PUEBLO RURAL FIRE PROTECTION DISTRICT

AUDITED FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

PUEBLO, COLORADO

DECEMBER 31, 2025

CONTENTS

FINANCIAL SECTION

Independent Auditor's Report 1-3

Management's Discussion and Analysis i-iv

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:
- Statement of Net Position 4
- Statement of Activities 5

Fund Financial Statements:
- Governmental Funds
  - Balance Sheet 6
  - Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 7
  - Statement of Revenues, Expenditures and Changes in Fund Balances 8
  - Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities 9
- Notes to Basic Financial Statements 10

REQUIRED SUPPLEMENTARY INFORMATION

- Budgetary Comparison Schedule – General Fund 31
- Notes to Required Supplementary Information 32
- Schedule of the District's Proportionate Share of the Net Pension Liability – New Hire Fire and Police Pension Fund 33
- Schedule of the District's Contributions – New Hire Fire and Police Pension Fund 34
- Schedule of Changes in the District's Net Pension Liability and Related Ratios – Old Hire Fire Pension Fund 35
- Schedule of the District's Contributions – Old Hire Fire Pension Fund 36

OTHER SUPPLEMENTARY INFORMATION

- Budgetary Comparison Schedule – Debt Service Fund 37

Garren, Ross & DeNardo, Inc.

CERTIFIED PUBLIC ACCOUNTANTS

JAMES E. GARREN, CPA
MEL J. ROSS, CPA
SAM J. DeNARDO, CPA

SUITE 200
3673 PARKER BOULEVARD
PUEBLO, COLORADO 81008
719 / 544-9872
FAX 719 / 253-5417
www.grdcpa.com

Independent Auditor's Report

September 30, 2026

Board of Directors
Pueblo Rural Fire Protection District
Pueblo, Colorado

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i through iv and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Board of Directors
Pueblo Rural Fire Protection District

Supplementary Information

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

Harren, Ross & DeMarco, Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Pueblo Rural Fire Protection District
Management's Discussion and Analysis
December 31, 2025

As management of the Pueblo Rural 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. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by $4,452,004 (net position). Of this amount, $485,420 (unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total net position decreased by $188,514.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of $2,254,254, an increase of $109,353 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance of the general fund is $1,581,450.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components:

- government-wide financial statements
- fund financial statements
- notes to the financial statements

The basic financial statements present two different views of the District through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the District.

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

The *statement of net position* presents information on all of the District's assets and liabilities. The difference between assets, deferred outflows of resources (if any), liabilities and deferred inflows of resources are 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 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 (e.g., uncollected taxes and earned but unused employee compensated absences).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes. The governmental activities of the District primarily include community safety services. 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, such as State Statutes. All of the funds of the District are reported under governmental funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflow 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. Governmental funds are reported using an accounting method called modified accrual accounting which has a current financial resource focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps the reader determine if there are more or less financial resources available to finance the District's programs.

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, which is a part of the fund financial statements, to facilitate this comparison between governmental funds and governmental activities.

The District maintains two individual government funds. 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 and the debt service fund.

The District adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

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

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10-30 of this report.

Government-Wide Financial Analysis. As noted earlier, net position may serve over time as a useful indicator of the government's financial position. In the case of the District, assets exceeded liabilities by $4,452,004 at the close of fiscal year 2025. Increases or decreases in net position may serve as a useful indicator as to whether the financial condition of the District is improving or deteriorating over time.

A portion of the District's net position reflects its investment in capital assets (i.e., land, buildings, vehicles and equipment); less any related debt used to acquire those assets that is still outstanding ($269,443 December 31, 2025). The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table reflects the condensed Statement of Net Position at December 31:

	2025	2024
Current and other assets	$ 6,384,139	$ 5,848,041
Net pension asset	-	-
Capital assets	2,725,335	2,918,622
Total Assets	$ 9,109,474	$ 8,766,663
Deferred outflows of resources	$ 1,597,634	$ 1,812,820
Current liabilities	$ 391,122	$ 324,893
Net pension liability	705,700	702,437
Long-term liabilities outstanding	555,758	589,282
Total Liabilities	$ 1,652,580	$ 1,616,612
Deferred inflows of resources	$ 4,602,524	$ 4,332,353
Net Position:		
Net investment in capital assets	$ 2,455,892	$ 2,586,480
Restricted	1,510,692	1,559,456
Unrestricted	485,420	494,582
Total Net Position	$ 4,452,004	$ 4,640,518

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains the requirements of setting an emergency reserve. This reserve cannot be accessed except for an unexpected disaster. This reserve was $125,000 and $139,000 as of December 31, 2025 and 2024, respectively.

The Statement of Activities presents information showing how the Districts' net position changed during the most recent fiscal year. Revenues and expenses in this statement are recorded when earned or when a liability is incurred.

The following table reflects the condensed Statement of Activities for the years ended December 31:

	2025	2024
Revenues:		
Program revenues:		
Charges for services	$ 8,272	$ 1,289
Operating grants and contributions	14,559	30,125
Capital grants and contributions	20,000	-
General revenues:		
Property taxes	3,667,643	4,196,419
Specific ownership taxes	299,740	299,738
Unrestricted investment earnings	102,850	102,317
Other	9,493	14,207
Total Revenues	4,122,557	4,644,095

	2025	2024
Expenses:		
Community safety services	$ 4,001,538	$ 3,776,619
General government	301,446	284,956
Interest on financed purchase	8,087	9,889
Total Expenses	4,311,071	4,071,464
Change in Net Position	(188,514)	572,631
Net Position – Beginning	4,640,518	4,067,887
Net Position - Ending	$ 4,452,004	$ 4,640,518

General Fund Budgetary Highlights: During the fiscal year, the District did make budget amendments. Generally, budget amendments fall into one of two categories: 1) amendments made to adjust the estimates that are used to prepare the original budget resolution once exact information is available; 2) increases in appropriations that become necessary to maintain services.

Total general fund expenditures were $331 (0.008457%) less than the budget projected.

Debt Service Fund Budgetary Highlights: During the fiscal year, the District made no revisions to the original budget.

Total debt service fund expenditures and transfers were $25,262 (20.2428%) less than the budget projected.

Capital Assets and Debt Administration

Capital assets. The District's investment in capital assets as of December 31, 2025 and 2024 amounts to $2,725,335 and $2,918,622, respectively (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles, equipment and improvements.

Pueblo Rural Fire Protection District's Capital Assets

	2025	2024
Land	$ 82,800	$ 82,800
Equipment in progress	-	617,909
Buildings and improvements	1,011,282	1,011,282
Equipment	4,690,642	4,033,659
Total	$ 5,784,724	$ 5,745,650

Additional information on the District's capital assets can be found in Note D on page 18 of this report.

Long-term debt. Additional information on the District's long-term debt can be found in Note E on pages 18-19 of this report.

Final Comments

The District continues to strive to achieve its mission of providing affordable, efficient, and reliable community safety services.

Request for Information

This financial report is designed to provide a general overview of the Pueblo Rural 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 request for additional financial information should be addressed to the Fire Chief, Pueblo Rural Fire Protection District, 29912 Highway 50 East, Pueblo, CO 81006.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

PUEBLO RURAL FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and equivalents	$ 158,133
Cash held by county treasurer	33,961
Investments	2,053,690
Receivables	9,877
Taxes receivable, net	4,065,805
Prepaid expenses	56,220
Deposits	6,453
Capital assets, net of accumulated depreciation -	
Non-depreciable capital assets	82,800
Depreciable capital assets, net	2,642,535
Total capital assets, net	2,725,335
TOTAL ASSETS	9,109,474
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	1,597,634
LIABILITIES	
Accounts payable and accrued expenses	64,080
Net pension liability	705,700
Long-term liabilities	
Due within one year	
Financed purchase agreement	64,511
Accrued interest	6,487
Compensated absences	256,044
Due in more than one year	
Financed purchase agreement	204,932
Compensated absences	350,826
TOTAL LIABILITIES	1,652,580
DEFERRED INFLOWS OF RESOURCES	
Property taxes	4,065,805
Pension related	536,719
TOTAL DEFERRED INFLOWS OF RESOURCES	4,602,524
NET POSITION	
Net investment in capital assets	2,455,892
Restricted for:	
Capital projects	485,131
Tabor	125,000
Pension related	900,561
Unrestricted (deficit)	485,420
TOTAL NET POSITION	$ 4,452,004

The accompanying notes are an integral part of this statement.

PUEBLO RURAL FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government Governmental Activities
Primary government					
Governmental Activities:					
General government	$ 301,446	$ -	$ -	$ -	$ (301,446)
Public safety	4,001,538	8,272	14,559	20,000	(3,958,707)
Interest on financed purchase	8,087	-	-	-	(8,087)
Total	4,311,071	8,272	14,559	20,000	(4,268,240)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					3,518,537
Property taxes, levied for capital projects					149,106
Penalty and interest					9,493
Specific ownership tax					299,740
Unrestricted investment earnings					102,850
Special item - gain on sale of equipment					-
Total general revenues					4,079,726
Change in net position					(188,514)
Net position, January 1					4,640,518
Net position, December 31					$ 4,452,004

The accompanying notes are an integral part of this statement.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

PUEBLO RURAL FIRE PROTECTION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General Fund	Debt Service Fund (Nonmajor Fund)	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 158,133	$ -	$ 158,133
Cash held by county treasurer	32,578	1,383	33,961
Investments	1,569,391	484,299	2,053,690
Accounts receivable	9,877	-	9,877
Taxes receivable, net	3,900,278	165,527	4,065,805
Due from other funds	551	-	551
Prepaid items	56,220	-	56,220
Deposits	6,453	-	6,453
Total assets	5,733,481	651,209	6,384,690
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	55,511	-	55,511
Due to other funds	-	551	551
Accrued liabilities	8,569	-	8,569
Total liabilities	64,080	551	64,631
Deferred inflows of resources:			
Property taxes	3,900,278	165,527	4,065,805
Total deferred inflows of resources	3,900,278	165,527	4,065,805
Fund balances:			
Nonspendable	62,673	-	62,673
Restricted	125,000	485,131	610,131
Unassigned	1,581,450	-	1,581,450
Total fund balances	1,769,123	485,131	2,254,254
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 5,733,481	$ 651,209	$ 6,384,690

The accompanying notes are an integral part of this statement.

PUEBLO RURAL FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2025

Total fund balance, governmental funds		$ 2,254,254
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statement, but are reported in governmental activities of the Statement of Net Position.		
The cost of capital assets is	5,754,749	
Accumulated depreciation is	(3,029,414)	2,725,335
Recognition and measurement of the net pension asset and net pension liability, together with pension-related deferred outflows of resources and deferred inflows of resources in financial statements prepared using the economic resources measurement focus and the accrual basis of accounting are not financial resources and, therefore, are not reported in the governmental fund		
Net pension asset	-	
Net pension liability	(705,700)	
Deferred outflows of resources	1,597,634	
Deferred inflows of resources	(536,719)	355,215
Interest payable on financed purchase agreement is not due and payable in the current period and is not included in the fund financial statements, but is included in governmental activities of the Statement of Net Position.		(6,487)
Long-term liabilities which are comprised of compensated absences, and financed purchase agreement are not due and payable in the current period and therefore are not reported as liabilities in the fund financial statement, but are included in the governmental activities of the Statement of Net Position. Long-term liabilities at year end consist of:		
Financed purchase agreement	(269,443)	
Compensated absences	(606,870)	(876,313)
Total Net Position - Governmental Activities		$ 4,452,004

The accompanying notes are an integral part of this statement.

PUEBLO RURAL FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	Debt Service Fund (Nonmajor Fund)	Total Governmental Funds
REVENUES			
Property taxes	$ 3,518,537	$ 149,106	$ 3,667,643
Penalty and interest	9,107	386	9,493
Specific ownership tax	287,537	12,203	299,740
Investment earnings	85,011	17,838	102,849
Other revenues	42,831	-	42,831
Total revenues	3,943,023	179,533	4,122,556
EXPENDITURES			
Current:			
General government	280,974	2,238	283,212
Public safety	3,618,622	-	3,618,622
Capital outlay	14,074	25,000	39,074
Debt service:			
Principal payment on financed purchases	-	62,699	62,699
Interest and other charges	-	9,596	9,596
Total expenditures	3,913,670	99,533	4,013,203
Excess (deficiency) of revenues over expenditures	29,353	80,000	109,353
Fund balances, January 1	1,739,770	405,131	2,144,901
Fund balances, December 31	$ 1,769,123	$ 485,131	$ 2,254,254

The accompanying notes are an integral part of this statement.

PUEBLO RURAL FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

Net change in fund balances - total governmental funds:		$ 109,353
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlay exceeds depreciation expense in the current period.		
Capital outlay	39,074	
Depreciation expense	(232,361)	(193,287)
Recognition and measurement of the changes in the net pension asset, and net pension liability, together with the changes in the pension-related deferred outflows of resources and deferred inflows of resources in financial statements prepared using the economic resources measurement focus and the accrual basis of accounting are not financial resources and, therefore, are not reported in governmental funds as such. Rather, pension expenditures are reported in the government funds when paid.		
Pension (expense) Income	(411,637)	
Pension expenditures	303,698	(107,939)
In the Statement of Activites, certain operating expenses such as compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amounts actually paid. This year, compensated absences paid ($219,008) were less than amounts earned ($279,856).		(60,848)
The issuance of long-term debt (e.g., bonds, finance purchases of equipment) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Interest is recognized as an expenditure in the governmental funds when it is due. In the Statement of Activities, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of leases and other obligations is as follows:		
Proceeds from financed purchase	-	
Principal payments on financed purchase	62,699	
Interest expense on financed purchase	1,508	64,207
Change in net position of governmental activities		$ (188,514)

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of Pueblo Rural Fire Protection District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

Pueblo Rural Fire Protection District (the District) is organized under the laws of the State of Colorado. It operates under the jurisdiction of a local Board of Directors whose members are elected by the voters of the District. The District provides fire protection services to the public. As required by generally accepted accounting principles, these financial statements present the Pueblo Rural Fire Protection District (the primary government) and its component units. No additional separate governmental units, agencies or nonprofit corporations are included in the financial statements of the District since none were determined to fall within the oversight responsibility based upon the application of the following criteria: financial accountability, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

Government-Wide and Fund Financial Statements

The basic financial statements included both government-wide (based on the District as a whole) and fund financial statements. The government-wide financial statements, which include the statement of net position and the statement of activities. For the most part, the effect of interfund activity has been removed from these statements. These statements present summaries of governmental activities of the District.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given functional category or activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a function or activity. Program revenues include, if applicable, (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or activity; (2) grants and contributions that are restricted to meeting the operational requirements of a particular function or activity; and (3) grants and contributions that are restricted to meeting the capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues. The net cost by function is normally covered by general revenues such as property taxes, specific ownership taxes or other unrestricted revenues.

Separate fund financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns.

The government-wide focus is more on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. 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, while grants and similar items are recognized as revenue when all eligibility requirements are 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 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 revenue available if collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred as is the case with accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when the liability has matured and payment is due. General capital asset acquisitions are reported as expenditures in governmental funds, while issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, specific ownership taxes, grant and entitlement revenues, interest and charges for services are considered revenues susceptible to accrual. Contributions and miscellaneous revenue are recorded as revenues when received in cash because they are not generally measurable until that time. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance and, as such, entitlements and shared revenues are recorded at the time of receipt or earlier if the accrual criteria are met.

Governmental Fund Financial Statements

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the government-wide financial statements. The District has presented all major funds that met the applicable criteria. The following fund is a major fund:

General Fund – This fund records financial transactions for the regular operations of the District. All revenues and expenditures not allocated by law or contractual agreement to a special fund are accounted for in this fund.

The District reports the following nonmajor governmental fund:

Debt Service Fund – This fund accumulates resources for, and the retirement of, general long-term principal and interest.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of the 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 reported period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents are short-term liquid investments that can be quickly converted to known cash amounts and have maturities of three months or less when purchased so as to minimize the risk of value changes.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Investments

The District's policy is to state investments in their financial statements at fair value. Unrealized gain or loss resulting from the change in the fair value of investments is recognized in the government-wide statement of activities and the statement of revenues, expenditures and changes in fund balances.

Capital Assets

Land is recorded at cost and is not depreciated. Purchased or constructed capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

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

Buildings and improvements	15-100 years
Equipment	5-30 years

Vacation, Sick Leave and Other Compensated Absences

Full time employees earn compensated vacation time at rates ranging from five shifts to thirteen shifts per year, depending on length of employment and each shift is considered twenty-four hours. Compensated sick leave shifts vest and accrue immediately at a rate of six shifts per year (or 144 hours) for all full-time employees regardless of length of employment. However, the maximum number of sick leave shifts an employee can accrue is thirty-six (or 864 hours).

Accumulated compensated absence benefits are payable only in conjunction with the employee's termination. Payments are made in a lump sum at termination.

The unpaid sick leave, vacation pay and related benefits at the end of the period will generally not be paid with expendable and available resources and, as such, the liability is generally not reflected in the governmental fund financial statements. The entire liability for compensated absences is reported on the government-wide financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

At December 31, 2025, the District had the following obligation to eligible employees for accumulated benefits:

Current portion	$ 256,044
Long-term portion	350,826
Total	$ 606,870

The current portion of the accumulated vacation pay is that portion which is expected to be used within the next year.

Fund Equity

Governmental funds report fund balance in classification based primarily on the extent the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances for the District's governmental funds consist of the following:

- Nonspendable – includes amounts that are (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 such as prepaid items and deposits.

- Restricted – includes amounts that are restricted for specific purposes stipulated by external resource providers constitutionally or through enabling legislation.

- Committed – includes amounts that can only be used for the specific purposes determined by the passage of a resolution of the Board of Directors of the District. Commitments may be modified or changed only by the Board of Directors approving a new resolution.

- Assigned – includes amounts intended to be used by the District for specific purposes that are neither restricted nor committed. As authorized by the Board of Directors, intent is expressed by the Fire Chief to which the assigned amounts are to be used for specific purposes. Assigned amounts include appropriations of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget.

- Unassigned – includes amounts that do not meet any of the above criteria. The District reports positive unassigned fund balance only in the general fund and negative unassigned fund balances, if any, may be reported in all funds.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications, fund balance is reduced in the order of restricted, committed, assigned and unassigned.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

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

- Net investment in capital assets – this classification consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction or improvement of capital assets.

- Restricted net position – this classification consists of restrictions created by external creditors, grantors, contributors or laws or regulations of other governments, enabling legislation and constitutional provisions.

- Unrestricted net position – this classification represents the remainder of net position that does not meet the definition of "net investment in capital assets" or "restricted net position".

When both restricted and unrestricted resources are available for net position use, it is the District's policy to use restricted resources first and then use unrestricted resources as they are needed.

Interest

Interest income on investments is recognized in the period it is earned subject to the measurable and available criteria for governmental funds.

Property Taxes

Pueblo County is responsible for assessing, collecting and distributing property taxes in accordance with enabling state legislation. Property taxes become a lien on the first day of the levy year and may be paid in two equal installments before the last day of February and the 15th day of June or in full before the last day of April.

Property taxes are recognized as revenue when they are levied because they are considered to be both measurable and available. Available means due or past due and receivable within the current period and collected no more than 60 days after December 31.

Property taxes held by the County Treasurer as of December 31, 2025 totaled $33,961.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The District carries commercial insurance for such risks, including workers' compensation and accident insurance. Settled claims resulting from these risks did not exceed commercial insurance coverage for each of the last three years.

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the State Wide Defined Benefit (SWDB) pension plan and the Old Hire Fire Plan have been determined on the same basis as they are reported by the Fire and Police Pension Association (FPPA). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Principles - Leases

In June 2017, the GASB issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principal that leases are financings of the right to use an underlying asset. Under this standard, a lease is required to recognize a liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District currently has no arrangements that require application of this standard.

Accounting Principles - SBITA

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. This standard requires the recognition of a right-to-use subscription, an intangible asset, and a corresponding liability. A subscription liability is recognized at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is initially measured at present value of subscription payments expected to be made during the subscription term. Future payments are discounted using the interest rate that the SBITA vendor charges the government, which may be implicit, or the District's incremental borrowing rate if the interest rate is not readily determinable. Amortization of the discount is recognized as an outflow of resources in subsequent reporting periods. The asset is measured as the sum of the initial liability, payments made to the vendor before commencement of the subscription term, and capitalizable implementation costs, less any incentives received. Amortization of the asset is recognized as an outflow of resources over the subscription term. The District currently has no arrangements that require application of this standard.

Adoption of New Accounting Pronouncements

For 2025, the District implemented GASB Statement No. 102, *Certain Risk Disclosures*. This statement will provide users of government financial statements with essential information about risk related to a government's vulnerabilities due to certain concentrations or constraints. The District adopted this standard on January 1, 2025, using the facts and circumstance in place at the time of the adoption. The implementation of this statement did not affect beginning net position.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Data

Formal budgetary accounting is employed as a management control tool for all funds of the District. Budgets are prepared on the modified accrual basis of accounting for all government fund types. Annual operating budgets are adopted each fiscal year through passage of an annual budget resolution. The Board of the District may amend the original adopted budget during the year by passing a new resolution to reflect current needs, changing conditions, or revised estimates. The budgetary amounts presented in the accompanying schedules reflect original and most recent amended amounts, which were adopted in accordance with the appropriate provisions of state law. Encumbrance accounting is not employed as part of the budgetary process. Encumbrance accounting allows a governmental entity to account for open purchase orders (purchase orders for which the underlying goods or services have not been received before the end of an accounting period) as expenditures against the budget of that accounting period. All unencumbered budget appropriations lapse at the end of each fiscal year.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Tax, Revenue, Spending and Debt Limitations

In November 1992, Colorado voters adopted Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR imposes tax raising, revenue, spending and debt limitations on local government entities within the State of Colorado. These limitations became effective for the first fiscal year beginning after December 31, 1992.

On November 5, 1996, the voters within the Pueblo Rural Fire Protection District passed a referendum regarding the revenue and spending limits imposed by Article X, Section 20 of the Colorado constitution. The referendum allows the District, without increasing or adding any taxes of any kind, to collect, retain and expend all revenues and other funds collected during 1996 and thereafter.

In addition to the tax raising, revenue, spending and debt limitations provisions of TABOR, there is also a requirement that every entity to which TABOR applies must establish an "emergency reserve" to be used for declared emergencies only. Each entity shall reserve 3% or more of its fiscal year spending as that term is defined in the amendment. For the year ended December 31, 2025, the District has reserved $125,000, which represents 3% of its 2025 fiscal year spending.

NOTE C – CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments are summarized as follows:

Demand deposits	$	158,133
Cash held by County Treasurer		33,961
		192,094
Investments –		
Money market funds	$	2,053,690

DEPOSITS

At December 31, 2025, the carrying amount of the District's deposits was $192,094 and the bank balance was $242,146. Of the bank balance, $250,000 was covered by federal depository insurance. Amounts in excess of federal depository insurance are collateralized in single financial institution collateral pools maintained by the individual financial institutions that hold these deposits. Colorado law requires that depository institutions must apply for and be designated as an eligible public depository before the institution can accept public monies. The depository institution must pledge eligible collateral as security for all public deposits held by that institution that are not insured by depository insurance. The fair value of the collateral that each institution pledges as security must equal at least 102% of the total uninsured deposits held by that institution. Generally, the eligible collateral in the collateral pools is held by the depository institution or its agent in the name of the depository institution.

NOTE C – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

INVESTMENTS

The District has adopted, by resolution, the provisions of Colorado Revised Statutes 24-75-601 that are entitled "Concerning Investment in Securities by Public Entities". This law, among other things, outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government and agency securities, certain bonds of political subdivisions, bankers' acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, guaranteed insurance contracts and U.S. dollar-denominated corporate or bank debt. The statute also includes a provision limiting any investment to a five-year maturity unless the governing body authorizes a longer period.

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

	Fair Value	Maturity (in years) Less Than One Year
Investment Type:		
Money market fund	$ 2,053,690	$ 2,053,690
Total Investments	$ 2,053,690	$ 2,053,690
Governmental activities	$ 2,053,690	
Total	$ 2,053,690	

Custodial credit risk – Custodial credit risk for investments 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. The District's investment policy does not limit the holding of securities by counterparties.

Interest rate risk – The District's policy of limiting investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates parallels Colorado statutes. Specifically, all securities are limited to a maximum maturity of five years from the date of purchase unless the Board of Directors authorizes a longer period.

Credit risk – As of December 31, 2025, the District's investment in money market funds generally were rated AAAm by Moody's and Standards and Poor's.

Money market funds totaling $2,053,690 as noted above represent funds held in the Colo Trust investment pool. The Colo Trust investment pool is an external investment pool that is not registered with the SEC as an investment company but has policies that provide it will operate in a manner consistent with the SEC's rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than market value in computing share prices if certain conditions are met. The regulatory oversight for the pool rests with the Colorado Securities Commission and the fair value of the District's investment in the pool is the same as the value of the pool shares. This District's investment in this external investment pool was generally rated AAAm by Moody's and Standards and Poor's.

NOTE D – CAPITAL ASSETS

The following is a summary of the changes in capital assets:

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025
Governmental Activities				
Capital assets, not being depreciated –				
Land	$ 82,800	$ -	$ -	$ 82,800
Equipment in progress	617,909	-	(617,909)	-
Capital assets not being depreciated	700,709	-	(617,909)	82,800
Capital assets, being depreciated –				
Buildings and improvements	1,011,282	-	-	1,011,282
Equipment	4,033,659	656,983	-	4,690,642
Capital assets being depreciated	5,044,941	656,983	-	5,701,924
Accumulated depreciation –				
Buildings and improvements	(358,829)	(18,234)	-	(377,063)
Equipment	(2,468,199)	(214,127)	-	(2,682,326)
Total accumulated depreciation	(2,827,028)	(232,361)	-	(3,059,389)
Capital assets being depreciated, net	2,217,913	424,622	-	2,642,535
Government actvities capital assets, net	$ 2,918,622	$ 424,622	$ (617,909)	$ 2,725,335

Depreciation expense by function:

General government	$ 18,234
Public safety	214,127
	$ 232,361

NOTE E – LONG-TERM DEBT

The following is a summary of changes in other long-term liabilities reported in the government-wide financial statements for the year ended December 31, 2025:

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025	Current Portion
Financed purchases	$ 332,142	$ -	$ (62,699)	$ 269,443	$ 64,511
Compensated absences	546,022	279,856	(219,008)	606,870	256,044
	$ 878,164	$ 279,856	$ (281,707)	$ 876,313	$ 320,555

NOTE E – LONG-TERM DEBT (Continued)

Finance Lease - Republic First National Corporation

On April 5, 2022, the District entered into a lease agreement with Republic First National Corporation for the purchase of a Sutphen pumper. The lease requires 7 annual payments of $72,295 beginning March 1, 2023. The payments include an effective interest rate of 2.889%.

Future minimum lease payments for the finance lease are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 64,511	$ 7,784	$ 72,295
2027	66,375	5,920	72,295
2028	68,292	4,003	72,295
2029	70,265	2,030	72,295
Total	$ 269,443	$ 19,737	$ 289,180

NOTE F – NET POSITION

Restricted net position represents net position whose uses are subject to constraints that are either (1) legally imposed by creditors (such as debt covenants), grantors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation. Restricted net position at December 31, 2025 for governmental activities is as follows:

	Governmental Activities
Restricted for:	
Tabor	$ 125,000
Capital projects	485,131
Pension related	900,561
Total Restricted Net Position	$ 1,510,692

Restricted for tabor. This represents approximately 3% of the District's estimated 2025 fiscal year spending as that term is defined in the Colorado Constitution. Under these provisions of the Constitution, this portion of net assets can be used for declared emergencies only and the District must accumulate 3% or more of its fiscal year spending in this account.

Restricted for capital projects. This represents amounts received from a mill levy dedicated specifically for future capital projects.

Restricted for Pension related. This represents the District's proportionate share of the net pension asset of the new hire fire and police pension plan.

NOTE G – FUND BALANCES

At December 31, 2025, fund balance for governmental funds consists of the following:

	Governmental Activities		
	General	Debt Service	Total Governmental
Nonspendable fund balances:			
Prepaid item and deposits	$ 62,673	$ -	$ 62,673
Total nonspendable fund balances	62,673	-	62,673
Restricted fund balances:			
Tabor	125,000	-	125,000
Capital projects	-	485,131	485,131
Total restricted fund balances	125,000	485,131	610,131
Unassigned fund balances:	1,581,450	-	1,581,450
Total fund balances	$ 1,769,123	$ 485,131	$ 2,254,254

NOTE H – DEFINED BENEFIT PENSION PLANS

New Hire Fire and Police Association (FPPA)

General Information about the Pension Plan

Plan Description – The Pueblo Rural Fire Protection District contributes to the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage are provided for members through the Statewide Death and Disability Plan that is also administered by the Colorado Fire and Police Pension Association. This is a noncontributory plan. All full time, paid firefighters of the District hired on or after April 8, 1978 are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. That report may be obtained on FPPA's website at http:\\www.fppaco.org., or by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado, 80111, or by calling FPPA at 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Benefits provided – A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

NOTE H – DEFINED BENEFIT PENSION PLANS (Continued)

The annual normal retirement benefit is 2 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 for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the highest of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 with at least of five years of credited service or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Contributions. The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers are contributing at the rate of 12.0 percent and 10.5 percent; respectively, of base salary for a total contribution rate of 22.5% in 2025. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent through 2020. Beginning in 2021, employer contributions will increase 0.5 percent annually through 2028 to a total of 12 percent of base salary, resulting in a combined contribution rate of 24 percent in 2028.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 24 percent of base salary in 2025. It is a local decision as to whether the member or employer pays the additional 4.25 percent contribution. Per the 2014-member election, the reentry group also had their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution of 24 percent in 2025.

The contribution rate for members and employers of affiliated social security employers is 6 percent and 4.5 percent, of base salary for a total contribution rate of 10 percent in 2021. Per the 2014-member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contribution rate will increase 0.25 percent annually through 2030 percent resulting in a combined contribution rate of 12.5 percent in 2030.

NOTE H – DEFINED BENEFIT PENSION PLANS (Continued)

A member may elect to participate in the Deferred Retirement Option Plan (DROP) after reaching eligibility for Normal Retirement. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into the DROP. The member's percentage of retirement benefit is frozen at the time of entry into the DROP. The monthly payments that begin at entry into the DROP are accumulated until the member terminates service, at which time the DROP accumulated benefits can be paid as a lump sum, if desired. The member continues contributing 12% of pay which is credited to the DROP.

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 net pension liability. The net pension liability (asset) was measured as of December 31, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability (asset) was based on the District's contributions to the SWDB for the calendar year 2024 relative to the total contributions of participating employers to the SWDB. At December 31, 2024, the District's proportion was 0.2013425%, which was a decrease of 0.0082899% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the District recognized pension expense (income) of $411,637. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 481,017	$ 14,586
Net difference between projected and actual earnings on pension plan investments	461,726	408,923
Changes in assumptions	173,480	-
Changes in proportionate share	66,098	92,365
Differences between contributions recognized and proportionate share of contributions	11,407	4,952
Contributions subsequent to the measurement date	227,659	-
	$ 1,421,387	$ 520,826

$227,659 reported as deferred outflows of resources related to the New Hire Fire and Police Pension Plan, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

NOTE H – DEFINED BENEFIT PENSION PLANS (Continued)

Year ended	Future Pension Expense (Income)
2026	$ 203,268
2027	283,347
2028	18,297
2029	18,026
2030	58,413
Thereafter	91,551
	$ 672,902

Actuarial assumptions. The January 1, 2025 actuarial valuation was used to determine the actuarially determined contribution for the fiscal year ending December 31, 2024. The valuation used the following actuarial assumption and other inputs:

Actuarial method	Entry age normal
Amortization method	Level % of payroll, open
Amortization period	30 years
Long-term investment rate of return, includes inflation at 2.5 percent	7.0 percent
Projected salary increases	4.25 – 11.75 percent
Cost of living adjustments (COLA)	0.00 percent

For determining the total pension liability and actuarially determined contributions, 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-weight, 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 Morality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., 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 purchase of service credit and other benefits where actuarial factors are used.

NOTE H – DEFINED BENEFIT PENSION PLANS (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%). Best estimates of arithmetic real rates of return for each major asset class included in the fund's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	33.0%	7.00%
Equity long/short	6.0%	6.20%
Private Markets	34.0%	8.80%
Fixed income - rates	7.0%	5.00%
Fixed income – credit	7.0%	6.50%
Absolute return	9.0%	5.70%
Cash	4.0%	4.20%
Total	100.0%	

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

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.77% (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%.

NOTE H – DEFINED BENEFIT PENSION PLANS (Continued)

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.00%, 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 and one percent higher:

	1% Decrease (6.00%)	Single Discount Rate Assumption (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)	$ 982,534	$ -	$ -

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

Fire and Police Pension Association Old Hire Fire Plan (Old Hire Fire Plan)

General Information about the Pension Plan

Plan description. The Fire & Police Pension Association (FPPA) administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPS issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. Once in the site, located the site map at the bottom of the web page and you will find the 'Annual Report' link.

Benefits provided. Members included are active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the District's current plan. The Normal Retirement Date of a member shall be the date on which he attains age 50 and has completed at least 20 years of credited service. Any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to one-half of his basic monthly salary at the date of his retirement, plus an additional 3% of monthly salary for each additional full year worked after reaching eligibility for normal retirement and after January 1, 1994. In addition, for each full month of service after reaching eligibility for normal retirement the monthly pension shall be increased by 0.25% of monthly salary. In no case shall the total benefit exceed 80% of monthly salary.

Active members who die with less than 20 years of service and 50 years of age are covered by the provisions of the Statewide Death and Disability fund. The spouses of active members who die after attaining eligibility for retirement benefits receive a benefit from the plan payable as a 50% joint and survivor benefit. Disability benefits are payable from the Statewide Death and Disability fund.

At the death of a retired member, the member's beneficiary shall receive until death or remarriage, a monthly pension equal to one-third of the salary of the highest paid Firefighter at the time of retirement, but not less than $750 per month. Prior to retirement, the Firefighter can also choose an actuarially equivalent joint and survivor option as specified in section 2-2-18 of the city code of Ordinances.

NOTE H – DEFINED BENEFIT PENSION PLANS (Continued)

Cost-of-living Adjustment (COLA) benefits are increased in proportion to pay for rank at retirement. The current law has limited the increase to 3% for benefits earned after January 1, 1980. Survivor benefits equal to one-third of the salary of a first-grade Firefighter at the time of retirement, but not less than $750 per month, are not eligible for rank escalation increases. Survivor benefits based on the actuarially equivalent Option A or Option B are eligible for rank escalation increases.

Employees covered by benefit terms. At December 31, 2025, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	7
Inactive, Nonretired Members	0
Active Members	0
Total	7

Contributions. Members of this fund are currently contributing at the rate of 8% of base salary. The District is contributing $76,001.

In 1995, legislation was passed that established level dollar employer contributions through 2009 for those funds receiving state assistance. In 2003 and again in 2009, additional legislation was passed that temporarily suspended state assistance contributions. In 2011 additional legislation was passed that reestablished the State payment schedule to resume in 2012 and continue each year thereafter through 2019, or until the unfunded accrued liability was completely eliminated if earlier. On May 31, 2013, the State made a final payment and completed its statutory requirement to fund this plan. Per prior statutes, the District is still required to pay the level dollar employer contribution determined in 1995 until the unfunded liability is eliminated.

However, in 2014, legislation was passed which required these employers to begin funding an actuarially appropriate amount beginning in 2016. Funding for this plan is now the sole obligation of the District. The District is required to continue to make their level funding contribution of $60,010 for 2023 and 2024 and $76,001 for 2025.

Contributions to the pension plan from the District were $76,001 for the year ended December 31, 2025, equal to the required contribution.

Net Pension Liability

The District's net pension 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, 2024.

Actuarially determined contribution rates are calculated as of January 1 of the even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2024, determines the contribution amounts for 2025 and 2026.

NOTE H – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial assumptions. The total pension liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Amortization Method	N/A
Remaining Amortization Period	N/A
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50 percent
Salary Increases	N/A
Investment Rate of Return	6.50 percent
Retirement Age	Any remaining actives are assumed to retire immediately
Mortality	Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. Disabled (pre-1980): Post-retirement rates set forward three years.

The assumptions shown above pertain to the actuarial valuation as of January 1, 2024, and a measurement date of December 31, 2024. This measurement date is within one year of the District's fiscal year-end of December 31, 2025, and may be used for December 31, 2025 reporting purposes. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2024, determines the contribution amounts for the years ending December 31, 2025 and 2026.

The complete assumption set can be found in the actuarial valuation report as of January 1, 2024. The primary changes as compared to the assumptions shown are as follows:

Investment Rate of Return	6.5%
Mortality	**Post-retirement**: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. **Disabled (pre-1980)**: Post-retirement rates set forward three years.

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

NOTE H – DEFINED BENEFIT PENSION PLANS (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	5.0%	5.5%
Fixed Income - Rates	30.0%	5.4%
Fixed Income – Credit	6.0%	5.9%
Diversifiers	6.0%	7.4%
Equity Long/Short	6.0%	7.0%
Global Equity	17.0%	8.3%
Private Markets	30.0%	10.2%
Total	100.0%	

Discount rate. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent 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 6.50%; the municipal bond rate is 4.08% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 6.50%.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at 12/31/2024	$ 1,972,200	$ 1,269,763	$ 702,437
Changes for the year:			
Service cost	-	-	-
Interest	120,633	-	120,633
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions – employer	-	60,010	(60,010)
Contributions – employee	-	-	-
Net investment income	-	62,423	(62,423)
Benefit payments	(236,350)	(236,350)	-
Administrative expense	-	(5,063)	5,063
Net changes	(115,717)	(118,980)	3,263
Balances at 12/31/2025	$ 1,856,483	$ 1,150,783	$ 705,700

NOTE H – DEFINED BENEFIT PENSION PLANS (Continued)

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 6.50%, 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 and one percent higher:

	1% Decrease (5.50%)	Single Discount Rate Assumption (6.50%)	1% Increase (7.50%)
District's net pension liability	$ 828,125	$ 705,700	$ 597,146

Pension plan fiduciary net position. Detailed information about the PERS's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at http://www.fppaco.org. Once in the site, located the site map at the bottom of the web page and you will find the 'Annual Report' link.

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

For the year ended December 31, 2025, the District recognized pension expense $69,177. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ -
Net difference between projected and actual earnings on pension plan investments	100,246	15,893
Contributions subsequent to the measurement date	76,001	-
Total	$ 176,247	$ 15,893

$76,001 reported as deferred outflows of resources related to the Old Hire Fire Plan, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Year ended	Future Pension Expense/(Income)
2026	$ 31,155
2027	47,047
2028	3,290
2029	2,861
	$ 84,353

NOTE I – OTHER POST EMPLOYMENT BENEFITS

Fire and Police Statewide Death & Disability (New Hire) Plan

Plan Description - The District contributes to the statewide, cost-sharing, multiple-employer death and disability plan administered by the Colorado Fire and Police Pension Association (FPPA). The statewide plan provides death and disability benefits for those new hires employed after January 1, 1997 and their beneficiaries. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available financial report that includes the statewide death and disability plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado, 80111, or by calling FPPA at 303-770-3772 in the Denver metro area or 800-332-3772 from outside the metro area.

Funding Policy - Plan members and the District are required to contribute at a rate set by statute. Pursuant to statute, the FPPA Board of Directors may adjust the contribution rate every two years based on an annual actuarial valuation by no more than one-tenth of one percent. The 2024 contribution rate for new-hire fire members is 3.6% of covered salary. It is a local decision as to whether the contribution is paid by the member, the employer (on behalf of the member) or split between the member and the employer. The District has elected to cover 100% of the contribution. The District's contributions to the statewide death and disability plan for the years ended December 31, 2025, 2024 and 2023 were $76,703, $74,010, and $62,381, respectively, which were equal to their required contributions for each year.

REQUIRED SUPPLEMENTARY INFORMATION

PUEBLO RURAL FIRE PROTECTION DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
REVENUES				
Property taxes	$ 3,524,544	$ 3,524,544	$ 3,518,537	$ (6,007)
Penalty and interest	-	-	9,107	9,107
Specific ownership taxes	275,000	275,000	287,537	12,537
Intergovernmental	33,500	33,500	-	(33,500)
Special fire protection	3,700	3,700	-	(3,700)
Investment earnings	25,000	25,000	85,011	60,011
Other revenues	-	-	42,831	42,831
Total Revenues	3,861,744	3,861,744	3,943,023	81,279
EXPENDITURES				
General Government				
Board salaries	8,000	8,000	5,500	2,500
Secretary	6,000	6,000	4,920	1,080
Insurance (general)	45,000	45,000	52,239	(7,239)
Accounting	45,000	45,000	45,681	(681)
Advertising & printing	3,000	3,000	61	2,939
Legal	20,000	20,000	18,615	1,385
Dues & subscriptions	35,000	35,000	27,988	7,012
Election expense	50,000	50,000	13,150	36,850
Office supplies	3,000	3,000	2,805	195
Miscellaneous	10,000	10,000	8,921	1,079
Treasurers fees	60,000	60,000	52,828	7,172
Emergency fund	20,000	20,000	-	20,000
Utilities	48,000	48,000	48,266	(266)
Total General Government	353,000	353,000	280,974	72,026
Public Safety				
Salaries-regular	2,400,000	2,400,000	2,430,540	(30,540)
Benefits-workmans comp.	90,000	90,000	90,815	(815)
Benefits-pension	230,000	230,000	227,696	2,304
Benefits-D&D	75,000	75,000	76,703	(1,703)
Payroll taxes	45,000	45,000	38,522	6,478
Benefits-clothing allowance	30,000	30,000	28,119	1,881
Benefits-health insurance	450,000	450,000	481,588	(31,588)
CFH&CBT	10,500	10,500	-	10,500
Fire fighting & first aid	30,000	30,000	32,572	(2,572)
Training supplies	20,000	20,000	22,667	(2,667)
Station supplies & maintenance	20,000	20,000	24,346	(4,346)
Vehicle maintenance & fuel	50,000	50,000	89,053	(39,053)
Fire hydrant maintenance	2,000	2,000	-	2,000
Fire impact fee fund	2,500	2,500	-	2,500
Old Hire Pension Funding	76,001	76,001	76,001	-
Capital Outlay	30,000	30,000	14,074	15,926
Total Public Safety	3,561,001	3,561,001	3,632,696	(71,695)
Total Expenditures	3,914,001	3,914,001	3,913,670	331
Excess (deficiency) of revenues over expenditures	(52,257)	(52,257)	29,353	81,610
Fund Balances, January 1	1,000,000	1,000,000	1,739,770	739,770
Fund Balances, December 31	$ 947,743	$ 947,743	$ 1,769,123	$ 821,380

BUDGETARY INFORMATION

The District adheres to the following procedures in establishing the budgetary data reflected in the budgetary comparison schedules.

On or before the first board meeting in October, the executive director submits to the board of directors a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the board of directors to obtain taxpayer comments. The District adopts budgets for all funds, and all funds use the current financial resources measurement focus and the modified accrual basis of accounting in preparing the budgets.

Expenditure estimates in the annual budgets are enacted into law by the passage of an appropriation resolution. The board of directors may amend the original adopted budgets during the year by passing new resolutions to reflect current needs and during 2025 the expenditure estimates were not amended.

The legal level of budgetary control exists at the total fund level, which is to say total expenditures in each fund cannot legally exceed appropriations for that fund. In addition, encumbrance accounting is not employed as a part of the budgetary process.

PUEBLO RURAL FIRE PROTECTION DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
NEW HIRE FIRE AND POLICE PENSION FUND

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.201343%	0.193053%	0.195488%	0.194030%	0.205181%	0.182192%	0.215885%	0.240828%	0.259294%	0.293529%	0.308439%
District's proportionate share of the net pension liability (asset)	-	-	173,518	(1,051,516)	(445,448)	(103,041)	272,939	(346,469)	(4,571)	(5,174)	(275,802)
District's covered payroll	2,119,006	1,909,578	1,771,985	1,561,990	1,512,245	1,342,813	1,387,913	1,409,239	1,384,675	1,425,739	1,387,063
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.0000%	0.0000%	9.7923%	(67.3190%)	(29.4561%)	(7.6735%)	19.6654%	(24.5855%)	(0.3301%)	(0.3629%)	(19.884%)
Plan fiduciary net position as a percentage of the total pension liability	100.000%	100.000%	97.600%	116.200%	106.700%	101.900%	95.200%	106.300%	98.210%	100.100%	106.800%

PUEBLO RURAL FIRE PROTECTION DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
NEW HIRE FIRE AND POLICE PENSION FUND

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 227,659	$ 211,901	$ 181,410	$ 159,479	$ 132,769	$ 120,980	$ 107,425	$ 111,033	$ 112,739	$ 110,774	$ 113,836
Contributions in relation to the contractually required contribution	227,659	211,901	181,410	159,479	132,769	120,980	107,425	111,033	112,739	110,774	113,836
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 2,168,178	$ 2,119,000	$ 1,909,578	$ 1,771,988	$ 1,561,990	$ 1,512,245	$ 1,342,812	$ 1,387,913	$ 1,409,239	$ 1,384,675	$ 1,422,942
Contributions as a percentage of covered payroll	10.5%	10.0%	9.5%	9.0%	8.5%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

PUEBLO RURAL FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S
NET PENSION LIABILITY AND RELATED RATIOS
OLD HIRE FIRE PENSION FUND

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	120,633	123,850	130,485	126,266	131,208	142,327	146,486	163,211	168,314	172,554
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	95,844	-	157,728	-	50,817	-	(164,058)	-	(159,193)
Changes of assumptions	-	(32,942)	-	-	-	127,117	-	-	-	170,679
Benefit payments, including refunds of employee contributions	(236,350)	(236,158)	(229,089)	(209,382)	(205,158)	(193,322)	(210,234)	(233,659)	(238,963)	(242,120)
Net change in total pension liability	(115,717)	(49,406)	(98,604)	74,612	(73,950)	126,939	(63,748)	(234,506)	(70,649)	(58,080)
Total pension liability - beginning	1,972,200	2,021,606	2,120,210	2,045,598	2,119,548	1,992,609	2,056,357	2,290,863	2,361,512	2,419,592
Total pension liability - ending (a)	$ 1,856,483	$ 1,972,200	$ 2,021,606	$ 2,120,210	$ 2,045,598	$ 2,119,548	$ 1,992,609	$ 2,056,357	$ 2,290,863	$ 2,361,512
Plan fiduciary net position										
Contributions - employer	$ 60,010	$ 60,010	$ 45,184	$ 45,184	$ 51,207	$ 51,207	$ 51,207	$ 51,207	$ 43,733	$ 43,733
Contributions - employee	-	-	-	-	-	-	-	-	-	-
Net investment income	62,423	81,044	(116,108)	181,853	157,439	194,518	2,552	235,124	89,908	36,004
Benefit payments, including refunds of employee contributions	(236,350)	(236,158)	(229,089)	(209,382)	(205,158)	(193,322)	(210,234)	(233,659)	(238,963)	(242,120)
Administrative expense	(5,063)	(3,102)	(4,407)	(2,384)	(5,122)	(2,444)	(4,512)	(2,004)	(4,841)	(3,054)
Other	-	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	(118,980)	(98,206)	(304,420)	15,271	(1,634)	49,959	(160,987)	50,668	(110,163)	(165,437)
Plan fiduciary net position - beginning	1,269,763	1,367,969	1,672,389	1,657,118	1,658,752	1,608,793	1,769,780	1,719,112	1,829,275	1,994,712
Plan fiduciary net position - ending (b)	$ 1,150,783	$ 1,269,763	$ 1,367,969	$ 1,672,389	$ 1,657,118	$ 1,658,752	$ 1,608,793	$ 1,769,780	$ 1,719,112	$ 1,829,275
District's net pension liability - ending (a) - (b)	705,700	702,437	653,637	447,821	388,480	460,796	383,816	286,577	571,751	532,237
Plan fiduciary net position as a percentage of the total pension liability	61.99%	64.38%	67.67%	78.88%	81.01%	78.26%	80.74%	86.06%	75.04%	77.46%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

PUEBLO RURAL FIRE PROTECTION DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
OLD HIRE FIRE PENSION FUND

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 76,001	$ 60,010	$ 60,010	$ 45,184	$ 45,184	$ 33,335	$ 33,335	$ 51,207	$ 51,207	$ 43,733	$ 43,733
Contributions in relation to the actuarially required contribution	76,001	60,010	60,010	45,184	45,184	51,207	51,207	51,207	51,207	43,733	43,733
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ (17,872)	$ (17,872)	$ -	$ -	$ -	$ -
District's covered payroll	-	-	-	-	-	-	-	-	-	-	-
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

OTHER SUPPLEMENTARY INFORMATION

PUEBLO RURAL FIRE PROTECTION DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
REVENUES				
Property taxes	$ 149,581	$ 149,581	$ 149,106	$ (475)
Penalty and interest	-	-	386	386
Specific ownership taxes	12,000	12,000	12,203	203
Investment earnings	7,500	7,500	17,838	10,338
Total Revenues	169,081	169,081	179,533	10,452
EXPENDITURES				
General Government				
Treasurers fees	2,500	2,500	2,238	262
Total General Government	2,500	2,500	2,238	262
Debt Service				
Financed purchase - principal	62,699	62,699	62,699	-
Financed purchase - interest	9,596	9,596	9,596	-
Total Debt Service	72,295	72,295	72,295	-
Capital Outlay	50,000	50,000	25,000	25,000
Total Expenditures	124,795	124,795	99,533	25,262
Excess (deficiency) of revenues over expenditures	44,286	44,286	80,000	35,714
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Total other financing sources and (uses)	-	-	-	-
Net change in fund balances	44,286	44,286	80,000	35,714
Fund Balances, January 1	332,686	332,686	405,131	72,445
Fund Balances, December 31	$ 376,972	$ 376,972	$ 485,131	$ 108,159