CLIFTON FIRE PROTECTION DISTRICT

Financial Statements and
Report of Independent Auditor
For the Year Ended December 31, 2025

CLIFTON FIRE PROTECTION DISTRICT

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December 31, 2025

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Clifton Fire Protection District
3254 ½ F Road
Clifton Colorado 81520

Opinions

We have audited the accompanying financial statements of the governmental activities of Clifton Fire Protection District, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Clifton Fire Protection District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Clifton Fire Protection District, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

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- 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 Clifton Fire Protection District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Clifton Fire Protection District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, statements related to the statewide defined benefit plan, and statements related to the volunteer pension plan be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Blair and Associates, P.C.

Cedaredge, Colorado
April 4, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Clifton Fire Protection District, we offer readers this narrative overview and analysis of the financial activities of the District for the fiscal year ending December 31, 2025.

The District continues to experience sustained service demand, responding to approximately 4,400 calls annually, with 80% related to EMS services. Growth pressures in key areas of the District, particularly in the southern service area and along major transportation corridors such as 32 Road, continue to influence response expectations, staffing needs, and long-term facility planning. These operational realities directly inform the District's financial planning, capital investment strategy, and future infrastructure development.

Financial Highlights
At the end of the fiscal year, the District's unassigned fund balance within the General Fund totaled $5,752,173. This represents approximately 94% of the total General Fund balance of $6,105,237. This strong unassigned position provides the District with a high degree of financial flexibility, allowing it to respond to operational demands, capital needs, and revenue fluctuations while maintaining service levels. These reserves also provide an important bridge as the District prepares for significant upcoming capital investments identified in the Capital Improvement Plan, including facility replacement and major apparatus acquisition.

From 2022 through early 2023, the District experienced a period of significant transition, including leadership turnover, staffing instability, and uncertainty regarding long-term governance and service delivery, including discussions with external agencies regarding potential service consolidation. Since mid-2023, the District has re-established organizational stability through leadership alignment, strengthened governance practices, and a renewed focus on internal capacity and service delivery. This period of stabilization has positioned the District to transition from reactive operational decision-making into a period of structured operational and capital implementation, including implementation of a formal Capital Improvement Plan and alignment of future capital investments with sustainable funding sources.

Overview of the Financial Statements
This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. These statements include three components:

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

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements
The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, similar to a private-sector business.

Statement of Net Position
Presents information on all the District's assets and liabilities, with the difference reported as Net Position. Over time, increases or decreases in Net Position may indicate whether the financial position of the District is improving or deteriorating.

Statement of Activities
Shows how the District's Net Position changed during the most recent fiscal year. All changes are reported as soon as the underlying event occurs, regardless of cash flow timing. This includes revenues and expenses for items that will result in cash flows in future periods.

Both government-wide and fund financial statements are presented in this report.

Fund Financial Statements
A fund is a group of related accounts used to maintain control over resources set aside for specific activities or objectives.

Like other state and local governments, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The District's funds are divided into two categories:
- Governmental Funds
- Fiduciary Funds

Governmental Funds
Governmental funds account for the same functions as governmental activities in the government-wide statements. However, they focus on:

- Near-term inflows and outflows of expendable resources
- Spendable resource balances available at the end of the fiscal year

This information is useful for evaluating the government's short-term financing needs.
Because the scope of governmental funds is narrower than that of government-wide statements, it is helpful to compare:
- Governmental fund data
- Government-wide data

This comparison helps readers understand the long-term impact of near-term financing decisions.

Both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances include a reconciliation to assist in this comparison.

Budgetary Compliance
The District adopts an annual appropriated budget for all funds.
A budgetary comparison statement has been included for the General Fund to demonstrate compliance.

Notes to the Financial Statements
The notes provide additional essential information that supports the data in both the government-wide and financial statements.
They can be found in the Notes to the Financial Statements section of this report.

Government-Wide Financial Analysis
Net position may serve over time as a useful indicator of a government's financial position. In the case of the Clifton Fire Protection District, assets exceeded liabilities by $8,883,506 at the close of the most recent fiscal year. This includes the impact of GASB No. 68, Accounting and Financial Reporting for Pensions. Detailed information regarding pension activity can be found in the Notes to the Financial Statements.

Capital Assets
Thirty percent of the District's Net Position is reflected in its capital assets (e.g., land, buildings, and vehicles), less any related debt used to acquire those assets that is still outstanding.

The District uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending.

Although the District's investment in capital assets is reported net of related debt, it is important to note that repayment resources must come from other sources, as the assets themselves cannot be used to liquidate liabilities.

Restricted and Unrestricted Net Position
An additional portion of the District's Net Position represents resources subject to external restrictions on how they may be used.

The remaining balance of unrestricted Net Position may be used to meet the government's ongoing obligations to its citizens.

Net Position Activity:

Assets	**2025**	**2024**	**% Change**
Cash and Cash Equivalents	$5,266,625	$5,166,875	1.93%
Accounts Receivable	874,808	965,069	(9.35%)
Property Taxes Receivable	2,992,169	2,835,362	5.53%
Prepaids	123,563	94,302	31.03%
Capital Assets	2,675,628	2,240,117	19.44%
Deferred Outflow of Resources	951,035	7,944,206	(88.03%)
Total Assets	**12,883,828**	**19,245,930**	**(33.06%)**
Liabilities			
Accounts Payable & Accrued Exp	159,760	154,674	3.29%
Net Pension Liability	479,612	75,255	537.32%
Long-term Liabilities	266,733	296,223	(9.96%)
Deferred Inflow of Resources	3,094,217	2,960,494	4.52%
Total Liabilities	**4,000,322**	**3,486,646**	**14.73%**
Net Position			
Invested in Capital Assets	2,675,628	2,240,117	19.44%
Restricted for TABOR Emergency	229,500	253,000	(9.29%)
Restricted for Pension Plans	369,375	804,818	(54.10%)
Unrestricted	5,609,003	5,522,349	1.57%
Total Net Position	**$8,883,506**	**$8,820,285**	**0.72%**

The District's net position increased slightly by 0.72% in 2025, ending the year at $8,883,506. Capital assets grew by approximately 19%, reflecting continued investment in apparatus and equipment. Changes in pension-related accounts, including decreases in deferred outflows and restricted pension balances and an increase in net pension liability, were driven by required accounting adjustments and do not represent direct cash impacts. Overall, the District maintained a stable financial position despite these shifts.

Governmental Wide Activities
Governmental activities for 2025 resulted in a modest increase in net position of $63,221, compared to an increase of $2,350,233 in 2024. Total revenues decreased by $552,856, or 8.9%, from the prior year, driven primarily by a $627,829 decrease in property tax revenue. The decrease in property tax revenue was primarily due to the absence of one-time State backfill funding received in 2024, which accounted for the majority of the year-over-year decline. This reduction was partially offset by increases in specific ownership tax, grant revenue, and other income. While overall revenues declined year-over-year, underlying revenue sources showed modest growth. The absence of State backfill funding highlights increasing reliance on local revenue sources.

Total expenses increased by $1,715,767, or 44.5%, over the prior year. The increase was driven primarily by higher ambulance and fire operations costs, including significant increases in personnel expenses, along with increased depreciation and pension-related accounting adjustments included within operations. Personnel cost increases were associated with maintaining service levels, staffing additional ambulance capacity, and addressing increased call volume and operational demand throughout the District. These investments reflect a continued focus on ensuring reliable emergency response coverage, particularly in areas experiencing longer response times and higher EMS demand, with staffing levels that reflect the minimum required to sustain safe and reliable emergency response given current service demand. Despite the reduced year-over-year growth, the District ended 2025 with a positive change in net position and continued overall financial stability. The implementation of the District's voter-approved sales tax beginning in 2026 is expected to provide a more stable and diversified revenue stream, helping to offset operational cost increases and support long-term financial sustainability.

Governmental Wide Activities Summary

Revenues	2025	2024	Change	% Change
Charges for Services	$1,605,735	$1,770,317	$(164,582)	(9.30%)
Property Taxes	3,025,447	3,653,276	(627,829)	(17.19%)
Specific Ownership Tax	339,313	327,530	11,783	3.60%
Grant & Other Government	163,739	117,079	46,660	39.85%
Other Income*	523,007	360,282	162,725	45.17%
Total Revenues	5,657,241	6,210,097	(552,856)	$(8.90%)
Expenses				
Ambulance & Fire Operations	5,277,061	3,610,219	1,666,842	46.17%
Depreciation	316,959	249,646	67,313	26.96%
Total Expenses	5,594,020	3,859,865	1,715,767	44.46%
Change in Net Position	$63,221	$2,350,232	$(2,268,623)	(96.53%)

*Other Income includes interest income and miscellaneous income as reported in the Statement of Activities.

Property Tax and Operational Changes

Property tax revenues decreased by $627,829 during 2025. This is the result of a one-time benefit of $574,736 in 2024 from the State of Colorado "Backfill" program, which was intended to offset losses in property tax income resulting from state property tax relief measures.

The increase in ambulance and fire operations expenses was primarily due to rising payroll costs and maintenance costs and the implementation of more effective maintenance tracking systems, which improved accountability and scheduling of necessary repairs and servicing.

Financial Analysis of Governmental Funds

As previously noted, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is particularly useful in evaluating the District's short-term financial requirements. As of December 31, 2025, the Clifton Fire Protection District's governmental funds reported an ending fund balance of $6,105,236, an increase of $33,664 over the prior year.

Approximately 94% of this balance, or $5,752,173, is classified as unassigned fund balance and is available for spending at the District's discretion. This level of unassigned fund balance provides the District with flexibility to respond to operational needs, fluctuations in revenue, and future capital requirements. The remaining fund balance consists of $229,500 restricted for TABOR emergency reserves and $123,563 classified as non-spendable for prepaid expenses, representing amounts that are either legally restricted or not available for appropriation.

General Fund Budgetary Highlights

There were no amendments to the 2025 budget.

The Statement of Revenue, Expenditures, and Changes in Fund Balance—Budget and Actual is presented on pages 35 and 36 of this report.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2025, the District's investment in capital assets totaled $2,675,628, net of accumulated depreciation. This represents an increase of $435,511, or 19.44%, over the prior year.

The increase in capital assets is primarily attributable to continued investment in apparatus, vehicles, and equipment necessary to maintain operational readiness and support service delivery throughout the District. This includes the replacement of an ambulance that was removed from service during the year, as well as the addition of other vehicles and equipment to support operational needs. The increase in capital assets of approximately 19% reflects continued investment in apparatus, equipment, and operational readiness. These investments are aligned with maintaining service reliability, replacing aging equipment, and advancing from planning into implementation of major capital and infrastructure investments tied to population growth and increased call volume.

Long-term Debt

As of December 31, 2025, the District had no outstanding bonded debt. Long-term liabilities consist primarily of a small lease obligation and compensated absences, which totaled $266,733 at year-end, a decrease of $29,490 from the prior year.

The decrease in long-term liabilities is primarily attributable to changes in the District's leave policies, including the transition to a paid time off (PTO) system with reduced accrual limits. These changes lowered the overall liability associated with accrued leave and reduced potential payout obligations upon employee separation.

The District continues to manage its long-term obligations conservatively and maintains a low overall debt position. Looking ahead, the District may evaluate financing options, including the potential use of debt, to support future capital projects such as the construction of additional station facilities identified in long-range planning efforts. Any such decisions will be made in consideration of the District's long-term financial position, operational needs, and available revenue sources.

Economic Conditions, Operations and Future Outlook

The Clifton Fire Protection District continues to experience sustained demand for emergency services. Total call volume increased from 4,314 calls in 2024 to 4,392 calls in 2025, with emergency medical services accounting for over 80% of all responses. This demand requires a high level of operational readiness and resource availability across the District and continues to drive staffing, deployment, and operational planning decisions.

The District's financial position is influenced by increasing operational demands, rising personnel and operating costs, and limitations in property tax revenue growth. Property tax revenue remains a primary funding source; however, the absence of one-time State backfill funding in 2025, and ongoing property tax constraints have reinforced the need for diversified and stable revenue streams.

The District's assessed valuation for 2026 increased slightly to $245,443,390, a 0.45% increase over 2025, with property tax revenue increasing at a similar rate.

In November 2025, voters approved a District sales tax, which became effective January 1, 2026. Beginning in 2026, the voter-approved sales tax is expected to generate approximately $2.5 million annually, providing a more stable and growth-responsive revenue stream to support operations, staffing, and planned capital investments.

Operationally, the District continues to manage high service demand and system utilization, including the need for additional ambulance capacity and coordinated response efforts both within the District and in neighboring service areas. These conditions have contributed to increased personnel and operational costs and are expected to continue into future budget cycles.

The 2026 budget reflects these conditions and priorities, balancing operational requirements with long-term financial planning and coordinating with the District's adopted Capital Improvement Plan to address anticipated capital needs over the next several years. The District will continue to monitor revenue trends, manage expenditures, and evaluate future capital and staffing needs to ensure continued delivery of effective emergency services.

During 2025, the District experienced a cyber-related financial incident involving unauthorized external activity. The matter remains under review with insurance providers and appropriate authorities, and there is no indication of wrongdoing by District personnel. The District has taken steps to strengthen internal controls and cybersecurity practices and will continue to prioritize these safeguards as part of its overall risk management strategy.

Fiscal Progress and Stability (2021–2025)
Between 2021 and 2025, the Clifton Fire Protection District has demonstrated significant financial growth and operational development:

Key Metric	2021	2025	% Change
Total Net Position	$4.29M	$8.88M	+107.0%
Unassigned Fund Balance	$2.79M	$5.75M	+106.1%
Capital Assets (net)	$1.39M	$2.68M	+92.8%
Total Revenues	$3.87M	$5.66M	+46.2%

Over the past five years, the District has experienced significant growth in its overall financial position. Total net position and unassigned fund balance have both increased, reflecting consistent positive operating results and disciplined financial management. Capital assets have grown through continued investment in apparatus and equipment, while revenues have increased overall, though at a more moderate pace in recent years. These trends demonstrate the District's ability to strengthen its financial foundation while supporting expanding operational needs.

Operational Expansion and Readiness
Call volume and service demand remained elevated in 2025, requiring the District to continue expanding operational capacity and readiness. Investments during the year included fleet and equipment improvements, technology upgrades, and staffing adjustments to maintain service levels and response capabilities.

Key efforts included the continued utilization of additional ambulance capacity, replacement and upgrades to front-line apparatus and equipment, and ongoing coordination with regional partners to address system demand and coverage challenges. The District continued to play a significant role in supporting neighboring agencies through mutual aid; however, response patterns indicate that this support has increasingly become a system norm rather than occasional assistance, reflecting a growing reliance on Clifton to provide consistent and timely service across portions of the surrounding service area.

In June 2025, the District adopted a new Strategic Plan to guide long-term operational and capital priorities. As part of the 2026 budget process, the District also adopted a Capital Improvement Plan that outlines anticipated capital needs through 2040, including apparatus replacement and future facility considerations. While the District continues to plan for long-term system needs, no immediate staffing expansions are anticipated, with current efforts focused on maintaining service levels and operational efficiency within existing resources.

Capital Projects and Equipment Acquisitions
Capital activity in 2025 was limited compared to prior years and focused on maintaining operational readiness and addressing immediate needs. During the year, the District acquired a new support vehicle to enhance daily operations and response capability.

In addition, the District completed the emergency replacement of an ambulance that was removed from service due to damage, ensuring continuity of response capacity within the fleet.

Capital planning efforts were formalized through the adoption of the District's Capital Improvement Plan as part of the 2026 budget process. The plan outlines anticipated apparatus replacement, facility needs, and other capital investments through 2040, providing a structured approach to managing long-term capital demands.

Looking ahead, the District anticipates several significant capital projects, including the replacement of an aging aerial apparatus and the development of two additional fire stations to improve system coverage. The District has also submitted an Emergency Medical and Trauma Services (EMTS) grant application to support the replacement of an aging front-line ambulance; at the time of this report, the District has not received notification of award status.

Organizational and Operational Improvements
During 2025, the District completed a comprehensive revision of its Standard Operating Procedures (SOPs), improving consistency, clarity, and alignment across operational practices. In addition, half of the District's Personnel Policy Manual

was updated, including the transition to a paid time off (PTO) system with revised accrual limits. This change improved consistency in leave management and reduced long-term financial liabilities associated with accrued leave balances. Operationally, the District improved deployment and resource utilization through the continued use of additional ambulance capacity, helping to better manage call volume, concurrency, and response reliability. The District also streamlined dispatch and response coordination for a neighboring service area that relies on Clifton for EMS services, resulting in improved response times. This model is expected to be applied to other areas of the valley as needed to enhance system performance. The District also enhanced data tracking and reporting capabilities, allowing for improved evaluation of system performance, mutual aid utilization, and operational demand. These improvements support more informed decision-making and ongoing organizational development.

Governance and Leadership

The District is governed by a five-member elected Board of Directors, in accordance with the Colorado Special District Act. Directors serve staggered four-year terms and are responsible for policy, budget, and oversight. The Fire Chief, appointed by the Board, manages day-to-day operations and leads implementation of strategic goals. This governance model ensures both community accountability and operational professionalism.

Request for Information

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

Brian Cherveny
Fire Chief
Clifton Fire Protection District
3254 F Road / PO Box 386
Clifton, CO 81520

Clifton Fire Protection District
Statement of Net Position and Governmental Fund Balance Sheet
December 31, 2025

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash and cash equivalents	$ 384,273	$ -	$ 384,273
Investments	4,882,352	-	4,882,352
Accounts receivable rescue-(net of allowance of $1,887,919)	632,419	-	632,419
Property taxes receivable	2,992,169	-	2,992,169
Other receivable	242,389	-	242,389
Prepaid expenses	123,563	-	123,563
Capital Assets (net of accumulated depreciation):			
Land	-	90,011	90,011
Building and improvements	-	412,219	412,219
Fire trucks and equipment	-	1,091,862	1,091,862
Rescue vehicles and equipment	-	1,062,848	1,062,848
Office equipment	-	12,833	12,833
Right-of-Use Asset	-	5,855	5,855
DEFERRED OUTFLOWS OF RESOURCES			
Volunteer FPPA Plan	-	139,327	139,327
Statewide Defined Benefit Pension Plan	-	811,708	811,708
TOTAL ASSETS	$ 9,257,165	3,626,663	12,883,828
LIABILITIES			
Accounts payable	$ 67,317	-	67,317
Accrued payroll	90,098	-	90,098
Accrued expenses	2,345	-	2,345
Net Pension Liability- Volunteer	-	479,612	479,612
Long-term liabilities:			
Lease Liability		6,056	6,056
Compensated absences	-	260,677	260,677
TOTAL LIABILITIES	159,760	746,345	906,105
DEFERRED INFLOWS OF RESOURCES			
Property taxes	2,992,169	-	2,992,169
Volunteer FPPA Plan	-	90,672	90,672
Statewide Defined Benefit Pension Plan	-	11,376	11,376
	2,992,169	102,048	3,094,217
FUND BALANCES AND NET POSITION			
Restricted-Emergency reserve - Tabor	229,500	(229,500)	-
Non-spendable	123,563	(123,563)	-
Unassigned	5,752,173	(5,752,173)	-
TOTAL FUND BALANCES	6,105,236	(6,105,236)	-
TOTAL LIABILITIES AND FUND BALANCES	$ 9,257,165		
NET POSITION			
Invested in capital assets, net of related debt		2,675,628	2,675,628
Restricted for:			
Tabor emergency		229,500	229,500
Net Pension Position Volunteer		(430,957)	(430,957)
Net Pension Position SWDB		800,332	800,332
Unrestricted		5,609,003	5,609,003
TOTAL NET POSITION		$ 8,883,506	$ 8,883,506

The notes to the financial statement are an integral part of this statement.

Adjustments to reconcile the governmental fund balance sheet to the statement of Net Position are as follows:

Fund balance per general fund balance sheet	$ 6,105,236
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,675,628
Long-term liabilities, including leases payable used to fund capital assets are not due and payable in the current period are therefore not reported in the fund	(6,056)
Pension activity not reported at fund level	369,375
Compensated absences	(260,677)
Net Position for governmental activities	$ 8,883,506

The notes to the financial statement are an integral part of this statement.

Clifton Fire Protection District
Statement of Revenue, Expenditures, and Change in Fund Balances-Governmental
and Statement of Activities
For the Year Ended December 31, 2025

	General Fund	Adjustments (See Page 10)	Statement of Activities
EXPENDITURES/EXPENSES			
Fire protection-operation	$ 4,871,109	$ (29,490)	$ 4,841,619
Capital outlay	752,468	(752,468)	-
Depreciation & amortization	-	316,959	316,959
Pension activity	-	435,442	435,442
Total expenditures/expenses	5,623,577	(29,557)	5,594,020
PROGRAM REVENUES			
Charges for services	1,605,735	-	1,605,735
Net program expenses	(4,017,842)	(29,557)	(3,988,285)
GENERAL REVENUES			
Property taxes	3,025,447	-	3,025,447
Specific ownership	339,313	-	339,313
Interest income	239,310	-	239,310
Grant income	163,739	-	163,739
Miscellaneous income	283,697	-	283,697
Loss on disposal of assets	-	-	-
Total general revenues	4,051,506	-	4,051,506
Excess of (expenditures) over revenues	33,664	29,557	
Change in Net Position			63,221
FUND BALANCE/NET POSITION			
Beginning of the year	6,071,572	2,748,713	8,820,285
End of the year	$ 6,105,236	$ 2,778,270	$ 8,883,506

The notes to the financial statement are an integral part of this statement.

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

Amounts reported for the governmental activities in the statement of activities are different because:

Excess of expenditures over revenues - general funds	$ 33,664
Governmental funds report capital outlay as expenditures. However, in the Statement of Activity the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlay	752,468
Depreciation	(316,959)
	435,509
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the governmental fund balance sheet.	
Compensated absences and lease payable	29,490
Loss on disposal of assets not reported in governmental fund.	-
Pension activity not reported at General fund level	(435,442)
Change in Net Position of governmental activities	$ 63,221

The notes to the financial statement are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Clifton Fire Protection District is a special service district governed pursuant to provisions of the Colorado Special District Act. The District was established to provide fire protection and ambulance services within and surrounding the area of Clifton around 1943.

The District operates under the Board of Directors elected by the voters of the District. The District's financial statements include the accounts and operations of all the District's functions.

Financial Reporting Entity

The Clifton Fire Protection District is a special district as defined by Colorado Statutes and is governed by an elected board of directors. The Board of Directors has oversight, responsibility, and control over all activities within its boundaries. The board is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of Net Position and statement of activities) report information on all the non-fiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, are reported separately from business-type activities, which rely to a significant extent on fees and user charges for support. Likewise, the *primary government is reported separately from certain legally separate component units* for which the primary government is financially accountable. The District has no business-type activities or component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with the specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as *general revenues.*

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has only one governmental fund, the *General Fund.*

A. ***Risk of Loss***

The District is exposed to various risk of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance coverage for vehicles, commercial property, commercial umbrella, commercial general liability, and management liability through the Volunteer Firemen Insurance Services.

B. ***Capital Assets***

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental fund type.

All capital assets are valued at historical cost or estimated historical costs if actual historical cost is not available. The assets have a useful life of 5 to 40 years and are depreciated on the straight-line method. It is the District's policy to capitalize individual items costing $5,000 or more.

The District has no restricted assets.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. ***Measurement Focus, Basis of Accounting and Financial Statement Presentation***

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. The District considers revenues to be available if they are collectible within 120 days except for property taxes which are considered available if they are collectible within 60 days after year-end. Property taxes and interest associated with the current year are susceptible to accrual and so have been recognized as revenues for the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payment is due.

The government reports the following major governmental fund:

The *General Fund* is the District's operating fund. It accounts for all financial resources of the government. Additionally, the District reports the following fund type:

As a rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are certain charges between the District's Fiduciary Fund and various other functions of the government as these are considered external to the government.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

D. ***Budgets and Budgetary Accounting***

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The budget is prepared on the same basis as that of the fund financial statements.

The details of the budget calendar are outlined below:

October 15 –	Deadline for Budget Officer to submit proposed budget to the government board. Governing body must publish "Notice of Budget" upon receiving proposed budget.
December 15 –	Deadline for certification of mil levy to the Board of County Commissioners.
December 22 –	Deadline for Board of County Commissioners to levy taxes and to certify the levies. to the Assessor.
December 31–	Statutory deadline for local governing body to adopt budget. A certified copy of the adopted budget must be sent to the Division of Local Government within 30 days of adoption.
On or before December 31–	The District shall enact an ordinance appropriating the budget for the ensuing year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. ***Compensated Absences***

The district has adopted a policy addressing compensated absences for full-time employees only. A summary of that policy follows.

Vacation:

Years of Service	Bi-Weekly Accumulation
For Full-Time Administrative Employees (40 hours/week) Maximum accumulation of 300 hours	
Zero through 5 year of service	10.49 Bi-weekly (273 Hours/34 days/Year)
6 years through 10 of service	11.51 Bi-weekly (299 Hours/37.4 days/Year)
11 years through 15 years of service	12.52 Bi-weekly (326 Hours/40.7 days/Year)
16 years through 20 years of service	13.54 Bi-weekly (352 Hours/44 days/Year)
Over 20 years of service	14.55 bi-weekly (378 Hours/47 days/Year)

Years of Service	Bi-Weekly Accumulation
For Full-Time Emergency Response Personnel (56 hours/week) Maximum accumulation of 418 hours	
Zero through 5 years of service	14.69 Bi-weekly (381.94 Hours/15.9 shifts)
6 years through 10 years of service	16.11 bi-weekly (418.9 Hours/17.45 shifts)
11 years through 15 years of service	17.53 Bi-weekly (455.8 Hours/19 shifts)
16 years through 20 years of service	18.95 Bi-weekly (492.8 Hours/20.5 shifts)
Over 20 years of service	20.38Bi-weekly (529.80 Hours/22.07 shifts)

Upon separation, employees may cash out up to 240 hours.

Sick Leave:
In accordance with the Healthy Families and Workplaces Act, employees who are not eligible to accrue Paid Time Off on a bi-weekly basis will accrue Paid Sick Leave at the rate of one hour for every thirty hours worked, up to forty-eight hour per year.

For the year ended December 31, 2025, the vacation and sick time accrued was $260,677.

F. ***Property Taxes – Receivable***

Annual property taxes are levied on December 22 of each year and attached as an enforceable lien as of January 1. They are payable in full April 30, or in two equal installments due February 28 and July 31. The county bills and collects property taxes for the district. Property taxes collected by the county are remitted to the district in the subsequent month. Property taxes are reported as receivable and deferred revenue when levied and as revenue when collected in the following year.

G. ***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles 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 amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

H. ***Disaggregation of Receivables and Payables***

Significant components of receivables and payables are disaggregated in the financial statements. All receivables are expected to be collected within one year. All material payables are expected to be paid within one year except for the amounts for the accrual of compensated absences and capital leases.

I. ***Fund Equity***

In the fund financial statements governmental funds report reservations of fund balance amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

J. ***Net Position***

Net position represents the difference between assets and liabilities. Net Position invested in capital assets net of related debt consists of capital assets net of accumulated depreciation and related debt. Net Position are reported as restricted when there are constraints placed on their use either by law through constitutional provisions or enabling legislation or through restrictions externally imposed by creditors, grantors, laws, or regulations of other governments.

K. ***Use of Restricted Funds***

It is the District's policy to use restricted funds first for their intended use before unrestricted funds are used.

L. ***Pensions***

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 Fire & Police Statewide Defined Benefit Plan and additions to/deductions from Fire & Police Statewide Defined Benefit Plan's fiduciary net position have been determined on the same basis as they are reported by the Fire & Police Pension Association of Colorado. 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.

The Entity also participates in the Volunteer Fire Department Pension Fund (VFDP), an agent multiple- employer Public Employee Retirement System (PERS), administered by FPPA, which represents the assets of numerous separate plans that have been pooled for investment purposes. The net pension liabilities or assets, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the pensions have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. ***Fund Equity***

In the fund financial statements governmental funds report reservations of fund balance amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. The Non-Spendable amount represents funds already spent but will affect future expended amounts.

N. ***Subsequent Events***

Management has reviewed subsequent events through the date of the audit report.

Note 2 – Defined Benefit Pension Plan – Volunteer Pension

General Information about the Pension Plan

Plan Description

The Entity contributes to the Volunteer Fire Department Pension Fund (VFDP), an agent multiple-employer Public Employee Retirement System (PERS) administered by the Fire & Police Pension Association (FPPA). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at http://www.fppaco.org. For the measurement period ending December 31, 2024, the Plan included membership of 31 retirees, and 1 inactive non-retired members for a total of 32 members.

Benefits Provided.

Normal Retirement

A member is eligible for a normal retirement pension once the member has completed twenty years of credited service and has attained the age of 50. The monthly regular retirement benefit is $800. A supplemental monthly pension payment to a volunteer who has attained the age of 50 years and who has been in active service of 20 years can receive an extended service amount up to 5% of the monthly pension amount per additional year of service. The amount cannot exceed a maximum of ten additional years.

Vested Retirement

A member with 10 or more but less than 20 years of service is eligible to receive a benefit of $40 per month times the number of vesting years.

Disability Retirement Benefit

A member is eligible for short-term disability for injuries in the line of duty of $400 payable for not more than a year and $800 long-term disability for injuries in the line of duty. Long-term disability is a lifetime benefit.

Survivor Benefits

Survivor benefits are available at one-half of the amount of the normal retirement pension, or $400 per month. This amount is available to a survivor following death after normal retirement, following death in the line of duty as a volunteer firefighter before retirement eligible, and $400 following death after disability retirement. An additional amount of $20 per month is available following death after normal retirement with extended service amount per year of service and following death after vested retirement with 10 to 20 years of service per year of service. Survivors may include spouses, children under 18 years of age, or dependent parent. This annuity shall cease if the surviving spouse or dependent parent remarries, and dissolution of a subsequent marriage does not reinstate the annuity. Whenever the pension board increases the retirement pension payable to volunteer firefighters, that increase will also be applied to the pension benefits of survivors of firefighters killed in the line of duty.

Funeral Benefits

A one-time funeral benefit is paid of $250 in the event of a death of a member.

Note 2 – Defined Benefit Pension Plan – Volunteer Pension-Continued

General Information about the Pension Plan-continued

Contributions.

The Entity contributes from proceeds of a property tax mill levy. The Plan is construed and enforced in accordance with Colorado Revised Statute Title 31, Article 30. Per CRS 31-30-1112, State contributions to any municipality or district must equal ninety percent of all amounts contributed by the municipality or district under section 31-30-1110 in the previous year, but, notwithstanding any other provision of this part 11, the state contribution shall not exceed one-half mill on the previous net valuation for assessment of the municipality or district assuming one hundred percent collection. For 2025, the Entity contributed $38,188 and the state's matching contribution was $19,069.

Pension Liabilities/ (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

On December 31, 2024, the Entity reported a net pension liability/ (asset) of $479,612. 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.

For the year ended December 31, 2025, the Entity recognized pension expense of $477,091. On December 31, 2025, the Entity 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
Difference between expected and actual experience	$ -	$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	120,258	90,672
State contribution	19,069	-
District contribution current year	-	-
Total	$ 139,327	$ 90,672

$17,000 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending December 31	Net Deferred Outflows/ (Inflows) of resources
2026	$ 13,750
2027	42,479
2028	(17,649)
2029	(8,994)
2030	-
Thereafter	-
Total	$ 29,586

Note 2 – Defined Benefit Pension Plan – Volunteer Pension-Continued

General Information about the Pension Plan-continued

Pension Liabilities/ (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions-continued

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, 2023, determines the contribution amounts for 2024 and 2025. The valuation used the following actuarial assumptions and other inputs:

Actuarial Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Amortization Period	20 Years*
Asset Valuation Method	5-Year Smoothed fair value.
Inflation	2.5%
Investment Rate of Return	7.0%
Projected Salary Increases	N/A
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	**Pre-retirement**: Pub-2010 Safety Healthy Employees Mortality Tables for male 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 2.5% for females.

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

Note 2 – Defined Benefit Pension Plan – Volunteer Pension-Continued

General Information about the Pension Plan-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 nominal 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 Rate of Return**
Global Equity	33.00%	7.00%
Equity Long/Short	6.00%	6.20%
Private Markets	34.00%	8.80%
Fixed Income-Rates	7.00%	5.00%
Diversifiers	9.00%	5.70%
Fixed Income-Credit	7.00%	6.50%
Cash(Liquidity)	4.00%	4.20%

Regarding the sensitivity of the net pension liability/ (asset) to changes in the Single Discount Rate, the following presents the plans net pension liability/ (asset), calculated using a Single Discount Rate of 6.00%, as well as what the plan’s net pension liability/ (asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Proportionate share of the net pension liability/(asset)	$690,256	$479,612	$300,576

Note 3 – Fire & Police Statewide Defined Benefit Plan

General Information about the Fire & Police Statewide Defined Benefit Plan

Plan description.

The Statewide Retirement Plan is a cost-sharing multiple-employer defined benefit pension plan. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan 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 Plan, 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.

In 2003, legislation was enacted that allows departments who cover their firefighters and police officers in money purchase plans to elect coverage under the Plan. As of August 5, 2003, clerical and other personnel from fire districts whose services are auxiliary to fire protection may also participate in the Plan. As of January 1, 2024, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Plan.

Note 3 – Fire & Police Statewide Defined Benefit Plan-Continued

General Information about the Fire & Police Statewide Defined Benefit Plan

Plan description-continued

The Plan 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 Plan is administered by the Fire & Police Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on their 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.

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

The annual retirement benefit for the Defined Benefit Component is 2.0 percent of the average of the member's highest three-year 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-year 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 then 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 year's 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.

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.

Note 3 – Fire & Police Statewide Defined Benefit Plan-Continued

General Information about the Fire & Police Statewide Defined Benefit Plan

Description of Benefits-continued

Upon termination, a member may elect to have their member contributions, along with 5 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

Contributions.

Contribution rates for the Plan 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 Plan 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 plans 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.

The Hybrid Defined Benefit Component and Money Purchase 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 minimum 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 minimum 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, 2023, through June 30, 2024, is 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 occur 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.

Note 3 – Fire & Police Statewide Defined Benefit Plan-Continued

General Information about the Fire & Police Statewide Defined Benefit Plan

Contributions

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

Basis of Presentation

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

As reported in FPPA's Other Supplementary Schedule of Fiduciary Net Position by Participating Employer in the December 31, 2024, Annual Report, employer contributions to the Statewide Retirement Plan were $109,033,068 compared to total employer contributions of $109,037,538 on the Schedule of Employer Contributions. Adjustments were made to annualize employer contributions related to employers newly contributing to the plan, including employer departments completing reentry, and for known significant adjustments of non-recurring amounts.

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

Contributions to the Plan from the Department were $266,206 for the year ended December 31, 2025.

Actuarial Valuation Dates

The collective total pension liability as of December 31, 2024, is based upon the January 1, 2025, actuarial valuation. The actuarially determined contributions as of December 31, 2024, are based upon the January 1, 2024, actuarial valuation.

Collective Net Position Liability/(Assets)

The components of the calculation of the net pension liability/(asset) of the SWDB plan for participating departments as of December 31, 2024, are shown in the following table:

	Measurement Date December 31, 2024
Total Pension Liability	$ 4,716,284,644
Plan fiduciary Net Position	4,716,284,644
Employers' Net Pension Liability / (Asset)	-
Plan Fiduciary Net Position as a Percentage of the Total Pensin Liablity	100.0%

Actuarial assumptions.

The actuarial valuation for the Statewide Defined Benefit Plan were used to determine the total pension liability And actuarially determined contributions for the fiscal year ending December 31, 2024. The valuations used the following actuarial assumptions and other inputs:

Note 3 – Fire & Police Statewide Defined Benefit Plan-Continued

General Information about the Fire & Police Statewide Defined Benefit Plan

Actuarial assumptions-continued

	Total Pension Liability	Actuarial Determined Contribution
Actuarial Valuation Date	January 1, 2025	January 1, 2024
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.00%	7.00%
Projected Salary Increases*	4.25% - 11.75%	4.25%-11.75%
Cost of Living Adjustment (COLA)	0.00%	0.00%
*Includes Inflation at	2.50%	2.50%

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

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 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%
Absolute Return	9.0%	5.70%
Fixed Income-Credit	7.0%	6.50%
Cash	4.0%	4.20%
Total	**100%**	

Note 3 – Fire & Police Statewide Defined Benefit Plan-Continued

General Information about the Fire & Police Statewide Defined Benefit Plan

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 SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The COLA assumption reflects the true nature of Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

On December 31, 2024, the Department reported a net liability of $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 that date. The Department's proportion of the net pension liability/ (asset) was based on a projection of the Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating Departments, actuarially determined. On December 31, 2024, the Department's proportion was 0.0.15134 percent, which was an increase/ (decrease) of 0.01312 percent from its proportion measured as of December 31, 2024.

Discount rate

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 4.08% (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%.

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated suing a Single Discount of 7.0%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1.00% Decrease	**Current Discount Rate**	**1.00% Increase**
Department's proportionate share of the net pension liability/(asset)	$738,551	$0	$0

Note 3 – Fire & Police Statewide Defined Benefit Plan-Continued

General Information about the Fire & Police Statewide Defined Benefit Plan

<u>Reconciliation of Collective Deferred Outflows and Inflows of Resources</u>

For the year ended December 31, 2024, the Department recognized pension income of $(46,149). On December 31, 2024, the Department 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	$ 363,680	$ 11,376
Changes in assumptions	$ 130,158	$ -
Net difference between actual and projected earnings on pension plan investments	$ 51,664	$ -
Changes in proportion and differences between Department contributions and proportionate share of contributions	-	-
Department contributions subsequent to the measurement date	$ 266,206	-
Totals	$ 811,708	$ 11,376

<u>Net Amount of Collective Deferred Inflows and Outflows of Resources in the Collective Net Pension Expense in Subsequent Years</u>

The following table presents the SWDB plan net amount of collective deferred inflows and outflows of resources that will be recognized in the collective pension expense for each of the subsequent five years and in the aggregate thereafter:

Year ended December 31,	
2025	$ 148,744
2026	$ 219,781
2027	$ 15,545
2028	$ 23,055
2029	$ 50,669
Thereafter	$ 76,334

<u>Note 4 – Statewide Death and Disability Plan</u>

Plan Description – The District contributes to the Statewide Death and disability Plan (SWD&DP), a cost sharing multiple-employer death and disability plan administered by FPPA. The SWD&DP covers full-time employees of substantially all fire and police departments in Colorado. As of August 1, 2003, the SWD&DP may include part-time police and fire employees. Contributions to the SWD&DP are used solely for the payment of death and disability benefits. Employers who are covered by Social security may elect supplementary coverage by the Plan. The Plan was established in 1980 pursuant to Colorado Revised Statutes. FPA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the SWD&DP. That report can be obtained at www.fppaco.org.

<u>Funding Policy</u> – The District and/or employee is required to contribute at a rate of 3.0% of base salary for all members as set by statute. All contributions are made by members or on behalf of members. The 3.0% contribution may be paid entirely by the employer or the member, or it may be split between the two parties. The District pays the SWD&DP on behalf of the employees which was $57,491.

Note 5 - Change in Capital Asset

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Buildings	$ 1,012,455	$ 67,671	$ -	$ 1,080,126
Fire Vehicles & Equipment	2,414,789	123,339		2,538,128
Medical Vehicles & Equipment	1,088,793	555,730	-	1,644,523
Office Equipent	38,420	5,727	-	44,147
Right-of-Use Asset	9,758	-	-	9,758
Assets being Depreciated	4,564,215	752,467	-	5,316,682
Less Accumulated Amortization	(1,952)	(1,952)	-	(3,904)
Less Accumulated Depreciation	(2,412,155)	(315,007)	-	(2,727,162)
Net	2,150,108	435,508	-	2,585,616
Land	90,011	-	-	90,011
Net Fixed Assets	$ 2,240,119	$ 435,508	$ -	$ 2,675,627

In 2025, the Districts depreciation was $316,958. The depreciation was charged directly to the various functions as follows:

Administration	$ 2,119
Fire vehicles & equipment	167,707
Grounds & building	23,419
Ambulance & equipment	121,762
Right-of-Use Asset	1,952
Total	$ 316,959

Note 6 - Budget to Actual Comparison

	General Fund
Revenue and other financing resources	
GAAP Basis	$ 5,657,241
Modification to GAAP Basis	
Carryover from prior year	5,150,000
Resources Budgetary Basis	10,807,241
25 Budgeted Resources	(7,650,023)
Variance Favorable (Unfavorable)	$ 3,157,218
Expenditures-GAAP Basis	$ 5,574,725
Modification to GAAP Basis	
Capital Outlays	752,468
Depreciation	(316,052)
Pension Activity	(415,148)
Expenditures Budget Basis	5,595,993
25 Budgeted Expenditures	(8,433,318)
Variance favorable (Unfavorable)	$ 2,837,325

Note 7 – Deposits and Investments

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit more than federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. 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 the collateral must be at least equal to 100% of the uninsured deposits. Collateral in the pool is considered equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At December 31, 2025, the District's cash deposits had a bank balance of $384,273 of which $283,039 was covered by federal depository insurance and $101,234 was collateralized.

On December 31, 2025, the deposits of the governmental activities consisted of the following:

Cash in demand accounts	$384,273

Investments

Colorado statutes specify in which instruments the units of local government may invest, which include:

- Repurchase agreements.
- Obligations of the United States or obligations unconditionally guaranteed by the United States.
- Obligations of the State of Colorado and most general obligations of units of local governments.
- Federally insured mortgages and student loans.
- Participation with other local governments in pooled investment funds (trusts). These trusts are supervised by participating governments and must comply with the same restrictions on cash deposits and investments.

The District's investment policy follows Colorado statutes.

At year-end, the District had invested $ 4,882,352 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operates similarly to a money market fund and each share is equal in value to $1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. Substantially all 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 the investments owned by COLOTRUST. This pool is not required to and is not registered with the SEC. COLOTRUST funds are rated AAA by Standard and Poor’s, an AAR/V1+ from Fitch’s and an Aaa from Moody’s rating services.

Summary of Investments Held by the District:

COLOTRUST (Measured at Fair Value)	$4,882,352

Note 7 – Deposits and Investments-continued

Fair Value

The District categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of input that may be used to measure fair value.

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for an asset or liability.

Note 8 – Long-term Debt

Long-term liability activity for the year ended December 31, 2025, was as follows:

	January 1, 2025	Additions	Deletions	December 31, 2025
Compensated Absences	$ 288,260	$ -	$ 27,583	$ 260,677

Note 9 - Tax, Spending, and Debt Limitation

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue, and debt limitations that apply to the State of Colorado and all local governments.

The initial base for local government spending and revenue limits is 1992 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue more than the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 1% of Fiscal Year Spending (excluding bonded debt service) in 1993, 2% in 1994 and 3% thereafter. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

TABOR requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

The district believes it is compliance with this amendment.

Note 10 – Fund Balance Classification Policies and Procedures

The District has implemented GASB 54, Fund Balance Classification. With this new GASB, the fund balance is broken into five classifications. (1) Non-spendable – not in spendable form, (2) Restricted-fund constrained by external parties, (3) Committed – constraints on use of funds imposed by the highest level of decision-making authority, in the Districts case that is the Board of Directors. The funds must be established, modified, or rescinded by use of resolution of the Board. (4) Assigned – funds intended to be used for a specific purpose, where the intent is expressed by an official authorized by the governing board, in the Districts case that is the Fire Chief and (5) Unassigned – which are funds available for any purpose. The District does not have Committed or Assigned fund classification in 2025.

It is the District's policy to spend restricted fund first then unrestricted fund for the purpose for which both funds are available and committed and assigned funds are spent when expenditure is incurred for purposes for which amount in any of those unrestricted fund balance classification could be used.

The District does have fund classification as follows:

- Restricted which is dictated by Colorado State Law
- Non-spendable which is its prepaid expenses,
- Unassigned.

REQUIRED SUPPLEMENTAL INFORMATION

CLIFTON FIRE PROTECTION DISTRICT
Required Supplementary Information Pensions
December 31, 2025

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the District's Proportionate Share of the Net Pension Liability/ (Asset)
Fire & Police Statewide Defined Benefit Plan
As of December 31,

	2025	**2024**
Department's proportion of the net pension liability/(asset)	.1513%	.1382%
Department's proportionate share of the net pension liability/(asset)	$0	$122,542
Department's covered payroll	$ 1,804,760	$ 1,285,256
Department's proportionate share of the net pension liability/(asset) as a percentage of is covered payroll	0.0%	9,53%
Plan fiduciary net position as a percentage of the total pension liability	0.0%	97,6%

Schedule of Department Contributions
Fire & Police Statewide Defined Benefit Plan
As of December 31,

	2025	**2024**
Contractually required contribution	$ 196,345	$ 165,023
Contributions in relation to the contractually required contribution	$ 196,345	$ 166,430
Contribution deficiency (excess)	$ -	$ -
Department's covered payroll	$ 1,804,760	$ 1,285,256
Contributions as a percentage of covered payroll	10.8%	9.5%

CLIFTON FIRE PROTECTION DISTRICT
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS MULTIYEAR
Last 10 Fiscal Years

Measurement period ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	$ -	$ -	$ -	$ -	$ 4,183	$ 4,183	$ 5,431	$ 5,431	$ 23,147	$ 23,147
Interest on the Total Pension Liability	119,318	123,626	122,999	125,956	110,965	113,518	118,690	119,844	123,827	123,068
Benefit Changes	254,750	-	-	-	279,903	-	-	-	-	-
Difference between Expected & Actual Experience	51,681	-	41,899	-	(10,867)	-	(8,231)	-	(98,418)	-
Assumption Changes	179,036	-	14,504	-	-	-	65,207	-	45,103	-
Benefit Payments	(198,000)	(172,755)	(168,210)	(168,210)	(167,725)	(141,075)	(141,420)	(139,934)	(136,260)	(135,950)
Net Change in Total Pension Liability	406,785	(49,129)	11,192	(42,254)	216,459	(23,374)	39,677	(14,659)	(42,601)	10,265
Total Pension Liability - Beginning	1,801,867	1,850,996	1,839,804	1,882,058	1,665,599	1,688,973	1,649,296	1,663,955	1,706,556	1,696,291
Total Pension Liability - Ending (a)	$ 2,208,652	$ 1,801,867	$ 1,850,996	$ 1,839,804	$ 1,882,058	$ 1,665,599	$ 1,688,973	$ 1,649,296	$ 1,663,955	$ 1,706,556
Plan Fiduciary Net Position										
Employer Contributions	21188	$ 17,000	$ 17,000	$ 17,000	$ 17,000	$ 16,000	$ 32,000	$ -	$ 14,731	$ 9,914
Pension Plan Net Investment Income	160401	158,958	(162,675)	272,172	224,012	236,334	1,735	239,575	88,733	32,768
Benefit Payments	-198000	(172,755)	(168,210)	(168,210)	(167,725)	(141,075)	(141,420)	(139,934)	(136,260)	(135,950)
Pension Plan Administrative Expense	-11761	(11,265)	(8,863)	(8,655)	(7,251)	(9,667)	(7,959)	(8,054)	(2,933)	(3,755)
State of Colorado Discretionary Payment	30600	-	15,300	29,700	26,956	-	14,400	13,258	8,923	8,275
Net Change in Plan Fiduciary Net Position	2,428	(8,062)	(307,448)	142,007	92,992	101,592	(101,244)	104,845	(26,806)	(88,748)
Plan Fiduciary Net Position - Beginning	1,726,612	1,734,674	2,042,122	1,900,115	1,807,123	1,705,531	1,806,775	1,701,930	1,728,736	1,817,484
Plan Fiduciary Net Position - Ending (b)	$ 1,729,040	$ 1,726,612	$ 1,734,674	$ 2,042,122	$ 1,900,115	$ 1,807,123	$ 1,705,531	$ 1,806,775	$ 1,701,930	$ 1,728,736
Net Position Liability/(Asset) - Ending (a) - (b)	$ 479,612	$ 75,255	$ 116,322	$ (202,318)	$ (18,057)	$ (141,524)	$ (16,558)	$ (157,479)	$ (37,975)	$ (22,180)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	78.28%	95.82%	93.72%	111.00%	100.96%	108.50%	100.98%	109.55%	102.28%	101.30%

CLIFTON FIRE PROTECTION DISTRICT
SCHEDULE OF CONTRIBUTIONS MULTIYEAR
LAST 10 FISCAL YEARS

FY ENDING DECEMBER 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2015	$ 9,194	$ 18,189	$ (8,995)	N/A	N/A
2016	$ 14,731	$ 23,654	$ (8,923)	N/A	N/A
2017	$ 14,731	$ 13,258	$ 1,473	N/A	N/A
2018	$ 46,400	$ 46,400	$ -	N/A	N/A
2019	$ -	$ 16,000	$ (16,000)	N/A	N/A
2020	$ 29,494	$ 43,956	$ (14,462)	N/A	N/A
2021	$ 29,494	$ 46,700	$ (17,206)	N/A	N/A
2022	$ 14,814	$ 32,300	$ (17,486)	N/A	N/A
2023	$ 14,814	$ 17,000	$ (2,186)	N/A	N/A
2024	$ 36,488	$ 51,788	$ (15,300)	N/A	N/A

*Includes both Employer & State of Colorado Discretionary Payment

CLIFTON FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures, and Change in Fund Balance
Budget and Actual
For the Year Ended December 31, 2025

	General Fund		
	Original Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
General property taxes	$ 3,062,099	$ 3,025,447	$ (36,652)
Specific ownership tax	310,000	339,313	29,313
Ambulance	1,232,390	1,605,735	373,345
Interest income	170,000	239,310	69,310
Grant income	161,278	163,739	2,461
Fees and permits	5,500	14,774	9,274
Miscellaneous	65,794	268,923	203,129
Total Revenues	5,007,061	5,657,241	650,180
Expenditures:			
Administrative:			
Salaries	688,176	899,809	(211,633)
Payroll taxes and benefits	866,597	737,081	129,516
Office expense	238,500	206,293	32,207
Accounting and legal	74,000	50,673	23,327
Dues and fees	9,800	12,468	(2,668)
Treasurers fees	60,000	56,716	3,284
Director's fees	8,000	7,000	1,000
Interest Expense	-	262	(262)
Bad debts	-	545,011	(545,011)
Contingency	40,000	-	40,000
Operations:			
Salaries	1,767,949	1,631,432	136,517
Personal protective equipment	39,500	30,775	8,725
Fire operating supplies	40,500	33,368	7,132
Insurance	85,000	112,162	(27,162)
EMS operating supplies	66,000	85,796	(19,796)
Uniforms	26,000	10,235	15,765
Training	42,500	15,822	26,678
Station utilities	31,000	31,138	(138)
Station maintenance	14,500	13,775	725
Public education	3,800	5,610	(1,810)
Grant expense	-	-	-
Recruitment & retention	47,000	26,157	20,843
Fuel/Oil/ Repair & Maint.			
Small tools & equipment	9,000	9,521	(521)
Apparatus	93,000	28,134	64,866
Station/grounds repairs	36,700	12,472	24,228
Fuel	34,000	25,601	8,399
Communications	.		
Dispatch fees	170,925	175,812	(4,887)
Radio & equipment maintenance	7,800	23,780	(15,980)
Capital outlays	1,000	-	1,000
Ambulance Fees			
Billing fees	85,000	72,256	12,744
Transport fees	30,000	11,950	18,050
Balance Carried Forward	4,616,247	4,871,109	(254,862)

CLIFTON FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures, and Change in Fund Balance
Budget and Actual
For the Year Ended December 31, 2025

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Balance Brought Forward	$ 4,616,247	$ 4,871,109	$ (254,862)
Total Current Expenditures	4,616,247	4,871,109	(254,862)
Capital Outlay Major	1,030,859	752,468	278,391
Total Expenditures	5,647,106	5,623,577	23,529
Revenue Over (Under) Expenditures	(640,045)	33,664	673,709
Fund Balance-Beginning of Year	5,150,000	6,071,572	921,572
Fund Balance-End of Year	$ 4,509,955	$ 6,105,236	$ 1,595,281