

RIO BLANCO FIRE PROTECTION DISTRICT

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2025

RIO BLANCO FIRE PROTECTION DISTRICT

2025 BOARD OF DIRECTORS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Rio Blanco Fire Protection District

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Rio Blanco Fire Protection District, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof 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 Rio Blanco Fire Protection District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule - General Fund, Schedule of Contributions - Volunteer Firefighters' Pension Plan, Schedule of Changes in Net Pension Liability (Asset) and Related Ratios - Volunteer Firefighters' Pension Plan, Schedule of the District's proportionate Share of the Net Pension Liability (Asset) - Statewide FPPA Pension Plan, Schedule of the District's Contributions - Statewide FPPA Pension Plan, Schedule of the District's Proportionate Share of the Net Pension Liability - PERA Pension Plan, Schedule of the District's Contributions - PERA Pension Plan, Schedule of the District's Proportionate Share of the Net OPEB Liability, and Schedule of the District's Contributions - PERA OPEB Plan be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budget comparison schedule - EMS Service and schedule of General Fund operating expenditures but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

CaloCA Services, PC

Meeker, Colorado
June 25, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

The discussion and analysis of the Rio Blanco Fire Protection District's (the "District") financial performance provides readers with an overall review of the financial activities of the District for the year ended December 31, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- The District's assets and deferred outflows exceeded liabilities and deferred inflows by \$18,232,349 at December 31, 2025.
- Total District's cash and investments increased by \$702,975 or 6% from 2024.
- The December 31, 2025 General fund balance is \$772,648 more than the previous year. The total fund balance is 3,190% of 2025 General Fund operating expenditures.

USING THIS ANNUAL REPORT

This Annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the District as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at the District's specific financial conditions.

The Statement of Net Position and Statement of Activities provides information about the activities of the whole District, presenting both an aggregate view of the District's finances and a long-term view of those assets. The Statement of Activities shows a net (expense) revenue and changes to net position related to each department of the District. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

OVERVIEW OF THE DISTRICT'S FINANCIAL STATEMENTS

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances. The Statement of Net Position and Statement of Activities include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the year's revenues and expenses regardless of when the cash was received or paid.

These two statements report the District's net position and the changes in those positions. This change in position is important because it tells the reader whether, for the District as a whole, the financial position of the District has improved or diminished. However, in evaluating the overall position of the District, non-financial information such as changes in the District's tax base and the condition of District capital assets will also need to be evaluated.

In the Statement of Net Position and Statement of Activities, the District's activities are reported as Governmental or Business-type Activities.

Fund Financial Statements

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

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

Proprietary Funds. Proprietary funds are reported in the fund financial statements and generally report services for which customers are charged a fee. The District uses an enterprise fund which essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to a customer external to the District organization which is the ambulance service.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail for the major enterprise fund.

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 23 through 53 of this report.

Budgetary Comparisons. The District adopts an annual appropriated budget for the General Fund and EMS Service Fund. A budgetary comparison statement has been provided for the General Fund on pages 55 through 56 and for the EMS Service Fund on pages 71 through 72 of this report.

Other Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents a schedule of general fund operating expenditures for additional analysis of the District. This statement can be found on page 73 of this report.

REPORTING THE DISTRICT AS A WHOLE

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

The following table provides a summary of the District's net position for 2024 and 2025.

	Governmental Activities		Business-type Activities		Total	
	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>
Assets						
Current and other assets	\$14,188,614	\$14,442,617	\$ 481,111	\$ 392,170	\$14,669,725	\$14,834,787
Capital assets	<u>3,757,674</u>	<u>3,805,779</u>	<u>157,689</u>	<u>116,322</u>	<u>3,915,363</u>	<u>3,922,101</u>
Total assets	<u>17,946,288</u>	<u>18,248,396</u>	<u>638,800</u>	<u>508,492</u>	<u>18,585,088</u>	<u>18,756,888</u>
Deferred Outflows	<u>1,147,621</u>	<u>1,044,290</u>	<u>-</u>	<u>-</u>	<u>1,147,621</u>	<u>1,044,290</u>
Liabilities						
Current and other liabilities	66,445	85,712	1,556	2,126	68,001	87,838
Noncurrent liabilities	<u>254,415</u>	<u>190,376</u>	<u>-</u>	<u>-</u>	<u>254,415</u>	<u>190,376</u>
Total Liabilities	<u>320,860</u>	<u>276,088</u>	<u>1,556</u>	<u>2,126</u>	<u>322,416</u>	<u>278,214</u>
Deferred Inflows	<u>1,484,475</u>	<u>1,290,615</u>	<u>-</u>	<u>-</u>	<u>1,484,475</u>	<u>1,290,615</u>
Net Position						
Net investment in capital assets	3,757,674	3,805,779	157,689	116,322	3,915,363	3,922,101
Restricted	54,376	47,024	-	-	54,376	47,024
Unrestricted	<u>13,476,524</u>	<u>13,873,180</u>	<u>479,555</u>	<u>390,044</u>	<u>13,956,079</u>	<u>14,263,224</u>
Total net position	<u>\$17,288,574</u>	<u>\$17,725,983</u>	<u>\$ 637,244</u>	<u>\$ 506,366</u>	<u>\$17,925,818</u>	<u>\$18,232,349</u>

A significant portion of the District's position represents unrestricted net position of \$14,263,224 which may be used to meet the ongoing obligations to patrons and creditors.

Another significant portion of the District's net position reflects its net investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to patrons; consequently, they are not available for future spending.

An additional \$47,024 of the District's net position represents resources that are subject to external restrictions on how they may be used. This is the TABOR emergency reserve.

The following table indicates the changes in net position.

	Governmental Activities		Business-type Activities		Total	
	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>
Revenues:						
Program revenues:						
Charges for services	\$ 14,400	\$ 14,400	\$ 178,399	\$ 180,238	\$ 192,799	\$ 194,638
Operating grants and contributions	1,453	9,965	-	-	1,453	9,965
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
General property taxes	1,405,121	1,052,541	-	-	1,405,121	1,052,541
Specific ownership tax	43,197	38,654	-	-	43,197	38,654
Investment earnings	331,082	441,776	234	-	331,316	441,776
Other	17,269	10,136	16,509	4,150	33,778	14,286
Total revenues	<u>1,812,522</u>	<u>1,567,472</u>	<u>195,142</u>	<u>184,388</u>	<u>2,007,664</u>	<u>1,751,860</u>
Expenses:						
Administration	17,945	658,025	-	-	17,945	658,025
Public safety	149,624	472,038	-	-	149,624	472,038
Ambulance services	-	-	371,748	315,266	371,748	315,266
Total expenses	<u>167,569</u>	<u>1,130,063</u>	<u>371,748</u>	<u>315,266</u>	<u>539,317</u>	<u>1,445,329</u>
Transfer in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	<u>\$1,644,953</u>	<u>\$ 437,409</u>	<u>\$(176,606)</u>	<u>\$(130,878)</u>	<u>\$1,468,347</u>	<u>\$ 306,531</u>

Governmental Activities. Governmental activities increased the District's net position by \$437,409 in 2025. Key elements of this increase are as follows:

Total revenues exceeded total expenses.

Business-type Activities. Business-type activities decreased the District's net position by \$130,878 in 2025. Key elements of this decrease are as follows:

No transfers from the General Fund to the EMS Service Fund were made in 2025.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Fund. Information about the District's governmental fund begins on page 15. This fund is accounted for using the modified accrual basis of accounting.

As of December 31, 2025, the total fund balance of the District's governmental fund was \$12,111,852. Approximately 99 percent of this consists of unassigned fund balance, which is available as working capital and for current spending in accordance with the purposes of the District. The remainder of fund balance is reserved to indicate that it is not available for new spending because it is committed for the following purposes: (1) a state-Constitution mandated emergency reserve (\$47,024). The District had Governmental revenues and other financing sources of \$1,567,472 and expenditures and other financing uses of \$794,824.

Proprietary Fund. Information about the District's proprietary fund begins on page 19. This fund is accounted for using the accrual basis of accounting.

As of December 31, 2025, the total net position of the District's proprietary fund was \$506,366. Approximately 77 percent of this consists of unrestricted net position, which is available as working capital and for current spending in accordance with the purposes of the District. The remainder of net position is restricted to indicate that it is not available for new spending because it is committed for the following purposes: (1) net investment in capital assets (\$116,322). The District had Proprietary operating revenues of \$180,238, miscellaneous income of \$4,150, and expenses of \$315,266.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to Colorado statutes.

2025 General Fund Budget

	<u>Original Budget</u>	<u>Amend- ments</u>	<u>Final Budget</u>	<u>Actual</u>
Beginning Fund Balance	\$ 11,600,970	\$ -	\$ 11,600,970	\$ 11,339,204
Revenue and other financing sources	1,101,329	-	1,101,329	1,567,472
Expenditures and other financing uses	<u>(2,730,690)</u>	<u>-</u>	<u>(2,730,690)</u>	<u>(794,824)</u>
Ending Fund Balance	<u>\$ 9,971,609</u>	<u>\$ -</u>	<u>\$ 9,971,609</u>	<u>\$ 12,111,852</u>

Actual revenue and other financing sources were \$466,143 more than budgeted revenue and other financing sources. Investment income was more than budgeted by \$431,776 and was the main contributor for the difference.

Actual expenditures and other financing uses were \$2,402,009 less than budgeted expenditures and other financing uses. Capital outlay was less than budgeted by \$1,329,857 and was the main contributor for the difference.

CAPITAL ASSET ADMINISTRATION

Capital Assets. The District's net investment in capital assets for its governmental and business-type activities as of December 31, 2025 totaled \$3,805,779 and \$116,322 (net of accumulated depreciation), respectively. This investment includes all land, buildings, and equipment.

Major capital asset events during the current fiscal year included an expenditure of \$262,406 for the purchase of a ladder truck and \$90,128 for PMC property improvements.

The District uses the straight-line depreciation method under GASB 34 for its capital assets, except for land which is not depreciated.

ECONOMIC FACTORS AND OTHER MATTERS

Other Matters. The following factors are expected to have a significant effect on the District's financial position and results of operations and were taken into account in developing the 2026 budget:

- Decrease in property tax revenues.
- Transfer from the General Fund to the EMS Fund of \$300,000.
- Capital outlay for building and land of \$1,000,000.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the District, P.O. Box 737, Meeker, Colorado, 81641.

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FINANCIAL STATEMENTS

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RIO BLANCO FIRE PROTECTION DISTRICT

STATEMENT OF NET POSITION

December 31, 2025

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash and cash equivalents	\$ 12,193,677	\$ 97,686	\$ 12,291,363
Accounts receivable, net of estimated uncollectible of \$65,179	-	53,691	53,691
Property taxes receivable	914,900	-	914,900
Other receivables	5,641	-	5,641
Due (to) from other funds	(240,793)	240,793	-
Due from volunteer pension	192,015	-	192,015
Restricted cash	47,024	-	47,024
Noncurrent assets			
Capital assets, nondepreciable	243,843	-	243,843
Capital assets, net	3,561,936	116,322	3,678,258
Net pension asset - volunteer fire	1,330,153	-	1,330,153
TOTAL ASSETS	18,248,396	508,492	18,756,888
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	73,965	-	73,965
Deferred outflows related to OPEB	4,087	-	4,087
Deferred outflows related to volunteer fire pension	966,238	-	966,238
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,044,290	-	1,044,290
LIABILITIES			
Accounts payable	18,321	2,126	20,447
Accrued liabilities	7,239	-	7,239
Accrued payroll	60,152	-	60,152
Noncurrent liabilities			
Net pension liability - PERA	179,298	-	179,298
Net OPEB Liability	11,078	-	11,078
TOTAL LIABILITIES	276,088	2,126	278,214
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue - property taxes	914,900	-	914,900
Deferred inflows related to pension	-	-	-
Deferred inflows related to OPEB	6,057	-	6,057
Deferred inflows related to volunteer fire pension	369,658	-	369,658
TOTAL DEFERRED INFLOWS OF RESOURCES	1,290,615	-	1,290,615
NET POSITION			
Net investment in capital assets	3,805,779	116,322	3,922,101
Restricted for TABOR emergencies	47,024	-	47,024
Unrestricted	13,873,180	390,044	14,263,224
TOTAL NET POSITION	\$ 17,725,983	\$ 506,366	\$ 18,232,349

The accompanying "Notes to Financial Statements" are an integral part of this statement.

RIO BLANCO FIRE PROTECTION DISTRICT

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary government			
Governmental activities			
Administration	\$ 658,025	\$ -	\$ 9,965
Public safety	472,038	14,400	-
TOTAL GOVERNMENTAL ACTIVITIES	1,130,063	14,400	9,965
Business-type activities			
Ambulance services	315,266	180,238	-
TOTAL BUSINESS-TYPE ACTIVITIES	315,266	180,238	-
TOTAL PRIMARY GOVERNMENT	\$ 1,445,329	\$ 194,638	\$ 9,965

General revenues:

Taxes:

 Property taxes

 Specific ownership tax

 Other taxes

Unrestricted investment earnings

Miscellaneous

 Total general revenues

 Change in net position

Net position - beginning

Net position - ending

Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-type Activities	Total
\$ -	\$ (648,060)	\$ -	\$ (648,060)
-	(457,638)	-	(457,638)
-	(1,105,698)	-	(1,105,698)
-	-	(135,028)	(135,028)
-	-	(135,028)	(135,028)
\$ -	(1,105,698)	(135,028)	(1,240,726)
	1,052,541	-	1,052,541
	38,654	-	38,654
	(33)	-	(33)
	441,776	-	441,776
	10,169	4,150	14,319
	1,543,107	4,150	1,547,257
	437,409	(130,878)	306,531
	17,288,574	637,244	17,925,818
	\$ 17,725,983	\$ 506,366	\$ 18,232,349

The accompanying "Notes to Financial Statements" are an integral part of this statement.

RIO BLANCO FIRE PROTECTION DISTRICT**BALANCE SHEET
GOVERNMENTAL FUND
December 31, 2025**

	<u>General</u>
ASSETS	
Cash and cash equivalents	\$ 12,193,677
Property taxes receivable	914,900
Other receivables	5,641
Restricted cash	47,024
Due from volunteer pension	<u>192,015</u>
TOTAL ASSETS	<u>\$ 13,353,257</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	
LIABILITIES	
Accounts payable	\$ 18,321
Accrued liabilities	7,239
Accrued payroll	60,152
Due to other funds	<u>240,793</u>
TOTAL LIABILITIES	<u>326,505</u>
DEFERRED INFLOWS	
Unearned revenue - property taxes	<u>914,900</u>
TOTAL DEFERRED INFLOWS	<u>914,900</u>
FUND EQUITY	
Fund Balance	
Restricted for:	
TABOR emergencies	47,024
Unassigned	<u>12,064,828</u>
TOTAL FUND EQUITY	<u>12,111,852</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 13,353,257</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

RIO BLANCO FIRE PROTECTION DISTRICT**RECONCILIATION OF BALANCE SHEET TO THE STATEMENT OF NET POSITION**
December 31, 2025

Balance sheet - total fund balances \$ 12,111,852

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

Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds. 3,805,779

Long-term assets and liabilities, including net pension assets and liabilities, are not due, payable, or receivable in the current period and, therefore, are not reported in the funds.

Net pension asset	1,330,153
Net OPEB liability	<u>(190,376)</u>

Net asset (liability) 1,139,777

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions	1,040,203
Deferred outflows of resources related to OPEB	4,087
Deferred inflows of resources related to pensions	(369,658)
Deferred inflows of resources related to OPEB	<u>(6,057)</u>

Net deferred outflows (inflows) 668,575

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 17,725,983

The accompanying "Notes to Financial Statements" are an integral part of this statement.

RIO BLANCO FIRE PROTECTION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
For the Year Ended December 31, 2025

REVENUES	
Taxes	\$ 1,091,163
Grants and contributions	-
Investment income	
Interest	441,776
Other	<u>34,533</u>
TOTAL REVENUES	<u>1,567,472</u>
EXPENDITURES	
Administration	186,559
Public safety	193,122
Capital outlay	<u>415,143</u>
TOTAL EXPENDITURES	<u>794,824</u>
EXCESS OF REVENUES OVER (UNDER) OPERATING EXPENDITURES	<u>772,648</u>
FUND BALANCE, BEGINNING OF YEAR	<u>11,339,204</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 12,111,852</u></u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

RIO BLANCO FIRE PROTECTION DISTRICT

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

Net change in fund balances - total governmental funds	\$ 772,648
Amounts reported for governmental activities in the statement of net activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$415,143) exceeded depreciation (\$367,037) in the current period.	48,106
Governmental funds report District pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension (expense) income.	(386,177)
Governmental funds recognize District OPEB contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to OPEB on a full accrual perspective.	<u>2,832</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 437,409</u></u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

RIO BLANCO FIRE PROTECTION DISTRICTSTATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2025

	Enterprise Fund EMS Service
ASSETS	
Cash and cash equivalents	\$ 97,686
Accounts receivable, net of estimated uncollectible of \$65,179	53,691
Due from other funds	240,793
Property, plant and equipment, net	116,322
TOTAL ASSETS	508,492
LIABILITIES	
Accounts payable	2,126
TOTAL LIABILITIES	2,126
NET POSITION	
Net investment in capital assets	116,322
Unrestricted	390,044
TOTAL NET POSITION	\$ 506,366

The accompanying "Notes to Financial Statements" are an integral part of this statement.

RIO BLANCO FIRE PROTECTION DISTRICT**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND**

For the Year Ended December 31, 2025

	Enterprise Fund EMS Service
OPERATING REVENUES	
User charges	\$ 180,238
TOTAL OPERATING REVENUES	180,238
OPERATING EXPENSES	
Bookkeeping	27,414
Billing fees	10,781
Director fees	74,719
Driver fees	73,420
Gas and oil	3,977
Repairs and maintenance	20,375
Training	1,208
Depreciation	43,869
Other expense	59,503
TOTAL OPERATING EXPENSES	315,266
OPERATING INCOME (LOSS)	(135,028)
OTHER FINANCING SOURCES (USES)	
Miscellaneous income	4,150
Interest income	-
TOTAL OTHER FINANCING SOURCES	4,150
CHANGE IN NET POSITION	(130,878)
NET POSITION, BEGINNING OF YEAR	637,244
NET POSITION, END OF YEAR	\$ 506,366

The accompanying "Notes to Financial Statements" are an integral part of this statement.

RIO BLANCO FIRE PROTECTION DISTRICTSTATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended December 31, 2025

	Enterprise Fund EMS Service
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 177,559
Cash payments for goods and services	<u>(143,009)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>34,550</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Miscellaneous income	4,150
Interest income	<u>-</u>
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>4,150</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Equipment	<u>(2,502)</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(2,502)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
None	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	36,198
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>61,488</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 97,686</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income/Change plan net position	\$ (135,028)
Adjustments to reconcile operating income (loss) to Net cash provided (used) by operating activities:	
Depreciation	43,869
Changes in assets and liabilities:	
Decrease (increase) in accounts receivable	(2,679)
Decrease (increase) in due from other funds	127,818
Increase (decrease) in accounts payable	<u>570</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 34,550</u></u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Rio Blanco Fire Protection District, (the District), conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies consistently used in the preparation of the financial statements.

A. Financial Reporting Entity

The District is governed by an elected five member Board of Directors. No additional separate government units, agencies, or nonprofit corporations are included in the financial statements of the District as ~~component units. Component units are legally separate entities for which the District is financially~~ accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on the District.

The District provides protection of life and property from fire, including fire prevention and fire code enforcement, and emergency medical assistance to the Town of Meeker, Colorado and surrounding areas.

B. Government-wide and Fund Financial Statements

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

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

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

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The District reports the following major governmental fund:

General Fund

The General Fund is the District's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. The major revenue sources are local property taxes and charges for services. Expenditures include all costs associated with the daily operations of the District.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the EMS Service enterprise funds of the District are charges to clients for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District reports the following major proprietary funds:

EMS Service

The EMS Service is used to account for operation and capital needs of ambulance services for the Town of Meeker, Colorado and the surrounding area.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

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

D. Budgets and Budgetary Accounting

The District's trustees follow these procedures in establishing the budgetary data reflected in the financial statements:

Prior to October 15, the administrator submits to the District's trustees a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain the taxpayers' comments.

Prior to December 15, the budget is legally enacted through passage of a resolution. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted for the General, Enterprise and Trust Funds. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), except for the Enterprise Fund. The budgets of the Enterprise Fund are based on cash receipts and cash disbursements rather than a revenues and expenditures measurement required by GAAP.

Appropriations lapse at the end of each calendar year.

The District's directors may authorize supplemental appropriations during the year. No supplemental appropriations were made during the year ended December 31, 2025.

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Property Taxes

Property taxes are levied on December 22 of each year and attach as an enforceable lien on property as of January 1. Taxes are due as of January 1 of the following year and are payable in full by June 15, if paid in installments, or April 30 with a single payment. Taxes are delinquent as of June 16. If the taxes are not paid within subsequent statutory periods, the property will be sold at public auction.

The County bills and collects the property taxes and remits collections to the District on a monthly basis. No provision has been made for uncollected taxes, in that the District's experience indicates that all material amounts will be collected and paid to the District.

F. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$500 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

	<u>Governmental</u>	<u>Meeker Ambulance Service</u>
Ambulances		7 years
Equipment	5-10 years	5-10 years
Building and improvements	10-40 years	
Fire trucks	5-10 years	

G. Encumbrances

The District does not use encumbrance accounts. Accordingly, no encumbrances have been recorded in the financial statements.

H. Cash and Cash Equivalents

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

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

J. Prepaid Items

Payments made to vendors for services representing costs applicable to future accounting periods are recorded as prepaid items.

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

- A. There are certain differences between the governmental fund balance sheet and the government-wide statement of Net Position. A reconciliation of the differences can be found on page 6 of the financial statements.
- B. There are certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities. A reconciliation of the differences can be found on page 18 of the financial statements.

NOTE 3 - CASH AND INVESTMENTS

The District's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Authority's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral included municipal bonds, U.S. government securities, mortgage, and deeds of trust.

State statutes authorized the District to invest in obligation of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school, authority, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

The District's investment policy is not more restrictive than State statutes. The District's investments are concentrated in local government investment pools, U.S. government and agency securities, and bank CDs.

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair value arising from increasing interest rates.

Investments for the District are reported at market value. Investments held are as follows:

December 31, 2025	Cost	Market Value
CSIP Liquid Portfolio	\$ 4,471,686	\$ 4,471,686
Total	\$ 4,471,686	\$ 4,471,686

Included in cash and cash equivalents are amounts held in the Colorado Statewide Investment Program (CSIP), an investment program that provides Colorado local governments with tools for meeting their cash flow and investment needs. CSIP offers a fully liquid, variable rate investment option known as the CSIP Liquid Portfolio, and the ability for participants to invest in shares of fixed-rate, fixed-term investments through the CSIP Term Portfolio. The CSIP Liquid Portfolio seeks to maintain a stable net asset value of \$1.00 per share and the CSIP Term Portfolio seeks to achieve a net asset value of \$1.00 per share at the stated maturity. An investment in the CSIP is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Share of the CSIP's portfolios are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC). PFM Fund Distributors, Inc. is an affiliated of PFM Asset Management, LLC. At December 31, 2025, the District invested \$4,471,686 in CSIP Liquid Portfolio. The District's investment in the CSIP Liquid Portfolio is rated AAAM by Standard & Poor's and AAAMmf by Fitch Ratings.

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 3 - CASH AND INVESTMENTS, Continued

Summary of cash and investments is as follows:

Cash and cash equivalents	
Cash deposits in bank	\$ 7,864,390
CSIP	4,471,686
Cash with county	<u>2,311</u>
Total cash and investments	<u>\$ 12,338,387</u>

NOTE 4 - PROPERTY TAXES

Revenue Recognized in 2024

Local property taxes levied in 2024 and collected in 2025 are recognized as revenue in these financial statements as shown below:

	Assessed Valuation	Mill Levy	Amount of Taxes		Percent Collected
			Levied	Collected	
General Fund	\$503,583,730	2.073	\$1,043,929	\$1,052,541	100.82%
Volunteer Pension	\$503,583,730	0.500	\$ 251,792	\$ 253,827	100.81%

Local property taxes levied in 2025 but not collectible until 2026 are shown as property taxes receivable and unearned revenue on the balance sheet in the amount of the assessed taxes less estimated uncollectible amounts.

	Assessed Valuation	Mill Levy	Estimated Percent Collectible	Taxes Receivable	Unearned Revenue
General Fund	\$441,340,840	2.073	100.0%	\$ 914,900	\$ 914,900
Volunteer Pension	\$441,340,840	0.500	100.0%	\$ 220,670	\$ 220,670

NOTE 5 - CAPITAL ASSETS

A. Governmental Activities

A summary of changes in capital assets during the year ended December 31, 2025 is as follows:

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital assets not being depreciated:				
Land	\$ 243,844	\$ -	\$ -	\$ 243,844
Total assets not being depreciated	<u>243,844</u>	<u>-</u>	<u>-</u>	<u>243,844</u>
Capital assets being depreciated:				
Building and improvements	4,453,804	105,615	-	4,559,419
Equipment	2,756,669	309,528	-	3,066,197
Radio equipment	236,397	-	-	236,397
Total assets being depreciated	<u>7,446,870</u>	<u>415,143</u>	<u>-</u>	<u>7,862,013</u>

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 5 – CAPITAL ASSETS, Continued

A. Governmental Activities, continued

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Less accumulated depreciation:				
Building and improvements	\$ (1,740,318)	\$ (207,007)	\$ -	\$ (1,947,325)
Equipment	(1,969,988)	(155,721)	-	(2,125,709)
Radio equipment	(222,734)	(4,309)	-	(227,043)
Total accumulated depreciation	(3,933,040)	(367,037)	-	(4,300,077)
Total assets being depreciated, net	3,513,830	48,106	-	3,561,936
Governmental activities capital assets, net	<u>\$ 3,757,674</u>	<u>\$ 48,106</u>	<u>\$ -</u>	<u>\$ 3,805,780</u>

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities:	
Administration	\$ 215,903
Public safety	<u>151,134</u>

Total depreciation expense – governmental activities \$ 367,037

B. Business-type Activities

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital assets not being depreciated:				
None	\$ -	\$ -	\$ -	\$ -
Capital assets being depreciated:				
Ambulances	947,971	-	-	947,971
Equipment	580,220	2,502	-	582,722
Total assets being depreciated	1,528,191	2,502	-	1,530,693
Less accumulated depreciation:				
Ambulances	(739,962)	(25,641)	-	(765,603)
Equipment	(630,540)	(18,228)	-	(648,768)
Total accumulated depreciation	(1,370,502)	(43,869)	-	(1,414,371)
Total assets being depreciated, net	157,689	(41,367)	-	116,322
Business-type activities capital assets, net	<u>\$ 157,689</u>	<u>\$ (41,367)</u>	<u>\$ -</u>	<u>\$ 116,322</u>

Depreciation expense was charged to function/programs of the primary government as follows:

Business-type activities:	
EMS Service/Total depreciation expense – business-type activities	<u>\$ 41,367</u>

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 6 – VOLUNTEER FIREFIGHTERS PENSION PLAN

Summary of Significant Accounting Policies

Pensions. The District has established the Volunteer Firefighters' Pension Plan (Volunteer Plan) an agent multiple-employer defined benefit pension fund administered by the Colorado Fire and Police Pension Association (FPPA). The net pensions liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position plan have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan Description. Any firefighter who has both attained the age of fifty and completed twenty years of active services shall be eligible for a monthly pension. Additionally, any firefighter that has reached the age of fifty with at least ten years of service will receive a pension benefit that is prorated for year of creditable volunteer service between 10 and 20 years. A firefighter who is disabled in the line of duty whose disability is of such character and magnitude as to deprive the firefighter of earning capacity and extends beyond one year, shall be compensated in an amount determined by the Pension Board. The Volunteer Plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute. FPPA issues an annual, publicly-available financial report that includes the assets of the Volunteer Plan. That report may be obtained at www.FPPAco.org/annual_reports.htm.

Funding Policy. An actuary is used to determine the annual required contribution (ARC) necessary to maintain the actuarial soundness of the Volunteer Plan. Colorado law requires the State to make an annual contribution to the Volunteer Plan. Because the District's monthly benefit amount is over \$300, the State's annual contribution is calculated as the highest State contribution made between 1998 and 2001. The District may make additional contributions to support the plan.

The actuarial study as of January 1, 2025, indicated that the current levels of contributions to the fund are adequate to support an actuarially sound basis of prospective benefits for the present Volunteer Plan.

Membership. Below is a table of the members as of January 1, 2025:

Number of	
- Retirees and Beneficiaries	43
- Inactive, Nonretired Members	3
- Active Members	19
- Total	65

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

At December 31, 2025, the District reported an asset of \$1,330,153. The net pension asset was measured as of December 31, 2024, and was determined by an actuarial valuation as of January 1, 2025. Standard update procedures were used to roll forward the total pension asset to December 31, 2025.

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 6 – VOLUNTEER FIREFIGHTERS PENSION PLAN, Continued

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

For the year ended December 31, 2025, the District recognized pension income of \$2,832. 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	\$ 18,676	\$ -
Change in assumptions	256,873	-
Net difference between projected and actual earnings on pension plan investments	439,761	369,658
Contribution subsequent to the measurement date	250,928	N/A
Total	\$ 966,238	\$ 369,658

\$250,928 is reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase of the net pension asset in the year December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Year ended December 31:	
2026	\$ 317,664
2027	144,311
2028	(75,569)
2029	(40,754)

Actuarial Assumptions. Methods and Assumptions Used to Determine Contribution Rates:

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 6 – VOLUNTEER FIREFIGHTERS PENSION PLAN, Continued

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

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

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

The figures in the above table were supplied by Fire and Police Pension Association staff.

The discount rate used to measure the total pension liability was 6.00 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 funding policy, which establishes the contractual required rates under Colorado statutes. Based on those assumptions, the Volunteer 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 asset.

Sensitivity of the District's Net Pension Asset to Changes in the Discount Rate. The following presents the net pension asset calculation using the discount rate of 6.00 percent as well as the net position asset if it were calculated using a discount rate that is 1-percentage-point lower (5.00 percent) or 1-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount (6.00%)	1% Increase (7.00%)
Net Pension Liability (Asset)	\$ (622,961)	\$ (1,330,153)	\$ (1,918,091)

FPPA System Description. The 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. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. Once in the site, locate the site map at the bottom of the web page and you will find the 'Annual Report' link.

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 7 - BUDGETARY - GAAP REPORTING RECONCILIATION

The accompanying schedule presents comparisons of the legally adopted budget with actual data on a budgetary basis for the Enterprise Funds. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, timing, perspective and entity differences in excess (deficiency) of revenues over expenditures for the year ended December 31, 2025, is presented below:

	<u>Enterprise</u>
Net change in Net Position (NON-GAAP Basis)	\$ (89,511)
Plus:	
Capital Outlay	2,502
Less:	
Depreciation	<u>(43,869)</u>
Net change in net position (GAAP Basis)	<u>\$ (130,878)</u>

NOTE 8 - INTERFUND TRANSACTIONS

Interfund receivable and payable balances at December 31, 2025, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 192,015	\$ 240,793
Meeker Ambulance		
Service - Proprietary Fund	240,793	-
Volunteer Pension	<u>-</u>	<u>192,015</u>
	<u>\$ 432,808</u>	<u>\$ 432,808</u>

NOTE 9 - DEFINED BENEFIT PENSION PLAN - PERA

Summary of Significant Accounting Policies

Pensions. The Rio Blanco Fire Protection District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN - PERA, Continued

General Information about the Pension Plan, continued

Benefits provided as of December 31, 2024. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

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

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

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

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

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN - PERA, Continued

General Information about the Pension Plan, continued

Contributions provisions as of December 31, 2025. Eligible employees of Rio Blanco Fire Protection District and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* § 24-51-413. Employee contribution rates for the period January 1, 2025 through December 31, 2025 are summarized in the table below:

	January 1, 2025 Through December 31, 2025
Employer contribution (all employees other than Safety Officers)	9.00%
Safety Officers	13.00%

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

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

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

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

The employer contribution requirements for Safety Officers are summarized in the table below:

	January 1, 2025 Through December 31, 2025
Employer contribution rate	14.10%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount apportioned to the LGDTF	13.08%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.11%
Total employer contribution rate to the LGDTF	16.89%

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

RIO BLANCO FIRE PROTECTION DISTRICT**NOTES TO FINANCIAL STATEMENTS**
December 31, 2025**NOTE 9 - DEFINED BENEFIT PENSION PLAN - PERA, Continued****General Information about the Pension Plan, continued**

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Rio Blanco Fire Protection District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Rio Blanco Fire Protection District were \$39,524 for the year ended December 31, 2025.

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

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

At December 31, 2025, the Rio Blanco Fire Protection District reported a liability of \$179,298 for its proportionate share of the net pension liability.

At December 31, 2024, the Rio Blanco Fire Protection District proportion was 0.029221%, which was a decrease of 0.002964% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Rio Blanco Fire Protection District recognized pension expense of \$386,177. At December 31, 2025, the Rio Blanco Fire Protection District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 13,530	\$ -
Changes of assumptions or other inputs	5,292	-
Net difference between projected and actual earnings on pension plan investments	16,873	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	(1,254)	-
Contributions subsequent to the measurement date	39,524	N/A
Total	\$ 73,965	\$ -

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN - PERA, Continued

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

\$39,524 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension (income) expense as follows:

Year ended December 31:	
2026	\$ 32,203
2027	42,144
2028	(28,601)
2029	(11,305)
2030	-
Thereafter	-

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	
Members other than Safety Officers	3.20% - 11.30%
Safety Officers	3.20% - 12.40%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

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

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN - PERA, Continued

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

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

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

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

Salary increases, including wage inflation:

Members other than Safety Officers	3.40%-13.00%
Safety Officers	3.20%-16.30%

Salary scale assumptions were altered to better reflect actual experience.

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

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN - PERA, Continued

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

Pre-Retirement	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Retiree	Healthy Males: 90% of the rates for all ages Females: 85% of the rates prior to age 85/ 105% of the rates age 85 and older
Safety Officers	PubS-2010 Retiree	Healthy N/A
Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Survivor	Contingent Males: 92% of the rates for all ages Females: 100% of the rates for all ages
Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Retiree	Disabled 95% of the rates for all ages
Safety Officers	PubS-2010 Retiree	Disabled N/A

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

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

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN - PERA, Continued

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional disaffiliation payment allocations to the Local Government Division Trust Fund and HCTF were \$0.486 million and \$0.020 million, respectively.

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN - PERA, Continued

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 392,448	\$ 179,298	\$ 228

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

NOTE 10 – DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program (PERAPlus 401(k) Plan)

Plan Description - Employees of the Rio Blanco Fire Protection District that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 401(k) Plan. That report can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

Funding Policy - The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended December 31, 2025, program members contributed \$5,982 for the PERAPlus 401(k) Plan.

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

Summary of Significant Accounting Policies

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

General Information about the OPEB Plan

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

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

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

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

PERA Benefit Structure

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

General Information about the OPEB Plan, continued

DPS Benefit Structure

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Rio Blanco Fire Protection District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Rio Blanco Fire Protection District were \$2,924 for the year ended December 31, 2025.

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

At December 31, 2025, the Rio Blanco Fire Protection District reported a liability of \$11,078 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The Rio Blanco Fire Protection District proportion of the net OPEB liability was based on Rio Blanco Fire Protection District contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2024, the Rio Blanco Fire Protection District proportion was 0.002%, which was a decrease of 0.000% from its proportion measured as of December 31, 2023.

RIO BLANCO FIRE PROTECTION DISTRICTNOTES TO FINANCIAL STATEMENTS
December 31, 2025**NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued****OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued**

For the year ended December 31, 2025, the Rio Blanco Fire Protection District recognized OPEB income of \$2,832. At December 31, 2025, the Rio Blanco Fire Protection District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of</u> <u>Resources</u>	<u>Deferred Inflows of</u> <u>Resources</u>
Difference between expected and actual experience	\$ -	\$ 2,444
Changes of assumptions or other inputs	127	3,541
Net difference between projected and actual earnings on OPEB plan investments	38	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	998	72
Contributions subsequent to the measurement date	2,924	N/A
Total	\$ 4,087	\$ 6,057

\$2,924 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (income) as follows:

Year ended December 31:	
2026	\$(1,219)
2027	(927)
2028	(1,231)
2029	(487)
2030	(530)
Thereafter	(500)

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

Actuarial assumptions. The December 31, 2022 actuarial valuation used the following actuarial cost method and key actuarial assumptions and other inputs:

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

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

Age-Related Morbidity Assumptions

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

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

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,536	\$5,429	\$4,241	\$3,523	\$7,063	\$5,866
70	\$7,341	\$6,073	\$4,764	\$3,941	\$7,933	\$6,563
75	\$8,110	\$6,385	\$5,262	\$4,143	\$8,763	\$6,900

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

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

RIO BLANCO FIRE PROTECTION DISTRICT**NOTES TO FINANCIAL STATEMENTS**

December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued**

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

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

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

Year	PERACare Medicare Plans¹	MAPD PPO #21	Medicare Part A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034	4.50%	4.50%	4.50%

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

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

- Per capita health care costs in effect as of the December 31, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect costs for the 2024 plan year.
- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for that plan option.
- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023, valuation date based on an experience analysis of recent data.

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

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

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

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

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

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

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

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

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

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

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate ¹	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO #2 trend rate ¹	7.55%	8.55%	9.55%
Ultimate MAPD PPO #2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate ¹	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 10,780	\$ 11,078	\$ 11,416

¹For the January 1, 2025, plan year.

Discount rate. The discount rate used to measure the TOL was 7.25%. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2023, and the financial status of the HCTF as of the current measurement date (December 31, 2024). In addition, the following methods and assumptions were used in the projection of cash flows:

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 11 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued

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

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were \$0.020 million and \$0.486 million, respectively.

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

Sensitivity of Rio Blanco Fire Protection District proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 13,576	\$ 11,078	\$ 8,924

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

NOTE 12 - CONTINGENCIES

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, voter approval for an increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue. The amendment also requires that reserves be established for declared emergencies, with 3% of fiscal year spending required in 1995 and thereafter.

The District has no authorized but unissued debt subject to the amendment's limitation. Based on fiscal year spending for 2025, \$47,024 of the year-end fund balance in the General Fund has been reserved for emergencies.

During 1996 a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and other revenue of the District without regard to any limitations under TABOR.

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 12 – CONTINGENCIES, Continued

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

NOTE 13 – RISK MANAGEMENT

The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. There have been no significant reductions in insurance coverage in the current year and settlement amounts, if any, have not exceeded this commercial coverage in any of the three preceding years.

NOTE 14 – COMMITTED FUND BALANCE

Beginning with the fiscal year 2011, the District implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a governments' fund balances more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The board establishes (and modifies or rescinds) fund balance commitments as action items in board meetings. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund. Assigned fund balance is established by the board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

NOTE 15 – REPORTING FOR PENSIONS

Beginning in 2015, financial reporting information pertaining to the District's participation in Volunteer Firefighters' Pension Plan administered by Fire and Police Pension Association of Colorado (FPPA) and Public Employees' Retirement Association of Colorado (PERA) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition of Contributions Made Subsequent to the Measurement Date*.

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 16 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through June 25, 2026, the date at which the financial statements were available to be issued, and determined that no events have occurred that require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

RIO BLANCO FIRE PROTECTION DISTRICT**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

For the Year Ended December 31, 2025

	Budget	
	Original	Final
REVENUES		
Taxes	\$ 1,069,429	1,069,429
Investment income	10,000	10,000
Grants	5,000	5,000
Other	16,900	16,900
TOTAL REVENUES	<u>1,101,329</u>	<u>1,101,329</u>
EXPENDITURES		
Administration	297,790	297,790
Public safety	387,900	387,900
Capital outlay	<u>1,745,000</u>	<u>1,745,000</u>
TOTAL EXPENDITURES	<u>2,430,690</u>	<u>2,430,690</u>
REVENUES OVER (UNDER) OPERATING EXPENDITURES	<u>(1,329,361)</u>	<u>(1,329,361)</u>
OTHER FINANCING SOURCES (USES)		
Transfer out	<u>(300,000)</u>	<u>(300,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(300,000)</u>	<u>(300,000)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(1,629,361)	(1,629,361)
FUND BALANCE, BEGINNING OF YEAR	<u>11,600,970</u>	<u>11,600,970</u>
FUND BALANCE, END OF YEAR	<u>\$ 9,971,609</u>	<u>\$ 9,971,609</u>

<u>Actual Amounts</u>	<u>Variance from final budget</u>
\$ 1,091,163	\$ 21,734
441,776	431,776
-	(5,000)
<u>34,533</u>	<u>17,633</u>
<u>1,567,472</u>	<u>466,143</u>
186,559	111,231
193,122	194,778
<u>415,143</u>	<u>1,329,857</u>
<u>794,824</u>	<u>1,635,866</u>
<u>772,648</u>	<u>2,102,009</u>
<u>-</u>	<u>300,000</u>
<u>-</u>	<u>300,000</u>
772,648	2,402,009
<u>11,339,204</u>	<u>(261,766)</u>
<u>\$ 12,111,852</u>	<u>\$ 2,140,243</u>

See the accompanying independent auditors' report

RIO BLANCO FIRE PROTECTION DISTRICT

SCHEDULE OF CONTRIBUTIONS Volunteer Firefighters' Pension Plan Last 10 Fiscal Years

FY Ending December 31	Actuarially Determined Contributions	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
<u>2016</u>	<u>\$ -</u>	<u>\$ 424,270</u>	<u>\$ (424,270)</u>	<u>N/A</u>	<u>N/A</u>
2017	-	335,239	(335,239)	N/A	N/A
2018	-	328,317	(328,317)	N/A	N/A
2019	-	158,930	(158,930)	N/A	N/A
<u>2020</u>	<u>-</u>	<u>307,130</u>	<u>(307,130)</u>	<u>N/A</u>	<u>N/A</u>
2021	-	330,163	(330,163)	N/A	N/A
2022	-	236,608	(236,608)	N/A	N/A
2023	-	334,560	(334,560)	N/A	N/A
2024	-	362,827	(362,827)	N/A	N/A
2025	-	280,401	(280,401)	N/A	N/A

* Includes both employer and State of Colorado Supplemental Discretionary Payment.

See the accompanying independent auditors' report

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RIO BLANCO FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS Volunteer Firefighters' Pension Plan Last 10 Fiscal Years

Measurement period ending December 31,	2015	2016	2017
Total Pension Liability			
Service Cost	\$ 39,694	\$ 39,694	\$ 41,480
Interest on the Total Pension Liability	213,333	214,332	268,000
Benefit Changes	-	589,620	-
Difference between Expected and Actual Expenditures	-	32,307	-
Assumption Changes	-	105,410	-
Benefit Payments	(213,750)	(266,595)	(266,760)
Net Change in Total Pension Liability	39,277	714,768	42,720
Total Pension Liability - Beginning	2,929,889	2,969,166	3,683,934
Total Pension Liability - Ending (a)	<u>\$ 2,969,166</u>	<u>\$ 3,683,934</u>	<u>\$ 3,726,654</u>
Plan Fiduciary Net Position			
Employer Contributions	\$ 354,873	\$ 394,797	\$ 305,766
Pension Plan Net Investment Income	64,721	232,131	662,147
Benefit Payments	(213,750)	(266,595)	(266,760)
Pension Plan Administrative Expense	(8,254)	(6,990)	(14,327)
State of Colorado supplemental discretionary payment	29,473	29,473	29,473
Net Change in Plan Fiduciary Net Position	227,063	382,816	716,299
Plan Fiduciary Net Position - Beginning	3,831,242	4,058,305	4,441,121
Plan Fiduciary Net Position - Ending (b)	<u>\$ 4,058,305</u>	<u>\$ 4,441,121</u>	<u>\$ 5,157,420</u>
Net Pension Liability (Asset) - Ending (a)-(b)	(1,089,139)	(757,187)	(1,430,766)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	136.68%	120.55%	138.39%
Covered Payroll	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A

2018	2019	2020	2021	2022	2023	2024
\$ 41,480 270,867 -	\$ 41,970 270,934 -	\$ 41,970 269,876 1,549,340	\$ 43,300 374,102 -	\$ 43,300 373,720 -	\$ 32,050 363,055 -	\$ 32,050 359,865 427,699
44,978 175,876 (275,918)	- - (272,790)	25,867 - (385,125)	- - (412,875)	(183,974) 45,670 (433,188)	- - (417,625)	42,746 587,938 (464,535)
257,283 3,726,654	40,114 3,983,937	1,501,928 4,024,051	4,527 5,525,979	(154,472) 5,530,506	(22,520) 5,376,034	985,763 5,353,514
<u>\$ 3,983,937</u>	<u>\$ 4,024,051</u>	<u>\$ 5,525,979</u>	<u>\$ 5,530,506</u>	<u>\$ 5,376,034</u>	<u>\$ 5,353,514</u>	<u>\$ 6,339,277</u>
\$ 298,844 712 (275,918) (13,982)	\$ 158,930 740,920 (272,790) (15,813)	\$ 277,657 780,979 (385,125) (10,642)	\$ 271,217 962,651 (412,875) (14,299)	\$ 236,608 (591,029) (433,188) (13,605)	\$ 275,614 630,090 (417,625) (19,039)	\$ 333,354 696,141 (464,535) (17,553)
29,473	-	29,473	58,946	-	58,946	29,473
39,129 5,157,420	611,247 5,196,549	692,342 5,807,796	865,640 6,500,138	(801,214) 7,365,778	527,986 6,564,564	576,880 7,092,550
<u>\$ 5,196,549</u>	<u>\$ 5,807,796</u>	<u>\$ 6,500,138</u>	<u>\$ 7,365,778</u>	<u>\$ 6,564,564</u>	<u>\$ 7,092,550</u>	<u>\$ 7,669,430</u>
(1,212,612)	(1,783,745)	(974,159)	(1,835,272)	(1,188,530)	(1,739,036)	(1,330,153)
130.44%	144.33%	117.63%	133.18%	122.11%	132.48%	120.98%
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A

See the accompanying independent auditors' report

RIO BLANCO FIRE PROTECTION DISTRICT

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

Year Ended*	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as Percentage of Total Pension Liability/Asset
12/31/2016	0.000%	\$ -	\$ 14,727	0%	100.1%
12/31/2017	0.015%	5,240	73,866	7%	98.2%
12/31/2018	0.013%	(18,167)	49,183	-37%	106.3%
12/31/2019	0.007%	9,284	-	0%	95.2%
12/31/2020	0.000%	-	-	N/A	101.9%
12/31/2021	0.000%	-	-	N/A	N/A
12/31/2022	0.000%	-	-	N/A	N/A
12/31/2023	0.000%	-	-	N/A	N/A
12/31/2024	0.000%	-	-	N/A	N/A
12/31/2025	0.000%	-	-	N/A	N/A

* The date provided in the schedule is based as of the measurement date of FPPA's net pension liability, which is as of the calendar year end that occurred before the District's fiscal year end.

See the accompanying independent auditors' report

RIO BLANCO FIRE PROTECTION DISTRICT**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
STATEWIDE FPPA PENSION PLAN
Last 10 Fiscal Years**

FY Ending December 31,	Statutorily Required Contributions	Actual Employer Contributions	Contribution Deficiency (Excess)	Actual Covered Payroll	Contributions as a % of Covered Payroll
2016	\$ 1,142	\$ 1,142	\$ -	\$ 14,272	8.00%
2017	5,909	5,909	-	73,866	8.00%
2018	3,935	3,935	-	49,183	8.00%
2019	-	-	-	-	N/A
2020	-	-	-	-	N/A
2021	-	-	-	-	N/A
2022	-	-	-	-	N/A
2023	-	-	-	-	N/A
2024	-	-	-	-	N/A
2025	-	-	-	-	N/A

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See the accompanying independent auditors' report

RIO BLANCO FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY PERA PENSION PLAN Last 10 Fiscal Years

Year Ended*	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as Percentage of Total Pension Liability
12/31/2016	0.031%	\$ 342,179	\$ 122,873	278%	76.9%
12/31/2017	0.020%	273,679	116,560	235%	73.6%
12/31/2018	0.018%	204,529	146,144	140%	79.4%
12/31/2019	0.022%	279,955	190,331	147%	76.0%
12/31/2020	0.028%	202,111	214,389	94%	86.3%
12/31/2021	0.030%	156,658	213,925	73%	90.9%
12/31/2022	0.029%	(24,689)	215,473	-11%	101.5%
12/31/2023	0.026%	260,453	277,234	94%	83.0%
12/31/2024	0.032%	236,252	281,707	84%	88.0%
12/31/2025	0.029%	179,298	286,148	63%	90.5%

* The data provided in the schedule is based as of the measurement date of PERA's net pension liability, which is as of the calendar year end that occurred before the District's fiscal year end.

See the accompanying independent auditors' report

RIO BLANCO FIRE PROTECTION DISTRICT**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
PERA PENSION PLAN
Last 10 Fiscal Years**

FY Ending December 31	Statutorily Required Contributions	Actual Employer Contribution	Contribution Deficiency (Excess)	Actual Covered Payroll	Contributions as a % of Covered Payroll
2016	\$ 15,580	\$ 15,580	\$ -	\$122,873	12.68%
2017	14,780	14,780	-	116,560	12.68%
2018	18,531	18,531	-	146,144	12.68%
2019	24,185	24,185	-	190,736	12.68%
2020	27,943	27,943	-	214,389	13.03%
2021	28,237	28,237	-	213,925	13.20%
2022	29,003	29,003	-	215,473	13.46%
2023	38,090	38,090	-	277,234	13.74%
2024	38,759	38,759	-	281,707	13.76%
2025	39,524	39,524	-	286,148	13.81%

See the accompanying independent auditors' report

RIO BLANCO FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY PERA OPEB PLAN Last 10 Fiscal Years

Year Ended*	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Actual Covered Payroll	Net OPEB Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as Percentage of Total OPEB Liability
12/31/2017	0.002%	\$ 20,171	\$ 116,560	17%	16.7%
12/31/2018	0.001%	18,560	146,144	13%	17.5%
12/31/2019	0.002%	23,494	190,736	12%	17.0%
12/31/2020	0.002%	23,759	214,389	11%	24.5%
12/31/2021	0.002%	21,663	213,925	10%	32.8%
12/31/2022	0.002%	19,200	215,473	9%	39.4%
12/31/2023	0.002%	17,014	277,234	6%	38.6%
12/31/2024	0.003%	18,163	281,707	6%	46.2%
12/31/2025	0.002%	11,078	286,148	4%	59.8%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

* The data provided in the schedule is based as of the measurement date of PERA's net OPEB liability, which is as of the calendar year end that occurred before the District's fiscal year end.

See the accompanying independent auditors' report

RIO BLANCO FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS PERA OPEB PLAN Last 10 Fiscal Years

FY Ending December 31	Statutorily Required Contributions	Actual Employer Contribution	Contribution Deficiency (Excess)	Actual Covered Payroll	Contributions as a % of Covered Payroll
2017	\$ 1,189	\$ 1,189	\$ -	\$116,560	1.02%
2018	1,491	1,491	-	146,144	1.02%
2019	1,946	1,946	-	190,736	1.02%
2020	2,187	2,187	-	214,389	1.02%
2021	2,182	2,182	-	213,925	1.02%
2022	2,198	2,198	-	215,473	1.02%
2023	2,828	2,828	-	277,234	1.02%
2024	2,874	2,874	-	281,707	1.02%
2025	2,924	2,924	-	286,148	1.02%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See the accompanying independent auditors' report

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (RSI)

December 31, 2025

NOTE 1 – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION (PERA)

2024 Changes in Plan Provisions Since 2023

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

NOTE 2 – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION (PERA)

2024 Changes in Assumptions or Other Inputs Since 2023

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

NOTE 3 – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION (OPEB)

2024 Changes in Plan Provisions Since 2023

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

RIO BLANCO FIRE PROTECTION DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (RSI)
December 31, 2025

NOTE 4 – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION (OPEB)

2024 Changes in Assumptions or Other Inputs Since 2023

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on experience. In addition, the mortality projection scale was updated to the 2024 adjusted scale MP-2021 to reflect future improvements in mortality for all groups.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

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SUPPLEMENTARY INFORMATION

RIO BLANCO FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON SCHEDULE

EMS SERVICE

For the Year Ended December 31, 2025

	Budget	
	Original	Final
REVENUES		
User charges	\$ 119,500	\$ 119,500
Interest income	-	-
Transfer in	300,000	300,000
Miscellaneous income	100	100
TOTAL REVENUES	419,600	419,600
EXPENDITURES		
Bookkeeping	27,000	27,000
Billing fees	10,000	10,000
Director fees	88,000	88,000
Driver fees	90,000	90,000
Gas and oil	11,000	11,000
Repairs and maintenance	64,000	64,000
Training	20,000	20,000
Other expense	82,098	82,098
Capital outlay	190,000	190,000
TOTAL EXPENDITURES	582,098	582,098
NET CHANGE IN NET POSITION	(162,498)	(162,498)
NET POSITION, BEGINNING OF YEAR	789,204	789,204
NET POSITION, END OF YEAR	\$ 626,706	\$ 626,706

RECONCILIATION FROM BUDGET BASIS EXPENDITURES (NON-GAAP) TO GAAP

Add:

 Capital outlay

Subtract:

 Depreciation

NET POSITION, END OF YEAR GAAP BASIS (Page 20)

Actual Amounts	Variance from final budget
\$ 180,238	\$ 60,738
-	-
-	(300,000)
4,150	4,050
184,388	(235,212)
27,414	(414)
10,781	(781)
74,719	13,281
73,420	16,580
3,977	7,023
20,375	43,625
1,208	18,792
59,503	22,595
2,502	187,498
273,899	308,199
(89,511)	72,987
637,244	(151,960)
547,733	\$ (78,973)
2,502	
(43,869)	
\$ 506,366	

RIO BLANCO FIRE PROTECTION DISTRICT

SCHEDULE OF GENERAL FUND OPERATING EXPENDITURES

For the Years Ended December 31, 2025 and 2024

	12/31/2025		12/31/2024	
	Amount	Percent	Amount	Percent
Accounting and auditing	\$ 5,145	3.2%	\$ 5,228	3.2%
MVFD social activities	2,548	0.7%	3,236	0.8%
Election expense	2,444	0.6%	-	0.0%
Employee benefits	32,665	8.6%	31,184	7.6%
Fireworks display	9,989	2.6%	8,620	2.1%
Dispatching	-	0.0%	36,000	8.8%
Dues and other	16,112	4.2%	11,803	2.9%
Gas, oil, and lubrication	5,406	1.4%	3,728	0.9%
Insurance	32,087	8.5%	29,973	7.3%
Legal	11,913	3.1%	8,423	2.1%
Recruitment/master plan	-	0.0%	2,000	0.5%
Materials and supplies	19,519	5.1%	7,153	1.8%
Meals/Refreshments - Board	9,405	2.5%	6,461	1.6%
Office supplies	8,496	2.2%	7,616	1.9%
Public relations	7,168	1.9%	10,237	2.5%
Repairs and maintenance	26,205	6.9%	39,107	9.6%
Salaries, office	13,106	3.5%	19,507	4.8%
Salaries, fire chief	51,533	13.6%	44,723	11.0%
Salaries, fire department	40,870	10.8%	31,400	7.7%
Training	3,058	0.8%	3,803	0.9%
Treasurer's fees	51,913	13.7%	68,301	16.7%
Utilities	23,212	6.1%	21,662	5.3%
Wildland fire	6,887	1.8%	7,936	1.9%
	<u>\$ 379,681</u>	<u>100.0%</u>	<u>\$ 408,101</u>	<u>100.0%</u>