PLATTE CANYON FIRE PROTECTION DISTRICT

Financial Statements
with
Independent Auditors' Report

For the Year Ended
December 31, 2025

Platte Canyon Fire Protection District

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FINANCIAL SECTION

PLATTE CANYON FIRE PROTECTION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2025

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

Financial Highlights

- Assets and deferred outflows exceeded liabilities and deferred inflows of resources by $9,461,721 at the close of the fiscal year. Of this amount, $2,999,672 is unrestricted and available to meet ongoing and future obligations of the District. $7,157,703 is invested in Capital Asset. A 3% reserve for emergencies of $151,000 as required by Colorado Statute is restricted in the general fund.

- As of the close of the current fiscal year, the District's general fund reported ending fund balance of $2,764,833.

- Total net position increased by $115,406.

- Total cash and investments decreased by $953,415 as compared to the prior year. ➢

Property tax revenue decreased by $506,499 as compared to the prior year.

- Federal Fire Fighting (Enterprise) operating revenue increased in the amount of $1,267,188. Enterprise operating expenses increased in the amount of $1,208,947 during 2025. The contribution from federal fire-fighting/call-out activities offset District functional expenses by $775,000 in 2025.

- Ambulance Service charges increased to $939,907 in 2025 from $734,677 in 2024.

- General fund expenditures increased to $9,413,714 in 2025 from $6,087,337 in 2024. The majority of this increase was due to $3,064,304 in capital expenditures.

- Annual depreciation charges were more than offset by capital asset additions, resulting in an increase in net capital assets in the amount of $2,657,276. Capital additions were $3,064,304. Depreciation expense was $407,028.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements identify functions of the District that are principally to be supported by taxes (governmental activities). The governmental activities of the District include providing fire protection and emergency medical services, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The government-wide financial statements can be found on pages 4-5 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental, proprietary or enterprise and fiduciary funds.

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

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

The District maintains one governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund which is considered to be major fund.

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

The general fund accounts for all of the District's activities not accounted for in other funds and includes the revenue and related expenses of fire protection and emergency medical (ambulance transport) services.

The basic governmental fund financial statements can be found on pages 6-9 of this report.

Proprietary Fund. Proprietary funds are reported in the fund financial statements and generally report services for which the District charges customers a fee. The District's proprietary fund is classified as enterprise fund. The enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the governmental activities of the District as described above.

The enterprise fund segregates transactions arising under a Cooperator Resource Arrangement administered by a Colorado State Agency. The District responds to fires, floods and other emergencies with personnel and equipment. Reimbursement rates for personnel and equipment are established under the Arrangement and are the source for the enterprise fund's revenues, expenses, assets and liabilities.

The basic financial statements for the enterprise fund which accounts for the District's federal fire-fighting activities are presented on pages 10-12 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to financial statements can be found on pages 13-41 of this report.

Supplemental information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplemental information.

The supplemental information is located after the basic financial statements on pages 47-49 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's assets and deferred outflows exceeded liabilities and deferred inflows of resources by $9,461,721 at the close of the most recent fiscal year.

Condensed Statement of Net Position

	Governmental Activities		Business Type Activities		Total	
	2025	Not Restated 2024	2025	2024	2025	Not Restated 2024
Assets:						
Current Assets	$ 6,227,981	$ 7,721,716	$ 1,261,225	$ 742,851	$ 7,489,206	$ 8,464,567
Non Current Assets						
Capital Assets - Net	7,157,703	3,797,219	-	-	7,157,703	3,797,219
Total Assets	13,385,684	11,518,935	1,261,225	742,851	14,646,909	12,261,786
Deferred Outflows of Financial Resources	898,073	788,729	-	-	898,073	788,729
Current Liabilities	664,381	1,220,637	-	-	664,381	1,220,637
Non Current Liabilities	2,413,033	571,263	-	-	2,413,033	571,263
Total Liabilities	3,077,414	1,791,900	-	-	3,077,414	1,791,900
Deferred Inflows of Financial Resources	3,005,847	2,880,439	-	-	3,005,847	2,880,439
Net Position	-					
Net Investment in Capital Assets	6,311,049	3,093,874	-	-	6,311,049	3,093,874
Restricted Net Position	175,000	322,237	-	-	175,000	322,237
Unrestricted Net Position	1,714,447	4,209,214	1,261,225	742,851	2,975,672	4,952,065
Total Net Position	**$ 8,200,496**	**$ 7,625,325**	**$ 1,261,225**	**$ 742,851**	**$ 9,461,721**	**$ 8,368,176**

Changes in Net Position Table

Condensed Statement of Activities

	Governmental Activities		Business Type Activities		Total	
	2025	Not Restated 2024	2025	2024	2025	Not Restated 2024
PROGRAM REVENUES						
Charges for Services	$ 939,907	$ 865,218	$ 5,625,319	$ 4,358,131	$ 6,565,226	$ 5,223,349
Operating Grants & Contributions	862,217	763,641	-	-	862,217	763,641
Capital Grants & Contributions	10,542	-	-	-	10,542	-
Total Program Revenues	1,812,666	1,628,859	5,625,319	4,358,131	7,437,985	5,986,990
GENERAL REVENUES						
Property Taxes	2,785,364	3,281,681	-	-	2,785,364	3,281,681
Other Taxes	255,860	266,042	-	-	255,860	266,042
Investment Earnings	104,684	198,174	-	-	104,684	198,174
Other Revenues	73,611	8,500	-	-	73,611	8,500
Total General Revenues	3,219,519	3,754,397	-	-	3,219,519	3,754,397
Transfers	775,000	-	(775,000)	-	-	-
Total Revenues and Transfers	5,807,185	5,383,256	4,850,319	4,358,131	10,657,504	9,741,387
PROGRAM EXPENSES						
Public Safety	6,210,153	5,826,632	4,331,945	3,122,998	10,542,098	8,949,630
Change in Net Position	(402,968)	(443,376)	518,374	1,235,133	115,406	791,757
Net Position, Beginning	7,635,325	8,078,701	742,851	(492,282)	8,378,176	7,586,419
Prior Year Restatement	968,139	-	-	-	968,139	-
Net Position, Beginning (As Restated)	8,603,464	8,078,701	742,851	(492,282)	9,346,315	7,586,419
Net Position, Ending	**$ 8,200,496**	**$ 7,635,325**	**$ 1,261,225**	**$ 742,851**	**$ 9,461,721**	**$ 8,378,176**

The District's revenue in 2025 increased $916,117 from the prior year. The increase in revenue from the prior year was due to the increase in federal firefighting. The District's expenses in 2025 increased $4,535,324. The increase in expenses compared to 2024 was due primarily to capital improvement projects and Federal firefighting expenses.

Financial Analysis of the Governmental Funds

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

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

PLATTE CANYON FIRE PROTECTION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2025

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, assigned and unassigned fund balances of the General Fund totaled $2,764,833 of this $175,000 is restricted for TABOR Emergencies. The Enterprise Fund balance at the end of the current fiscal year was $1,261,225.

Budgetary Highlights

The District's total expenditures and other financing uses for 2025 in the general fund did not exceed appropriations.

Capital Assets

The District had $7,157,703 in capital assets (net of accumulated depreciation) as of December 31, 2025. These capital assets include land, buildings, vehicles, furniture and equipment. During the year the District added $3,064,304 in capital assets.

	Restated Balance 1/1/25	Additions	Deletions	Transfers	Ending 12/31/25
Assets Not Being Depreciated:					
Land	$ 3,000	$ -	$ -	$ -	$ 3,000
Construction in Progress	703,207	2,317,364	-	(533,340)	2,487,231
Total Assets Not Being Depreciated	706,207	2,317,364	-	(533,340)	2,490,231
Assets Being Depreciated:					
Buildings and Improvements	2,490,047	31,857	-	-	2,521,904
Trucks and Accessories	4,143,076	344,420	-	533,340	5,020,836
Communications Equipment	76,157	-	-	-	76,157
Other Equipment	786,923	370,663	-	-	1,157,586
Furniture and Fixtures	1,357	-	-	-	1,357
Total Assets Being Depreciated	7,497,560	746,940	-	533,340	8,777,840
Total Capital Assets	8,203,767	3,064,304	-	-	11,268,071
Accumulated Depreciation:					
Buildings and Improvements	(1,066,331)	(61,283)	-	-	(1,127,614)
Trucks and Accessories	(2,282,652)	(249,265)	-	-	(2,531,917)
Communications Equipment	(45,403)	(8,296)	-	-	(53,699)
Other Equipment	(307,597)	(88,184)	-	-	(395,781)
Furniture and Fixtures	(1,357)	-	-	-	(1,357)
Total Accumulated Depreciation	(3,703,340)	(407,028)	-	-	(4,110,368)
Net Capital Assets	$ 4,500,427	$ 2,657,276	$ -	$ -	$ 7,157,703

Debt

For the current year ended December 31, 2025, the District's outstanding long-term lease is in the amount of $1,446,654. In December 2025, the District entered into a new lease agreement of $1,446,654, a portion these lease proceeds paid off an existing capital lease with a final payment of $710,431. The new capital lease has annual payments of $176,292, with the final payment due in May 15, 2035.

Balance 1/1/25	Advances	Repayments	Net Change	Balance 12/31/25	Current Portion	Interest Expense
$ -	$ 428,000	$ -	$ -	$ 428,000	$ -	$ -
703,345	-	(703,345)	-	-	-	7,086
-	1,446,654	-	-	1,446,654	150,674	17,547
321,655	-	-	73,650	395,305	63,538	-
$ 1,025,000	$ 1,874,654	$ (703,345)	$ 73,650	$ 2,269,959	$ 214,212	$ 24,633

Prior Period Restatements Upon review of the December 31, 2024 financial statements, it was determined that numerous balance sheet items had not been properly reported at year end. Please see note 12 in the footnotes for further information.

Next Year's Budgets and Rates ➢ We considered the increase in assessed valuation when we adopted our 2026 budget.

- ➢ The District taxes will increase in 2026 due to the increase in assessments, as the general mill levy remained constant at 14.260 mills, with an additional assessment of 0.055 mill for prior year tax abatements.
- ➢ Included in the 2026 General Fund budget are the annual lease payments for Fire District equipment and vehicles.
- ➢ Total 2026 government-wide revenues are projected at $11,241,390, a decrease from 2025 actual government-wide revenues of $11,432,504.
- ➢ Combined general and enterprise operating expenses-including general fund capital outlays and debt service-are projected at $11,038,740 which is a decrease from 2025 expenditures of $10,542,098.

Requests for Information

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

Platte Canyon Fire Protection District
P.O. Box 222
Bailey, CO 80421
303-838-5853

Board of Directors
Platte Canyon Fire Protection District
Bailey, Colorado

Independent Auditors' Report

Opinion
We have audited the accompanying financial statements of the governmental and business-type activities, and major funds of Platte Canyon Fire Protection District, as of and for the year ended December 31, 2025, and the related notes to the financial statements which collectively comprise Platte Canyon 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, major fund and aggregate remaining fund information of the Platte Canyon Fire Protection District as of December 31, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
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 Financial Statements section of our report. We are required to be independent of the Platte Canyon Fire Protection District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of these 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 the 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 Platte Canyon 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.

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

P.O. Box 157
Castle Rock, Colorado 80104
Voice (303) 993 – 2199
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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on 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 Platte Canyon Fire Protection District internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt Platte Canyon Fire Protection District's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of a Matter
As discussed in Note 12 to the financial statements, the 2024 financial statements have been restated to reflect the numerous corrections of the December 31, 2024 presentation. Our opinion is not modified with respect to this matter.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Platte Canyon Fire Protection District's basic financial statements. The individual nonmajor fund financial statements are presented for purposes of additional analysis and are 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 individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Mayberry + Company, LLC

Castle Rock, Colorado

Basic Financial Statements

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PLATTE CANYON FIRE PROTECTION DISTRICT

STATEMENT OF NET POSITION
December 31, 2025

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash and Equivalents	$ 739,172	9,894	$ 749,066
Investments	1,138,895	-	1,138,895
Receivables		-	
Property Tax Receivable	2,801,990	-	2,801,990
Accounts Receivable	25,683	1,763,750	1,789,433
Grants Receivable	184,083	-	184,083
Ambulance Receivables (Net)	164,856	-	164,856
Cash with Fiscal Agent	600,000	-	600,000
Prepaid Expenses	60,883	-	60,883
Internal Balances	512,419	(512,419)	-
Total Current Assets	6,227,981	1,261,225	7,489,206
Noncurrent Assets			
Capital Assets Not Being Depreciated	2,490,231	-	2,490,231
Capital Assets Being Depreciated	8,777,840	-	8,777,840
Accumulated Depreciation	(4,110,368)	-	(4,110,368)
Total Noncurrent Assets	7,157,703	-	7,157,703
TOTAL ASSETS	13,385,684	1,261,225	14,646,909
DEFERRED OUTFLOWS OF FINANCIAL RESOURCES			
Deferred Outflows - Pensions	898,073	-	898,073
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 14,283,757	$ 1,261,225	$ 15,544,982
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	$ 237,586	$ -	$ 237,586
Accrued Payroll	423,572	-	423,572
Accrued Interest Payable	3,223	-	3,223
Total Current Liabilities	664,381	-	664,381
Noncurrent Liabilities			
Due within one year	216,211	-	216,211
Due in more than one year	2,196,822	-	2,196,822
Total Noncurrent Liabilities	2,413,033	-	2,413,033
TOTAL LIABILITIES	3,077,414	-	3,077,414
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Inflows - Pensions	203,857	-	203,857
Deferred Inflows - Property Taxes	2,801,990	-	2,801,990
TOTAL DEFERRED INFLOWS	3,005,847	-	3,005,847
NET POSITION			
Net Investment in Capital Assets	6,311,049	-	6,311,049
Restricted Net Position	175,000	-	175,000
Unrestricted Net Position	1,714,447	1,261,225	2,975,672
TOTAL NET POSITION	8,200,496	1,261,225	9,461,721
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 14,283,757	$ 1,261,225	$ 15,544,982

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

PLATTE CANYON FIRE PROTECTION DISTRICT

STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

		PROGRAM REVENUES		
			OPERATING	CAPITAL
	EXPENSES	CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS	GRANTS AND CONTRIBUTIONS
FUNCTIONS/PROGRAMS				
Governmental Activities				
Current:				
General Government	$ 1,787,469	$ -	$ -	$ -
Firefighting	1,466,672	-	16,921	10,542
Ambulance	2,041,282	939,907	277,603	-
Mitigation	914,730	-	567,693	-
Total Governmental Activities	6,210,153	939,907	862,217	10,542
Business-type Activities				
Current:				
Enterprise	4,331,945	5,625,319	-	-
TOTAL GOVERNMENT	$ 10,542,098	$ 6,565,226	$ 862,217	$ 10,542

GENERAL REVENUES
Property Taxes
Specific Ownership Taxes
Delinquent Taxes, Penalties and Interest
Interest Income
Financing Proceeds
Other Revenues
TRANSFERS

TOTAL GENERAL REVENUES AND TRANSFERS

CHANGE IN NET POSITION

NET POSITION - Beginning

Prior Period Restatement

NET POSITION - Beginning (as Restated)

NET POSITION - Ending

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

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITES	TOTAL
$ (1,787,469)	$ -	$ (1,787,469)
(1,439,209)	-	(1,439,209)
(823,772)	-	(823,772)
(347,037)	-	(347,037)
(4,397,487)	-	(4,397,487)
-	1,293,374	1,293,374
(4,397,487)	1,293,374	(3,104,113)
2,785,364	-	2,785,364
249,326	-	249,326
6,534	-	6,534
104,684	-	104,684
-	-	-
73,611	-	73,611
775,000	(775,000)	-
3,994,519	(775,000)	3,219,519
(402,968)	518,374	115,406
7,635,325	742,851	8,378,176
968,139	-	968,139
8,603,464	742,851	9,346,315
$ 8,200,496	$ 1,261,225	$ 9,461,721

PLATTE CANYON FIRE PROTECTION DISTRICT
Balance Sheet - Governmental Fund
December 31, 2025

	General Fund 2025
ASSETS	
Cash and Investments	
Cash and Equivalents	$ 739,172
Investments	1,138,895
Receivables:	
Property Tax Receivable	2,801,990
Accounts Receivable	25,683
Grants Receivable	184,083
Ambulance Receivables (Net)	164,856
Cash with Fiscal Agent	600,000
Prepaid Expenses	60,883
Internal Balances	512,419
Total Assets	$ 6,227,981
LIABILITIES DEFERRED INFLOWS AND FUND BALANCE	
LIABILITIES	
Accounts Payable	$ 237,586
Accrued Payroll	423,572
Total Liabilities	661,158
DEFERRED INFLOWS OF FINANCIAL RESOURCES	
Deferred Property Taxes	2,801,990
FUND BALANCE	
Nonspendable	60,883
Restricted for Emergencies	175,000
Unassigned	2,528,950
Total Fund Balance	2,764,833
Total Liabilities, Deferred Inflows and Fund Balance	$ 6,227,981

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

PLATTE CANYON FIRE PROTECTION DISTRICT
Reconciliation of Governmental Fund Balance to Governmental Activities Net Position
December 31, 2025

Fund Balance - Governmental Funds		$ 2,764,833
Amounts reported for governmental activities in the statement of net position because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Capital Assets not being depreciated	2,490,231	
Capital Assets being depreciated	8,777,840	
Accumulated Depreciation	(4,110,368)	7,157,703
Long-term liabilities, including capital leases and notes payable are not due and payable in the current period and therefore are not reported in the funds:		
Leases Payable	(1,446,654)	
Notes Payable	(428,000)	
Accrued Interest Payable	(3,223)	
Accrued Compensated Absences	(395,305)	(2,273,182)
Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds		
FPPA Statewide Retirement Plan		
Net pension asset (liability)	-	
Deferred outflows - pensions (net)	850,008	
Deferred inflows - pensions (net)	(203,857)	646,151
Volunteer Firefighter Pension Fund		
Net pension asset (liability)	(143,074)	
Deferred outflows - pensions (net)	48,065	
Deferred inflows - pensions (net)	-	(95,009)
Net Position - Governmental Activities		$ 8,200,496

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

PLATTE CANYON FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund
Year Ended December 31, 2025

	General Fund
	2025
REVENUES	
Taxes	$ 3,041,224
Intergovernmental	872,759
Charges for Services	939,907
Investment Earnings	104,684
Other Revenues	73,611
Total Revenues	5,032,185
EXPENDITURES	
Current:	
Administration	243,683
Ambulance Services	687,506
Building Maintenance/Operations	123,631
Equipment Repair and Maintenance	378,644
Payroll	3,855,371
Volunteer Pension	32,255
Firefighter Training/Support	184,758
Mitigation Program	102,350
Capital Outlay	3,064,304
Debt Service	741,212
Total Expenditures	9,413,714
Revenues in Excess (Deficiency) of Expenditures	(4,381,529)
Other Financing Sources	
Transfers	775,000
Financing Proceeds	1,874,654
Total Other Financing Sources	2,649,654
Change in Fund Balance	(1,731,875)
Fund Balance, Beginning	4,645,552
Prior Period Restatement	(148,844)
Fund Balance, Beginning (As Restated)	4,496,708
Fund Balance, Ending	$ 2,764,833

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

PLATTE CANYON FIRE PROTECTION DISTRICT
Reconciliation of Governmental Fund Change in Fund Balance to
Governmental Activities Change in Net Position
Year Ended December 31, 2025

Change in Fund Balance - Governmental Funds		$ (1,731,875)
Amounts reported for governmental activities in the statement of activities are different because:		
Purchases of capital assets are expensed in the funds and depreciated for the statementof activities while capital asset deletions are not reported in the funds:		
Capital Outlay	$ 3,064,304	
Depreciation Expense	(407,027)	2,657,277
Principal payments are reported as expenses in the funds and reductions of liabilities on the statement of net position, while new capital leases are reported as revenues in the funds:		
Capital Lease Principal	703,345	
Financing Proceeds	(1,874,654)	(1,171,309)
Other long-term liabilities are expensed in the funds and recorded as liabilities on the statement of net position:		
Change in Accrued Interest Payable		13,235
Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.		
Change in deferred outflows - pensions (net)	(50,175)	
Change in net pension asset/liability	28,366	
Change in deferred inflows - pensions (net)	(74,837)	(96,646)
Accrued compensated absences are expensed when paid in the funds and are recorded as long-term obligations for the statement of net position		
Change in Accrued Compensated Absences		(73,650)
Change in Net Position - Governmental Activities		$ (402,968)

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Platte Canyon Fire Protection District, (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The following notes to the financial statements are an integral part of the District's financial statements.

ORGANIZATION

The District was organized as a special district under the provisions of the State of Colorado and operates under the control of an elected five member Board of Directors. The District offers fire protection and emergency medical (ambulance) services to its citizens through its fire departments located in Bailey, Crow Hill, Harris Park and Grant, Colorado.

REPORTING ENTITY

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on 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 upon the above criteria, the District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

BASIS OF PRESENTATION

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position reports all financial and capital resources of the District. The difference between the assets, net outflow of resources, liabilities, and the net inflow of resources of the District is reported as net position.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF PRESENTATION (Continued)

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements. As the District's Volunteer Pension Plan is an agent-multiple employer plan, there are no fiduciary funds reported.

FUND ACCOUNTING

The District reports the following major governmental fund:

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

The District reports the following major enterprise fund:

The *Enterprise Fund* accounts for revenues and expenses associated with providing "call-out" or Federal Fire Fighting activities.

A principal reason for the separate fund was to facilitate short-term bank revolving line of credit borrowings to finance the significant reimbursement receivables generated by "call-out" activities. The enterprise fund operates much like a private sector business since it charges for the services it provides. Like similar private sector enterprises, the measurement focus is economic resources and obligations and the enterprise fund uses the accrual method of accounting. Revenues are recognized when billed and represent reimbursement amounts based upon agreed daily/hourly rates for personnel, equipment and vehicles provided for the emergency. Expenses include direct costs of providing personnel including burden, equipment and vehicles for out of District fire, flood and other emergency activities.

The General Fund is the common paymaster and pays all District expenses. The Enterprise fund uses District personnel and capital assets to perform "call-out" activities. Accordingly, during the year, the enterprise fund repays for its expenses/expenditures and also transfers-in residual profits to the general fund as needed and when available for its unrestricted use.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the District's enterprise functions and various other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes, specific ownership taxes and interest are susceptible to accrual and so have been recognized as revenues in the current period. All other revenue items are considered to be measurable and available when cash is received by the District and are recognized as revenue at that time.

USE OF ESTIMATES

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. An example of such an estimate that has been made by management is depreciation expense.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BUDGETS

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds. The enterprise funds adopt budgets on the Non-GAAP basis wherein tap fees are recognized as revenue, principal payments on debt and capital expenditures are recognized as expenditures, and depreciation expense is not budgeted. All annual appropriations lapse at fiscal year-end.

Not later than the first regular meeting in September, the District Manager submits a proposed operating budget for the fiscal year commencing the following January 1 to the Board of Directors. The operating budget for all budgeted funds includes proposed expenditures and the means of financing.

Public hearings are held at the regular Director meetings to obtain taxpayer input. Prior to December 15, the budget is legally enacted through passage of a budget ordinance.

The appropriation can only be modified upon completion of notification and publication requirements. During the year ended December 31, 2025, the District approved supplementary appropriations, amending the appropriation in Enterprise Fund from $3,023,321 to $5,842,851.

DEPOSITS AND INVESTMENTS

Colorado Revised Statutes specify investment instruments meeting defined rating and risk criteria in which the District may invest which include: obligations of the United States and certain U.S. government agency securities, general obligation and revenue bonds of U.S. local government entities, bankers acceptances of certain banks, commercial paper, written repurchase agreements collateralized by certain authorized securities, certain money market funds, guaranteed investment contracts, and local government investment pools.

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

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

Except when required by trust, other agreements or the Board of Directors, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is invested. Since the intent of the Enterprise Fund is to help subsidize the General Fund, all investment earnings are reported in the General Fund.

RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. The District has not recorded an allowance against outstanding receivables.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

All outstanding balances between funds are reported as "interfund balances" in the governmental fund balance sheet. These balances are eliminated in the statement of net position on the government-wide financial statements**.**

PREPAID ITEMS

Payments made for services that will benefit periods beyond the end of the current year are recorded as prepaid items.

PROPERTY TAXES

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

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

CAPITAL ASSETS

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CAPITAL ASSETS (Continued)

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

Assets	Years
Fire Stations	40
Improvements	5- 20
Training Facility	20
Communications Equipment	2-5
Furniture & Office Equipment	5-10
Other Equipment	6-12
Fire Management Software	3
Fire Trucks & Accessories	12
Squad Vehicles & Ambulance	8-12

COMPENSATED ABSENCES

Pursuant to Articles 14 and 15 of the 2024 District's Collective Bargaining Agreement shift and non-shift firefighters earn paid vacation accruals at varying rates based on years of service. The maximum amount that can be carried over is 250 hours with any excess paid out to the employee.

Shift firefighters are awarded 8 hours of personal leave monthly with non-shift firefighters earning 6 hours. The maximum amount that can be carried over is 250 hours with any excess paid out to the employee. The agreement limits payouts to only those employees that have the maximum amount of both vacation and personal leave. Payments are also subject to the discretion of the Fire Chief.

Shift and non-shift firefighters accrue sick leave at the rate of 24 and 16 hours per month, respectively. The maximum accrual is 1440 hours for both categories. Sick leave is not paid upon termination.

The District has accrued leave for all vacation and personal leave for each employee's balance up to the maximum of 250 per category. The District has also accrued any excess leave to be paid out for the prior year as a current portion of the leave balance. In addition, the District accrues sick leave based estimated or known future usage based on prior experience. To the extent sick leave is expected to be used, it is also included in the current portion of the liability. Amounts reported at year end are disclosed in Note 4.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, even if withheld from the actual new proceeds received, are reported as debt service expenditures.

For long-term leasing arrangements where the District is a lessee, a lease liability and a right-to-use (RTU) intangible asset are recognized at the commencement of the lease term. RTU 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. RTU assets and liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

For short-term leasing arrangements where the District is a lessee, payments are recognized as outflows of resources.

DEFERRED OUTFLOWS AND INFLOWS OF FINANCIAL RESOURCES

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The government has pension related items, which arises only under the full accrual basis of accounting that qualifies for reporting in this category. Accordingly, the items, contributions subsequent to measurement date and the difference between projected and actual investment returns, the difference between projected and actual pension experience, changes in plan assumptions and changes in the District's proportionate share of the underlying pension asset or liability, are reported in the governmental activities statement of net position. These amounts are deferred and recognized as an outflow of resources in the period that the amounts become due.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items, property taxes, which arises both under the full accrual and modified accrual basis of accounting, and pension related items that only are reported under full accrual, that qualify for reporting in this category. The property tax item, unavailable revenue, is reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow is recognized as revenue and the receivable is reduced. The pension items are the difference between projected and actual pension experience, pension earnings, changes in assumptions and changes in the District's proportionate share of the underlying pension asset or liability. The pension differences and changes are amortized based on the requirements of GASB Statement 68.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

NET POSITION/FUND BALANCE

In the government-wide financial statements, net position is either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. The District currently does not have this category of fund balance.

Fund balance is reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. The District's restricted fund balance represents the funds set aside to satisfy the TABOR emergency reserve requirement discussed in Note 9.

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, are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts. The District is currently not reporting any committed equity.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 2: CASH AND INVESTMENTS

The District's cash and investment balances are comprised of and presented in the financial statements as follows:

Cash and equivalents	$ 749,066
Investments (cash equivalent)	1,138,895
Total cash and investments	$ 1,887,961

Deposits

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels ($250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized.

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and December 31, 2025, all of the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

The District's deposits are categorized as follows:

	Bank Balance	Book Balance
FDIC insured deposits	$ 250,000	$ 250,000
Collateralized under PDPA (Not in Entity's Name)	512,139	498,893
Other deposits	173	173
Total cash and deposits	$ 762,312	$ 749,066

NOTE 2: CASH AND INVESTMENTS (Continued)

INVESTMENTS (Continued)

Investment credit risk - This is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Debt securities of the U.S. government and obligations of U.S. government agencies that are explicitly guaranteed by the U.S. government are not considered to have credit risk. A description of the District's allowed and actual investments as of December 31, 2025 is presented below.

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments. Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

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

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

The District has invested $1,138,895 in the Colorado Government Liquid Asset Trust (Colotrust), 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 investment is valued at net asset value. Investments of the Trusts consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. Colotrust is rated AAAm by Standard and Poor’s.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of bank failure, the District’s deposits may not be returned to it. The District’s policy requires all deposits to be held in PDPA-approved financial institutions to mitigate this risk.

Concentration Of Credit Risk - The District places no limit on the amount that may be invested in any one issuer.

Interest Rate Risk Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase unless authorized by the local board. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in state statutes.

NOTE 2: <u>CASH AND INVESTMENTS</u> (Continued)

INVESTMENTS (Continued)

Foreign Currency Risk - Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The District is not exposed to foreign currency risk at year end.

Custodial Credit Risk – Investments For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2025, the District did not have any investments held by an outside trustee.

NOTE 3: <u>CAPITAL ASSETS</u>

The District's governmental activity capital asset activity for the year ended December 31, 2025 was as follows:

	Restated Balance 1/1/25	Additions	Deletions	Transfers	Ending 12/31/25
Assets Not Being Depreciated:					
Land	$ 3,000	$ -	$ -	$ -	$ 3,000
Construction in Progress	703,207	2,317,364	-	(533,340)	2,487,231
Total Assets Not Being Depreciated	706,207	2,317,364	-	(533,340)	2,490,231
Assets Being Depreciated:					
Buildings and Improvements	2,490,047	31,857	-	-	2,521,904
Trucks and Accessories	4,143,076	344,420	-	533,340	5,020,836
Communications Equipment	76,157	-	-	-	76,157
Other Equipment	786,923	370,663	-	-	1,157,586
Furniture and Fixtures	1,357	-	-	-	1,357
Total Assets Being Depreciated	7,497,560	746,940	-	533,340	8,777,840
Total Capital Assets	8,203,767	3,064,304	-	-	11,268,071
Accumulated Depreciation:					
Buildings and Improvements	(1,066,331)	(61,283)	-	-	(1,127,614)
Trucks and Accessories	(2,282,652)	(249,265)	-	-	(2,531,917)
Communications Equipment	(45,403)	(8,296)	-	-	(53,699)
Other Equipment	(307,597)	(88,184)	-	-	(395,781)
Furniture and Fixtures	(1,357)	-	-	-	(1,357)
Total Accumulated Depreciation	(3,703,340)	(407,028)	-	-	(4,110,368)
Net Capital Assets	$ 4,500,427	$ 2,657,276	$ -	$ -	$ 7,157,703

The District does not report any capital assets in its business-type activities,

NOTE 3: CAPITAL ASSETS (Continued)

The District has restated the beginning capital assets to reflect construction in progress that had been incurred through December 31, 2024 as further disclosed in Note 12.

Depreciation expense has been allocated across the various governmental activity functions as follows:

General Government	$ 57,805
Firefighting	242,635
Ambulance	106,587
Total Allocated Depreciation	$ 407,027

NOTE 4: LONG-TERM OBLIGATIONS

Changes in Long-Term Obligations

The following is a summary of changes in long-term obligations of the District for December 31, 2025:

	Balance 1/1/25	Advances	Repayments	Net Change	Balance 12/31/25	Current Portion	Interest Expense
Loan Obligations							
UMB Line of Credit	$ -	$ 428,000	$ -	$ -	$ 428,000	$ -	$ -
Lease Obligations							
Capital One Public Financing	703,345	-	(703,345)	-	-	-	7,086
Customers Commercial Finance	-	1,446,654	-	-	1,446,654	150,674	17,547
Accrued Compensated Absences	321,655	-	-	73,650	395,305	63,538	-
Total Long-Term Obligations	$ 1,025,000	$ 1,874,654	$ (703,345)	$ 73,650	$ 2,269,959	$ 214,212	$ 24,633

Capital One Public Financing Lease
The District entered into a lease obligation in the amount of $1,111,000 accruing interest at the rate of 3.15% per annum. The lease is secured by fire trucks. The District made the scheduled annual payment in April 2025 and repaid the remaining balance through the issuance of the new Customers Commercial Finance lease agreement described below.

Customers Commercial Finance
In December 2025, the District entered into a mater lease agreement with Customers Commercial Finance in the amount of $1,446,654. The District used the proceeds to repay the Capital One Public Financing Lease described above and to place a deposit on a new ambulance with the remaining $600,0000 held in escrow by the lender as of year-end which is presented in the General Fund.

The lease obligation requires ten annual payments in May of each year in the amount of $176,292. The lease bears interest at 4.25%. There is $3,223 of accrued interest on the lease as of year end.

NOTE 4: LONG-TERM OBLIGATIONS (Continued)

Customers Commercial Finance (Continued)

Scheduled principal and interest payments to maturity are due as follows:

Fiscal Year	Principal	4.25% Interest	Total Payment
2026	$ 150,674	$ 25,618	$ 176,292
2027	121,212	55,079	176,291
2028	126,364	49,928	176,292
2029	131,734	44,557	176,291
2030	137,333	38,958	176,291
2031-2035	779,337	102,121	881,458
Total	**$ 1,446,654**	**$ 316,261**	**$ 1,762,915**

UMB Line of Credit

In late December 2025, the District drew $428,000 against a new UMB Line of Credit, which was formalized into a Business Loan Agreement in January of 2026. The line of credit matures one year from the date of the formal agreement in January of 2027. The total revolving line of credit is $750,000. As a Revolving Line of Credit, principal payments are at the discretion of the District with all remaining principal payments due no later than January 2027.

Accrued interest is owed monthly at a variable rate of .74% over the UMB Prime Rate (the Index rate) with the Index rate being variable throughout the loan term. At time of loan commencement the Index rate was 7.0%. No accrued interest was reported on the loan at year end.

NOTE 5: PENSION PLANS

PCVFPD VOLUNTEER PENSION FUND - FPPA ADMINISTERED

Plan Description. The Volunteer Pension Fund is a defined benefit, agent multiple-employer plan affiliated with the Colorado Fire and Police Pension Association (FPPA). Assets of the Plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple- employer defined benefit pension Plan administered by FPPA.

Description of Benefits. The Plan provides retirement benefits for Members and beneficiaries according to Plan provisions as enacted and governed by the Firefighters Pension Board. Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the Plan. In 2024, the regular benefit was $500 per month. A participant becomes fully vested after 20 years of active service and reaching age 50. Disability and death benefits are only available if the disability occurred in the line of duty. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. FPPA issues independent annual reports that may be obtained by contacting FPPA at 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or on their website at http://www.fppaco.org.

NOTE 5: PENSION PLANS (Continued)

PCVFPD VOLUNTEER PENSION FUND - FPPA ADMINISTERED (Continued)

Contributions. The District funds the Plan per provisions in the Plan document and Colorado statutes. The District shall contribute amounts required to fund the benefits provided by the Plan on a sound actuarial basis. The District contributes to the Volunteer Pension Fund at a rate determined in the following manner: at least every two years, the Volunteer Pension Fund shall have an actuarial study prepared to determine the funds required. The required funds will be paid annually from general revenues of the District into the Volunteer Pension Fund. For both 2024 and 2025, the District's annual required contribution was $32,255.

As established by the legislature, the State of Colorado contributes up to ninety percent of the District's contribution, in an amount not to exceed one-half mill of property tax revenue. The State's contributions are not actuarially determined. For both 2024 and 2025, the State's contribution was $17,500.

The Plan is administered by the District's five elected board members plus two elected firefighters, with the two firefighter positions currently vacant.

The financial statements of the Volunteer Pension Fund are prepared using the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The investments are presented at fair value except for short-term investments that are recorded at cost, which approximates fair value.

Administrative costs of the Plan are paid from the pension fund (CRS 31-30.5-204(3)). There are no investments in, loans to, or leases with parties related to the Plan.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions. At December 31, 2025, the District reported a net pension liability of $143,074. The net pension asset was measured as of December 31, 2024, 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 $31,164. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Net difference between projected and actual earnings on pension plan investments	$ 15,810	$ -
Contributions subsequent to the measurement date	$ 32,255	$ -
Total	**$ 48,065**	**$ -**

NOTE 5: PENSION PLANS (Continued)

PCVFPD VOLUNTEER PENSION FUND - FPPA ADMINISTERED (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions (Continued)

$49,755 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Fiscal year Total
2025	$ 8,075
2026	26,321
2027	(12,215)
2028	(6,371)
Total	**$ 15,810**

Actuarial assumptions. The January 1, 2023 actuarial valuation was used to determine the Required Annual Contribution for the fiscal year ending December 31, 2025. The valuation used the following actuarial assumption and other inputs:

Methods and Assumptions Used to Determine Contribution Rates for the Fiscal Year Ending 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 5: <u>PENSION PLANS</u> (Continued)

PCVFPD VOLUNTEER PENSION FUND - FPPA ADMINISTERED (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions (Continued)

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 expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Liquidity	4.0 %	4.2 %
Fixed Income - Rates	7.0 %	5.0 %
Fixed Income - Credit	7.0 %	6.5 %
Diversifiers	9.0 %	5.7 %
Long Short	6.0 %	6.2 %
Global Public Equity	33.0 %	7.0 %
Private Markets	34.0 %	8.8 %
Total	100.00 %	

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 7.00 percent.

Sensitivity of the District's net pension asset (liability) to changes in the discount rate. The following presents the District's net pension liability calculated using the discount rate of 7.00%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

1% Decrease	Current Single Discount Rate Assumption	1% Increase
5.00%	6.00%	7.00%
$ 274,663	$ 143,074	$ 31,239

NOTE 5: PENSION PLANS (Continued)

PCVFPD VOLUNTEER PENSION FUND - FPPA ADMINISTERED (Continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

Changes in net pension liability for the District's agent multiple-employer plan is listed below:

A. Total pension liability		
1. Service Cost	$	1,491
2. Interest on the Total Pension Liability		89,070
3. Benefit changes		0
4. Difference between expected and actual experience of the Total Pension Liability		(77,577)
5. Changes of assumptions		111,835
6. Benefit payments		(109,500)
7. Net change in total pension liability	$	15,319
8. Total pension liability – beginning		1,325,520
9. Total pension liability – ending	$	1,340,839
B. Plan fiduciary net position		
1. Contributions – employer	$	32,255
2. Net investment income		110,351
3. Benefit payments		(109,500)
4. Pension Plan Administrative Expense		(6,921)
5. State of Colorado supplemental discretionary payment		17,500
6. Net change in plan fiduciary net position	$	43,685
7. Plan fiduciary net position – beginning (Market value of assets at beginning of year)		1,154,080
8. Plan fiduciary net position – ending (Market value of assets at end of year)	$	1,197,765
C. Net pension liability/(asset) (Item A.9 - Item B.8)	**$**	**143,074**
D. Plan fiduciary net position as a percentage of the total pension liability (Item B.8 / Item A.9)		**89.33%**
E. Covered payroll		**N/A**
F. Net pension liability/(asset) as a percentage of covered payroll		**N/A**

Membership. As of the December 31, 2024 measurement date, pension plan membership consisted of the following:

Membership as of January 1, 2025	
Number of	
- Retirees and Beneficiaries	18
- Inactive, Nonretired Members	1
- Active Members	2
- Total	21

NOTE 5: PENSION PLANS (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

General Information about the Pension Plan/Summary of Significant Accounting Policies

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.

The District participates in the Defined Benefit Component.

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.

NOTE 5: PENSION PLANS (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

General Information about the Pension Plan (Continued)

Plan description. Eligible employees of the District are provided with pensions through the Defined Benefit Component of the SRP Plan. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), rules and regulations codified by the Fire and Police Pension Association, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report, that can be obtained at htttp://www.FPPAco.org.

The net pension asset or 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 SRP have been determined using the accrual basis of accounting as required by the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. 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.

Members Included. Members included are active, full-time salaried employees of a participating municipality, fire protection district, fire authority, or county improvement district normally serving at least 1,600 hours in a calendar year and whose duties are directly involved with the provision of police or fire protection. As of August 5, 2003, the Plan may also include clerical and other personnel employed by a fire protection district, fire authority, or a county improvement district.

Benefits provided. 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.

NOTE 5: <u>PENSION PLANS</u> (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

General Information about the Pension Plan (Continued)

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.

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 O 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.

NOTE 5: <u>PENSION PLANS</u> (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

General Information about the Pension Plan (Continued)

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.

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

Employer contributions are recognized by FPPA in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to FPPA. Employer contributions recognized by the FPPA from the District were $238,024 for the plan year ended December 31, 2024 and $250,928 for the fiscal year ended December 31, 2025. The current year contributions will be expensed in 2026 for FPPA purposes and are a timing difference at year end. The District has 30 contributing members to the plan during 2025.

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

At December 31, 2025, the District reported a liability of $0 for its proportionate share of the SRP's net pension liability. The net pension asset or liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025. The District's proportion of the net pension liability was based on District's contributions to the SRP for the calendar year 2024 relative to the total contributions of participating employers to the SRP.

At December 31, 2025, the District's proportion was 0.2183%, which was an increase of 0.024% from its proportion measured as of December 31, 2024.

NOTE 5: PENSION PLANS (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

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

For the year ended December 31, 2025, the District recognized pension expense of $348,665. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	$ 524,561	$ 16,408
Changes of assumptions or other inputs	$ -	$ -
Net difference between projected and actual earnings on pension plan investments	$ 74,519	$ -
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	$ -	$ 187,449
Contributions subsequent to the measurement date	$ 250,928	$ -
Total	**$ 850,008**	**$ 203,857**

$250,928 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an adjustment of the net pension asset in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Fiscal year Total
2025	$ 185,980
2026	287,650
2027	(8,083)
2028	4,858
2029	42,833
2030-2032	69,722
Total	**$ 582,960**

NOTE 5: PENSION PLANS (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

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

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

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2025	January 1, 2024
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return, net*	7.0%	7.0%
Projected Salary Increases*	4.25% - 11.75%	4.25% - 11.75%
Cost of Living Adjustments (COLA)	0%	0%
*Includes Inflation at	2.5%	2.5%

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

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

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 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.

NOTE 5: PENSION PLANS (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	33%	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 5: <u>PENSION PLANS</u> (Continued)

STATEWIDE RETIREMENT PLAN – DEFINED BENEFIT SYSTEM (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (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 7.00 percent; the municipal bond rate is 4.08 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.00 percent, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is one percent lower or one percent higher:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the SRP net pension asset (liability) [(1)]	$ (1,065,262)	$ -	$ -

(1) The Statewide Retirement Plan Net Pension Liability of $0 reflects a reserve for cost of living adjustments and to manage adverse experience of $313,816 at a 7.00 percent discount rate and $1,455,822

NOTE 6: STATEWIDE DEATH AND DISABILTY PLAN

The District contributes to the Statewide Death and Disability Plan (SWD&DP), a cost-sharing multiple-employer defined benefit death and disability plan covering full-time employees of substantially all fire and police departments in Colorado. As of August 5, 2003, the Plan may include part-time police and fire employees. Contributions to the Plan are used for the payment of death and disability benefits. The Plan was established in 1980 pursuant to Colorado Revised Statutes. The Plan assets are included in the Fire & Police Members' Benefit Investment Fund Long-Term Pool

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

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

All full-time firefighters are members of the plan. Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by state statute and generally allow for benefits upon the death or disability of a plan member prior to retirement.

FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for SWD&DP. That report may be obtained at www.fppaco.org.

Contributions

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

Members hired on or after January 1, 1997, and members covered by Social Security contribute to this plan. The contribution rate may be increased 0.2 percent annually by the FPPA Board. This contribution percentage can vary depending on actuarial experience. All contributions are made by or on behalf of members. The contribution may be paid entirely by the employer or member, or may be split between the employer and member.

The District contributed 3.8% of base salaries on behalf of the members during the year ended December 31, 2025. Contributions to the plan for the year ended December 31, 2025 were $43,764, equal to the required contributions. The District had thirty employees contributing to the Statewide Retirement Plan, not all of which were eligible to contribute to the SWD&DP.

NOTE 6: STATEWIDE DEATH AND DISABILTY PLAN (Continued)

Other Postemployment Benefits (OPEB) Liabilities, OPEB Expense And Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To OPEB

The District has no requirement to contribute to the plan and does not receive contributions from a nonemployer entity. Therefore, the District does not report a net OPEB liability or deferred outflows of resources and deferred inflows of resources related to OPEB.

NOTE 7: DEFERRED COMPENSATION PLAN

The District participates in a deferred compensation plan (the 457 Plan) as defined under the Internal Revenue Code Section 457, which allows employees to make an elective deferral of a portion of earned compensation to the 457 Plan.

The 457 Plan is a multi-employer plan administered by FPPA. Amendments to the 457 Plan may be made by the plan trustee. The District does not match employee contributions to the 457 Plan. For the year ended December 31, 2025, participating employees contributed $101,101 to the 457 Plan.

NOTE 8: RISK MANAGEMENT

The District uses Pinnacol Assurance to provide workers' compensation insurance. There has been no significant reduction in insurance coverage.

The District has purchased property casualty insurance from major commercial insurance companies in amounts that are less than the acquisition cost and replacement cost of certain assets, i.e., the District is self-insuring against casualty losses. There have been no claims in excess of insurance coverage in any of the past three years. There have been no significant changes in insurance coverage from the prior year in any of the major categories of risk.

NOTE 9: TAX SPENDING AND DEBT LIMITATIONS (TABOR)

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

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

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

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

In May 1998, a majority of the District's electors approved a ballot issue permitting the District, to collect, retain and spend all revenues from the existing mill levy and all other sources, for fire protection, emergency medical and rescue purposes and to treat these revenues as a voter approved revenue change and therefore an exception to TABOR and other applicable laws. The effect of the voter-approved referendum was to remove the District from the spending restraints of the TABOR Amendment.

NOTE 10: OUTSTANDING PROJECT COMMITMENTS

The District has outstanding vehicle and equipment contracts in progress at year end with an estimated remaining cost of $445,027.

The District has reserved the following for emergencies $175,000.

NOTE 11: ADOPTION OF GASB STATEMENT 101 – COMPENSATED ABSENCES

The District has adopted GASB Statement 101 – Compensated Absences. This is considered a change in accounting principle. A change in accounting principle is the application of an accounting principle to transactions or other events of a similar type that is different from the accounting principle previously applied to those transactions or other events. This standard was effective for fiscal years beginning on or after December 31, 2023. It does not appear that the standard was adopted as of December 31, 2024.

The change required a restatement of the beginning accrued compensated absence liability due to the inclusion of sick leave balances that were previously not accrued. This resulted in an increase in the accrued liability of $6,831 and a corresponding reduction in beginning governmental net position.

NOTE 12: PRIOR PERIOD RESTATEMENTS

Upon review of the December 31, 2024 financial statements, it was determined that numerous balance sheet items had not been properly reported at year end. These items consisted of overstated ambulance receivables, grants receivable that were not presented on the governmental Statement of Net Position, a payroll cycle that had not been properly accrued, employer taxes and benefits that had not been accrued, construction in progress that was tracked by the District but not reported in the financial statements, accrued interest on lease liabilities that was not reported and pension balances that did not match between the footnotes and financial statements, were not updated from the prior year and were computed incorrectly. A summary of these restatements is as follows:

	General Fund	Govt Activities
Equity per 12/31/24 Audit	$ 4,645,552	$ 7,635,325
Ambulance Receivable	(16,038)	(16,038)
Grants Receivable		110,856
Accrued Wages	(105,352)	(105,352)
Accrued Taxes and Benefits	(27,454)	(27,454)
Construction in Progress	-	703,207
Accrued Interest	-	(16,458)
Accrued Leave	-	(6,831)
Accrued Pension Changes:		
Statewide Retirement Plan:		
Net Pension Liability	-	154,462
Deferrals Experience	-	52,245
Deferrals Earnings	-	27,393
Deferrals Assumptions	-	(192,232)
Deferrals Proportion	-	(111,263)
Deferrals Timing	-	238,024
Volunteer Pension Plan:		
Net Pension Liability	-	52,792
Deferrals Earnings	-	72,533
Deferrals Timing	-	32,255
Net Restatements	(148,844)	968,139
Restated 12/31/24 Equity	$ 4,496,708	$ 8,603,464

Required Supplementary Information
(Pension Schedules – Unaudited)

PLATTE CANYON FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY)
Last 10 Fiscal Years

Fiscal Year	District's proportion of the net pension asset (liability)	District's proportionate share of the net pension asset (liability)	District's covered payroll	District's proportionate share of the net pension asset (liability) as a proportion of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
12/31/2025	0.218295464%	$ -	$2,380,240	0.00%	100.00%
12/31/2024	0.193746000%	$ -	$1,903,442	0.00%	100.00%
12/31/2023	0.174020233%	$ (154,462)	$1,434,316	-10.77%	97.63%
12/31/2022	0.180310901%	$ 977,117	$1,370,833	71.28%	116.16%
12/31/2021	0.142290209%	$ 308,913	$1,075,659	28.72%	106.70%
12/31/2020	0.151088942%	$ 85,450	$1,113,575	7.67%	101.90%
12/31/2019	0.149765112%	$ (189,344)	$1,003,213	-18.87%	95.23%
12/31/2018	0.135740697%	$ 195,284	$ 793,988	24.60%	106.34%
12/31/2017	0.167795882%	$ (60,631)	$ 858,750	-7.06%	98.21%
12/31/2016	0.161343736%	$ 2,844	$ 782,150	0.36%	100.10%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

See the accompanying Independent Auditors' Report.

PLATTE CANYON FIRE PROTECTION DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
FPPA Pension Plan
Last 10 Fiscal Years[(1)]

Fiscal Year	Contractually required contributions	Actual contributions	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
12/31/2025	$ 238,024	$ 238,024	$ -	$ 2,380,240	10.00%
12/31/2024	$ 180,827	$ 180,827	$ -	$ 1,903,442	9.50%
12/31/2023	$ 136,260	$ 136,260	$ -	$ 1,434,316	9.50%
12/31/2022	$ 123,375	$ 123,375	$ -	$ 1,370,833	9.00%
12/31/2021	$ 91,431	$ 91,431	$ -	$ 1,075,659	8.50%
12/31/2020	$ 89,086	$ 89,086	$ -	$ 1,113,575	8.00%
12/31/2019	$ 80,257	$ 80,257	$ -	$ 1,003,213	8.00%
12/31/2018	$ 63,519	$ 63,519	$ -	$ 793,988	8.00%
12/31/2017	$ 68,700	$ 68,700	$ -	$ 858,750	8.00%
12/31/2016	$ 62,572	$ 62,572	$ -	$ 782,150	8.00%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

See the accompanying Independent Auditors' Report.

PLATTE CANYON FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY
Volunteer Pension Plan
Last 10 Fiscal Years

	12/31/2025	12/31/2024	12/31/2023	12/31/2022
Total Pension Liability				
Service cost	$ 1,491	$ 1,491	$ 2,378	$ 2,378
Interest	89,070	90,769	92,393	93,564
Changes of benefit terms		-	-	-
Differences between expected and actual experience	(77,577)	-	(8,493)	-
Changes of assumptions	111,835	-	9,066	-
Benefit payments	(109,500)	(123,342)	(113,025)	(112,350)
Net changes in total pension liability	15,319	(31,082)	(17,681)	(16,408)
Total Pension Liability - beginning	1,325,520	1,356,602	1,374,283	1,390,691
Total Pension Liability - ending (a)	$ 1,340,839	$ 1,325,520	$ 1,356,602	$ 1,374,283
Plan Fiduciary Net Position				
Contributions - employer	$ 32,255	$ 30,500	$ 30,500	$ 30,500
Contributions - state (discretionary)	17,500	17,500	17,500	17,500
Net investment Income	110,351	105,602	(103,635)	173,156
Benefit payments	(109,500)	(123,342)	(113,025)	(112,350)
Administrative expense	(6,921)	(8,550)	(6,424)	(6,441)
Other	-	-	-	-
Net change in plan fiduciarty net position	43,685	21,710	(175,084)	102,365
Plan fiduciary net position - beginning	1,154,080	1,132,370	1,307,454	1,205,089
Plan fiduciary net position - ending(b)	$ 1,197,765	$ 1,154,080	$ 1,132,370	$ 1,307,454
District's net pension liability (asset) - ending (a)-(b)	$ 143,074	$ 171,440	$ 224,232	$ 66,829
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	89.33%	87.07%	83.47%	95.14%
Covered Payroll	N/A	N/A	N/A	N/A
Net Pension Liability as % of Covered Payroll	N/A	N/A	N/A	N/A

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.
There were no factors that significantly affected trends in the amounts reported.

See the accompanying Independent Auditors' Report.

12/31/2021	**12/31/2020**	**12/31/2019**	**12/31/2018**	**12/31/2017**	**12/31/2016**
$ 2,023	$ 2,023	$ 5,127	$ 5,127	$ 8,533	$ 8,533
75,796	77,581	80,727	81,393	90,684	89,778
203,396	-	149,857	-	-	-
84,801	-	(144,199)	-	(162,780)	-
-	-	41,404	-	31,143	-
(112,350)	(98,123)	(100,598)	(90,388)	(89,213)	(83,363)
253,666	(18,519)	32,318	(3,868)	(121,633)	14,948
1,137,025	1,155,544	1,123,226	1,127,094	1,248,727	1,233,779
$ 1,390,691	$ 1,137,025	$ 1,155,544	$ 1,123,226	$ 1,127,094	$ 1,248,727
$ 61,000	$ -	$ 27,500	$ 24,900	$ 24,861	$ 23,000
17,500	-	35,000	-	17,500	17,500
139,289	146,213	916	146,076	53,122	18,984
(112,350)	(98,123)	(100,598)	(90,388)	(89,213)	(83,363)
(5,132)	(7,791)	(6,453)	(8,603)	(1,860)	(2,705)
-	-	-	-	-	-
100,307	40,299	(43,635)	71,985	4,410	(26,584)
1,104,782	1,064,483	1,108,118	1,036,133	1,031,723	1,058,307
$ 1,205,089	$ 1,104,782	$ 1,064,483	$ 1,108,118	$ 1,036,133	$ 1,031,723
$ 185,602	$ 32,243	$ 91,061	$ 15,108	$ 90,961	$ 217,004
86.65%	97.16%	92.12%	98.65%	91.93%	82.62%
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

PLATTE CANYON FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S NET PENSION LIABILITY AND RELATED RATIOS
Volunteer Pension Plan
Last 10 Fiscal Years

Fiscal Year Ended	Total Pension Liability	Plan's Fiduciary Net Position	Net Pension Liability	Fiduciary Net Position as Percent of Total Pension Liability	Covered Payroll	Net Pension Liability as a Percent of Covered Payroll
12/31/2025	$ 1,340,839	$ 1,197,765	$ 143,074	89.33%	$ -	N/A
12/31/2024	$ 1,325,520	$ 1,154,080	$ 171,440	87.07%	$ -	N/A
12/31/2023	$ 1,356,602	$ 1,132,370	$ 224,232	83.47%	$ -	N/A
12/31/2022	$ 1,374,283	$ 1,307,454	$ 66,829	95.14%	$ -	N/A
12/31/2021	$ 1,390,691	$ 1,205,089	$ 185,602	86.65%	$ -	N/A
12/31/2020	$ 1,137,025	$ 1,104,782	$ (55,094)	97.16%	$ -	N/A
12/31/2019	$ 1,155,544	$ 1,064,483	$ 91,061	92.12%	$ -	N/A
12/31/2018	$ 1,123,226	$ 1,108,118	$ 15,108	98.65%	$ -	N/A
12/31/2017	$ 1,127,094	$ 1,036,133	$ 90,961	91.93%	$ -	N/A
12/31/2016	$ 1,248,727	$ 1,031,723	$ 217,004	82.62%	$ -	N/A

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown. There were no factors that significantly affected trends in the amounts reported.

See the accompanying Independent Auditors' Report.

PLATTE CANYON FIRE PROTECTION DISTRICT

SCHEDULE OF ACTUARIAL DETERMINED AND ACTUAL CONTRIBUTIONS
Volunteer Pension Plan
Last 10 Fiscal Years

Fiscal Year Ended	Actuarially determined contributions	Actual contributions	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
12/31/2025	$ 29,984	$ 49,755	$ (19,771)	N/A	N/A
12/31/2024	$ 29,984	$ 48,000	$ (18,016)	N/A	N/A
12/31/2023	$ 30,499	$ 48,000	$ (17,501)	N/A	N/A
12/31/2022	$ 30,499	$ 48,000	$ (17,501)	N/A	N/A
12/31/2021	$ 30,499	$ 78,500	$ (48,001)	N/A	N/A
12/31/2020	$ 24,592	$ -	$ 24,592	N/A	N/A
12/31/2019	$ 24,592	$ 62,500	$ (37,908)	N/A	N/A
12/31/2018	$ 24,861	$ 24,900	$ (39)	N/A	N/A
12/31/2017	$ 24,861	$ 42,361	$ (17,500)	N/A	N/A
12/31/2016	$ 23,000	$ 40,500	$ (17,500)	N/A	N/A

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown. There were no factors that significantly affected trends in the amounts reported.

See Note 5 of the Basic Financial Statements for significant methods and assumptions used in calculating the actuarially determined calculations. There were no factors that significantly affected trends in the amounts reported.

See the accompanying Independent Auditors' Report.

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Required Supplementary Information

PLATTE CANYON FIRE PROTECTION DISTRICT
Budgetary Comparison Schedule -
General Fund
Year Ended December 31, 2025

	2025			
	Original Budget	Final Budget	Actual	Variance w/ Final Budget
REVENUES				
Taxes				
Property Taxes	$ 2,787,514	$ 2,787,514	$ 2,785,364	$ (2,150)
Specific Ownership Taxes	250,000	250,000	249,326	(674)
Delinquent Taxes, Penalties and Interest	-	-	6,534	6,534
Total Taxes	3,037,514	3,037,514	3,041,224	3,710
Intergovernmental				
Grants	725,000	725,000	872,759	147,759
Charges for Services				
Ambulance Services	800,000	800,000	939,907	139,907
Investment Earnings	-	-	104,684	104,684
Other Revenues				
Miscellaneous Income	65,000	65,000	73,611	8,611
Total Revenues	4,627,514	4,627,514	5,032,185	404,671
EXPENDITURES				
Current:				
Public Safety				
Administration				
Bank Fees	1,500	1,500	927	573
Office Expenses	67,000	67,000	80,296	(13,296)
Professional Fees	22,000	22,000	21,817	183
Treasurer Fees	90,000	90,000	81,734	8,266
Board of Directors Misc.	2,000	2,000	-	2,000
Insurance - Bldg/Liab/Vehicle	45,000	49,500	49,501	(1)
Community Fire Prevention	2,500	2,500	2,021	479
Community Support	10,000	10,000	7,387	2,613
Total Administration	240,000	244,500	243,683	817
Ambulance Services				
Med/Insurance Allowance	350,000	350,000	386,638	(36,638)
Consulting	8,500	8,500	9,700	(1,200)
Supplies	50,000	50,000	52,515	(2,515)
Billing Fees	32,000	32,000	31,388	612
Bad Debt	165,000	165,000	189,303	(24,303)
Equipment	15,000	15,000	17,962	(2,962)
Total Ambulance	620,500	620,500	687,506	(67,006)
Building Maintenance/Operations				
Building Repairs/Maintenance	85,000	85,000	56,097	28,903
Utilities	77,000	77,000	67,534	9,466
Total Building Maintenance/Operations	162,000	162,000	123,631	38,369
Equipment Repair and Maintenance				
Vehicle/Maintenance/Repairs	125,000	125,000	206,206	(81,206)
Truck Fuel	40,000	40,000	47,355	(7,355)
Radio/Maintenance/Repairs	70,000	70,000	48,246	21,754
Fire Equip./Maintenance/Repairs	65,000	65,000	52,920	12,080
Other Equip./Maintenance/Repairs	40,000	40,000	23,917	16,083
Total Equipment Repair and Maintenance	340,000	340,000	378,644	(38,644)
Payroll				
Wages	2,650,000	2,650,000	2,625,534	24,466
Payroll Taxes	61,250	61,250	58,016	3,234
Health/Dental/Life Insurance	525,500	525,500	593,383	(67,883)
Work Comp Insurance	127,100	127,100	248,495	(121,395)
Pension Expense	324,000	324,000	329,943	(5,943)
Total Payroll	3,687,850	3,687,850	3,855,371	(167,521)
Volunteer Pension	35,000	35,000	32,255	2,745
Firefighter Training/Support	195,500	195,500	184,758	10,742
Mitigation Program				
Mitigation Contractors	250,000	250,000	102,350	147,650
Mitigation Equipment Rental	5,000	50,000	-	50,000
Total Mitigation Program	255,000	300,000	102,350	197,650
Total Public Safety	5,535,850	5,585,350	5,608,198	(22,848)

(Continued)
See the accompanying Independent Auditors' Report

PLATTE CANYON FIRE PROTECTION DISTRICT
Budgetary Comparison Schedule -
General Fund
Year Ended December 31, 2025

	2025			
	Original Budget	Final Budget	Actual	Variance w/ Final Budget
(Continued)				
Capital Outlay	2,825,000	2,825,000	3,064,304	(239,304)
Debt Service				
Lease Fees/Interest	22,155	22,155	37,867	(15,712)
Principal Payments	132,082	132,082	703,345	(571,263)
Total Debt Service	154,237	154,237	741,212	(586,975)
Contingency	2,591,568	2,591,568	-	2,591,568
Total Expenditures	11,106,655	11,156,155	9,413,714	1,742,441
Revenues in Excess (Deficiency) of Expenditures	(6,479,141)	(6,528,641)	(4,381,529)	2,147,112
Other Financing Sources				
Transfers	1,140,000	1,140,000	775,000	365,000
Financing Proceeds	1,050,000	1,050,000	1,874,654	(824,654)
Total Other Financing Sources	2,190,000	2,190,000	2,649,654	(459,654)
Change in Fund Balance	(4,289,141)	(4,338,641)	(1,731,875)	1,687,458
Fund Balance, Beginning	5,339,141	5,339,141	4,645,552	(693,589)
Prior Period Restatement	-	-	(148,844)	(148,844)
Fund Balance, Beginning (As Restated)	5,339,141	5,339,141	4,496,708	(842,433)
Fund Balance, Ending	$ 1,050,000	$ 1,000,500	$ 2,764,833	$ 845,025

See the accompanying Independent Auditor's Report.

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Other Supplementary Information

PLATTE CANYON FIRE PROTECTION DISTRICT

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
Enterprise Fund
Year Ended December 31, 2025

	2025		
	Final Budget	Actual	Variance with Final Budget
Operating Revenues			
Wildland	$ 5,719,530	$ 5,625,319	$ (94,211)
Operating Expenses			
Payroll Salaries and Wages	4,107,851	3,574,663	533,188
Payroll Taxes	50,000	115,578	(65,578)
Enterprise Operations	910,000	641,704	268,296
Total Expenditures	5,067,851	4,331,945	735,906
Net Income (Loss) before Transfers	651,679	1,293,374	641,695
Transfers			
Transfers	(775,000)	(775,000)	-
Change in Net Position (Budget Basis)	$ (123,321)	518,374	$ 641,695
Budget to GAAP Reconciliation			
Net Position, Beginning		742,851	
Net Position, Ending		$ 1,261,225	

See accompanying Independent Auditors' Report.