liability/(Asset) – FPPA Statewide Retirement Plan

A. Changes of assumptions or other inputs

1. Changes since January 1, 2024 actuarial valuation:

No changes during the years presented.

2. Changes since January 1, 2023 actuarial valuation:

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

3. Changes since January 1, 2022 actuarial valuation:

No changes during the years presented.

4. Changes since January 1, 2021 actuarial valuation:

No changes during the years presented.

5. Changes since January 1, 2020 actuarial valuation:

No changes during the years presented.

6. Changes since January 1, 2019 actuarial valuation:

No changes during the years presented.

7. Changes since January 1, 2018, actuarial valuation:

- For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rate from the RP-2014 annuitant mortality tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.
- For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

I. Schedule of District's Proportionate Share of the Net Pension Liability/(Asset) – FPPA Statewide Retirement Plan (continued)

A. Changes of assumptions or other inputs (continued)

8. Changes since January 1, 2017 actuarial valuation:

No changes during the years presented.

9. Changes since January 1, 2016 actuarial valuation:

No changes during the years presented.

10. Changes since January 1, 2015 actuarial valuation:

- Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except that is a three-year set-forward, meaning a disabled member age 70 will be valued as if they were a 73-year-old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms

No changes during the years presented.

II. Schedule of District Pension Contributions – FPPA Statewide Retirement Plan

A. Changes to assumptions or other inputs

No changes during the years presented above.

B. Changes of benefit terms

No changes during the years presented above.

C. Changes of size or composition of population covered by benefit terms

No changes during the years presented above.

III. Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios – FPPA Volunteer Firefighters' Pension Fund

A. Changes of assumptions or other inputs

1. Changes since January 1, 2025 actuarial valuation:

The investment return rate was reduced from 7% to 6%.

2. Changes since January 1, 2023 actuarial valuation:

No changes during the years presented.

3. Changes since January 1, 2021 actuarial valuation:

- The global assumption set for plans administered by FPPA was changed in the 2022 Experience Study and effective as of January 1, 2023. Significant changes affecting this valuation include:
  - Update base mortality tables and project scales to use the Pub-2010 Public Safety Mortality tables projected with the ultimate rates of the MP-2020 projection scale

4. Changes since January 1, 2019 actuarial valuation:

No changes during the years presented.

5. Changes since January 1, 2017 actuarial valuation:

- The global assumption set for plans administered by FPPA was changed in the 2018 Experience Study and effective as of January 1, 2019. Significant changes affecting this valuation include:
  - Reduce investment return from 7.5% to 7.0%.
  - Update base mortality tables and projection scales.
  - Increase withdrawal rates by 10%

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms

No changes during the years presented.

IV. Schedule of District Pension Contributions – FPPA Volunteer Firefighters' Pension Fund

A. Changes of assumptions or other inputs

No changes during the years presented.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms

No changes during the years presented.

REQUIRED SUPPLEMENTARY INFORMATION

Aspen Fire Protection District

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Aspen Fire Protection District
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025
With Comparative Actual Amounts for 2024

	2025				2024
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Property taxes	9,896,300	9,896,300	9,888,435	(7,865)	10,198,285
Specific ownership taxes	300,000	300,000	280,128	(19,872)	295,641
Interest on delinquent taxes	18,000	18,000	20,136	2,136	19,212
Charges for services	315,000	315,000	436,140	121,140	392,832
Investment income	264,000	264,000	180,544	(83,456)	207,667
Grants and contributions	128,000	128,000	641,035	513,035	249,911
Other	142,800	142,800	140,022	(2,778)	169,518
Total Revenues	11,064,100	11,064,100	11,586,440	522,340	11,533,066
Expenditures:					
Current:					
Fire fighting	459,500	459,500	470,001	(10,501)	453,958
Fire fighting - Wildfire Program	250,000	250,000	304,348	(54,348)	-
Administrative	1,192,821	1,192,821	1,218,657	(25,836)	1,020,718
Personnel (salaries, wages, and benefits):	6,167,563	6,167,563	6,360,117	(192,554)	5,401,700
FF cooperative agreement	-	-	-	-	209,028
Fire prevention	39,000	39,000	24,997	14,003	42,303
Training	270,000	270,000	197,837	72,163	166,018
Communications	136,000	136,000	157,363	(21,363)	162,849
Fleet and equipment repairs	165,000	165,000	245,812	(80,812)	188,750
Stations, buildings and grounds	299,920	299,920	282,575	17,345	265,024
Capital outlay	-	-	473,919	(473,919)	21,848
Total Expenditures	8,979,804	8,979,804	9,735,626	(755,822)	7,932,196
Excess (Deficiency) of Revenues Over Expenditures	2,084,296	2,084,296	1,850,814	(233,482)	3,600,870
Other Financing Sources (Uses):					
Transfers in (out)	(2,084,296)	(2,084,296)	(2,084,296)	-	(2,762,369)
Net Change in Fund Balance	-	-	(233,482)	(233,482)	838,501
Fund Balance - Beginning	3,823,334	4,241,819	4,241,819	-	3,403,318
Fund Balance - Ending	3,823,334	4,241,819	4,008,337	(233,482)	4,241,819

Aspen Fire Protection District
Housing Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025
With Comparative Actual Amounts for 2024

	2025				2024
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Aspen Fireplace rental income	246,720	246,720	237,846	(8,874)	205,816
Investment income	117,000	117,000	130,732	13,732	128,802
Miscellaneous	-	-	3,154	3,154	2,021
Total Revenues	363,720	363,720	371,732	8,012	336,639
Expenditures:					
Current:					
Administrative	-	-	2,500	(2,500)	2,591
Aspen Fireplace rental operations	129,493	129,493	107,624	21,869	118,147
Capital outlay	-	-	28,017	(28,017)	-
Debt service:					
Principal	630,000	630,000	630,000	-	605,000
Interest	462,000	462,000	462,000	-	486,200
Total Expenditures	1,221,493	1,221,493	1,230,141	(8,648)	1,211,938
Excess (Deficiency) of Revenues Over Expenditures	(857,773)	(857,773)	(858,409)	(636)	(875,299)
Other Financing Sources (Uses):					
Transfers in (out)	1,904,296	1,904,296	1,904,296	-	1,978,266
Net Change in Fund Balance	1,046,523	1,046,523	1,045,887	(636)	1,102,967
Fund Balance - Beginning	1,746,434	2,212,385	2,212,385	-	1,109,418
Fund Balance - Ending	2,792,957	3,258,908	3,258,272	(636)	2,212,385

Aspen Fire Protection District
Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios
FPPA Volunteer Pension Fund
Last 10 Fiscal Years

Plan measurement period ended December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	16,711	16,711	15,728	15,728	20,868	20,868	25,898	25,898	18,497	18,497
Interest on the total pension liability	333,441	338,265	264,849	269,126	267,107	267,544	270,674	270,355	234,576	236,276
Benefit changes	668,003	-	994,664	-	-	-	-	-	296,810	-
Difference between expected and actual experience	59,889	-	109,073	-	43,910	-	51,646	-	118,047	-
Changes of assumptions	531,339	-	55,371	-	-	-	160,837	-	95,802	-
Benefit Payments	(452,772)	(395,958)	(386,925)	(306,368)	(294,834)	(294,480)	(292,288)	(291,720)	(288,945)	(266,345)
Net Change in Total Pension Liability	1,156,611	(40,982)	1,052,760	(21,514)	37,051	(6,068)	216,767	4,533	474,787	(11,572)
Total Pension Liability - Beginning	4,977,790	5,018,772	3,966,012	3,987,526	3,950,475	3,956,543	3,739,776	3,735,243	3,260,456	3,272,028
Total Pension Liability - Ending (a)	6,134,401	4,977,790	5,018,772	3,966,012	3,987,526	3,950,475	3,956,543	3,739,776	3,735,243	3,260,456
Plan Fiduciary Net Position										
Employer Contributions	300,000	150,000	250,000	545,000	382,000	582,000	399,494	240,000	353,500	140,000
Pension Plan Net Investment Income	393,957	365,123	(350,624)	562,132	381,248	338,205	(3,674)	286,221	92,900	33,451
Benefit Payments	(452,772)	(395,958)	(386,925)	(306,368)	(294,834)	(294,480)	(292,288)	(291,720)	(288,945)	(266,345)
Pension Plan Administrative Expense	(18,961)	(22,408)	(16,451)	(16,748)	(13,185)	(16,181)	(16,132)	(16,957)	(3,090)	(5,096)
State of Colorado supplemental discretionary payment	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Net Change in Plan Fiduciary Net Position	262,224	136,757	(464,000)	824,016	495,229	649,544	127,400	257,544	194,365	(57,990)
Plan Fiduciary Net Position - Beginning	4,062,175	3,925,418	4,389,418	3,565,402	3,070,173	2,420,629	2,293,229	2,035,685	1,841,320	1,899,310
Plan Fiduciary Net Position - Ending (b)	4,324,399	4,062,175	3,925,418	4,389,418	3,565,402	3,070,173	2,420,629	2,293,229	2,035,685	1,841,320
Net Pension Liability/(Asset) - Ending (a) - (b)	1,810,002	915,615	1,093,354	(423,406)	422,124	880,302	1,535,914	1,446,547	1,699,558	1,419,136
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	70.49%	81.61%	78.21%	110.68%	89.41%	77.72%	61.18%	61.32%	54.50%	56.47%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

See the accompanying notes to the Required Supplementary Information.

Aspen Fire Protection District
Schedule of Employer's Proportionate Share of the Net Pension Liability/(Asset)
FPPA Statewide Retirement Plan
Last 10 Fiscal Years *

For the measurement date of December 31,	2024	2023	2022	2021	2020
Proportion of the net pension liability (asset)	0.2308%	0.1684%	0.1698%	0.1346%	0.0703%
Proportionate share of the net pension liability (asset)	-	-	150,761	(729,461)	(152,646)
Covered payroll	2,378,720	1,720,800	1,023,389	564,750	272,200
Proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	0%	0%	14.73%	-129.17%	-56.08%
Plan fiduciary net position as a percentage of the total pension liability	100.00%	100.00%	97.60%	116.20%	106.70%

For the measurement date of December 31,	2019	2018	2017	2016
Proportion of the net pension liability (asset)	0.0369%	0.0389%	0.0439%	0.0483%
Proportionate share of the net pension liability (asset)	(20,877)	49,240	(63,182)	17,445
Covered payroll	260,888	256,888	247,075	241,506
Proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-8.00%	19.17%	-25.57%	7.22%
Plan fiduciary net position as a percentage of the total pension liability	101.90%	95.20%	106.30%	98.21%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2016.

Aspen Fire Protection District
Schedule of District Contributions
FPPA Volunteer Pension Fund
Last 10 Fiscal Years *

Plan fiscal year ending December 31,	**2024**	**2023**	**2022**	**2021**	**2020**
Actuarially determined contribution	150,617	150,617	141,868	141,868	141,868
Actual contribution**	(160,000)	(340,000)	(190,000)	(250,000)	(422,000)
Contribution deficiency (excess)	(9,383)	(189,383)	(48,132)	(108,132)	(280,132)

Plan fiscal year ending December 31,	**2019**	**2018**	**2017**	**2016**	**2015**
Actuarially determined contribution	122,174	181,797	181,797	147,156	147,156
Actual contribution**	(422,000)	(622,000)	(439,494)	(280,000)	(393,500)
Contribution deficiency (excess)	(299,826)	(440,203)	(257,697)	(132,844)	(246,344)

** Includes both plan sponsor and State of Colorado Supplemental Discretionary Payment

Aspen Fire Protection District
Schedule of District Contributions
FPPA Statewide Retirement Plan
Last 10 Fiscal Years

For the fiscal year end of December 31,	2025	2024	2023	2022	2021
Contractually required contribution	307,439	237,872	163,476	92,105	48,004
Contributions in relation to the contractually required contribution	(307,439)	(237,872)	(163,476)	(92,105)	(48,004)
Contribution deficiency (excess)	-	-	-	-	-
District's covered payroll	2,927,988	2,378,720	1,720,800	1,023,389	564,750
Contributions as a percentage of covered payroll	10.5%	10.0%	9.5%	9.0%	8.5%

For the fiscal year end of December 31,	2020	2019	2018	2017	2016
Contractually required contribution	21,776	20,871	20,551	19,766	19,320
Contributions in relation to the contractually required contribution	(21,776)	(20,871)	(20,551)	(19,766)	(19,320)
Contribution deficiency (excess)	-	-	-	-	-
District's covered payroll	272,200	260,888	256,888	247,075	241,506
Contributions as a percentage of covered payroll	8.0%	8.0%	8.0%	8.0%	8.0%

SUPPLEMENTARY INFORMATION

Aspen Fire Protection District

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Aspen Fire Protection District
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025
With Comparative Actual Amounts for 2024

	2025				2024
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Property taxes	1,074,367	1,074,367	1,057,712	(16,655)	-
Specific ownership taxes	40,000	40,000	31,526	(8,474)	-
Interest on delinquent taxes	5,000	5,000	2,198	(2,802)	-
Investment income	45,000	45,000	30,115	(14,885)	56,877
Total Revenues	1,164,367	1,164,367	1,121,551	(42,816)	56,877
Expenditures:					
Current:					
Administrative	55,969	55,969	54,138	1,831	200
Debt service:					
Principal	1,005,000	1,005,000	1,005,000	-	965,000
Interest	71,575	71,575	71,575	-	105,350
Total Expenditures	1,132,544	1,132,544	1,130,713	1,831	1,070,550
Net Change in Fund Balance	31,823	31,823	(9,162)	(40,985)	(1,013,673)
Fund Balance - Beginning	155,120	158,997	158,997	-	1,172,670
Fund Balance - Ending	186,943	190,820	149,835	(40,985)	158,997

Aspen Fire Protection District
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2025

	Capital Acquisition Fund	Wildfire Community Action Fund	Total
Assets:			
Cash and investments	1,235,082	739,189	1,974,271
Prepaid expenditures	149,229	-	149,229
Total Assets	1,384,311	739,189	2,123,500
Liabilities:			
Accounts payable	-	5,500	5,500
Due to other funds	358,176	853	359,029
Total Liabilities	358,176	6,353	364,529
Fund Balances:			
Non-spendable	149,229	-	149,229
Committed	876,906	732,836	1,609,742
Total Fund Balances	1,026,135	732,836	1,758,971
Total Liabilities and Fund Balances	1,384,311	739,189	2,123,500

Aspen Fire Protection District
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2025

	Capital Acquisition Fund	Wildfire Community Action Fund	Total
Revenues:			
Investment income	50,233	33,751	83,984
Grants and contributions	-	51,400	51,400
Total Revenues	50,233	85,151	135,384
Expenditures/Expenses:			
Current:			
Administrative	-	10,992	10,992
Personnel	-	40,829	40,829
Operations	-	87,443	87,443
Capital outlay	140,877	-	140,877
Total Expenditures	140,877	139,264	280,141
Excess (Deficiency) of Revenues Over Expenditures	(90,644)	(54,113)	(144,757)
Other Financing Sources (Uses):			
Transfers (in) out	180,000	-	180,000
Total Other Financing Sources (Uses)	180,000	-	180,000
Net Change in Fund Balance	89,356	(54,113)	35,243
Fund Balance - Beginning, as Previously Presented	936,779	834,152	1,770,931
Adjustment	-	(47,203)	(47,203)
Fund Balance - Beginning, as Restated	936,779	786,949	1,723,728
Fund Balances - Ending	1,026,135	732,836	1,758,971

Aspen Fire Protection District
Capital Acquisition Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025
With Comparative Actual Amounts for 2024

	2025				2024
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Investment income	45,000	45,000	50,233	5,233	48,577
Total Revenues	45,000	45,000	50,233	5,233	48,577
Expenditures:					
Current:					
Capital outlay	142,000	142,000	140,877	1,123	369,368
Total Expenditures	142,000	142,000	140,877	1,123	369,368
Excess (Deficiency) of Revenues Over Expenditures	(97,000)	(97,000)	(90,644)	6,356	(320,791)
Other Financing Sources (Uses):					
Transfers in (out)	600,000	600,000	180,000	(420,000)	850,000
Total Other Financing Sources (Uses)	600,000	600,000	180,000	(420,000)	850,000
Net Change in Fund Balance	503,000	503,000	89,356	(413,644)	529,209
Fund Balance - Beginning	997,701	936,779	936,779	-	407,570
Fund Balance - Ending	1,500,701	1,439,779	1,026,135	(413,644)	936,779

Aspen Fire Protection District
Special Revenue Fund - Wildfire Community Action Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2025
With Comparative Actual Amounts for 2024

	2025				2024
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Investment income	22,000	22,000	33,751	11,751	22,872
Grants and contributions	330,000	330,000	51,400	(278,600)	750,836
Total Revenues	352,000	352,000	85,151	(266,849)	773,708
Expenditures:					
Current:					
Administrative	30,000	30,000	10,992	19,008	9,300
Personnel	38,546	38,546	40,829	(2,283)	98,979
Operations	235,000	235,000	87,443	147,557	34,370
Total Expenditures	303,546	303,546	139,264	164,282	142,649
Net Change in Fund Balance	48,454	48,454	(54,113)	(102,567)	631,059
Fund Balance - Beginning, as Previously Presented	705,093	786,949	834,152	(47,203)	203,093
Adjustment	-	-	(47,203)	47,203	-
Fund Balance - Beginning, as Restated	705,093	786,949	786,949	-	203,093
Fund Balance - Ending	753,547	835,403	732,836	(102,567)	834,152