ESTES VALLEY FIRE PROTECTION DISTRICT

Larimer County, Colorado

Financial Statements

December 31, 2025

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Dazzio & Associates, PC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Estes Valley Fire Protection District
Larimer County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities the major fund, and the aggregate remaining fund information of the Estes Valley Fire Protection District (the District), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of December 31, 2025, and the respective changes in financial position, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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

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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages IV–IX and the pension schedules on pages 66 – 80 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.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The Other Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Dazzio & Associates, P.C.

June 22, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

ESTES VALLEY FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION & ANALYSIS
DECEMBER 31, 2025

As management of Estes Valley Fire Protection District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2025.

Based on the November 3, 2009, election results, the District was established by and in accordance with the Larimer County Court "Declaration of Organization" and "Decree of Formation" dated November 17, 2009. Effective January 1, 2010, the District assumed all responsibility for providing fire protection services, fire suppression and rescue services to the Town of Estes Park and the surrounding area of unincorporated Larimer County in accordance with the "Intergovernmental Agreement for Continuing Operations Between the Town of Estes Park and the Estes Valley Fire Protection District" dated December 8, 2009.

Financial Highlights

- Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $4,692,407 at the close of the fiscal year. Of this amount, $1,515,130 is unrestricted and available to meet ongoing and future obligations of the District. Additionally, a 3.0% reserve, $79,300 for emergencies required by Colorado Statute, is restricted in the general fund. An additional $354,527 is restricted for Wildfire Mitigation representing unspent Ballot Issue 1A Sales tax collections.
- As of the close of the current fiscal year, the District's General Fund reported an ending fund balance of $1,993,674 which increased $413,362 from the prior year.
- Total net position increased $16,693 over the prior year.
- Total cash and investments increased $436,006 as compared to the prior year.
- Property tax revenue decreased $9,964 as compared to the prior year.
- Sales tax revenue increased $261,191 as compared to the prior year.
- General fund expenditures increased $75,014 as compared to the prior year.
- At the end of the current fiscal year, unassigned fund balances for the General Fund totaled $1,552,712, or 57% of total general fund expenditures.
- On March 31, 2025, the District entered into an Affiliation Agreement with the Fire & Police Pension Association of Colorado (FPPA). The Affiliation Agreement provides for FPPA to administer the plan and manage the plan's funds for investment. In accordance with the Affiliation Agreement, the District transferred the assets of the Volunteer Pension Fund to FPPA and the Volunteer Pension Fund was closed.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statement consists of three components: 1) the government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

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

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

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

The government-wide financial statements detail functions of the District that are principally supported by tax revenues, grants and charges for services. The governmental activity of the District is public safety, primarily fire and emergency services.

The government-wide financial statements can be found on pages 1 – 2 of this report.

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

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

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

The District maintains two governmental funds: the General Fund and the Impact Fee Capital Projects Fund. Information is presented in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances.

The District adopts an annual appropriated budget for the general fund. Budgetary comparison statements have been provided for in the basic financial statements to demonstrate compliance with the budget.

The governmental fund financial statements can be found on pages 3 through 8 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Fiduciary funds provide the same type of information as the government-wide financial statements.

The fiduciary fund financial statements can be found on pages 9-10 of this report.

Notes to Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11 through 65 of this report.

***Required supplementary information*.** The required supplementary information to address pension data and statistics required by GASB 68 can be found on pages 66 – 82.

***Supplementary information*.** In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. This supplementary information is located after the basic financial statements on page 83 - 84 of this report.

***Other Information*.** Other information includes the Summary of Assessed Valuation, Mill Levy and Property Taxes Collected. The other information is located after the supplementary information on page 85.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's assets and deferred outflows exceeded liabilities and deferred inflows of resources by $4,692,407 at the close of the most recent fiscal year.

Summary of Net Position

	2025	2024
Assets		
Current and Other Assets	$ 3,536,980	$ 3,117,358
Capital Assets, Net	2,818,918	3,113,218
Total Assets	6,355,898	6,230,576
Deferred Outflows of Resources		
Deferred Outflows of Resources Related to Pensions/OPEB	496,912	674,229
Liabilities		
Current Liabilities	277,953	306,942
Noncurrent Liabilities	126,478	74,200
Net Pension Liability	615,561	747,137
Net OPEB Liability	7,868	11,274
Total Liabilities	1,027,860	1,139,553
Deferred Inflows of Resources		
Property Tax Revenues and Other Inflows	1,083,150	1,080,808
Deferred Inflows of Resources Related to Pensions/OPEB	49,393	8,730
Total Deferred Inflows of Resources	1,132,543	1,089,538
Net Position		
Net Investment in Capital Assets	2,743,450	3,104,112
Restricted	616,030	399,388
Unrestricted	1,332,927	1,172,214
Total Net Position	$ 4,692,407	$ 4,675,714

Summary of Changes in Net Position

	2025	2024
Revenues		
Program Revenues		
Charges for Services	$ 53,810	$ 64,321
Operating Grants and Donations	1,817,187	1,536,795
Capital Grants and Contributions	-	37,760
General Revenues		
Property Taxes	1,068,656	1,078,620
Specific Ownership Tax	67,577	67,616
Net Investment Income	39,453	41,988
Other	12,111	159,567
Total Revenues	3,058,794	2,986,667
Expenses		
Fire Protection and Emergency Services	3,042,101	2,579,045
Total Expenses	3,042,101	2,579,045
Change in Net Position	16,693	407,622
Net Position - Beginning of Year	4,675,714	4,268,092
Net Position - End of Year	4,692,407	4,675,714

Financial Analysis of the District's Funds

As mentioned previously, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A discussion of the District's governmental funds follows.

Government Funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and the balance of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported an ending fund balance of $2,175,877. Of this fund balance, $616,030 is restricted, meaning it is not available for new spending, because it has already been committed for emergencies under the Taxpayers' Bill of Rights (TABOR), wildfire mitigation purposes and capital projects required because of District expansion. The remaining $1,552,712 of the fund balance constitutes unassigned fund balance, which is available for spending at the government's discretion.

General Fund Budgetary Highlights

The District's total expenditures for 2025 in the General Fund were under budget from the original appropriation by $311,665. This is primarily attributable to less personnel costs than anticipated along with related expenditures.

Capital Asset

The District had $2,818,918 in capital assets (net of accumulated depreciation) as of December 31, 2025. These capital assets include vehicles, furniture, educational statues and sculptures and equipment. During the year, the District invested $138,969 in capital asset additions and disposed of $81,344 in capital assets.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Office of Estes Valley Fire Protection District, 901 N. Saint Vrain Ave. Estes Park, CO 80517.

BASIC FINANCIAL STATEMENTS

ESTES VALLEY FIRE PROTECTION DISTRICT

STATEMENT OF NET POSITION

December 31, 2025

	Governmental Activities
Assets	
Cash and Investments	$ 1,354,239
Cash and Investments - Restricted	616,030
Receivable from County Treasurer	5,725
Intergovernmental Receivable	391,407
Accounts Receivable	76,344
Prepaid Items	7,135
Lease Deposit	2,950
Property Taxes Receivable	1,083,150
Capital Assets, Net	2,818,918
Total Assets	6,355,898
Deferred Outflows of Resources	
Pension Contributions Subsequent to Measurement Date	200,858
OPEB Contributions Subsequent to Measurement Date	1,860
Pension Related Deferrals	287,534
OPEB Related Deferrals	6,660
	496,912
Liabilities	
Accounts Payable	76,868
Accrued Payroll Liabilities	26,085
Unearned Revenue	175,000
Noncurrent Liabilities:	
Due Within One Year	
Compensated Absences	12,800
Lease Obligation	32,328
Due In More Than One Year	
Compensated Absences	38,210
Lease Obligation	43,140
Net Pension Liability - Volunteer Pension Fund	488,573
Net Pension Liability - PERA Pension Plan	126,988
Net OPEB Liability	7,868
Total Liabilities	1,027,860
Deferred Inflows of Resources	
Property Taxes	1,083,150
Pension Related Deferrals	45,142
OPEB Related Deferrals	4,251
Total Deferred Inflows of Resources	1,132,543
Net Position	
Investment In Capital Assets	2,743,450
Restricted	
Emergencies (TABOR)	79,300
Wildfire Mitigation Fund	354,527
Capital Projects	182,203
Unrestricted	1,332,927
Total Net Position	$ 4,692,407

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

ESTES VALLEY FIRE PROTECTION DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

Function/Program Activities	Expenses	Program Revenues: Permits, Fees, Fines, and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities					
Fire Protection and Emergency Services	$ 3,042,101	$ 53,810	$ 1,817,187	$ -	$ (1,171,104)
Total Governmental Activities	$ 3,042,101	$ 53,810	$ 1,817,187	$ -	(1,171,104)
General Revenues:					
Property Taxes					1,068,656
Specific Ownership Taxes					67,577
Unrestricted Investment Earnings					39,453
Miscellaneous					12,111
Total General Revenues					1,187,797
Changes In Net Position					16,693
Net Assets - Beginning					4,675,714
Net Position - Ending					$ 4,692,407

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

ESTES VALLEY FIRE PROTECTION DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

	General Fund	Impact Fee Fund	Total
Assets			
Cash and Investments	$ 1,354,239	$ -	$ 1,354,239
Cash and Investments - Restricted	433,827	182,203	616,030
Receivable from County Treasurer	5,725	-	5,725
Intergovernmental Receivable	391,407	-	391,407
Accounts Receivable	76,344	-	76,344
Lease Deposit	2,950	-	2,950
Prepaid Items	7,135	-	7,135
Property Taxes Receivable	1,083,150	-	1,083,150
Total Assets	$ 3,354,777	$ 182,203	$ 3,536,980
Liabilities			
Accounts Payable	$ 76,868	$ -	$ 76,868
Accrued Payroll Liabilities	26,085	-	26,085
Unearned Revenue	175,000	-	175,000
Total Liabilities	277,953	-	277,953
Deferred Inflows of Resources			
Property Taxes	1,083,150	-	1,083,150
Fund Balances			
Nonspendable			
Prepaid Expenditures	7,135	-	7,135
Restricted			
Emergencies (TABOR)	79,300	-	79,300
Wildfire Mitigation Fund	354,527	-	354,527
Capital Projects	-	182,203	182,203
Unassigned	1,552,712	-	1,552,712
Total Fund Balances	1,993,674	182,203	2,175,877
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,354,777	$ 182,203	$ 3,536,980

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

ESTES VALLEY FIRE PROTECTION DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION

December 31, 2025

Total Fund Balances - Governmental Fund		$ 2,175,877
Total net position reported for governmental activities in the statement of of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Capital Assets	$ 5,952,464	
Accumulated Depreciation	(3,133,546)	2,818,918
Pension assets and liabilities and related deferred inflows and outflows of resources are not current financial resources and, therefore, are not reported in the fund financial statements.		
Balances at year-end are:		
Net Pension Liability	(615,561)	
Net OPEB Liability	(7,868)	
Deferred outflows of resources related to pensions	287,534	
Deferred inflows of resources related to pensions	(45,142)	
Deferred outflows of resources related to OPEB	6,660	
Deferred inflows of resources related to OPEB	(4,251)	
Pension Contributions Subsequent to the Measurement Date	200,858	
OPEB Contributions Subsequent to the Measurement Date	1,860	(175,910)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position.		
Balances at year-end are:		
Compensated Absences	(51,010)	
Lease Obligation	(75,468)	(126,478)
Net Position - Governmental Activities		$ 4,692,407

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

ESTES VALLEY FIRE PROTECTION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2025

	General Fund	Impact Fee Fund	Total
Revenues			
Sales Tax - Town of Estes Park	$ 1,318,208	$ -	$ 1,318,208
Sales Tax - Ballot Issue 1A	417,904	-	417,904
Property Taxes	1,068,656	-	1,068,656
Specific Ownership Tax	67,577	-	67,577
Grants	32,475	-	32,475
State Participation Contribution	48,600	-	48,600
Plan Reviews and Inspection Income	18,793	-	18,793
Impact Fees	-	32,907	32,907
Operations Permits	2,110	-	2,110
Net Investment Income	39,453	-	39,453
Miscellaneous Income	12,111	-	12,111
Total Revenues	3,025,887	32,907	3,058,794
Expenditures			
District Overhead	1,197,113	-	1,197,113
Operations Division	511,907	-	511,907
Training Division	346,222	-	346,222
Prevention Division	236,299	-	236,299
Ballot Issue 1A	226,269	-	226,269
Debt Service	40,175	-	40,175
Capital Outlay	155,434	-	155,434
Total Expenditures	2,713,419	-	2,713,419
Excess Revenues Over (Under) Expenditures	312,468	32,907	345,375
Other Financing Sources			
Proceeds from Lease	100,894	-	100,894
Net Change in Fund Balances	413,362	32,907	446,269
Fund Balances - Beginning, as previously stated	1,729,608	-	1,729,608
Change Within Financial Reporting Entity:			
Creation of Impact Fee Fund	(149,296)	149,296	-
Fund Balances - Beginning, as adjusted	1,580,312	149,296	1,729,608
Fund Balances - Ending	$ 1,993,674	$ 182,203	$ 2,175,877

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

ESTES VALLEY FIRE PROTECTION DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

	$ 446,269
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.	
Capital outlay	138,969
Depreciation expense	(433,269)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:	
Office Lease Proceeds	(100,894)
Office Lease Principal Payment	34,532
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Pension expense - Change in:	
Deferred Outflows Related to Pensions	(175,726)
Deferred Outflows Related to OPEB	(1,591)
Net pension liability	131,576
Net OPEB Liability	3,406
Deferred Inflows Related to Pensions	(39,918)
Deferred Inflows Related to OPEB	(745)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	14,084
Change in Net Position - Governmental Activities	$ 16,693

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

ESTES VALLEY FIRE PROTECTION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2025

	Original & Final Budget	Actual Amounts	Variance with Final Budget
Revenues			
Sales Tax - Town of Estes Park	$ 1,290,280	$ 1,318,208	$ 27,928
Sales Tax - Ballot Issue 1A	392,716	417,904	25,188
Property Taxes	1,080,809	1,068,656	(12,153)
Specific Ownership Tax	81,061	67,577	(13,484)
Grants	90,000	32,475	(57,525)
State Participation Contribution	-	48,600	48,600
Plan Reviews and Inspection Income	31,535	18,793	(12,742)
Impact Fees	60,000	-	(60,000)
Operational Permits	5,000	2,110	(2,890)
Net Investment Income	37,022	39,453	2,431
Miscellaneous Income	17,868	12,111	(5,757)
Total Revenues	3,086,291	3,025,887	(60,404)
Expenditures			
Overhead and Administration			
Professional Services and Fees	204,527	318,524	(113,997)
Salaries and Benefits	536,234	560,638	(24,404)
Insurance	124,776	113,927	10,849
Membership Dues and Subscriptions	16,649	9,914	6,735
Catering and Special Circumstances	20,650	7,726	12,924
Stations Maintenance	107,412	58,059	49,353
Data Processing Equipment	10,000	2,965	7,035
Miscellaneous Equipment	6,000	2,536	3,464
Member Recognition	-	22,353	(22,353)
Pension Expense	54,000	68,096	(14,096)
LOSAP	84,340	32,375	51,965
Strategic Planning Implementation	62,500	-	62,500
Contingencies	5,000	-	5,000
Subtotal District Overhead	1,232,088	1,197,113	34,975
Operations and Training			
Salaries and Benefits	418,832	350,456	68,376
Membership Dues and Subscriptions	5,781	6,107	(326)
Conferences	17,000	10,940	6,060
Maintenance Contracts	-	37,434	(37,434)
Dispatching Services	26,753	28,286	(1,533)
Equipment Acquisition	-	47,466	(47,466)
Supplies - Consumables	6,500	6,871	(371)
Catering and Special Circumstances	5,000	4,775	225
Internal Training	32,000	3,872	28,128
External Training	15,670	10,723	4,947
Firefighter Recruitment	850	336	514
Contingencies	10,000	4,641	5,359
Subtotal Operations Division	538,386	511,907	26,479

(Continued)

ESTES VALLEY FIRE PROTECTION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2025
(Continued)

	Original & Final Budget	Actual Amounts	Variance with Final Budget
Support Services			
Salaries and Benefits	$ 195,188	$ 195,007	$ 181
Facilities Maintenance	83,817	123,949	(40,132)
Equipment Maintenance	135,551	20,966	114,585
Equipment Acquisition	89,300	312	88,988
Contingencies	5,000	5,988	(988)
Subtotal Training Division	508,856	346,222	162,634
Prevention			
Salaries and Benefits	266,453	204,470	61,983
Membership Dues and Subscriptions	6,507	2,040	4,467
Public Education	13,330	2,183	11,147
Professional Services and Fees	-	27,209	(27,209)
Fuels Mitigation Crew	15,042	397	14,645
Contingencies	10,000	-	10,000
Subtotal Prevention Division	311,332	236,299	75,033
Ballot Issue 1A			
Salaries and Benefits	301,922	166,601	135,321
Membership Dues and Subscriptions	500	100	400
Public Education	2,500	1,261	1,239
Prevention	74,500	58,307	16,193
Contingencies	5,000	-	5,000
Subtotal Prevention Division	384,422	226,269	158,153
Debt Service			
Office Lease Principal	-	34,532	(34,532)
Office Lease Interest	-	5,643	(5,643)
Subtotal Debt Service	-	40,175	(40,175)
Capital Outlay			
Fleet	-	52,486	(52,486)
Buildings and Grounds	50,000	102,948	(52,948)
Subtotal Capital Outlay	50,000	155,434	(105,434)
Total Expenditures	3,025,084	2,713,419	311,665
Excess Revenues Over (Under) Expenditures	61,207	312,468	251,261
Other Financing Sources			
Lease Proceeds	-	100,894	100,894
Net Change in Fund Balance	61,207	413,362	352,155
Fund Balance - Beginning, as restated	1,639,894	1,580,312	(59,582)
Fund Balance - Ending	$ 1,701,101	$ 1,993,674	$ 292,573

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

ESTES VALLEY FIRE PROTECTION DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
VOLUNTEER PENSION FUND
December 31, 2025

Assets		
Cash and Investments	$	-
Total Assets		-
Net Position		
Held in Trust for Pension Benefits		-
Total Net Position	$	-

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

ESTES VALLEY FIRE PROTECTION DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
VOLUNTEER PENSION FUND

For the Year Ended December 31, 2025

Additions	
Contributions:	
Estes Valley FPD Contribution	$ 14,096
Investment Income:	
Interest and Dividends	35,491
Less Investment Expense	(3,159)
Total Net Investment Income	32,332
Total Additions	46,428
Deductions	
Retiree Benefit Payments	38,171
Transfer to FPPA	1,709,235
Total Deductions	1,747,406
Change in Plan Net Position	(1,700,978)
Plan Net Position - Beginning	1,700,978
Plan Net Position - Ending	$ -

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

NOTE 1 – DEFINITION OF REPORTING ENTITY

The Estes Valley Fire Protection District (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for Larimer County on November 17, 2009, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District provides fire protection services, fire suppression, and rescue services in the Town of Estes Park (Town) and surrounding areas of unincorporated Larimer County.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government’s legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, including a volunteer organization, Estes Park Volunteer Fire Department, which provides services for the District, but is not under the control of the District’s Board of Directors. The District is not a component unit of any other primary governmental entity, including the Town of Estes Park.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. Governmental activities are normally supported by taxes, intergovernmental revenue and fees and charges.

The statement of net position reports all financial and capital resources of the District, the difference between the assets and deferred outflows, and liabilities and deferred inflows of the District being reported as net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenue* 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 revenue are reported instead as *general revenue*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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 is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 all eligibility requirements imposed by the provider have been met. Depreciation is computed and shown as an operating expense. Expenditures for capital assets are shown as increases in assets. Employer and plan member contributions are recognized in the period that contributions are due.

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. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, sales taxes, and payment for fire services. All other revenue items are measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Impact Fee Fund* is a capital projects fund used to account for financial resources to be used for defraying projected impacts on capital facilities caused by new development.

Additionally, the District reports the following fiduciary fund type using the accrual basis of accounting:

The *Volunteer Pension Fund* is a pension trust fund and is used to account for transactions relating to assets held by the District in the capacity of trustee for its volunteer firefighters' pension plan.

On March 31, 2025, the District entered into an Affiliation Agreement with the Fire & Police Pension Association of Colorado (FPPA). The Affiliation Agreement provides for FPPA to administer the plan and manage the plan's funds for investment. In accordance with the Affiliation Agreement, the District transferred the assets of the Volunteer Pension Fund to FPPA and the Volunteer Pension Fund was closed.

Budgets

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 may 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.

Excess Expenditures over Appropriation

The District incurred expenditures in excess of appropriation for the year ended December 31, 2025 in the Volunteer Pension Fund, which may be in violation of the State Budget Law. The excess resulted from the one-time transfer of the Volunteer Pension Fund's assets to FPPA when FPPA assumed responsibility for administering the pension plan. Accordingly, the excess was attributable to the transition in plan administration and was not the result of expenditures incurred in the ordinary course of administering the pension plan.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments. Investments are carried at fair value.

Cash and investments are presented on the balance sheet in the basic financial statements at fair value.

Capital Assets

Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets defined by the District as assets include improvements to buildings and equipment with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Buildings	15 years
Vehicles	5-20 years
Educational statues and sculptures	7 years
Furniture and fixtures	7 -20 years
General and office equipment	20 years

Property Taxes

Property taxes are levied by the District Board of Directors. The levy is based on assessed valuations determined by the County Assessors generally as of January 1 of each year. The levy is normally set December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurers collect the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and sales of the tax liens on delinquent properties are normally held in November or December. The County Treasurers remit the taxes collected monthly to the District.

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

Impact Fees

In 2016, the State of Colorado passed House Bill 16-1088, *Fire Protection District Impact Fee* on new development. The legislation authorizes Fire Districts to impose an impact fee on the construction of new buildings, structures, facilities, or improvements, including oil and gas wells, on previously improved or unimproved real property for reasonable related added cost of fire protection services from the Fire Districts. Additionally, the County where the Fire District resides must be involved with the assessment and collection of the agreed impact fees.

In 2018 the District contracted for an Impact Fee Study and per the recommendations of that study, the District approved impact fees of $784 per residential (single-family) dwelling unit, $419 per residential (multi-family) dwelling unit and $.37 per square foot for commercial developments effective July 1, 2018. The fees are used to fund expenditures for capital facilities, including upgrading apparatus to increase their capabilities and the addition of new apparatus needed to serve new development within the District. For the year ending December 31, 2025, the District collected $32,907. As of December 31, 2025, the District has accumulated $182,203 of impact fees.

Compensated Absences

Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long Term Obligations

In the government-wide financial statements, debt premiums and discounts are deferred and amortized over the life of the issue using the percentage of current principal payments to total debt issue. Debt issuance costs, except any portion related to prepaid insurance costs, are expensed when incurred.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government only has two items that qualifies for reporting in this category. Accordingly, the items *pension and OPEB contributions subsequent to measurement date,* and *pension and OPEB related deferrals* are deferred and recognized as outflows of resources in the period that the amounts become available.

In addition to liabilities, the statement of net position and the fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has two types of items that qualify for reporting in this category. Accordingly, the items, *deferred property tax revenue* and *pension and OPEB related deferrals,* are deferred and recognized as an inflow of resources in the period that the amounts become available.

Lease Obligation

In June 2017, the GASB issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset.

Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset.

Pensions

FPPA. 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 Statewide Retirement Plan and additions to/deductions from Statewide Retirement 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.

PERA. The District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF 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.

Other Postemployment Benefits (OPEB).

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position and Fund Equity

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation.

Unrestricted net position represents assets that do not have any third-party limitations on their use.

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

Fund Balances

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

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed fund balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned fund balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the criteria described above.

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

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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. An example of such an estimate that has been made by management is depreciation expense.

NOTE 3 – CASH AND INVESTMENTS

Cash and investments as of December 31, 2025, are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and Investments	$ 1,354,239
Cash and Investments - Restricted -	
Held for emergency reserves, wildfire mitigation and capital projects	616,030
Total Cash and Investments	$ 1,970,269

Cash and investments as of December 31, 2025, consist of the following:

Deposits with Financial Institutions	$ 1,305,937
Investments	664,332
Total Cash and Investments	$ 1,970,269

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels ($250,000) 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 for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and as such, these deposits are uninsured but collateralized. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2025, the District’s deposits had a bank balance of $1,306,936 and a carrying balance of $1,305,937.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to obligations of the United States, certain U.S. government agency securities and Local Government Investment Pools, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado Revised Statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

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

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- General obligation and revenue bonds of US local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2025, the District had the following investments:

Investment	Maturity	Amount
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted Average under 60 Days	$ 664,332

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations similar to a money market fund, with each share valued at $1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under Section 24-75-601, C.R.S.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S.

government agencies, highest rated commercial paper, and any security allowed under Section 24-75-601, C.R.S.

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAAmmf by Fitch Ratings and CSAFE CORE is rated AAAf/S1 by FitchRatings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2025 follows.

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Construction in Process	$ 409,378	$ 32,087	$ (441,465)	$ -
Capital Assets Being Depreciated				
Buildings	752,378	-	-	752,378
Vehicles	3,708,522	447,453	-	4,155,975
General Equipment	906,993	-	-	906,993
Educational Statues and Sculptures	29,204	-	-	29,204
Office Equipment	7,020	-	-	7,020
Right-to-Use Office Space	81,344	100,894	(81,344)	100,894
Total Capital Assets Being Depreciated	5,485,461	548,347	(81,344)	5,952,464
Less Accumulated Depreciation for				
Buildings	338,826	49,465	-	388,291
Vehicles	1,798,302	273,481	-	2,071,783
General Equipment	534,581	72,846	-	607,427
Educational Statues and Sculptures	29,204	-	-	29,204
Office Equipment	6,143	702	-	6,845
Right-to-Use Office Space	74,565	36,775	(81,344)	29,996
Total Accumulated Depreciation	2,781,621	433,269	(81,344)	3,133,546
Total Capital Assets Being Depreciated, Net	2,703,840	115,078	-	2,818,918
Total Capital Assets, Net	$ 3,113,218	$ 147,165	$ (441,465)	$ 2,818,918

All assets previously held by the Town were transferred to the District at net book value.

Depreciation expense is charged to the fire protection and emergency services program.

On April 7, 2020, the Town's electors voted to sell the Dannels Fire Station to the District for $1. Upon the transfer of the Dannels Fire Station building, parking lot, landscaping and all related appurtenances from the Town to the District, the Special Use Permit between the Town and the United States Department of the Interior was transferred to the District, causing the District to have sole responsibility the property and adherence to the General and Special Conditions under the License.

NOTE 5 – COMPENSATED ABSENCES

The District has a policy that allows employees to accumulate paid time off and sick pay up to certain maximum hours as stated in the District's Personnel Policy Manual. Vacation above the maximum allowable carry over is forfeited. Sick leave above the maximum allowable carryover is converted to vacation on a 2-for-1 basis. Conversion of any excess sick time to vacation is done prior to the calculation of compensated absences.

The District has recorded the accrued liability for these compensated absences in the government-wide financial statements as follows:

	Beginning Balance	Net Change	Ending Balance	Due Within One Year
Governmental Activities				
Compensated Absences	$ 65,094	$ (14,084)	$ 51,010	$ 12,800

NOTE 6 – LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Lease Obligation	$ 9,106	$ 100,894	$ 34,532	$ 75,468	$ 32,328

Lease Obligation

On April 1, 2023, the District entered into a lease for office space through March 31, 2024. On April 1, 2024, the lease term was extended through March 31, 2025. Interest on the lease is imputed at 8.25% per annum with monthly payments of $2,800 through March 1, 2024, and $4,600 through March 1, 2025. The lease contains a renewal option for the District to extend the lease. On December 20, 2024, the District terminated the lease effective February 28, 2025.

On March 1, 2025, the District entered into a lease for office space through February 28, 2026, with an option of two, twelve-month renewal terms. Interest on the lease is imputed at 7.50% per annum with monthly payments of $2,950 through February 1, 2026, $3,100 through February 1, 2027, and $3,250 through February 1, 2028.

The District's future payments for the lease are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 32,328	$ 4,572	$ 36,900
2027	36,700	2,000	38,700
2028	6,440	60	6,500
	$ 75,468	$ 6,632	$ 82,100

NOTE 7 – FUND EQUITY

Nonspendable Fund Balance

The nonspendable fund balance in the General Fund in the amount of $7,135 is comprised of prepaid amounts which are not in spendable form.

Restricted Fund Balance

The restricted fund balance in the General Fund in the amount of $79,300 is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see NOTE 15).

The restricted fund balance in the General Fund in the amount of $354,527 represents the accumulation of funds for the implementation of a wildfire mitigation program by the District to encourage property owners to reduce fuels on their property and select landscaping choices and building materials for fire resistance. Funding is provided from a portion of a 1% sales tax that was approved by the Town's voters on April 2, 2024 (Ballot Issue 1A) (see NOTE 13).

At December 31, 2025, the District has $182,203 restricted for capital expenditures in the Impact Fee Fund.

NOTE 8 – NET POSITION

The District has net position consisting of three components – invested in capital assets, restricted, and unrestricted.

Net investment in capital assets amounting to $2,743,450 consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of obligations that are attributable to the acquisition, construction, or improvement of those assets, if any, calculated as follows:

Capital Assets, Net	$	2,818,918
Outstanding Long-Term Debt Applicable to Capital Assets		(75,468)
Net Investment in Capital Assets	$	2,743,450

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

The District had a restricted net position as of December 31, 2025, as follows:

Restricted net position:		
Emergency reserves (See Note 15)	$	79,300
Wildfire Mitigation Fund (see Note 13)		354,527
Capital Projects		182,203
Total	$	616,030

NOTE 9 – VOLUNTEERS FIREFIGHTERS' PENSION FUND – FPPA ADMINISTERED

As mentioned in Note 2, on March 31, 2025, the District entered into an Affiliation Agreement with FPPA. The Affiliation Agreement provides for FPPA to administer the plan and manage the plan's funds for investment. In accordance with the Affiliation Agreement, the District transferred the assets of the Volunteer Pension Fund to FPPA and the Volunteer Pension Fund was closed.

Plan Descriptions and Provisions

The District, on behalf of its volunteer firefighters, contributes to the Volunteer Firefighters' Pension Plan (VFPP), a defined benefit pension plan which is affiliated with the FPPA. The net pension asset, 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 VFPP have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Assets of the plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension plan administered by FPPA.

The Volunteer Firefighters' Pension Plan Board of Trustees is comprised of the five Directors of the District and two District representatives that are either a volunteer, a retired volunteer, or an active retiree firefighter. The Colorado Revised Statues (CRS), as amended, establishes basic benefit provisions under the plan. The provisions of the Plan give the Board the right and authority to establish and amend the benefit provisions of the Plan. FPPA issues a publicly available comprehensive annual financial report that includes the assets of the volunteer plan. That report may be obtained at www.fppaco.org.

Volunteer firefighters who attain both the age of fifty and complete twenty years of active service shall be eligible for a monthly pension, currently $450. Volunteers who retire with ten years of credited service are entitled to a partial benefit. Based on the Board's discretion, surviving spouses may be eligible for benefits up to an amount of 100%.

Employees Covered by Benefit Terms

As of January 1, 2025 (the latest actuarial valuation performed), the following employees were covered by the benefit terms:

Retirees and Beneficiaries Currently Receiving Benefits	34
Inactive Participants, Entitled to but not yet Receiving Benefits	3
Active Participants	27

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2025, the District recognized pension expense of $14,886. At December 31, 2025, the District reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 27,269	$ (41,151)
Changes of assumptions or other inputs	3,309	-
Net difference between projected and actual earnings on pension plan investments	39,696	-
Contributions subsequent to the measurement date	102,600	-
Total	$ 172,874	$ (41,151)

$102,600 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026.

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

Year ended December 31,	
2026	$ 28,192
2027	31,751
2028	(23,670)
2029	(7,150)
	$ 29,123

Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of December 31, 2023 were based on the following:

	Valuation Date	
	January 1, 2025	**January 1, 2023**
Measurement date	December 31, 2024	December 31, 2023
Inflation	2.25%	2.25%
Salary increases including inflation	2.25%	2.25%
Mortality	Pub-2010 Safety Employee/Retiree Mortality Tables, with generational projections using Table MP-2021	Pub-2010 Safety Employee/Retiree Mortality Tables, with generational projections using Table MP-2021
Actuarial cost method	Entry Age Normal	Entry Age Normal

There have been no significant changes between the valuation date and the fiscal year end.

Discount Rate

Measurement date	December 31, 2025	December 31, 2023
Discount rate	5.00%	5.00%
Long-term-expected rate of return, net of of investment expense	5.00%	5.00%
Bond Buyer General Obligation 20-Bond Municipal Bond Index	4.08%	3.26%

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

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

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

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of December 31, 2023	$ 2,269,033	$ 1,667,738	$ 601,295
Changes for the year			
Service Cost	23,882	-	23,882
Interest on Total Pension Liability	110,675	-	110,675
Effect of economic/demographic gains or losses	(53,254)	-	(53,254)
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(160,785)	(160,785)	-
Employer contributions	-	102,600	(102,600)
Net investment income	-	93,440	(93,440)
Administrative expenses	-	(2,015)	2,015
Balances as of December 31, 2024	$ 2,189,551	$ 1,700,978	$ 488,573

Sensitivity of the net pension liability to the changes in the discount rate.

The following table presents the net pension liability of the District, calculated using the discount rate of 5.00%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.00%) or one percentage point higher (6.00%) than the current rate.

	1% Decrease 4.00%	Current Discount Rate 5.00%	1% Increase 6.00%
Total Pension Liability	$ 2,439,879	$ 2,189,551	$ 1,981,229
Fiduciary Net Position	1,700,978	1,700,978	1,700,978
Net Pension Liability	$ 738,901	$ 488,573	$ 280,251

NOTE 10 – EMPLOYEE RETIREMENT PLANS

Fire and Police Statewide Retirement Plan (FPPA)

Defined Benefit Pension Plan

General Information about the Pension Plan

The Statewide Retirement Plan (SRP) was created on January 1, 2023, when the Statewide Defined Benefit Plan (SWDB) and the Statewide Hybrid Plan were merged. At that time, the SWDB became the defined benefit component of the SRP. The Defined Benefit System comprises the Statewide Retirement Plan and the Colorado Springs New Hire Pension Plan.

The Defined Benefit Component and Supplemental Social Security Component of the Statewide Retirement Plan cover fire and police employees hired in the State of Colorado by affiliated employers on or after April 8, 1978.

The Hybrid Defined Benefit Component and Money Purchase Component of the Statewide Retirement Plan provide a combination of defined benefit and money purchase retirement benefits to the Members of those Employers who have either (1) established a local money purchase plan pursuant to C.R.S. § 31-30.5-801 or 31-31-601 or (2) withdrawn into the Statewide Money Purchase Plan pursuant to C.R.S. § 31-31-501 and subsequently elected to participate in the Hybrid Component under C.R.S. § 31-31-1101.

The Colorado Springs New Hire Pension Plan was formed as of October 1, 2006 from two plans merging into one plan document but with a fire and police component. The Plan covers firefighters and police officers who were hired by the City of Colorado Springs on or after April 8, 1978 but prior to October 1, 2006.

The SRP 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 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.

Death and disability coverage is provided for members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by the FPPA. This is a noncontributory plan. All full-time, paid firefighters of the District are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Local revenue sources are responsible for funding of the Death and Disability benefits for firefighters hired on or after January 1, 1997.

Colorado Revised Statutes Title 31, Article 31 grants the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the SRP and the Statewide Death and Disability Plan. FPPA issues a publicly available financial report that includes information on the plan. That report may be obtained at www.fppaco.org.

Benefits Provided

A plan member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2% of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007, for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0% to the higher of 3% or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5% for each year of service thereafter.

Contributions

Contribution rates for the Plan are set by state statute. Contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

Members of the defined benefit component contributed 12.0% 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% annually through 2030 to a total of 13.0% of base salary. These increases result in a combined contribution rate of 25.0% of base salary in 2030. In 2025, the members of the defined benefit component and their employers contributed at a rate of 12.0% and 10.5%, respectively, of base salary for a total contribution rate of 22.5%. The District's contributions to the plan of the year ended December 31, 2025, were $73,115, equal to the required contributions.

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% annually. These increases result in a minimum combined contribution rate of 25.2% in 2030.

Pension Asset, Pension Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At December 31, 2025, the District reported a net pension liability of $0, representing its proportionate share of the net pension liability of the plan. The net pension liability was measured at December 31, 2024. 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.

The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating Districts, actuarially determined. At December 31, 2024, the District's proportion was 0.0531%, which was a decrease of 0.0023% from its proportion measured as of December 31, 2023. For the year ended December 31, 2025, the District recognized pension income of $112,332.

At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 127,603	$ (3,991)
Changes of assumptions or other inputs	45,668	-
Net difference between projected and actual earnings on pension plan investments	18,127	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	(1,339)	-
Contributions subsequent to the measurement date	73,115	N/A
Total	$ 263,174	$ (3,991)

$73,115 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026.

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

Year ended December 31,	
2026	$ 57,414
2027	80,213
2028	5,172
2029	4,568
2030	12,700
Thereafter	26,001
	$ 186,068

Actuarial assumptions

The actuarial valuations as of January 1, 2025, determined the total pension liability using the following actuarial assumptions and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
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*	7.0%	7.0%
Projected Salary Increases	4.25% - 11.75%	4.25% - 11.75%
Cost of Living Adjustments (COLA)	0%	0%
*Includes Inflation at	2.5%	2.5%

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

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

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to 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, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	38.0%	7.00%
Equity Long/Short	6.0%	6.20%
Private Markets	31.0%	8.80%
Fixed Income-Rates	7.0%	8.00%
Fixed Income-Credit	5.0%	4.30%
Diversifiers	9.0%	5.70%
Cash	4.0%	4.20%
Total	100.0%	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SRP 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.

As of the measurement period ending December 31, 2024, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

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 the valuation, the long-term 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%.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability (asset)	$ 259,132	$ -	$ -

Pension Plan Fiduciary Net Position

Detailed information about the SRP's fiduciary net position is available in FPPA's annual comprehensive financial report, which can be obtained at http://www.fppaco.org.

<u>Public Employees' Retirement Association of Colorado (PERA)</u>

Defined Benefit Pension Plan

General Information about the Pension Plan

Plan description. Eligible employees of the District are provided with pensions through the Local Government Division Trust Fund (LGDTF) – a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided as of December 31, 2024

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- $15 times the first 10 years of service credit plus $20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. For Safety Officers whose disability is caused by an on-the-job injury, the five-year service requirement is waived and they are immediately eligible to apply for disability benefits. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions Provisions as of December 31, 2025

Eligible employees of the District and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, et seq. and § 24-51-413.

Employee contribution rates for the period of January 1, 2024, through December 31, 2025 are summarized in the table below:

	January 1, 2024 Through December 31, 2024	January 1, 2025 Through December 31, 2025
Employee contribution rate: (all employees other than State Troopers)	9.00%	9.00%
State Troopers	13.00%	13.00%

**Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

The employer contribution requirements for all employees other than Safety Officers are summarized in the table below:

	January 1, 2024 Through December 31, 2024	January 1, 2025 Through December 31, 2025
Employer contribution rate	11.00%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%	(1.02)%
Amount apportioned to the LGDTF	9.98%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.08%	0.11%
Total employer contribution rate to the LGDTF	**13.76**	**13.79**

**Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the District were $25,143 for the year ended December 31, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for the LGDTF was measured as of December 31, 2024, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TPL to December 31, 2024. The District's proportion of the net pension liability was based on the District's contributions to the LGDTF for the calendar year 2024 relative to the total contributions of participating employers.

At December 31, 2025, the District reported a liability of $126,988 for its proportionate share of the net pension liability. At December 31, 2024, the District proportion was 0.0206956361%, which was an increase of 0.0008272782% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the District recognized pension expense of $55,108. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 9,582	$ -
Changes of assumptions or other inputs	3,748	-
Net difference between projected and actual earnings on pension plan investments	11,950	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,921	-
Contributions subsequent to the measurement date	25,143	N/A
Total	$ 52,344	$ -

$25,143 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, 2026.

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

Year ended December 31,	
2026	$ 25,158
2027	30,278
2028	(20,227)
2028	(8,008)
	$ 27,201

Actuarial assumptions. The TPL in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real wage growth	0.70%
Wage Inflation	3.00%
Salary increases, including wage inflations:	
Members other than State Troopers	3.20% - 11.30%
State Troopers	3.20% - 12.40%
Long-term Investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25%
Discount Rate	7.25%
Post-retirement benefit increases: PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 [1]	Financed by the AIR

[1] Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the Local Government Division Trust Fund and HCTF were $0.486 million and $0.020 million, respectively.

All mortality assumptions are developed on a benefit-weighted basis and apply generational mortality. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019.

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubG-2010 Healthy Retiree	**Males**: 94% of the rates prior to age 80/ 90% of the rates age 80 and older **Females**: 87% of the rates prior to age 80/ 107% of the rates age 80 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
All Beneficiaries	Pub-2010 Contingent Survivor	**Males**: 97% of the rates for all ages **Females**: 105% of the rates for all ages
Disabled	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

The actuarial assumptions used in the December 31, 2023, valuations were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA's Board on January 17, 2025, and were effective as of December 31, 2024.

The following assumptions were reflected in the roll forward calculation of the total pension liability from December 31, 2023, to December 31, 2024.

Salary increases, including wage inflation:	
Members other than Safety Officers	3.40%-13.00%
Safety Officers	3.20%-16.30%

Salary scale assumptions were altered to better reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. All mortality assumptions are developed on a benefit-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using the 2024 adjusted MP-2021 projection scale.

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubG-2010 Healthy Retiree	**Males**: 90% of the rates for all ages **Females**: 85% of the rates prior to age 85/ 105% of the rates age 85 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
All Beneficiaries	Pub-2010 Contingent Survivor	**Males**: 92% of the rates for all ages **Females**: 100% of the rates for all ages

Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

The long-term expected return on plan assets is monitored on an ongoing basis and reviewed as part of periodic experience studies prepared every four years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the 2024 Experience Study report dated January 3, 2025.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	51.00%	5.00%
Fixed Income	23.00%	2.60%
Private Equity	10.00%	7.60%
Real Estate	10.00%	4.10%
Alternatives	6.00%	5.20%
Total	**100.00%**	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long- term expected nominal rate of return assumption of 7.25%.

Discount Rate

The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the middle of the year.

- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional disaffiliation payment allocations to the Local Government Division Trust Fund and HCTF were $0.486 million and $0.020 million, respectively.

Based on the above assumptions and methods, the LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Proportionate share of the net pension liability (asset)	$ 277,951	$ 126,988	$ 162

Pension plan fiduciary net position

Detailed information about the LGDTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

Health Care Trust Fund

Plan Description

Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly, Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained www.copera.org/forms-resources/financial-reports-and-studies.

Benefits provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 *et seq*. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure

The maximum service-based premium subsidy is $230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum $230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions

Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were $1,860 for the year ended December 31, 2025.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2025, the District reported a liability of $7,868 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The District proportion of the net OPEB liability was based on District contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2024, the District proportion was 0.00164548460%, which was an increase of 0.0000659324% from its proportion measured as of December 31, 2024. For the year ended December 31, 2025, the District recognized OPEB expense of $790. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ (1,736)
Changes of assumptions or other inputs	90	(2,515)
Net difference between projected and actual earnings on pension plan investments	27	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	6,543	-
Contributions subsequent to the measurement date	1,860	N/A
Total	$ 8,520	$ (4,251)

$1,860 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2026.

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

Year ended December 31,	
2026	$ 418
2027	873
2028	640
2029	526
2030	119
2031	(167)
	$ 2,409

Actuarial assumptions. The December 31, 2023, actuarial valuation used the following actuarial cost method and key actuarial assumptions and other inputs:

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method	Entry age			
Price inflation	2.30%			
Real wage growth	0.70%			
Wage inflation	3.00%			
Salary increases, including wage inflation				
Members other than Safety Officers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
Safety Officers	3.20%-12.40%	N/A	3.20%-12.40%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%			
Discount rate	7.25%			
Health care cost trend rates				
PERA benefit structure:				
Service-based premium subsidy	0.00%			
PERACare Medicare plans	16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034			
MAPD PPO #2	105.00% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034			
Medicare Part A premiums	3.50% in 2024, gradually increasing to 4.50% in 2033			
DPS benefit structure:				
Service-based premium subsidy	0.00%			
PERACare Medicare plans	N/A			
Medicare Part A premiums	N/A			

As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were $0.020 million and $0.486 million, respectively.

Each year the per capita health care costs are developed by plan option. As of the December 31, 2023, actuarial valuation, costs are based on 2024 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors were then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and older	0.0%	0.0%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$1,710	$1,420	$585	$486	$1,897	$1,575
70	$1,921	$1,589	$657	$544	$2,130	$1,763
75	$2,122	$1,670	$726	$571	$2,353	$1,853

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$6,536	$5,429	$4,241	$3,523	$7,063	$5,866
70	$7,341	$6,073	$4,764	$3,941	$7,933	$6,563
75	$8,110	$6,385	$5,262	$4,143	$8,763	$6,990

The 2024 Medicare Part A premium is $505 per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models, and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. PERACare Medicare plan rates are applied where members have no premium-free Part A and where those premiums are already exceeding the maximum subsidy. MAPD PPO #2 has a separate trend because the first year rates are still below the maximum subsidy and to reflect the estimated impact of the Inflation Reduction Act for that plan option.

The PERA benefit structure health care cost trend rates used to measure the TOL are summarized in the table below:

Year	PERACare Medicare Plans[1]	MAPD PPO #21	Medicare Part A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

[1] Increase in 2024 trend rates due to the effect of the Inflation Reduction Act.

Mortality assumptions used in the December 31, 2023, valuation for the Division Trust Funds as shown in the following table, reflect generational mortality and were applied, as applicable, in the December 31, 2023, valuation for the HCTF, but developed using a headcount-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Pre-Retirement	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
School Division	PubT-2010 Employee	N/A
Judicial Division	PubG-2010(A) Above-Median Employee	N/A

Post-Retirement (Retiree), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	**Males**: 94% of the rates prior to age 80/ 90% of the rates age 80 and older **Females**: 87% of the rates prior to age 80/ 107% of the rates age 80 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	**Males**: 112% of the rates prior to age 80/ 94% of the rates age 80 and older **Females**: 83% of the rates prior to age 80/ 106% of the rates age 80 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
All Beneficiaries	Pub-2010 Contingent Survivor	**Males**: 97% of the rates for all ages **Females**: 105% of the rates for all ages
Disabled	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

The following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect costs for the 2024 plan year.

- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for that plan option.

- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023, valuation date based on an experience analysis of recent data.

The actuarial assumptions used in the December 31, 2023, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA's Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total OPEB liability from December 31, 2023, to December 31, 2024.

	State Division	School Division	Local Government Division	Judicial Division
Salary increases, including wage inflation:				
Members other than Safety Officers	2.70%-13.30%	4.00%-13.40%	3.40%-13.00%	2.30%-4.70%
Safety Officers	3.20%-16.30%	N/A	3.20%-16.30%	N/A

The following health care costs assumptions were used in the roll forward calculation for the HCTF:

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

Plan	With Medicare Part A	Without Medicare Part A
MAPD PPO #1	$1,824	$6,972
MAPD PPO #2	624	4,524
MAPD HMO (Kaiser)	2,040	7,596

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. Note that in all categories, the mortality tables are generationally projected using the 2024 adjusted MP-2021 project scale. These assumptions updated for the Division Trust Funds, were also applied in the roll forward calculations for the HCTF using a headcount-weighted basis. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
School Division	PubT-2010 Employee	N/A
Judicial Division	PubG-2010(A) Above-Median Employee	N/A
Post-Retirement (Retiree), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	**Males**: 90% of the rates for all ages **Females**: 85% of the rates prior to age 85/ 105% of the rates age 85 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	**Males**: 106% of the rates for all ages **Females**: 86% of the rates prior to age 85/ 115% of the rates age 85 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
All Beneficiaries	Pub-2010 Contingent Survivor	**Males**: 92% of the rates for all ages **Females**: 100% of the rates for all ages
Disabled	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

The actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed annually and updated, as appropriate, by the PERA Board's actuary.

The long-term expected return on plan assets is monitored on an ongoing basis and reviewed as part of periodic experience studies prepared every four years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the 2024 Experience Study report dated January 3, 2025.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	51.00%	5.00%
Fixed Income	23.00%	2.60%
Private Equity	10.00%	7.60%
Real Estate	10.0%	4.10%
Alternatives	6.00%	5.20%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate[1]	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 trend rate[1]	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate[1]	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$7,656	$7,868	$8,108

[1]For the January 1, 2025, plan year.

Discount Rate

The discount rate used to measure the TOL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2024, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.

- Benefit payments and contributions were assumed to be made at the middle of the year.

- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were $0.020 million and $0.486 million, respectively.

Based on the above assumptions and methods, the FNP for the HCTF was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate.

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Proportionate share of the net OPEB liability	$ 9,643	$ 7,868	$ 6,338

OPEB plan fiduciary net position. Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

NOTE 12 - LENGTH OF SERVICE AWARD PROGRAM (LOSAP)

On January 1, 2018, the District created the Hero Plus Program (HPP) in accordance with Internal Revenue Code Section 457(e)(11). The program is administered by Lincoln Financial Group Trust Company, Inc. (LFG). The District funds the HPP annually based upon the individual amounts earned each year.

During the year ended December 31, 2025, the District transferred $32,375 to the HPP.

NOTE 13 – INTERGOVERNMENTAL AGREEMENTS

The District has entered into intergovernmental agreements with the Town as a result of the District's organization and the continuation of fire protection services for the Town. Specifically, the Town has agreed to remit to the District 7% of sales tax revenue it receives. These taxes are remitted to the District monthly. During 2025, 2024, and 2023, the District received $1,318,208, $1,240,007, and $1,279,907, respectively, in sales taxes from the Town.

On April 2, 2024, the voters of the Town passed Ballot Issue 1A, approving the renewal of the additional 1% sales tax that was originally approved on April 1,2014 and had expired on June 30, 2024. Ballot Issue 1A provides for 9% of the 1% sales tax revenue to be transferred to the District to fund the implementation of a wildfire mitigation program by the District to encourage property owners to reduce fuels on their property and select landscaping choices and building materials for fire resistance. During 2025 and 2024, the District received $417,904 and $234,914, respectively, in sales taxes from the Town. Unpent funds accumulated from the 1A Taxes are reported as restricted net position/fund balance on the Statement of Net Position and Balance Sheet, respectively.

The Town provides dispatching and communication services to the District for an appropriate annual amount to be agreed upon by the parties during September of each calendar year for the subsequent year. During 2025, the District paid the Town $28,286 for dispatching services.

During 2025, the Town continued to provide essential support services such as information technology support and fleet maintenance at an agreed upon amount which is set annually. The total amount paid to the Town for these services in 2025 was $93,955.

NOTE 14 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; or natural disasters.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2025. The Pool is an organization created by intergovernmental agreement to provide public officials' liability and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for public officials' liability and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

The District continues to carry commercial insurance for all other risks of loss. The District did not have any claim settlements in excess of coverage in any of the past three fiscal years.

NOTE 15 – TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

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 in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 3, 2009, a majority of the District's electors authorized the District to collect, retain and spend all revenues and other funds from any revenue source, provided that the District's 1.95 mill levy tax rate shall not be increased without further voter approval and the revenues from all such sources be spent as voter approved revenue changes and as an exception to the limits which would otherwise apply, including without limitation to TABOR.

On November 6, 2018, a majority of the District's electors approved the following ballot question: Shall Estes Valley Fire Protection District be authorized to offset revenue losses from refunds, abatements and changes to the percentage of actual valuation used to determine assessed valuation (in particular to offset revenues that would otherwise be lost due to the "Gallagher Amendment" to the Colorado constitution) by increasing its operating mill levy beginning in collection year 2020 and annually thereafter, so that to the extent possible the actual tax revenue collected is the same as if such changes had not occurred?

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

Taxpayer's Bill of Rights

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

Section 29-1-1702 Revenue Limitations 5.25% Rule

Part 17 of Article 1 of Title 29 of the Colorado Revised Statutes contains limitations on the amount of revenues that can be generated from property taxes that apply to certain local governments within the State of Colorado.

Subject to certain exclusions and exemptions, property tax revenue is limited to a 5.25% increase (or 10.50% over a two year assessment period).

The District's management believes the District is in compliance with the provisions of the statute; however, the statute is complex and subject to interpretation.

NOTE 16 – ACCOUNTING CHANGES AND RESTATEMENTS

Change within the Financial Reporting Entity

Effective January 1, 2025, the District established the Impact Fee Fund to provide clearer segregation and tracking of revenues dedicated exclusively to infrastructure and capital outlays related to District expansion requirements. Historically, these revenues and their accumulated balances were accounted for within the General Fund. To align with this new reporting structure, the beginning fund balances of the affected reporting units have been restated to reflect this internal reclassification as if it occurred on the first day of the period. The impact of this change within the reporting entity on the beginning fund balances is summarized below:

- General Fund: Decreased by $149,296 from $1,729,608 to $1,580,312.
- Impact Fee Fund: Increased by $149,296 from $0 to $149,296.

This reclassification represents an internal reallocation of existing resources and has no effect on the aggregate beginning fund balance of the Total Governmental Funds.

REQUIRED SUPPLEMENTARY INFORMATION

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
VOLUNTEER PENSION FUND
LAST TEN YEARS

Measurement period ending December 31,	2024	2023	2022	2021
Total Pension Liability				
Service Cost	$ 23,882	$ 23,882	$ 20,976	$ 20,514
Interest on Total Pension Liability	110,675	111,785	108,904	109,868
Effect of Plan Changes	-	-	-	-
Effect of economic/demographic gains or losses	(53,254)	-	74,413	-
Effect of assumptions changes or inputs	-	-	3,590	-
Benefit payments	(160,785)	(155,015)	(151,342)	(148,963)
Net Change in Total Pension Liability	(79,482)	(19,348)	56,541	(18,581)
Total Pension Liability - Beginning	2,269,033	2,288,381	2,231,840	2,250,421
Total Pension Liability - Ending (a)	$ 2,189,551	$ 2,269,033	$ 2,288,381	$ 2,231,840
Plan Fiduciary Net Position				
Employer Contributions	$ 102,600	$ 102,600	$ 90,000	$ 76,000
Net investment income	93,440	125,011	(137,523)	153,647
Benefit payments	(160,785)	(155,015)	(151,342)	(148,963)
Administrative expense	(2,015)	(10,000)	(1,180)	(11,153)
Net Change in Plan Fiduciary Net Position	33,240	62,596	(200,045)	69,531
Plan Fiduciary Net Position - Beginning	1,667,738	1,605,142	1,805,187	1,735,656
Plan Fiduciary Net Position - Ending (b)	$ 1,700,978	$ 1,667,738	$ 1,605,142	$ 1,805,187
Net Pension Liability/(Asset) - Ending (a)-(b)	$ 488,573	$ 601,295	$ 683,239	$ 426,653
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	77.69%	73.50%	70.14%	80.88%
Covered Payroll	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A

Information above is presented as of the measurement date.

2020	2019	2018	2017	2016	2015
$ 13,760	$ 13,760	$ 30,655	$ 30,655	$ 40,090	$ 40,090
99,592	100,865	108,785	108,395	109,590	109,045
238,367	-	-	-	-	-
70,662	-	(97,738)	-	(39,766)	-
105,119	-	(40,482)	-	13,724	-
(146,205)	(129,573)	(127,097)	(136,697)	(135,192)	(143,152)
381,295	(14,948)	(125,877)	2,353	(11,554)	5,983
1,869,126	1,884,074	2,009,951	2,007,598	2,019,152	2,013,169
$ 2,250,421	$ 1,869,126	$ 1,884,074	$ 2,009,951	$ 2,007,598	$ 2,019,152
$ 88,605	$ 128,605	$ 128,605	$ 128,605	$ 118,605	$ 128,605
75,013	168,084	(106,028)	100,852	90,802	(32,207)
(146,205)	(129,573)	(127,097)	(136,697)	(135,192)	(143,152)
(2,310)	(10,902)	(3,947)	(9,246)	(3,606)	(7,914)
15,103	156,214	(108,467)	83,514	70,609	(54,668)
1,720,553	1,564,339	1,672,806	1,589,292	1,518,683	1,573,351
$ 1,735,656	$ 1,720,553	$ 1,564,339	$ 1,672,806	$ 1,589,292	$ 1,518,683
$ 514,765	$ 148,573	$ 319,735	$ 337,145	$ 418,306	$ 500,469
77.13%	92.05%	83.03%	83.23%	79.16%	75.21%
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF NET PENSION LIABILITY
VOLUNTEER PENSION FUND
LAST TEN YEARS

	2024	2023	2022
Net Pension Liability			
Total Pension Liability	$ 2,189,551	$ 2,269,033	$ 2,288,381
Fiduciary Net Position	1,700,978	1,667,738	1,605,142
Net Pension Liability	$ 488,573	$ 601,295	$ 683,239
Fiduciary Net Position as a % of Total Pension Liability	77.69%	73.50%	70.14%
Covered Payroll	N/A	N/A	N/A
Net Pension Liability as a % of Covered Payroll	N/A	N/A	N/A
The total pension liability was determined by an actuarial valuation as of the valuation date using the following actuarial assumptions:			
Discount Rate	5.00%	5.00%	5.00%
Investment Rate of Return	5.00%	5.00%	5.00%
Cost of Living Adjustments	None	None	None

Other Key Actuarial Assumptions:		
Actuarial valuation date	January 1, 2025	January 1, 2023
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Dollar - Closed	Level Dollar - Closed
Remaining Amortization Period	12 years	14 years
Asset Valuation Method	Market Value of Assets	Market Value of Assets
Inflation	2.25%	2.25%
Salary Increases	N/A	N/A
Mortality	Pub-2010 Safety Employee/Retiree Mortality Tables, with generational projections using Table MP-2021	Pub-2010 Safety Employee/Retiree Mortality Tables, with generational projections using Table MP-2021

2021	2020	2019	2018	2017	2016	2015
$ 2,231,840	$ 2,250,421	$ 1,869,126	$ 1,884,074	$ 2,009,951	$ 2,007,598	$ 2,019,152
1,805,187	1,735,656	1,720,553	1,564,339	1,672,806	1,589,292	1,518,683
$ 426,653	$ 514,765	$ 148,573	$ 319,735	$ 337,145	$ 418,306	$ 500,469
80.88%	77.13%	92.05%	83.03%	83.23%	79.16%	75.21%
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
5.00%	5.00%	5.50%	5.50%	5.50%	5.50%	5.50%
5.00%	5.00%	5.50%	5.50%	5.50%	5.50%	5.50%
None	None	None	None	None	None	None
January 1, 2021		January 1, 2019		January 1, 2017		January 1, 2015
Entry Age Normal		Entry Age Normal		Entry Age Normal		Entry Age Normal
Level Dollar - Closed		Level Dollar - Closed		Level Dollar - Closed		Level Dollar - Closed
16 years		18 years		20 years		22 years
Market Value of Assets		Market Value of Assets		Market Value of Assets		Market Value of Assets
2.25%		2.50%		2.50%		2.50%
N/A		N/A		N/A		N/A
Pub-2010 Safety Employee/Retiree Mortality Tables, with generational projections using Table MP-2020		Pub-2010 Public Retirement Plans Mortality Tables, with generational projections using Table MP-2018		RP-2014 Healthy Annuitant and Employee Mortality Tables		RP-2014 Healthy Annuitant and Emplyee Mortality Tables

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
VOLUNTEER PENSION FUND
LAST TEN YEARS

Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution *	Contribution Deficency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2016	$ 81,151	$ 118,605	$ (37,454)	N/A	N/A
2017	$ 76,302	$ 128,605	$ (52,303)	N/A	N/A
2018	$ 76,302	$ 128,605	$ (52,303)	N/A	N/A
2019	$ 50,677	$ 128,605	$ (77,928)	N/A	N/A
2020	$ 50,677	$ 88,605	$ (37,928)	N/A	N/A
2021	$ 77,184	$ 76,000	$ 1,184	N/A	N/A
2022	$ 77,184	$ 90,000	$ (12,816)	N/A	N/A
2023	$ 101,756	$ 102,600	$ (844)	N/A	N/A
2024	$ 101,756	$ 102,600	$ (844)	N/A	N/A
2025	$ 89,297	$ 102,600	$ (13,303)	N/A	N/A

Note, full valuations are performed biannually on odd numbered years. The members of the plan are volunteers, so as such there is no covered payroll.

* Includes State Fire pension contribuion

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF INVESTMENT RETURNS
VOLUNTEER PENSION FUND
LAST TEN YEARS

Year Ending December 31,	Net Money-Weighted Rate of Return
2015	-2.11%
2016	6.12%
2017	6.48%
2018	-6.38%
2019	10.74%
2020	4.47%
2021	9.18%
2022	-7.78%
2023	8.04%
2024	5.86%

The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

FPPA PENSION PLAN - STATEWIDE DEFINED BENEFIT PLAN FUND

LAST TEN YEARS

	2024	2023	2022	2021
District's Proportion of the Net Pension Liability (Asset)	0.0531019%	0.0554493%	0.0599097%	0.0496808%
District's Proportionate Share of the Net Pension Liability (Asset)	$ -	$ -	$ 53,176	$ (269,237)
Covered Payroll	$ 561,540	$ 519,905	$ 507,389	$ 401,576
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	0.000%	0.000%	10.480%	(67.045)%
Calculation of Collective Net Pension Liability:				
Total Pension Liability	$ 4,716,284,644	$ 4,212,130,287	$ 3,752,109,029	$ 3,352,605,624
Plan Fiduciary Net Position	4,716,284,644	4,212,130,287	3,663,348,061	3,894,539,387
Net Pension Liability (Asset)	$ -	$ -	$ 88,760,968	$ (541,933,763)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.00%	100.00%	97.63%	116.16%

Information above is presented as of the measurement date.

2020	2019	2018	2017	2016	2015
0.0389952%	0.0341250%	0.0375472%	0.0425350%	0.0530987%	0.0459829%
$ (84,659)	$ (19,300)	$ 47,470	$ (61,193)	$ 19,187	$ (811)
$ 327,038	$ 301,900	$ 251,513	$ 248,806	$ 282,784	$ 223,653
(25.887)%	(6.393)%	18.874%	(24.595)%	6.785%	(0.363)%
$ 3,230,485,701	$ 2,919,378,738	$ 2,653,120,261	$ 2,269,410,684	$ 2,021,526,883	$ 1,846,961,999
3,447,586,098	2,975,935,079	2,526,692,808	2,413,276,447	1,985,393,043	1,848,724,853
$ (217,100,397)	$ (56,556,341)	$ 126,427,453	$ (143,865,763)	$ 36,133,840	$ (1,762,854)
106.72%	101.94%	95.23%	106.34%	98.21%	(100.10)%

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
FPPA PENSION PLAN - STATEWIDE DEFINED BENEFIT PLAN FUND
LAST TEN YEARS

Year Ending December 31,	Statutorily Required Contribution	Actual Employer Contribution	Contribution Deficency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2016	$ 22,623	$ 22,623	$ -	$ 282,784	8.00%
2017	$ 19,904	$ 19,904	$ -	$ 248,806	8.00%
2018	$ 20,121	$ 20,121	$ -	$ 251,513	8.00%
2019	$ 24,152	$ 24,152	$ -	$ 301,900	8.00%
2020	$ 26,163	$ 26,163	$ -	$ 327,038	8.00%
2021	$ 34,134	$ 34,134	$ -	$ 401,576	8.50%
2022	$ 45,665	$ 45,665	$ -	$ 507,389	9.00%
2023	$ 49,391	$ 49,391	$ -	$ 519,905	9.50%
2024	$ 56,154	$ 56,154	$ -	$ 561,540	10.00%
2025	$ 73,115	$ 73,115	$ -	$ 696,333	10.50%

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PERA PENSION PLAN - LOCAL GOVERNMENT DIVISION TRUST FUND

LAST TEN YEARS

	2024	2023	2022
District's Proportion of the Net Pension Liability (Asset)	0.0206956%	0.0198684%	0.0127348%
District's Proportionate Share of the Net Pension Liability (Asset)	$ 126,988	$ 145,842	$ 127,675
Covered Payroll	$ 198,597	$ 175,012	$ 104,140
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	63.943%	83.333%	122.599%
Calculation of Collective Net Pension Liability ($ in thousands):			
Total Pension Liability	$ 6,426,530	$ 6,131,113	$ 5,895,159
Plan Fiduciary Net Position	5,812,932	5,397,072	4,892,596
Net Pension Liability (Asset)	$ 613,598	$ 734,041	$ 1,002,563
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	90.45%	88.03%	82.99%

Information above is presented as of the measurement date.

2021	2020	2019	2018	2017	2016	2015
0.0087213%	0.0090842%	0.0088118%	0.0085772%	0.0077913%	0.0072101%	0.0074612%
$ (7,477)	$ 47,340	$ 64,449	$ 107,833	$ 86,751	$ 97,361	$ 82,191
$ 64,890	$ 66,485	$ 60,680	$ 55,974	$ 48,795	$ 43,798	$ 42,439
-11.523%	71.204%	106.211%	192.648%	177.787%	222.296%	193.669%
$ 5,758,380	$ 5,715,765	$ 5,324,353	$ 5,228,602	$ 5,396,516	$ 5,123,847	$ 4,762,090
5,844,117	5,194,638	4,592,962	3,971,389	4,283,086	3,773,506	3,660,509
$ (85,737)	$ 521,127	$ 731,391	$ 1,257,213	$ 1,113,430	$ 1,350,341	$ 1,101,581
101.49%	90.88%	86.26%	75.96%	79.37%	73.65%	76.87%

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
PERA PENSION PLAN - LOCAL GOVERNMENT DIVISION TRUST FUND
LAST TEN YEARS

Year Ending December 31,	Statutorily Required Contribution	Actual Employer Contribution	Contribution Deficency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2016	$ 5,554	$ 5,554	$ -	$ 43,798	12.68%
2017	$ 6,187	$ 6,187	$ -	$ 48,795	12.68%
2018	$ 7,098	$ 7,098	$ -	$ 55,974	12.68%
2019	$ 7,694	$ 7,694	$ -	$ 60,680	12.68%
2020	$ 8,596	$ 8,596	$ -	$ 66,485	12.93%
2021	$ 8,565	$ 8,565	$ -	$ 64,890	13.20%
2022	$ 14,035	$ 14,035	$ -	$ 104,140	13.48%
2023	$ 24,047	$ 24,047	$ -	$ 175,012	13.74%
2024	$ 27,327	$ 27,327	$ -	$ 198,597	13.76%
2025	$ 25,143	$ 25,143	$ -	$ 182,330	13.79%

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
PERA - HEALTH CARE TRUST FUND
LAST NINE YEARS *

	2024	2023	2022
District's Proportion of the Net OPEB Liability	0.0016455%	0.0015796%	0.0010262%
District Proportionate Share of the Net OPEB Liability (Asset)	$ 7,868	$ 11,274	$ 8,379
Covered Payroll	$ 198,597	$ 175,012	$ 104,140
Proportionate Share of Net OPEB Liability as a Percentage of its Covered Payroll	3.962%	6.442%	8.046%
Calculation of Collective Net Pension Liability ($ in thousands):			
Total OPEB Liability	$ 1,190,476	$ 1,325,637	$ 1,329,183
Plan Fiduciary Net Position	712,309	611,911	512,704
Net OPEB Liability (Asset)	$ 478,167	$ 713,726	$ 816,479
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	59.83%	46.16%	38.57%

The amounts presented for each fiscal year were determined as of December 31st, the measurement date used by the District.

* This schedule will report ten years of data when it is available

2021	2020	2019	2018	2017	2016
0.0006780%	0.0006933%	0.0006749%	0.0006652%	0.0006054%	0.0005535%
$ 5,846	$ 6,588	$ 7,586	$ 9,050	$ 7,868	$ 7,176
$ 64,890	$ 66,485	$ 60,680	$ 55,974	$ 48,795	$ 43,798
9.009%	9.909%	12.502%	16.168%	16.125%	16.384%
$ 1,423,054	$ 1,413,526	$ 1,488,508	$ 1,639,734	$ 1,575,822	$ 1,556,762
560,749	463,301	364,510	279,192	276,222	260,228
$ 862,305	$ 950,225	$ 1,123,998	$ 1,360,542	$ 1,299,600	$ 1,296,534
39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
PERA - HEALTH CARE TRUST FUND
LAST TEN YEARS

Year Ending December 31,	Statutorily Required Contribution	Actual Employer Contribution	Contribution Deficency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2016	$ 447	$ 447	$ -	$ 43,798	1.02%
2017	$ 498	$ 498	$ -	$ 48,795	1.02%
2018	$ 571	$ 571	$ -	$ 55,974	1.02%
2019	$ 619	$ 619	$ -	$ 60,680	1.02%
2020	$ 678	$ 678	$ -	$ 66,485	1.02%
2021	$ 663	$ 663	$ -	$ 64,890	1.02%
2022	$ 1,062	$ 1,062	$ -	$ 104,140	1.02%
2023	$ 1,785	$ 1,785	$ -	$ 175,012	1.02%
2024	$ 2,026	$ 2,026	$ -	$ 198,597	1.02%
2025	$ 1,860	$ 1,860	$ -	$ 182,330	1.02%

Public Employees' Retirement Association of Colorado (PERA)

Defined Benefit Pension Plan

Note 1—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information

2024 Changes in Plan Provisions Since 2023

- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the Local Government Division Trust Fund and HCTF were $0.486 million and $0.020 million, respectively.

Note 2—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2024 Changes in Assumptions or Other Inputs Since 2023

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The Pub-2010 Public Retirement Plans Mortality base tables were retained for purposes of active, retired, disabled, and beneficiary lives, with revised adjustments for credibility and gender, where applicable. In addition, the applied generational projection scale was updated to the 2024 adjusted scale MP-2021.
- The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

Health Care Trust Fund

Note 1—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information

2024 Changes in Plan Provisions Since 2023

- As of the December 31, 2024, measurement date, the FNP and related disclosure components for HCTF reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were \$0.020 million and \$0.486 million, respectively.

Note 2—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2024 Changes in Assumptions or Other Inputs Since 2023

- Salary scale assumptions were altered to better reflect actual experience.

- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

- The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on experience. In addition, the mortality projection scale was updated to the 2024 adjusted scale MP-2021 to reflect future improvements in mortality for all groups.

- Participation rates were reduced.

- MAPD premium costs are no longer age graded.

SUPPLEMENTARY INFORMATION

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IMPACT FEE FUND

For the Year Ended December 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget
Revenues			
Impact Fees	$ -	$ 32,907	$ 32,907
Expenditures			
Capital	-	-	-
Net Change in Fund Balance	-	32,907	32,907
Fund Balance - Beginning, as restated	-	149,296	149,296
Fund Balance - Ending	$ -	$ 182,203	$ 182,203

See the Accompanying Independent Auditor's Report

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
BUDGET AND ACTUAL
VOLUNTEER PENSION FUND

For the Year Ended December 31, 2025

	Original & Final Budget	Actual Amounts	Variance with Final Budget
Additions			
Interest and Dividends	$ 115,000	$ 35,491	$ (79,509)
Estes Valley FPD Contribution	54,000	14,096	(39,904)
State Participation Contribution	48,605	-	(48,605)
Total Additions	217,605	49,587	(168,018)
Deductions			
Retiree Benefit Payments	158,985	38,171	120,814
Audit Fees	2,500	-	2,500
Actuarial Study	1,200	-	1,200
Investment Fees	10,000	3,159	6,841
Miscellaneous	5,000	-	5,000
Transfer to FPPA	-	1,709,235	(1,709,235)
Contingency	2,700	-	2,700
Total Deductions	180,385	1,750,565	(1,570,180)
Change in Plan Net Position	37,220	(1,700,978)	(1,738,198)
Plan Net Position - Beginning	1,715,397	1,700,978	(14,419)
Plan Net Position - Ending	$ 1,752,617	$ -	$ (1,752,617)

See the Accompanying Independent Auditor's Report

OTHER INFORMATION

ESTES VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAXES COLLECTED

Levy Year	Collection Year	Assessed Valuation	Mill Levy General	Mill Levy Debt	Mill Levy Total	Total Levy	Current Collection	Collection Rate
2011	2012	$ 297,268,990	1.950	0.000	1.950	$ 579,675	$ 575,944	99.36%
2012	2013	296,738,190	1.950	0.000	1.950	578,639	577,955	99.88%
2013	2014	282,549,790	1.950	0.000	1.950	550,972	547,294	99.33%
2014	2015	274,499,120	1.950	0.000	1.950	535,273	531,439	99.28%
2015	2016	302,715,411	1.950	0.000	1.950	590,295	585,765	99.23%
2016	2017	304,403,755	1.950	0.000	1.950	593,587	590,780	99.53%
2017	2018	322,076,550	1.950	0.000	1.950	628,049	625,517	99.60%
2018	2019	322,813,933	1.950	0.000	1.950	629,487	629,104	99.94%
2019	2020	371,047,013	1.950	0.000	1.950	723,542	718,784	99.34%
2020	2021	371,349,506	1.958	0.000	1.958	727,102	724,129	99.59%
2021	2022	398,442,345	1.958	0.000	1.958	780,150	779,470	99.91%
2022	2023	391,417,940	1.997	0.000	1.997	781,663	783,206	100.20%
2023	2024	521,962,677	2.069	0.000	2.069	1,079,941	1,078,620	99.88%
2024	2025	522,382,044	2.069	0.000	2.069	1,080,808	1,068,656	98.88%
Estimated for year ending December 31, 2026		$ 523,513,851	2.069	0.000	2.069	$ 1,083,150		

Note:
Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.

Source: Larimer County Assessor and Treasurer