GYPSUM FIRE PROTECTION DISTRICT
GARFIELD AND EAGLE COUNTIES, COLORADO

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2025

GYPSUM FIRE PROTECTION DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2025

Board of Directors
William Stephens - President
Raymond Conway – Vice President
Katherine Hood – Secretary
Jesse Meryhew – Treasurer
Kyle Maine – Director

Administrative Staff
Justin Kirkland - Chief

GYPSUM FIRE PROTECTION DISTRICT
AUDITED FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Table of Contents

	Page(s)
Independent Auditor's Report	A1 - A2
Management's Discussion and Analysis	B1 - B7
Basic Financial Statements:	
Government-wide Financial statements	
Statement of Net Position	C1
Statement of Activities	C2
Fund Financial Statements	
Balance Sheet – Governmental Funds	C3
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	C4
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	C5
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Government Funds to the Statement of Activities	C6
Notes to Financial Statements	D1 - D25
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	E1
Schedule of Employer's Net Pension Liability	E2 - E3
Schedule of Pensions Contributions	E4 - E5
Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Capital Projects Fund	F1

HOOD P.C.
CPAS & ADVISORS

Officers and Directors
Gypsum Fire Protection District
Gypsum, Colorado 81637

INDEPENDENT AUDITORS REPORT

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Gypsum Fire Protection District as of December 31, 2025 and the respective changes in financial position thereof for the year then ended in conformity 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 Gypsum Fire Protection District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement 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 through 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 Gypsum Fire Protection District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Gypsum Fire Protection District's ability to continue as a going concern for a reasonable period of time.

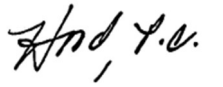
We are required to communicate to those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, listed as required supplementary information in the table of contents, 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 accounting 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 supplementary 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 Gypsum Fire Protection District's basic financial statements. The *Supplementary Information*, which are listed in the table of contents are 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 aspects, in relation to the basic financial statements taken as a whole.



HOOD, P.C.
Glenwood Springs, Colorado
September 30, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Gypsum Fire Protection District, with boundaries in Garfield and Eagle Counties, Colorado, was organized pursuant to the provisions set forth in the Colorado Special District Act. The governing body consists of a five-member Board of Directors which is elected by the registered voters within the District. The objective of the District is to provide for the preservation of life and protection of property from and during such fires and/or other emergencies as may occur within the fire protection district.

The discussion and analysis of the Gypsum Fire Protection District's financial performance provides an overall review of the District's financial activities for the fiscal year. The intent of this discussion and analysis is to look at the District's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the District's overall financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended December 31, 2025 are as follows:

- In total, the District's *overall* net position increased $1,139,329 or 16.2%, from the previous fiscal year.
- General Revenues accounted for $4,115,736 or 95.3%, of all revenues. These general revenues include taxes, grants and entitlements, general interest and other revenues not related to specific programs. Program specific revenues, in the form of charges for services and sales, as well as program specific grants and contributions, accounted for $204,452or 4.7%, of the District's total revenues of $4,320,188.
- The District had $3,180,859 in expenses of which $204,452 were offset by program specific charges for services and sales, operating & capital grants. The District's general revenues (primarily property taxes) and reserves were adequate to provide for these programs.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information.* The basic financial statements include two types of information on the same statement that present different views of the District:

- *Government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- *Fund financial statements* that focus on *individual parts* of the District government, reporting the District's operations *in more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Additionally, other supplemental information has also been included to enhance the reader's understanding of the financial statements.

REPORTING THE DISTRICT AS A WHOLE

Statement of Net Position and Statement of Activities

While this report contains all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during the fiscal year?" The statement of net position and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting, similar to that used by most private sector companies, taking into account all of the current year's revenues and expenses regardless of when cash was received or paid.

The focus of these government-wide financial statements is on the overall financial position and activities of the District. These financial statements are constructed around the concept of a primary government, the District.

The statement of net position and statement of activities report the District's *net position* and changes therein. This change in net position is important because it identifies whether the financial position of the District has improved or diminished for the District as a whole. The cause of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws, statutorily required reserves, facility conditions, frequency of fires within the District and other factors. In the statement of net position and the statement of activities, the Districts operations are reported as a "Governmental Activity." Governmental activities are generally financed through taxes, intergovernmental revenues and other non-exchange revenues. All of the District's programs and services are currently reported here.

FUND FINANCIAL STATEMENTS

The fund financial reports provide more detailed information about the District's *funds*, focusing on its most significant funds – not on the District as a whole. The District's major governmental funds include the General Fund and the Capital Projects Fund. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations. The District's fund financial statements consist of governmental funds.

Governmental Funds

The District's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year-end for spending in future periods. These funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance the District's programs. The relationship, or differences, between governmental *activities* reported in the statement of net position and the statement of activities and the governmental *funds* is reconciled in the financial statements. The *General Fund* is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund, and the *Capital Projects Fund* in used by the District for major capital improvements and acquisition of more expensive pieces of equipment, including the debt service thereon.

THE DISTRICT AS A WHOLE

Statement of Net Position

The perspective of the statement of net position is of the District as a whole. Following is a summary of the District's net position for the current and prior fiscal year:

	Governmental Activities		
	2025	2024	Increase (Decrease)
Assets:			
Current and Other Assets	$ 9,548,650	$ 7,524,965	$ 2,023,685
Capital Assets, Net	2,461,583	2,693,624	(232,041)
Total Assets	12,010,233	10,218,589	1,791,644
Deferred Outflows of Resources:			
Pensions, net of Accumulated Amortization	585,622	574,123	11,499
Liabilities:			
Current & Other Liabilities	175,282	364,088	(188,806)
Long-Term Obligations	306,808	368,283	(61,475)
Net Pension Liability	416,979	325,712	91,267
Total Liabilities	899,069	1,058,083	(159,014)
Deferred Inflows of Resources:			
Unavailable Revenue - Property Taxes	3,496,942	2,666,590	830,352
Pensions, net of Accumulation Amortization	42,563	50,087	(7,524)
Total Deferred Inflows of Resources	3,539,505	2,716,677	822,828
Net Position:			
Invested in Capital Assets, Net of Related Debt	2,128,766	2,285,447	(156,681)
Restricted	84,000	93,700	(9,700)
Unrestricted	5,944,515	4,638,805	1,305,710
Total Net Position	$ 8,157,281	$ 7,017,952	$ 1,139,329

Total *assets* increased from the previous fiscal year, primarily due to the accumulation of cash reserves as a result revenues exceeding expenditures. Property taxes assessed in 2025, to be received in 2026 increased by $830,352.

The increase in *deferred inflows of resources*, which consists of property taxes to be collected in 2026, reflects increases in the overall assessed valuation of properties within the District's boundaries, as well as an increase in the mill levy rate. The mill levy rate increased with a voter approved mill levy adjustment, and was further increased with the completion of the temporary credit to refund the state backfill.

Total *liabilities* of the District decreased from the previous fiscal year, due to a decrease in current and other liabilities. The decrease from the prior fiscal year was largely attributed to the final payment for a new fire truck that was outstanding in the prior year.

The Net position of the District increased from the prior fiscal year. Total net position may serve over time as a useful indicator of the District's financial health. The District's *overall* assets and deferred outflows exceeded its liabilities and deferred inflows by $8,157,281 at December 31, 2025. The restricted portion of the District's net position reflects statutorily required Emergency Reserves (*Note 13*).

Statement of Activities

The statement of activities reflects the cost of program services and the charges for services and sales, grants, and contributions offsetting those services. The following detail reflects the total cost of services supported by program revenues and general property taxes, unrestricted state entitlements, and other general revenues, resulting in the overall change in net position for the current and prior fiscal year:

	Governmental Activities		
	2025	2024	Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for Services & Sales	$ 204,452	$ 6,155	$ 198,297
General Revenues:			
Property & Ownership Taxes	2,838,983	3,315,110	(476,127)
Impact Fees	1,020,674	425,114	595,560
Miscellaneous	2,857	12,857	(10,000)
Rental Income	20,000	10,000	10,000
Gain (Loss) Asset Disposal	20,240	10,000	10,240
Interest & Investment Earnings	212,982	238,047	(25,065)
Total Revenues	4,320,188	4,017,283	302,905
Expenses:			
Fire Protection Services	3,012,807	2,363,256	649,551
Interest and Other Fiscal Charges	95,807	111,544	(15,737)
Net Pension Adjustment	72,245	(84,902)	157,147
Total Expenses	3,180,859	2,389,898	790,961
Increase (Decrease) in Net Position	$ 1,139,329	$ 1,627,385	$ (488,056)

Revenue from property taxes decreased from the prior year due to a reduction in the mill levy rate. The mill levy rate was negatively impacted by a temporary credit to refund the state backfill as well as the discontinuation of the Gallagher Tax Adjustment. As noted previously, the property taxes assessed in 2025 to be received in 2026 are seeing a positive adjustment to the mill levy rate. Impact fees also increased as the Gypsum area economic growth recovers from prior years.

Increases in expenditures reflect the purchase of needed fire protection equipment, necessary repair and maintenance to the District's mobile fire equipment, and increases in compensation and benefits for firefighting staff. Overall, the Board has continued with their cost saving procedures and elected to continue suspension of Board compensation.

THE DISTRICT AS A WHOLE – *CONTINUED*

As indicated above, the statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table summarizes the information from the statement of activities, reflecting the total cost of program services and the remaining net cost of program services that are supported by taxes and other general revenues:

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
Fire Protection Services	$ 3,012,807	$ 2,363,256	$ 2,808,355	$ 2,357,101
Interest and Fiscal Charges	95,807	111,544	95,807	111,544
Net Pension Adjustment	72,245	(84,902)	72,245	(84,902)
Total Expenses	$ 3,180,859	$ 2,389,898	$ 2,976,407	$ 2,383,743

The District's dependence on general revenues is apparent. In 2025 and 2024, approximately 93.6% and 99.7% of the District's governmental activities were supported through taxes and other general revenues, respectively. The community as a whole is the primary support for the District's activities.

THE DISTRICT'S FUNDS

The fund level financial statements focus on how services were financed in the short-term as well as what remains for future spending. The fund level financial statements are reported on the modified accrual basis of accounting. At the fund level, under the modified accrual basis of accounting, depreciable assets and their related depreciation expense are not reflected as they are not a current period financial resource or use. In addition, at the fund level, inflows from loans are presented as a revenue item while outflows for capital outlay and debt service payments are presented as an expenditure item, as these items represent current period financial resources and uses.

The General Fund ending fund balance increased $415,889 from $3,558,958 to $3,974,847 during the current fiscal year. This represents the excess of current period revenues and other financing sources (financial resources) over expenditures and other financing uses (financial uses). Most financial resources are from property and specific ownership taxes. The majority of expenses are directly related to providing fire protection services to the District. The ending fund balance of $3,974,847 represents the amount of net resources available for future spending.

The Capital Projects Fund ending fund balance increased $967,375 from $1,020,859 to $1,988,234 during the current fiscal year. This represents the excess of current period revenues and other financing sources (financial resources) over current period expenses and other financing uses (financial uses). The financial resources are from impact fees collected during the current fiscal year and expenditures are for debt service. The ending fund balance of $1,988,234 represents the amount of net resources in the Capital Projects Fund available for future capital investment and capital related debt service.

RESTRICTED FUND BALANCE – RESERVED FOR EMERGENCIES

The District, pursuant to the TABOR Amendment, reserves funds for emergencies. As discussed in *Note 13* of the financial statements, the District reserves 3% of the total of all operational expenses every fiscal year. As operational expenses increase, this reserve will grow accordingly. At the end of each fiscal year, if the emergency reserves were not used, the funds are carried into the next year's operational funds.

GENERAL FUND BUDGETING HIGHLIGHTS

The District's procedures in establishing the budgetary data reflected in the financial statements is summarized in *Note 1(F)* of the financial statements. Budgets are adopted on a basis consistent with generally accepted accounting principles for governmental entities. The District uses a line-item based budget designed to control line-item expenditures, but provide flexibility for overall budgetary management.

General Fund Resources (Inflows)

The District's general fund revenues in the amount of $3,259,705 exceeded budgetary expectations of $2,787,132 by $472,573. Positive variances occurred in tax revenues, interest income, and out of district call revenue being greater than anticipated.

General Fund Charges to Appropriations (Outflows)

Actual expenditures and other financing uses of $2,843,816 were $284,875 less than the final appropriation of $3,128,691. Budgetary savings were primarily the result of capital outlay, equipment repairs and maintenance, and protective clothing and tools expenditures being less than appropriations.

The Board of Directors and the management continue to strive to budget appropriate amounts for each individual line item. The overall savings are also indicative of the efforts to provide services in the most economical manner. This year's overall savings will have a positive impact on future year's fund balances.

CAPITAL ASSETS

At the end of 2025, the District had a total of $2,461,583 invested in capital assets. Current year net balances increased from the prior year due to current year investments in capital assets exceeding current year depreciation expense. Total depreciation expense for fiscal year 2025 was $284,547.

The following reflects the balances of fiscal year 2025 compared to fiscal year 2024:

	Governmental Activities	
	2025	**2024**
Capital Assets Net of Depreciation:		
Non-depreciable Land	$ 67,720	$ 67,720
Buildings & Improvements	851,797	908,494
Vehicles & Equipment	1,542,065	1,717,410
Total Net Capital Assets	$ 2,461,583	$ 2,693,624

DEBT ADMINISTRATION

The District's debt consists of a purchase agreement for a Rescue Pumper Truck and a purchase agreement for station improvements. The following reflects year end long-term obligation balances and compensated absences of the current and prior fiscal year:

	Governmental Activities	
	2025	**2024**
Purchase Agreements	$ 332,817	$ 480,638
Compensated Absences	52,365	57,173
Total Long Term Obligations	$ 385,182	$ 537,811

CURRENT ISSUES, ECONOMIC CONDITION AND OUTLOOK

The Gypsum Fire Protection District is a combination department of paid and volunteer members. There are eighteen paid employees, fourteen fulltime and four part-time members. The staff includes seven firefighters, five engineers, two lieutenants, one shift captain, one administrative captain, one chief, and ten volunteer members to handle all alarms and administration needs.

Impact fees collected by Eagle County and the Town of Gypsum have increased as the result of population growth. This increase means that in 2025, the general fund did not have to contribute any additional monies to fund the lease payment on the building and improvements completed in 2009. This will also be the case for 2026.

Starting in 2024, the District joined forces with Greater Eagle Fire Protection District to hire 3 Battalion Chiefs to be shared across both districts. The District covers 1/3 of the total cost and this practice will continue into 2026.

Even though expenditures of the District increased in 2025 from the previous year, the District's fund balances also experienced increases. The General Fund and Capital Improvement Fund balances to be carried into year 2026 are $3,974,847 and $1,988,234, respectively.

The District certified a total mill levy of 11.264 mills which will generate approximately $3,496,942 in property tax revenues for the District in 2026. The District will continue managing expenditures to keep pace with conservative revenue forecasts, while trying to keep reserves intact as much as possible.

Gypsum Fire Protection has a long history of doing much with just a little. They intend and will succeed at doing precisely that. This District has much to be grateful for. The constituents of this District make the challenges worthwhile. Helping this community and the people in it is what keeps them positive and looking forward. The District will continue to collaborate with its local partner, Greater Eagle Fire Protection District, to train staff and continue to provide outstanding service to the members of the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional information, please contact the:

Gypsum Fire Protection District
P.O. Box 243
Gypsum, Colorado 81637
Tel: (970) 524-7101
inbox@gypsumfd.com

GOVERNMENT – WIDE FINANCIAL STATEMENTS

GYPSUM FIRE PROTECTION DISTRICT
STATEMENT OF NET POSTION
For the Year Ended December 31, 2025

	Governmental Activities
Assets:	
Cash and Investments	$ 4,827,651
Receivables – Net:	
Cash With County Treasurer	12,336
Accounts Receivable	1,146,733
Property Taxes	3,496,942
Prepaid Expenses	63,399
Capital Assets:	
Non-Depreciable Land	67,720
Other Capital Assets, Net of Accumulated Depreciation	2,393,863
Right-to-use Lease Assets, Net of Amortization	1,589
Total Assets	12,010,233
Deferred Outflow of Resources:	
Pensions, Net of Accumulated Amortization	585,622
Total Deferred Outflow of Resources	585,622
Liabilities:	
Accounts Payable	80,149
Accrued Liabilities	6,889
Accrued Interest	8,388
Present Value of Lease Obligations, Net	1,482
Long Term Obligations:	
Due within one year:	
Notes Payable - Purchase Agreement	78,374
Due in more than one year:	
Accrued Vacation & Sick Pay	52,365
Notes Payable - Purchase Agreement	254,443
Net Pension Liability - Volunteer Plan	416,979
Total Liabilities	899,069
Deferred Inflow of Resources:	
From Property Taxes	3,496,942
Pension, Net of Accumulated Amortization	42,563
Total Deferred Inflow of Resources	3,539,505
Net Position:	
Invested in Capital Assets, Net of Related Debt	2,128,766
Emergency Reserves	84,000
Unrestricted/Unassigned	5,944,515
Total Net Position	$ 8,157,281

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

GYPSUM FIRE PROTECTION DISTRICT
STATEMENT OFACTIVITIES
For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue & Changes in Net Position
	Expenses	Charges for Serives and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Fire Protection Services	$ 3,012,807	$ 204,452	$ -	$ -	$ (2,808,355)
Interest on Long Term Debt	14,427	-	-	-	(14,427)
Other Fiscal Charges	81,380	-	-	-	(81,380)
Net Pension Adjustment	72,245	-	-	-	(72,245)
Total Primary Government	$ 3,180,859	$ 204,452	$ -	$ -	(2,976,407)
GENERAL REVENUES:					
Taxes:					
Property Taxes, Levied for General Purposes					2,705,720
Specific Ownership Taxes, for General Purposes					133,263
Impact Fees					1,020,674
Rental Income					20,000
Miscellaneous					2,857
Unrestricted Interest and Investment Earnings					212,982
Sale of Fixed Assets					20,240
Total General Revenues					4,115,736
Change in Net Position					1,139,329
NET POSITION - BEGINNING OF YEAR					7,017,952
NET POSITION - END OF YEAR					$ 8,157,281

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

FUND FINANCIAL STATEMENTS

GYPSUM FIRE PROTECTION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets:			
Cash and Investments	$ 3,787,679	$ 1,039,972	$ 4,827,651
Receivables – Net:			
Accounts Receivable	198,471	948,262	1,146,733
Cash with County Treasurer	12,336	-	12,336
Property Taxes	3,496,942	-	3,496,942
Prepaid Expenses	63,399	-	63,399
Total Assets	$ 7,558,827	$ 1,988,234	$ 9,547,061
Liabilities, Deferred Inflows, and Fund Balances:			
Liabilities:			
Accounts Payable	$ 80,149	$ -	$ 80,149
Accrued Liabilities	6,889	-	6,889
Total Liabilities	87,038	-	87,038
Deferred Inflow of Resources:			
Unavailable Revenues - Property Tax	3,496,942	-	3,496,942
Total Deferred Inflow of Resources	3,496,942	-	3,496,942
Fund Balances:			
Restricted for Emergencies	84,000	-	84,000
Non-spendable	63,399	-	63,399
Assigned	565,620	-	565,620
Unrestricted/Unassigned	3,261,828	1,988,234	5,250,062
Total Fund Balance	3,974,847	1,988,234	5,963,081
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 7,558,827	$ 1,988,234	$ 9,547,061

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

GYPSUM FIRE PROTECTION DISTRICT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
For the Year Ended December 31, 2025

TOTAL GOVERNMENTAL FUND BALANCES			$ 5,963,081
Amounts reported for governmental activities on the statement of net position is different because of the following:			
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds:			
Governmental Capital Assets	$	4,538,215	
Less Accumulated Depreciation		(2,076,632)	2,461,583
Right-of-use (ROU) Lease Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:			
Governmental ROU Assets:	$	4,539	
Less Accumulated Amortization		(2,950)	1,589
Some liabilities are not due and payable in the current year and therefore, are not reported in the governmental funds:			
Accrued Interest Payable	$	(8,388)	
Current Portion of Long-term Liabilities		(78,374)	(86,762)
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the governmental funds:			
Accrued Vacation and Comp Time	$	(52,365)	
Long-term Liability		(254,443)	
Right-to-Use Liability		(1,482)	
Net Pension Liability - FPPA Volunteer		(416,979)	
Deferred Outflows of Resources - Pensions		(42,563)	
Deferred Inflow of Resources - Pensions		585,622	(182,210)
NET POSITION OF GOVERNMENTAL ACTIVITIES			$ 8,157,281

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

GYPSUM FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANAGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	General Fund	Capital Projects Fund	Total Governmental Funds
Revenues:			
Local Property Taxes	$ 2,705,720	$ -	$ 2,705,720
Specific Ownership Taxes	133,263	-	133,263
Out of District Calls	198,472	-	198,472
Impact Fees	-	1,020,674	1,020,674
Fees, Permits, Fines & Other	5,980	-	5,980
Miscellaneous	2,857	-	2,857
Rental	20,000	-	20,000
Interest Income	173,173	39,809	212,982
Gain on Sale of Fixed Assets	20,240	-	20,240
Total Revenues	3,259,705	1,060,483	4,320,188
Expenditures:			
Capital Outlay	237,721	-	237,721
Community Education	2,405	-	2,405
County Treas. Fees and Abatements	79,959	-	79,959
Collection Fees	-	1,421	1,421
Debt Service – Principal	-	75,360	75,360
Debt Service – Interest	-	16,327	16,327
Dispatch and Intergovernmental Support	235,636	-	235,636
Dues and Subscriptions	3,128	-	3,128
Employee Benefits	261,065	-	261,065
Fleet – Gas and Oil	16,142	-	16,142
Insurance	68,156	-	68,156
Miscellaneous Administrative	44,748	-	44,748
Office Expense	10,300	-	10,300
Payroll Taxes	27,932	-	27,932
Pension Contribution – FPPA	176,649	-	176,649
Professional Services	73,508	-	73,508
Protective Clothing, Uniforms & Tools	11,281	-	11,281
Repairs and Maintenance – Building	8,182	-	8,182
Repairs & Maintenance – Equipment	30,459	-	30,459
Salaries	1,453,830	-	1,453,830
Telecommunications	13,460	-	13,460
Training, Travel and Meals	40,571	-	40,571
Utilities	13,612	-	13,612
Volunteer Incentives/Reimbursement	12,368	-	12,368
Volunteer Pension Contrib. - FPPA	22,704	-	22,704
Total Expenditures	2,843,816	93,108	2,936,924
Excess Revenues Over (Under) Expenditures	415,889	967,375	1,383,264
Other Financing Sources (Uses):			
Transfers From (To) Other Funds	-	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	415,889	967,375	1,383,264
Fund Balances – Beginning	3,558,958	1,020,859	4,579,817
Fund Balances – Ending	$ 3,974,847	$ 1,988,234	$ 5,963,081

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

GYPSUM FIRE PROTECTION DISTRICT
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS		$ 1,383,264
Amounts reported for governmental activities on the Statement of Activities are different because of the following:		
Governmental Funds report capital outlays as expenditures and contributed infrastructure is not recorded; however, on the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount by which fixed asset additions exceeded depreciation:		
Capital Outlay	$ 52,506	
Depreciation	(284,547)	(232,041)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of debt that was repaid during the current year:		75,360
Compensated absences not payable from current resources are not reported as expenditures of the current year. In the Statement of Activities, these costs represent expenses of the current year. This is the change in total accrued leave this year:		(16,899)
Interest expense is recognized as an expenditure in the governmental funds when it is due, and this requires the use of current financial resources; however, in the Statement of Activities interest expense is recognized as the interest accrues regardless of when it is due. This is the amount by which accrued interest decreased in the current year:		1,900
Changes in the District's net pension obligation 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. This is the change in Districts net pension obligation during the year, including differences between employer contributions to the pension plan and amortization of pension-related deferrals:		(72,245)
Some expenses reported in the Statement of Activities do not require current financial resources and, therefore, are not reported as expenditures in governmental funds:		(10)
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 1,139,329

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Gypsum Fire Protection District, herein referred to as the District, conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The District applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Significant accounting policies of the District are described below.

A. Financial Reporting Entity

The Gypsum Fire Protection District, with boundaries in Garfield and Eagle Counties, Colorado, was organized pursuant to provisions set forth in the Colorado Special District Act. The governing body consists of a five member Board of Directors which is elected by the registered voters within the District. The objective of the District is to provide for the preservation of life and protection of property from and during such fires and/or other emergencies as may occur within the fire protection district.

The Governmental Accounting Standards Board (GASB) has specified the criteria to be used in defining a governmental entity for financial reporting purposes.

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

Based on the criteria discussed above, the District's financial statements do not include any component units, nor do they exclude any potential component units requiring inclusion in the District's reporting entity. The District is not a component unit of any other governmental reporting entity. The District's financial statements include the accounts of all District operations.

B. Basis of Presentation

GOVERNMENT-WIDE STATEMENTS

The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government. The statement of net position presents the financial condition of the governmental activities of the District at year-end. The difference between the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District is reported as net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation - *continued*

The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. In the statement of activities, direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

FUND FINANCIAL STATEMENTS

The fund financial statements provide information about the District's funds, which consist of *governmental funds*. During the fiscal year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance by segregating transactions related to certain governmental functions or activities. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

Governmental accounting systems are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The District's funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations based upon the purposes for which they are to be spent and by the means by which spending activities are controlled. The various funds of the District are outlined in the following paragraphs:

Governmental Funds
Governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are included on their balance sheets. The reported fund balance (net current assets) is considered a measure of "available spendable resources". The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

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

Capital Projects Fund
The Capital Projects Fund is used to account for financial resources to be used for the acquisition of equipment and other capital improvements, including debt service thereon.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. Basis of Accounting

GOVERNMENT WIDE FINANCIAL STATEMENTS

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of* accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in return, consist of property taxes. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

FUND FINANCIAL STATEMENTS

Governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual-basis of accounting.* Under this method, revenues are recognized when measurable and available. The District considers all revenues available if they are collected within 60 days after year-end. The following material revenue sources are considered susceptible to accrual because they are both measurable and available to finance expenditures of the current period:

- Property Taxes
- Specific Ownership Taxes

Taxpayer-assessed local property and specific ownership taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Expenditures are recorded when the related fund liability is incurred, except for un-matured principal and interest on general long-term debt, which is recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities are reported as other financing sources.

D. Budgets and Budgetary Accounting

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

1. Prior to October 15, the District Secretary submits to the Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. A "Notice of Budget" is published when the budget is received.
2. Public hearings are held to obtain taxpayer comments.
3. Prior to November 20, the Board adopts, by resolution, the budget for the ensuing fiscal year and certifies the tax levy, unless an election for increased property tax is being held. The statutory deadline for certification of mill levies to the Board of County Commissioners if an election for increased property tax levy is held is December 15.
4. On or before December 15, the Board passes an annual appropriating ordinance in which such sums of money are appropriated as the Board deems necessary to defray all expenses and liabilities of the District during the ensuing year.
5. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) for governmental units, which provides that debt principal payments and capital outlay are treated as expenditures.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

D. Budgets and Budgetary Accounting – *continued*

6. After adoption of the budget ordinance, the District may make by ordinance the following changes: a) supplemental appropriations to the extent of revenues in excess of the estimated budget; b) emergency appropriations; c) reduction of appropriations for which originally estimated revenues are insufficient.

7. Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the total budget of any fund. Budget amounts included in the financial statements are based on the final, legally amended budget.

8. Budget appropriations lapse at the end of each year.

The District legally adopted annual budgets for all of the District's funds for 2025.

E. Cash and Investments

The District's policy in determining which items are treated as cash equivalents include cash, demand deposits, treasury bills, and other short-term, highly liquid investments that are readily convertible to cash and have original maturities of three months or less. Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost which approximates fair value. Securities traded on a national or international exchange are valued at the last quoted market price. Cash deposits are reported at carrying amounts which reasonably estimate fair value. Additional cash disclosures are found in *Note 2* of the financial statements.

F. Property Taxes Receivable and Deferred Inflows – Unavailable Property Tax Revenue

Property taxes are levied on December 15, and attach as an enforceable lien on property on January 1st of the following year. They may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes which are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16th. Property taxes are levied and collected on behalf of the District by the County Treasurer and are reported as revenue when received by the County Treasurer. Property taxes levied in the current year and payable in the following year are reported as a receivable at December 31. However, since the taxes are not available to pay current liabilities, the receivable is recorded as a deferred inflow of resources.

G. Allowance for Doubtful Accounts

Bad debts are provided on the allowance method based on the District's evaluation of outstanding accounts receivable at the end of the year. The District believes that all accounts are collectible, therefore, no allowance for bad debt is reflected in the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

H. Deferred Outflows and Inflows of Resources

The statement of net position and fund balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources, when applicable. Deferred outflow of resources represents a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as revenue in future periods.

I. Capital Assets

All capital assets purchased or acquired with an original cost in excess of capitalization thresholds set by the District are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their estimated fair value on the date of donation. Repairs and maintenance are recorded as expenditures as incurred; while additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Depreciation is provided on the straight-line basis over the following estimated useful lives.

Equipment	5-15 years
Infrastructure	7-40 years

J. Accrued Liabilities for Compensated Absences

The District's policy for compensated absences provides for a maximum one year carryover of unused sick time of up to 40 hours. The District's policy is to permit employees to accumulate a limited amount of earned but unused vacation and comp time which will be paid upon separation from District service, with vacation and comp time paid at 100%. The District accrues a liability only on the government-wide financial statements for compensated absences since it is anticipated that none of the liability will be liquidated with currently available expendable financial resources.

K. Inter-fund Receivables and Payables

To the extent that operating expenses are paid by another fund and/or transfers are made between the funds and these advances have not been repaid as of year-end, balances of inter-fund amounts receivable or payable are recorded.

L. Net Position/Fund Balance

In the government-wide financial statements, net position is classified in the following categories:

Invested in Capital Assets, Net of Related Debt – this category groups all capital assets into one component. Accumulated depreciation and the outstanding debt balances attributable to (already invested in) the acquisition, construction or improvement of these assets reduce this category.

Restricted – assets are reported as *restricted* when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or by various enabling legislation.

Unrestricted – represents the amount which is not restricted for any purpose. It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

L. Net Position/Fund Balance - *continued*

In the fund financial statements, fund balances of governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent because they are either in non-spendable form such as inventory and prepaid expenses, or legally or contractually required to be maintained intact such as the corpus of permanently restricted funds to be retained in perpetuity. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale, when applicable.

Restricted – when constraints are placed on the use of resources either (a) externally imposed by creditors or (b) imposed by law through constitutional provisions or enabling legislation. As discussed in *Note 13*, Colorado voters passed an amendment to the State Constitution, one of the provisions of which requires local governments to establish an emergency reserve which is calculated at 3% of certain expenditures. These funds may only be expended in cases of emergencies as defined by the amendment, and are used to fund appropriations only after unrestricted resources are depleted.

Committed – amounts 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). These amounts cannot be changed except by taking the same type of action employed to previously commit these amounts.

Assigned – amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the governing body itself, or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The General Fund includes accumulated fundraising proceeds to be used for future scholarships, donations and capital grants to be used for capital replacement as assigned. The District considers available fund balances of the Capital Projects Fund as assigned for future capital outlay and/or debt service.

Unassigned – the residual for the general fund.

It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available. Committed and assigned amounts are considered to have been spent first when an expenditure is incurred for purposes for which such categories and unassigned amounts are available.

M. Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenses. Actual results could vary from the estimates that were used.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

N. Pensions

The District participates in the Statewide Retirement Plan (SRP), administered by the Fire and Police Pension Association of Colorado ("FPPA"). The net pension liability, 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 plans 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.

O. Fair Value Measurements

The District has a number of financial instruments, including cash and equivalents, receivables, accounts payable, and notes payable, none of which are held for trading purposes. The District estimates that the fair values of its financial instruments at December 31, 2025 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet.

NOTE 2 - CASH AND INVESTMENTS

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. The eligible depository is required to pledge to the Colorado Division of Banking a pool of collateral having a market value that at all times exceeds 102 percent of uninsured aggregate public deposits. The eligible collateral is determined by the PDPA, which includes obligations of the United States, the State of Colorado, Local Colorado governments, and obligations secured by first lien mortgages on real property located in the state.

PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The State Regulatory Commission for banks and financial services is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. There is no custodial credit risk for public deposits collateralized under PDPA.

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

- Obligations of the United States and certain U.S. governmental agency securities, including securities issued by FNMA (federal national mortgage association), GNMA (governmental national mortgage association), FHLMC (federal home loan mortgage corporation), the federal farm credit bank, the federal land bank, the export-import bank, and by the Tennessee valley authority, and certain international agency securities, including the World Bank.
- General obligation and revenue bonds of U.S. local government entities, the District of Columbia, and territorial possessions of the U.S. rated in the highest two rating categories by two or more nationally recognized rating agencies.

NOTE 2 - CASH AND INVESTMENTS - continued

- Bankers' acceptances of certain banks
- Certain securities lending agreements
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed Investment contracts
- Local government investment pools
- The investing local government's own securities including certificates of participation and lease obligations.

A summary of the District's cash and investments at December 31, 2025 is as follows:

Checking Accounts	$	394,128
Colotrust Investment Pool		4,464,867
Total balances		4,858,995
Petty Cash		196
Outstanding Items		(31,540)
Total Cash and Cash Equivalents	$	4,827,651

The District's bank deposits were entirely covered by Federal Depository Insurance (FDIC) or uninsured but collateralized under PDPA in accordance with state statute. The District had bank balances of $394,128 of which $250,000 was covered by FDIC and $144,128 by PDPA described above.

The District has not adopted a formal investment policy; however, the District invests public funds in a manner which will provide the highest investment return with the maximum security, meet daily cash flow demands, and conform to all federal, state and local statutes governing the investment of public funds. This applies to the investment of all financial assets of all funds of the District over which it exercises financial control.

As of December 31, 2025, the District had invested $4,464,867 in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS +. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. As of December 31, 2025, the District had $0 invested in COLOTRUST PRIME and $4,464,867 invested in COLOTRUST PLUS+. The COLOTRUST investments are not categorized in terms of custodial credit risk, since they are not evidenced by securities that exist in physical or book entry form.

NOTE 2 - *CASH AND INVESTMENTS – continued*

As of December 31, 2025 the District's investments had the following credit ratings:

Investment	Fair Value	Credit Rating	Rating Agency
Colotrust Accounts	$ 4,464,867	AAAm	Standard

Additional investment and deposit disclosures for credit risk, interest rate risk, and foreign currency risk, as required by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, are included in the notes below.

To minimize custodial credit risk, or the risk that an insurer or other counterparty to an investment will not fulfill its obligations, state law limits District investments to those where the issuer is rated in one of the three highest rating categories by one or more nationally recognized organizations that rate such issuers. The District has deposits in Colotrust Plus+. Colotrust is rated AAAm by Standard & Poors. The concentration of credit risk, or the risk of loss attributed to the magnitude of a government's investment in a single issuer, occurs when deposits are not diversified. District policy places no limit on the amount the District may invest in any one issuer; however, the District maintains general guidelines for investments to ensure proper diversification by security type and institution. All District investments are issued or explicitly guaranteed by securities of the U.S. government, or insured by the Public Depository Protection Act, or are investments in mutual fund or external investment pools, and therefore are not subject to concentration of credit risk disclosure requirements.

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The District maintains an investment policy that limits investment maturities to three years as means of managing its exposure to fair value losses arising from increasing interest rates and to avoid undue concentration in any sector of the yield curve. Exceptions to this structure may be allowed where maturities can be structured to accommodate readily identifiable cash flows as approved by the Board. As of December 31, 2025, the District had no investments that were subject to interest rate risk as described above.

The District was not subject to foreign currency risk as of December 31, 2025.

NOTE 3 - *FAIR VALUES OF FINANCIAL INSTRUMENTS*

The District reports its investments using the fair value measurements established by generally accepted accounting principles. As such, fair value hierarchy categorizes the inputs used to measure the fair value into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs.

NOTE 4 - *CAPITAL ASSETS*

A summary of changes in Capital Assets follows:

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/25
Governmental Activities				
Non-depreciable Land	$ 67,720	$ -	$ -	$ 67,720
Building & Improvements	1,850,400	-	-	1,850,400
Vehicles & Equipment	2,578,483	52,506	(10,894)	2,620,095
Less Accumulated Depreciation	(1,802,979)	(284,547)	10,894	(2,076,632)
Net Capital Assets	$ 2,693,624	$ (232,041)	$ -	$ 2,461,583

NOTE 5 - *LONG-TERM OBLIGATIONS*

A summary of change in Long-Term Obligations follows:

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/25	Due Within One Year
Governmental Activities					
Purchase Agreement - 2009	$ 408,177	$ -	$ (75,360)	$ 332,817	78,374
Compensated Absences	35,466	46,218	(29,319)	52,365	-
Total Obligations	$ 443,643	$ 46,218	$ (104,679)	$ 385,182	$ 78,374

Purchase Agreement dated July 29, 2009, in the amount of $1,200,000 payable to Municipal Capital Markets Group, Inc., payable in annual installments of $95,665 through 2029 at an interest rate of 5.04%, secured by Real Property and Improvements. Building Improvements in the amount of $1,218,110 were capitalized under the agreement; there is approximately $571,386 of accumulated depreciation on these assets as of December 31, 2025. The term of the agreement is subject to annual appropriation and, therefore, terminates at the end of each current fiscal year, with annual renewal at the same terms and conditions of the original term, unless terminated by the District. The District refinanced the purchase in September 2021. The new terms took effect May 2023, with a 4% interest rate and annual payments of $91,687 through May 2029.

The annual payments under the agreement are as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 78,374	$ 13,313	$ 91,687
2027	81,509	10,178	91,687
2028	84,770	6,917	91,687
2029	88,164	3,523	91,687
Total	$ 332,817	$ 33,931	$ 366,748

The District primarily uses the capital projects fund to retire debt on a year-to-year basis.

NOTE 6 - *LEASE COMMITMENTS*

The District has implemented the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases,* and No. 96, *Subscription-Based Information Technology Arrangements* for government-wide Statement of Net Assets recognition of leases and note disclosure of certain information about lease arrangements.

The District is the lessee of office equipment under operating leases. The District determines whether a contract is a lease at inception. Identified leases are subsequently measured, classified and recognized as lease commitments and leases with contractual terms longer than twelve months as either operating or finance. The District's equipment leases generally have terms from one to five years.

Right-to-use assets and lease obligations for operating leases are included in "ROU Lease Assets" and "Present Value of Lease Liability", respectively, in the Statement of Net Assets. Leased assets represent the District's right to use an underlying asset for the lease term and lease liabilities represent the District's obligation to make lease payments arising from the lease, which are subject to annual appropriation.

Operating right-of-use assets and associated lease liabilities are recognized based on the present value of future minimum lease payments to be made over the expected lease term, generally using the risk-free discount rate at the commencement date in determining the present value of future payments.

Following are the required future minimum base rental payments under the District's leases.

Year Ended December 31,	Amount
2026	$ 1,008
2027	756
Total	$ 1,764

NOTE 7 - *FPPA Statewide Retirement Plan*

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

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

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

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

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

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

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

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

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

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

NOTE 7 - FPPA Statewide Retirement Plan – continued

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

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

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

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

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

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

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

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

NOTE 7 - *FPPA Statewide Retirement Plan – continued*

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

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2024, the total minimum combined member and employer contribution rate was 17.0 percent.

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

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

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

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

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

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

NOTE 7 - FPPA Statewide Retirement Plan – continued

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

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

Collective Net Pension (Liability) / Asset: At December 31, 2025, the District reported a (liability)/ asset of ($0) for its proportionate share of the net pension (liability) / asset. The Plan's total pension liability is currently equal to the Plan Fiduciary Net Position, resulting in no liability reported by the District. The net pension (liability)/ asset was measured as of December 31, 2024, and the total pension liability used to calculate the net pension (liability) / asset was determined by an actuarial valuation as of January 1, 2024. The District's proportion of the net pension (liability)/ asset was based on the District's contributions to the Plan for calendar year 2024, relative to the total contributions of participating employers to the Plan.

At December 31, 2025 the District's proportionate share was 0.105101%, compared to 0.089361% at December 31, 2024.

For the year ended December 31, 2024, the District recognized net pension (revenues) / expense of ($1,296).

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

	Deferred Outflow of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 252,556	$ 7,900
Change in Assumptions	90,387	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	35,878	-
Changes in Proportionate Share of Contributions	-	-
Contributions Subsequent to Measurement Date	127,865	-
Total	$ 506,686	$ 7,900

The $127,865 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as an adjustment against the net pension liability in the year ended December 31, 2026.

NOTE 7 - *FPPA Statewide Retirement Plan – continued*

Collective Net Pension (Liability) / Asset (continued): Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as a component of pension expense as follows:

Year Ended December 31,	Amortization
2026	$ 193,435
2027	33,466
2028	25,653
2029	18,628
2030	26,663
Thereafter	73,076
Total	$ 370,921

Actuarial Assumptions: The actuarial valuations of the Statewide Retirement Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2024. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuariarl 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% - 11.25%	4.25% - 11.25%
Cost of Living Adjustment (COLA)	0.0%	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.

NOTE 7 - FPPA Statewide Retirement Plan – continued

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

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

Asset Class	Target Allocation	Lon-Term Expected Rate of Return
Global Equity	33%	7.00%
Equity Long/Short	6%	6.20%
Private Markets	34%	8.80%
Fixed Income - Rates	7%	5.00%
Fixed Income - Credit	7%	6.50%
Absolute Return	9%	5.70%
Cash	4%	4.20%
Total	100%	

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

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

NOTE 7 - *FPPA Statewide Retirement Plan – continued*

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.0 percent; the municipal bond rate is 3.77 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

Regarding the sensitivity of the net pension liability/ (asset) to changes in the single discount rate, the following represents the plan's net pension liability/ (asset), calculated using a single discount rate of 7.00 percent, 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:

	Current Single Discount Rate		
	1% Decrease 6.0%	Current 7.0%	1% Increase 8.0%
Net Pension Liability / (Asset)	$ 487,991,030	$ -	$ -
Proportionate Share of Net Pension Liability / (Asset)	$ 512,883	$ -	$ -

The net pension liability of $0 reflects a reserve for cost of living adjustments and to manage adverse experience of $143,757,639 at a 7.00 percent discount rate and $666,904,279 at a 8.00 percent discount rate.

NOTE 8 - VOLUNTEER FIREMEN'S PENSION FUND

Plan Description: The District affiliated with the Fire and Police Pension Association of Colorado (FPPA) to administer its Volunteer Fire Fighter Pension Plan and to manage the plan's assets and activities. The Volunteer Firefighter Pension Plan is included in an agent multiple employer Public Employee Retirement System (PERS) maintained in trust by FPPA. The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. It operates under rules consistent with the enabling legislation in Title 31, Article 30, Part 11 of the Colorado Revised Statutes. While the District's plan is pooled with other plans by FPPA, it is a separate plan and is administered by a board of trustees composed of District board members and volunteer firefighters, selected in accordance with Colorado state statutes. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. That report also includes the District's Volunteer Firefighter Pension Plan.

Benefits Provided: A volunteer firefighter electing to retire on or after the normal retirement date (the date on which he/ she has attained fifty years of age and completed twenty years of active service) is eligible for a monthly pension approved by the board, in accordance with state statute.

Benefits Used to Determine the Total Pension Liability for the Measurement Period Ending December 31, 2024 are as follows:

1. Normal retirement benefit at age 50 with 20 years of service (monthly):	
a. Regular	$500.00
b. Extended service amount per year of service	$25.00
2. Vested Retirement Benefit (monthly):	
a. With 10 to 20 years of service amount per year of service per minimum vesting years	$25.00
b. Minimum vesting years	10
3. Disability Retirement Benefit (monthly):	
a. Short-Term Disability for line of duty injury amount payable for not more than 1 year	$225.00
b. Long-Term Disability for line of duty injury lifetime benefit	$450.00
4. Survivors Benefits (monthly):	
a. Following death before retirement eligible; Due to death in line of duty as a volunteer firefighter	$250.00
b. Following death after normal retirement	$250.00
c. Following death after normal retirement with extended service amount per year of service	$12.50
d. Following death after vested retirement with 10-20 years of service, amount per year of service per minimum vesting years	$12.50
e. Following death after disability retirement	$0.00
f. Optional survivor benefit following death before or after retirement eligible; Due to death on or off duty as a volunteer firefighter (Purchase of Life Insurance Required)	$0.00
5. Funeral benefits (required benefit):	
a. Funeral benefit lump sum, one time only	$1,000.00

As of January 1, 2025, there were 18 retirees and beneficiaries, 4 inactive, non-retired members, and 4 active members.

NOTE 8 - VOLUNTEER FIRE FIGHTER'S PENSION – continued

Funding Policy: The funding of the plan by the District and members is authorized by the Board of Trustees. The contribution by the State of Colorado (the "State) toward fire pension funds has been a fixed dollar amount established by the legislature and allocated pro rata to all fire pension funds in the State who apply for State matching funds, based upon the amounts contributed by the employer up to a maximum of one half (1/2) mill on the assessed valuation or 90% of City contributions, whichever is less. Since the District currently offers maximum retirement benefits in excess of $300 per month on an actuarially sound basis, and (2) the amount of State contributions provided in the prior year.

Valuation Date: Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2023, determines the contribution amounts for 2024 and 2025.

Methods and assumptions used to determine contribution rates for the Fiscal Year Ended December 31, 2024:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 Years*
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	**Pre-retirement**: Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale, 60% multiplier for off-duty mortality. **Post-retirement**: Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale. **Disabled**: Pub-2010 Public Safety Healthy Annuitant Mortality Tables for males, and females, amount-weighted, set forward five years projected with the MP-2020 Ultimate projection scale, with minimum probability of 3.5% for males and 2.5% for females

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

NOTE 8 - VOLUNTEER FIRE FIGHTER'S PENSION – continued

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 6.00%; 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 6.00%.

Projected cash flows used in determining the Single Discount Rate are available upon request.

Based on plan maturity metrics, it is expected that the assets of this plan will be transitioned to FPPA's short-term pool within the next decade. Effective with the valuation as of January 1, 2025, the long-term expected rate of return was changed to 6.00% to reflect this expectation.

Long-term 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	Lon-Term Expected Rate of Return
Liquidity	4%	4.20%
Fixed Income - Rates	7%	5.00%
Fixed Income - Credit	7%	6.50%
Diversifiers	9%	5.70%
Long / Short	6%	6.20%
Global Public Equity	33%	7.00%
Private Markets	34%	8.80%
Total	100.00%	

NOTE 8 - VOLUNTEER FIRE FIGHTER'S PENSION – continued

Sensitivity of the Proportionate Share of the Net Pension Liability/ (Asset) 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 6.00%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or higher:

	Current Single Discount Rate		
	1% Decrease 5.0%	Current 6.0%	1% Increase 7.0%
Proportionate Share of Net Pension Liability / (Asset)	$ 551,337	$ 416,979	$ 306,458

Pension Plan Fiduciary Net Position: Detailed information about the fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at www.fppaco.org.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At December 31, 2024, the District reported a net pension liability of $416,979 The net pension liability was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025.

For the year ended December 31, 2025, the District recognized pension expense of $73,540. In connection with the District's Volunteer Fire and Police Protection Retirement Plan, the following deferred outflow of resources and deferred inflows of resources were reported December 31, 2025:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 440	$ -
Change in Assumptions	32,859	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	45,637	34,663
Total	$ 78,936	$ 34,663

Contributions subsequent to the measurement date of December 31, 2025, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in subsequent years. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized as a component of pension expense in future years as follows:

Year Ended December 31,	Amortization
2026	$ 38,557
2027	15,986
2028	(6,832)
2029	(3,438)
2030	-
Thereafter	-
Total	$ 44,273

NOTE 9 - DEFERRED COMPENSATION PLAN – SECTION 457

The District offers its employees an additional voluntary deferred compensation plan created in accordance with IRC section 457 (the "457 Plan). The 457 Plan is administered by FPPA. The 457 Plan is available to all paid staff and permits participants to defer a portion of their salary to future years. All compensation deferred under the 457 Plan, together with all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the participants and their designated beneficiaries. Compensation deferred under the 457 Plan is not available to participants until termination, retirement, death, or unforeseeable emergency.

Employees may elect or defer any percentage of their annual compensation, provided that the total annual contribution does not exceed limitations established by the Internal Revenue Service. The District contributes up to 8% of employee earnings. For the year ended December 31, 2025 the District and employees contributed $18,812 and $32,712, respectively.

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

NOTE 10 - STATEWIDE DEATH & DISABILITY PLAN

Plan Description – Firefighters of the District contribute to the Statewide Death and Disability Plan ("SWDD"). The SWDD is a cost-sharing multiple-employer defined benefit death and disability plan administered by FPPA. Contributions to the SWDD are used sole for the payment of death and disability benefits. The SWDD was established in 1980 pursuant to Colorado Revised Statutes.

SWDD benefits provide 24-hour coverage, both on-duty and off-duty for members not eligible for normal retirement under a defined benefit plan, or under a money purchase plan.

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

Funding Policy– Prior to 1997, the SWDD was primarily funded by the State of Colorado (the "State"), whose contributions were established by Colorado state. In 1997 the State made a one-time contribution of $39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated.

The SWDD is funded by voluntary member contributions or the employer may choose to make those contributions. Members hired on or after January 1, 1997, began contributing 2.4 percent of base salary to the SWDD. Contributions may be increased 0.1 percent biennially by the FPPA Board. As of January 1, 2025, the contribution rate is 3.4 percent of base salary. This percentage can vary depending on actuarial experience. All contributions are made by member or on behalf of members. The District made $48,024 of contributions to the SWDD at December 31, 2025.

FPPA issues a publicly available comprehensive annual financial report which includes additional information on the Statewide Death and Disability Plan. That report can be obtained at https://www.fppaco.org/annual-reports.html.

NOTE 11 - CONTINGENCIES

Claims
During the normal course of business, the District incurs claims and other assertions against it from various agencies and individuals. Management of the District and their legal representatives feel none of these claims or assertions are significant enough that they would materially affect the fairness of the presentation of the financial statements at December 31, 2025.

State/Federal Grants
Under terms of state & federal grants, periodic audits may be required, and certain costs may be questioned as not being appropriate expenditures. Such audits could lead to reimbursements to the grantor agencies. The Districts management is not aware of any wrongful spending for which they would have to reimburse the grantor agencies for expenditures.

NOTE 12 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors and omissions; injuries to employees; or acts of God. The District maintains commercial insurance for all risks of loss. The District did not have any claim settlements in excess of coverage for each of the past three years.

NOTE 13 - STATUTORY COMPLIANCE

A. TABOR Amendment – Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax, and debt limitations, which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government. Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years. TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of spending (excluding bonded debt service). The required reserve at December 31, 2025 is approximately $84,000.

The initial base for local government spending and revenue limits is December 31, 1992 fiscal year spending. Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue. In November 1995, voters approved a measure to allow the District to retain and spend all revenues in excess of the fiscal year spending limit and the 5.5% revenue increase limit provided the revenues are spent for fire, rescue and emergency medical services.

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

NOTE 14 - SUBSEQUENT EVENTS

Management has evaluated events subsequent to December 31, 2025 through the issuance date of this report. There have been no material events noted during this period that would impact the results reflected in this report or the District's results going forward.

REQUIRED SUPPLEMENTAL INFORMATION

GYPSUM 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 Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Budgetary Revenues:				
Local Property Taxes	$ 2,657,132	$ 2,657,132	$ 2,705,720	$ 48,588
Specific Ownership Taxes	70,000	70,000	133,263	63,263
Out of District Calls	-	-	198,472	198,472
Fees, Permits, Fines & Other	-	-	5,980	5,980
Miscellaneous	-	-	2,857	2,857
Rental	-	-	20,000	20,000
Interest Income	60,000	60,000	173,173	113,173
Gain on Sale of Fixed Assets	-	-	20,240	20,240
Total Revenues	2,787,132	2,787,132	3,259,705	472,573
Budgetary Expenditures:				
Capital Outlay	299,200	299,200	237,721	61,479
Community Education	6,400	6,400	2,405	3,995
County Treas. Fees and Abatements	87,570	87,570	79,959	7,611
Dispatch and Intergovernmental Support	235,004	235,004	235,636	(632)
Dues and Subscriptions	4,350	4,350	3,128	1,222
Employee Benefits	271,905	271,905	261,065	10,840
Fleet – Gas and Oil	24,000	24,000	16,142	7,858
Insurance	71,802	71,802	68,156	3,646
Miscellaneous Administrative	71,410	71,410	44,748	26,662
Office Expense	14,600	14,600	10,300	4,300
Payroll Taxes	25,612	25,612	27,932	(2,320)
Pension Contribution – FPPA	183,396	183,396	176,649	6,747
Professional Services	96,390	96,390	73,508	22,882
Protective Clothing, Uniforms & Tools	56,867	56,867	11,281	45,586
Repairs and Maintenance – Building	22,360	22,360	8,182	14,178
Repairs & Maintenance – Equipment	78,898	78,898	30,459	48,439
Salaries	1,446,525	1,446,525	1,453,830	(7,305)
Telecommunications	16,320	16,320	13,460	2,860
Training, Travel and Meals	62,892	62,892	40,571	22,321
Utilities	16,440	16,440	13,612	2,828
Volunteer Incentives/Reimbursement	13,750	13,750	12,368	1,382
Volunteer Pension Contrib. - FPPA	23,000	23,000	22,704	296
Total Expenditures	3,128,691	3,128,691	2,843,816	284,875
Excess Revenues Over (Under) Expenditures	(341,559)	(341,559)	415,889	757,448
Other Financing Sources (Uses):				
Transfers From (To) Other Funds	-	-	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	(341,559)	(341,559)	415,889	757,448
Fund Balances – Beginning	3,558,958	3,558,958	3,558,958	-
Fund Balances – Ending	$ 3,217,399	$ 3,217,399	$ 3,974,847	$ 757,448

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

GYPSUM FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIONS
FIRE AND POLICE PENSION ASSOCIATION OF COLORADO
LAST 10 FISCAL YEARS*

Measurment Period Ending December 31,

Employer Plan:	2024	2023	2022	2021	2020
District's Portion of the Net Pension (Asset)/ Liability	0.089361%	0.082110%	-0.067528%	-0.065319%	-0.068871%
District's Proportionate Share of the (Asset)/ Liability	$ -	$ 72,880	$ (365,956)	$ (141,809)	$ (38,951)
District's Covered Payroll	1,149,566	879,737	714,368	543,612	524,650
District's Proportionate Share of the net Pension (Asset)/ Liability as a Percentage of Covered Payroll	0%	8%	-51%	-26%	-7%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/ Liability	100%	100%	116.20%	106.70%	102%

Volunteer Plan:	2024	2023	2022	2021	2020
Total Pension Liability					
Service Cost	$ 4,250	$ 4,250	$ 4,395	$ 4,395	$ 4,869
Interest on Total Pension Liability	68,054	68,403	67,750	67,724	68,578
Benefit Charges	-	-	-	-	-
Diff between Expected and Actual Experience	1,479	-	(766)	-	(12,845)
Changes of Assumptions	110,521	-	11,482	-	-
Benefit Payments	(79,838)	(75,500)	(71,488)	(72,000)	(73,138)
Net Change in Total Pension Liability	104,466	(2,847)	11,373	119	(12,536)
Total Pension Liability - Beginning	1,009,357	1,012,204	1,000,831	1,000,712	1,013,248
Total Pension Liability – Ending (A)	$ 1,113,823	$ 1,009,357	$ 1,012,204	$ 1,000,831	$ 1,000,712
Plan Fiduciary Net Position					
Employer Contributions	$ 22,704	$ 22,704	$ 22,704	$ 22,704	$ 22,704
Pension Plan Net Investment Income	63,324	62,128	(61,571)	101,426	79,500
Benefit Payments	(79,838)	(75,500)	(71,488)	(72,000)	(73,138)
Pension Plan Administrative Expense	(7,391)	(8,159)	(6,289)	(6,323)	(5,026)
State of Colorado Suppl. Discretionary Payments	14,400	14,400	14,400	28,800	-
Net Change in Fiduciary Net Position	13,199	15,573	(102,244)	74,607	24,040
Plan Fiduciary Net Position – Beginning	683,645	668,072	770,316	695,709	671,669
Plan Fiduciary Net Position – Ending (B)	$ 696,844	$ 683,645	$ 668,072	$ 770,316	$ 695,709
Net Pension Liability – Ending (A) – (B)	$ 416,979	$ 325,712	$ 344,132	$ 230,515	$ 305,003
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	62.56%	67.73%	66.00%	76.97%	69.52%

*The amounts presented for each fiscal year were determined as of calendar year-end that occurred one year prior.

Notes to the Schedule of Employer's Net Position Liability for the Year Ended December 31, 2025:

Note 1: Changes of Assumptions
No changes in assumptions during the year presented.

Note 2: Changes of Benefit Terms
No changes during the years presented.

Note 3: Changes of Size or Composition of Population Covered by Benefit Terms
No changes during the years presented above.

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

GYPSUM FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIONS
FIRE AND POLICE PENSION ASSOCIATION OF COLORADO
LAST 10 FISCAL YEARS*

Employer Plan:	2019	2018	2017	2016	2015
District's Portion of the Net Pension (Asset)/ Liability	0.071747%	-0.062193%	0.051518%	0.520370%	0.586400%
District's Proportionate Share of the (Asset)/ Liability	$ 90,707	$ (89,475)	$ 18,616	$ (917)	$ (66,180)
District's Covered Payroll	507,600	480,600	363,792	263,666	252,256
District's Proportionate Share of the net Pension (Asset)/ Liability as a Percentage of Covered Payroll	18%	-19%	5%	0%	-26%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/ Liability	95.20%	106.30%	98.21%	100.10%	106.80%

Volunteer Plan:	2019	2018	2017	2016	2015
Total Pension Liability					
Service Cost	$ 4,869	$ 8,379	$ 8,379	$ 8,074	$ 8,074
Interest on Total Pension Liability	68,622	65,168	64,658	61,564	60,639
Benefit Charges	-	-	-	-	-
Diff between Expected and Actual Experience	-	68,122	-	10,389	-
Changes of Assumptions	-	44,099	-	21,036	-
Benefit Payments	(75,063)	(70,200)	(62,420)	(57,595)	(55,200)
Net Change in Total Pension Liability	(1,572)	115,568	10,617	43,468	13,513
Total Pension Liability - Beginning	1,014,820	899,252	888,635	845,167	831,654
Total Pension Liability – Ending (A)	$ 1,013,248	$ 1,014,820	$ 899,252	$ 888,635	$ 845,167
Plan Fiduciary Net Position					
Employer Contributions	$ 22,704	$ 22,704	$ 22,704	$ 13,280	$ 35,977
Pension Plan Net Investment Income	86,259	35	87,184	31,589	10,794
Benefit Payments	(75,063)	(70,200)	(62,420)	(57,595)	(55,200)
Pension Plan Administrative Expense	(6,599)	(6,023)	(5,900)	(1,222)	(2,296)
State of Colorado Suppl. Discretionary Payments	14,400	14,400	11,952	14,400	14,400
Net Change in Fiduciary Net Position	41,701	(39,084)	53,520	452	3,675
Plan Fiduciary Net Position – Beginning	629,698	668,782	615,262	614,810	611,135
Plan Fiduciary Net Position – Ending (B)	$ 671,399	$ 629,698	$ 668,782	$ 615,262	$ 614,810
Net Pension Liability – Ending (A) – (B)	$ 341,849	$ 385,122	$ 230,470	$ 273,373	$ 230,357
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	66.26%	62.05%	74.37%	69.24%	72.74%

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

GYPSUM FIRE PROTECTION DISTRICT
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
FIRE AND POLICE PENSION ASSOCIATION OF COLORADO
LAST 10 FISCAL YEARS*

Employer Plan:	2024	2023	2022	2021	2020
Contractually Required Contribution	$ 114,600	$ 83,402	$ 64,293	$ 46,207	$ 41,972
Contributions in Relation to Contractually Required Payment	(114,600)	(83,402)	(64,293)	(46,207)	(41,972)
Contribution Deciciency (Excess)	$ -	$ -	$ -	$ -	$ -
Districts Covered Payroll	1,149,566	879,737	714,368	543,612	524,650
Contributions as a Percent of Payroll	10.0%	9.5%	9.0%	8.5%	8.0%

Volunteer Plan:	2024	2023	2022	2021	2020
Total Pension Liability					
Actuarially Determined Contributions	$ 39,320	$ 41,593	$ 41,593	$ 41,593	$ 43,733
Actual Contribution, including State of Colorado Descretionary Payment	(37,104)	(37,104)	(37,104)	(37,104)	(22,704)
Contribution Deficiency (Excess)	$ 2,216	$ 4,489	$ 4,489	$ 4,489	$ 21,029

*The amounts presented for each fiscal year were determined as of calendar year-end that occurred one year prior.

Notes to the Schedule of Employer's Net Position Liability for the Year Ended December 31, 2024:

Note 1 - Changes of Assumptions
No changes during the years presented.

Note 2 - Changes of Benefit Terms
No changes during the years presented.

Note 3 - Changes of Size or Composition of Population Covered by Benefit Terms
No changes during the years presented above.

Note 4 - Actual Contribution, Including State of Colorado
Discretionary payment totaled $14,400 for the Volunteer Plan.

Note 5 - Benefit Plans
Effective January 1, 2024 the Statewide Defined Benefit Plan and Statewide Hybrid Plan combined to form the Statewide Retirement Plan.

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

GYPSUM FIRE PROTECTION DISTRICT
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
FIRE AND POLICE PENSION ASSOCIATION OF COLORADO
LAST 10 FISCAL YEARS*

Employer Plan:	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 40,608	$ 38,448	$ 29,103	$ 21,093	$ 20,181
Contributions in Relation to Contractually Required Payment	(40,608)	(38,448)	(29,103)	(21,093)	(20,181)
Contribution Deciciency (Excess)	$ -	$ -	$ -	$ -	$ -
Districts Covered Payroll	507,600	480,600	363,792	263,666	252,256
Contributions as a Percent of Payroll	8.0%	8.0%	8.0%	8.0%	8.0%

Volunteer Plan:	2019	2018	2017	2016	2015
Total Pension Liability					
Actuarially Determined Contributions	$ 34,096	$ 34,096	$ 34,646	$ 27,680	$ 50,377
Actual Contribution, including State of Colorado Descretionary Payment	(37,104)	(37,104)	(34,646)	(27,680)	(50,377)
Contribution Deficiency (Excess)	$ (3,008)	$ (3,008)	$ -	$ -	$ -

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

SUPPLEMENTAL INFORMATION

GYPSUM FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Budgetary Revenues:				
Impact Fees	$ 1,500	$ 1,500	$ 1,020,674	$ 1,019,174
Interest & Investment Income	15,000	15,000	39,809	24,809
Total Budgetary Revenues	16,500	16,500	1,060,483	1,043,983
Budgetary Expenditures:				
Collection Fees	4,400	4,390	1,421	2,969
Bank Fees	-	100	-	100
Debt Service:				
Principal	72,462	72,462	75,360	(2,898)
Interest	19,226	19,226	16,327	2,899
Total Budgetary Expenditures	96,088	96,178	93,108	2,969
Excess Revenues Over (Under) Expenditures	(79,588)	(79,678)	967,375	1,047,053
Other Financing Sources (Uses):				
Transfers From (To) Other Funds	-	-	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	(79,588)	(79,678)	967,375	1,047,053
Fund Balances – Beginning	1,020,859	1,020,859	1,020,859	-
Fund Balances – Ending	$ 941,271	$ 941,181	$ 1,988,234	$ 1,047,053

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