Front Range Fire Consortium

Annual Financial Statements and
Independent Auditors' Report

For the year ended
December 31, 2025

Haynie

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Independent Auditors' Report

Members of the Board of Directors
Front Range Fire Consortium

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Front Range Fire Consortium, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

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 Front Range Fire Consortium's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Front Range Fire Consortium'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 Front Range Fire Consortium'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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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



Littleton, Colorado
September 30, 2026

Basic Financial Statements

Front Range Fire Consortium
Statement of Net Position
December 31, 2025

Assets	Governmental Activities
Current assets:	
Cash	$ 273,855
Accounts receivable	11,100
Prepaid expenses	2,793
Total current assets	287,748
Long-term assets:	
Capital assets, net	29,204
Total long-term assets	29,204
Total assets	$ 316,952
Liabilities	
Current liabilities:	
Accounts payable	$ 6,603
Member training credit obligations	271,905
Total current liabilities	278,508
Net Position	
Investment in capital assets	29,204
Restricted for emergencies	17,220
Unrestricted	(7,980)
Total net position	38,444
Total liabilities and net position	$ 316,952

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

Front Range Fire Consortium
Statement of Activities
For the year ended December 31, 2025

Functions/Program Activities	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Governmental activities				
General and administration	$ 578,138	$ 564,247	$ -	$ (13,891)
Total governmental activities	$ 578,138	$ 564,247	$ -	(13,891)
	Change in net position			(13,891)
	Net position - beginning of year			52,335
	Net position - end of year			$ 38,444

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

Front Range Fire Consortium
Governmental Fund Balance Sheet
December 31, 2025

Assets	General Fund	Total Governmental Funds
Cash	$ 273,855	$ 273,855
Accounts receivable	11,100	11,100
Prepaid expenditures	2,793	2,793
Total assets	$ 287,748	$ 287,748
Liabilities		
Accounts payable	$ 6,603	$ 6,603
Member training credit obligations	271,905	271,905
Total current liabilities	278,508	278,508
Fund Balance		
Committed	120,000	120,000
Nonspendable	2,793	2,793
Restricted for emergencies	17,220	17,220
Unassigned	(130,773)	(130,773)
Total fund balance	9,240	9,240
Total liabilities and fund balances	$ 287,748	$ 287,748

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

Front Range Fire Consortium
Reconciliation of the Governmental Fund Balance Sheet
With the Statement of Net Position
December 31, 2025

Fund balance - Total governmental fund	$	9,240
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the fund balance sheet. In the statement of net position, the cost of these assets is capitalized and expensed over their useful lives through annual depreciation and amortization.		
Governmental capital assets, net		29,204
Net position of governmental activities	$	38,444

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

Front Range Fire Consortium
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the year ended December 31, 2025

	General Fund	Total
Revenues		
Academy payments	$ 463,407	$ 463,407
Administration cost revenue	100,840	100,840
Total revenues	564,247	564,247
Expenditures		
General and administration	574,015	574,015
Total expenditures	574,015	574,015
Excess of Revenues over Expenditures	(9,768)	(9,768)
Net Change in fund balance	(9,768)	(9,768)
Fund balances:		
Beginning of the year	19,008	19,008
End of the year	$ 9,240	$ 9,240

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

Front Range Fire Consortium
Reconciliation of the Statement of Revenues, Expenditures And Changes In Fund Balances of Governmental Activities To The Statement of Activities
For the year ended December 31, 2025

Net change in fund balance - total Governmental Fund	$	(9,768)
Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of depreciation expense recorded in the current period.		
Depreciation and amortization expense		(4,123)
Change in net position of governmental activities	$	(13,891)

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

1. Definition of Reporting Entity

Front Range Fire Consortium (the "Consortium") was established in 1998 to provide recruit academy training and professional development training for its member departments, as well as other regional departments in Northern Colorado. The purpose for establishing the Consortium was to ensure that the highest levels of training and professional standards are being met, to determine how to effectively train members' recruits, and to identify methods to share costs that will financially benefit all members.

The Consortium supports and manages the following programs:

- Professional development for career officers – annual program
- Recruit academies – Spring and Fall
- Candidate physical ability tests (CPAT)
- Professional certification standards
- Professional seminars and workshops

Each member of the Consortium is required to appoint one person to serve on the Consortium's Board of Directors. As of December 31, 2025, the Consortium consisted of the following members:

- Berthoud Fire Protection District
- Boulder Fire Rescue
- Boulder Rural Fire Rescue
- City of Lafayette Fire
- Front Range Fire Rescue Protection
- Greeley Fire Department
- Louisville Fire Protection District
- Longmont Fire Rescue
- Loveland Fire Rescue Authority
- Mountain View Fire Protection
- Platte Valley Fire Protection
- Windsor-Severance Fire Protection

The Consortium shall constitute a separate political subdivision of the State pursuant to Sections 29-1-203 and 29-1-203.5, C.R.S., and a 'public entity' within the meaning of the Colorado Governmental Immunity Act, Section 24-10-10, C.R.S. *et seq*. The Consortium is established in conformity with Section 29-1-203.5, C.R.S. and the provisions of that statute shall apply to the Consortium.

Principles Determining Scope of Reporting Entity

The financial reporting entity consists of the Consortium and any legally separate organizations for which the Consortium is financially accountable. Financial accountability exists when the Consortium appoints a voting majority of an organization's governing body and is able to impose its will on that organization or when the organization may provide specific financial benefits to, or impose specific financial burdens on, the Consortium. Based on the application of these criteria, no component units are included in the Consortium's financial statements.

1. Definition of Reporting Entity (continued)

The Consortium has no employees and all operations and administrative functions are contracted.

2. Summary of Significant Accounting Policies

The financial statements of the Front Range Fire Consortium have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The Consortium's basic financial statements include the accounts and funds of all Consortium operations. The accounting policies of the Consortium conform to accounting principles generally accepted in the United States of America. The following is a summary of such significant policies:

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the Consortium. Governmental activities are generally supported by taxes, charges for services, and intergovernmental revenues. There are no business-type activities in the Consortium for the year ended December 31, 2025.

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 those 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. Items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund balance, revenues, and expenditures.

The Consortium maintains one primary operating governmental fund, the General Fund, which is considered a major fund. The Consortium’s basic services are included in the governmental fund, generally focusing on (1) inflows and outflows of cash and other financial assets and (2) balances remaining at year-end which are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the Consortium’s programs.

2. Summary of Significant Accounting Policies (continued)

Because this information does not encompass the long-term focus of the government-wide statements, a reconciling schedule is included on the governmental fund statements explaining the relationship (or difference) between them.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows.

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 government 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.

Recruit training and professional development revenues are reported after each academy or development program is completed and all eligibility requirements have been met. Fees, charges, and other exchange revenues are recognized when earned based on the intergovernmental agreement described in Note 5 of the financial statements.

Budgets

The Consortium follows these procedures in establishing the budgetary data reflected in the supplementary information:

- By October 15, the Consortium submits to the Board of Directors a proposed operating budget for the fiscal year beginning the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted to obtain taxpayer comments.
- In most years, prior to December 31, the budget is legally enacted through passage of a resolution.
- Any budget revisions that alter the total expenditures of any fund must be approved by the Consortium through passage of a subsequent budget resolution.
- The Consortium legally adopts a budget for the general fund. The budget for the general fund is adopted on a basis consistent with GAAP.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Directors. All appropriations lapse at year end.

2. Summary of Significant Accounting Policies (continued)

Cash

Cash includes cash on hand and demand deposits.

Accounts Receivable

Accounts receivable are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible. As of December 31, 2025, there were no amounts determined to be uncollectible.

Capital Assets

Capital assets, which include equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Consortium as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are valued at cost. Donated capital assets are valued at their acquisition value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed.

Depreciation of capital assets is charged as an expense against operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful life of training equipment is ten years.

Liabilities

All payables and accrued liabilities are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements, regardless of whether they will be liquidated with current resources.

However, claims and judgments and the noncurrent portion of long-term liabilities that will be paid from the governmental fund are reported as liabilities in the fund financial statements only to the extent that they will be paid with current resources.

Government-wide Net Position

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

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and amortization and the outstanding balances of debt that is attributable to the acquisition, construction or improvement of these assets reduce this category.
- *Restricted Net Position* –This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents the net position of the Consortium, which is not restricted for any other purpose. A deficit will require future funding.

2. Summary of Significant Accounting Policies (continued)

Governmental Fund Balance

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable fund balance* - The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.
- *Restricted fund balance* - The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders or grantors), constitutional provisions, or enabling legislation.
- *Committed fund balance* - The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.
- *Assigned fund balance* - The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.
- *Unassigned fund balance* - Amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Consortium considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Consortium considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

The Consortium established a minimum fund balance of $10,000 per member based on the intergovernmental agreement described in Note 5 to the financial statements. This is reported as a committed fund balance since the minimum balance cannot be applied toward training services unless there is formal action of the Board.

2. Summary of Significant Accounting Policies (continued)

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Non-Monetary Transactions

During the year ended December 31, 2025, the Consortium engaged in non-monetary transactions in accordance with the provisions of GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance. Non-monetary transactions occur when an exchange transaction involves no monetary consideration. These transactions are recorded at the fair value of the services exchanged at the date of the transaction.

The Consortium provided academy training services to member organizations in lieu of collecting cash payments. These services were exchanged for in-kind contributions such as instructors, apparatus, and facilities. The fair value of the training services provided was $458,408, based on the Consortium's established internal rates. This amount was recognized as program service revenue.

Separately, the Consortium received contributed resources from member organizations to support the operation of the academies. These in-kind contributions were valued at $408,520 and recorded as training-related expenses. To the extent the value of contributed resources exceeded current-year training activity, the excess was added to the member training credit obligation account under the credit-based model.

Member Training Credit Obligation

Under the Consortium's academy model, member organizations receive training services in exchange for providing instruction, facilities, and equipment during recruit academies. Each member maintains a training balance that reflects the net value of resources contributed and services received.

As of December 31, 2025, the Consortium recognized a liability of $271,905 representing the portion of member training credits for the total balance of resources contributed above training services provided that will roll over into the following year. This amount excludes the required $10,000 minimum member credit balance each member must maintain in their separately tracked accounts. The liability reflects the Consortium's obligation to provide future training services equivalent to the unused credit balance. The credits are reflected as a current obligation as they are expected to be used within one year

If a member terminates its participation in the Consortium, any remaining training credits are not refundable to the member agency and are retained by the consortium at the time of termination.

2. Summary of Significant Accounting Policies (continued)

Recently Issued Accounting Pronouncements

In 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, *Certain Risk Disclosures*. The Statement requires governments to disclose information about concentrations or constraints that make the government vulnerable to the risk of a significant impact if certain circumstances or conditions occur. The Consortium adopted GASB Statement No. 102 for the current fiscal year. The adoption of this Statement had no impact on the Consortium's financial statements or disclosures.

3. Cash and Investments

Custodial Credit Risk – Deposits

Colorado state statutes govern the entity's deposits of cash. For deposits in excess of federally insured limits, Colorado Revised Statutes (CRS) require the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act (PDPA) requires state regulators to certify eligible depositories for public deposit. PDPA requires the eligible depositories with public deposits in excess of the amounts insured by the Federal Deposit Insurance Corporation (FDIC) to create a single institutional collateral pool of obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the State. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the assets in the pool must be at least 102% of the uninsured deposits. As of December 31, 2025, the Consortium had cash deposits with a carrying balance of $273,855 and a bank balance of $273,855.

Investments

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

- obligations of the United States and certain U.S. government agency securities,
- certain international agency securities,
- general obligation and revenue bonds of U.S. local government entities,
- bankers' acceptances of certain banks,
- commercial paper,
- written repurchase agreements collateralized by certain authorized securities,
- certain money market funds,
- guaranteed investment contracts, and
- local government investment pools.

As of December 31, 2025, the Consortium does not have any investments.

4. Capital Assets

The following table presents capital assets activity of the Consortium for the year ended December 31, 2025:

	Balance at December 31, 2024	Additions	Transfers /Retirements	Balance at December 31, 2025
Capital assets, being depreciated:				
Equipment	$ 41,229	$ -	$ -	$ 41,229
Less accumulated depreciation:				
Equipment	(7,902)	(4,123)	-	(12,025)
Total Depreciable Assets, net	$ 33,327	$ (4,123)	$ -	$ 29,204

Depreciation and amortization expense has been allocated to the general and administration function in the accompanying statement of activities.

5. Member Training Credit Obligations

The Member Training Credit Obligations represent the Consortium's obligations to provide future training services to its members. The Member Training Credit Obligations balance of $271,905 at December 31, 2025 is classified as a current liability and consists of the following activity during the year:

Member Credit Training Obligations as of December 31, 2024	**$ 240,749**
Payments from Members	181,885
In-Kind Contributions	408,520
Administrative Fees	(55,000)
Academy Admin Costs	(45,841)
Academy Training Costs	(458,408)
Member Credit Training Obligations as of December 31, 2025	$ 271,905

The Member Training Obligation will be fulfilled through future training services provided to members.

6. Intergovernmental Agreement

The establishing member Districts entered into an intergovernmental agreement ("IGA") on October 12, 2016. Under this agreement, each member within the IGA has the right to participate in any services provided by the Consortium, to receive reimbursement for leased resources, and to have a representative serve on the Board with one vote. Members will pay board-approved rates for training of individual participants attending academies and will be reimbursed for any leased equipment or staff provided during the academies. Terms of enrollment for members are unlimited, but members may leave the Consortium upon board approval.

Effective June 28, 2023, the Board unanimously approved an amendment to the IGA that transitioned the Consortium to a credit-based model for academy participation. The model was implemented during the second half of 2023 and remained in full effect throughout 2025. Under this structure, each participating member is required to maintain a $10,000 fund balance.

The Consortium tracks each member's individual balance to reflect the value of resources provided and the cost of recruit training received. Beginning balances for each member were initially calculated based on historical payment data effective January 1, 2023, and are updated based on current-year participation and contributions.

7. Risk Management

The Consortium is exposed to various risks of loss, including tort claims; theft, damage, or destruction of assets; errors and omissions; participant injuries; and natural disasters.

The Consortium maintains commercial insurance coverage for all these risks. There have been no significant reductions in coverage, and no claims have exceeded policy limits in recent years.

8. TABOR Compliance

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

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions.

Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenues. TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. Spending excludes spending from certain revenue and financial sources such as federal funds, gifts, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage

8. TABOR Compliance (continued)

awards, or property sales. The Consortium considers $17,220 as restricted for the TABOR's three percent Reserved for Emergency for December 31, 2025.

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rates, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

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

9. Concentrations and Constraints

The Consortium is economically dependent on its members for its revenue. For the fiscal year ended December 31, 2025, 100% of the Consortium's revenue was derived from academy fees and other support directly provided by the Consortium's twelve members. Three of the twelve members represent approximately 53% of total revenues reported for the year ended December 31, 2025.

The Consortium has no other significant sources of revenue or funding outside of its members. The board continuously monitors the financial health of the consortium and its members. This economic dependence represents a concentration of risk that may impact the Consortium's long-term sustainability. Any significant reduction in contributions, a decision by one or more members to withdraw, or a change in the financial condition of its members could cause the sources of funding for the Consortium to decrease. If this were to occur, it is the board's opinion that the Consortium would be able to continue most of its activities on a more limited basis.

10. Subsequent Events

The Consortium has evaluated subsequent events through September 30, 2026, the date on which the financial statements were available to be issued.

Front Range Fire Consortium

Required Supplementary Information

Front Range Fire Consortium
Statement of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual Governmental Fund Type—General Fund For the year ended December 31, 2025

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Academy payments	$ 616,000	$ 463,407	$ (152,593)
Professional development	8,400	-	(8,400)
Administrative cost revenue	99,000	100,840	1,840
Total revenues	723,400	564,247	(159,153)
Expenditures:			
General and administration	751,607	574,015	177,592
Total expenditures	751,607	574,015	177,592
Excess of revenues over expenditures	(28,207)	(9,768)	18,439
Net Change in fund balance	(28,207)	(9,768)	18,439
Fund Balance—Beginning of year		19,008	19,008
Fund Balance—End of Year		$ 9,240	$ 9,240

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