

TOWN OF FIRESTONE

ANNUAL
COMPREHENSIVE

FINANCIAL REPORT

FOR THE YEAR
ENDING
DECEMBER 31, 2025



Annual Comprehensive Financial Report
For the Fiscal Year Ended
December 31, 2025

TOWN OF FIRESTONE
FIRESTONE, COLORADO



Prepared by the Finance Department

This Page Intentionally Left Blank

TOWN OF FIRESTONE, COLORADO
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2025

Table of Contents

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal	i
GFOA Certificate of Achievement.....	vi
Organization Chart – by Function	vii
List of Principal Officials	viii
FINANCIAL SECTION	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	4
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Governmental Fund Financial Statements	
Balance Sheet – Governmental Funds	18
Reconciliation of the Governmental Funds	
Balance Sheet to the Statement of Net Position.....	21
Statement of Revenues, Expenditures and	
Changes in Fund Balances – Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures and	
Changes in Fund Balances of Governmental Funds to the	
Statement of Activities	24
Proprietary Fund Financial Statements	
Statement of Net Position – Proprietary Funds	25
Statement of Revenues, Expenses and Changes in	
Net Position – Proprietary Funds	26
Statement of Cash Flows – Proprietary Funds.....	27
Notes to the Financial Statements.....	29

TOWN OF FIRESTONE, COLORADO
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2025

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund	83
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Firestone Urban Renewal Authority – Northern	84
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Firestone Urban Renewal Authority – Central	85
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Firestone Urban Renewal Authority – Bighorn	86
Schedule of the Town's Proportionate Share of the Net Pension Liability/(Asset) FPPA – Statewide Defined Benefit Plan	88
Schedule of the Town's Proportionate Share of the Net Pension Liability/(Asset) PERA – Local Government Division Trust Fund	90
Schedule of the Town's Proportionate Share of the Net OPEB Liability/(Asset) PERA – Postemployment Benefits Other Than Pensions	92
Schedule of the Town's Contributions – FPPA – Statewide Defined Benefit Plan	94
Schedule of the Town's Contributions – PERA – Local Government Division Trust Fund	96
Schedule of the Town's Contributions – PERA – Postemployment Benefits Other Than Pensions	98
Notes to Required Supplementary Information	100

Other Supplementary Information

Major Governmental Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Capital Projects Fund	103
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Debt Service Fund	104
Combining and Individual Statements and Schedules	
Combining Balance Sheet – Non-Major Governmental Funds	105
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds	106
Non-Major Governmental Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Conservation Trust Fund	107
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Firestone Downtown Development Authority	108
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Firestone Urban Renewal Authority – Southern	109
Enterprise Funds	
Schedule of Revenues, Expenditures and Changes in Net Position Budget and Actual (Non GAAP Budgetary Basis) – Water Fund	110
Schedule of Revenues, Expenditures and Changes in Net Position Budget and Actual (Non GAAP Budgetary Basis) – Stormwater Fund	111

TOWN OF FIRESTONE, COLORADO
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2025

Non-Major Enterprise Funds

Combining and Individual Statements and Schedules	
Combining Balance Sheet – Non-Major Proprietary Fund.....	112
Combining Statement of Revenues, Expenditures and	
Changes in Net Position – Non-Major Proprietary Funds	113
Combining Statement of Cash Flows – Non-Major Proprietary Funds.....	114
 Schedule of Revenues, Expenditures and Changes in Net Position	
Budget and Actual (Non GAAP Budgetary Basis – St Vrain Water	
Authority Fund	115

COMPLIANCE

Local Highway Finance Report.....	116
-----------------------------------	-----

STATISTICAL SECTION

Introduction	119
--------------------	-----

Financial Trends

Net Position by Component.....	120
Changes in Net Position	122
Fund Balances of Governmental Funds.....	126
Changes in Fund Balances of Governmental Funds.....	128

Revenue

General Governmental Tax Revenues by Source.....	130
Sales Tax Trends	132
Assessed and Estimated Actual Value of Taxable Property.....	134
Property Tax Levy from Direct and Overlapping Governments	136
Principal Taxpayers	140
Property Tax Levies and Collections	141
Largest Water Customers.....	142

Debt Capacity

Ratios of Outstanding Debt by Type	143
Ratio of General Bonded Debt Outstanding.....	144
Direct and Overlapping General Bonded Debt.....	145
Pledged Revenue – Developer Reimbursement Obligations	146
Legal Debt Margin Information	148
Net Revenues and Pro-Forma Debt Service Coverage	150

Demographics

Demographic and Economic Statistics.....	152
Principal Employers.....	153
Property Value and Construction	154

Operating Information

Full-Time Equivalent Town Government Employees by Function	155
Miscellaneous Statistics	156

This Page Intentionally Left Blank



June 16, 2026

To the Honorable Mayor, members of the Board of Trustees (the “Trustees”), and citizens of the Town of Firestone (the “Town”):

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles in the United States (“GAAP”) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual financial report of the Town of Firestone for the fiscal year ended December 31, 2025.

This report consists of managements representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed both to protect the Town’s assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the Town’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town’s internal controls have been designed to provide reasonable, rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Haynie & Company, a firm of licensed certified public accountants, has audited the Town’s financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town for the fiscal year ended December 31, 2025 are free of material misstatement. The independent audit involved: examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded that, based upon the audit, there was a reasonable basis for rendering an unmodified opinion that the Town’s financial statements for the fiscal year ended December 31, 2025, are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (“MD&A”). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town’s MD&A can be found immediately following the report of the independent auditor.

PROFILE OF THE TOWN OF FIRESTONE

The Town incorporated in 1908, is located on the northern fringe of the Denver metropolitan area of Colorado. The Town has a current area of 14.62 square miles and serves a population of approximately 19,200 and is located in Weld County. The Town is empowered to levy a property tax on real properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing board and voter approval. On April 2, 1996, the taxpayers approved a ballot question to remove the Taxpayer Bill of Rights ("TABOR") limits that were imposed on the Town in 1992.

The Town has operated under the Trustees-Town Manager form of government since its first meeting as a statutory Town. Policy-making and legislative authority are vested in the Board, consisting of the Mayor and six Trustees. The Town's board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the Town's manager, attorney, treasurer, and clerk. The Town's manager is responsible for: carrying out the goals, policies, and ordinances of the Board; for overseeing the day-to-day operations of the Town; and for appointing the heads of the various departments. The Board is elected on a nonpartisan basis. The Mayor is elected for a two-year term and the Trustees are elected for four-year terms. The Mayor and Trustees are elected at-large.

The Town provides a full range of services including: police protection; construction and maintenance of streets, parks, trails, and open space; and stormwater and water utilities. Other utility services such as sewer, electricity, natural gas, and trash removal are provided by organizations not affiliated with the Town, and therefore, are not reported in the Town's financial statements.

The annual budget serves as the foundation for the Town's financial planning and control. All departments of the Town are required to submit requests for appropriation to the Town's Finance Department on or about the last day of August each year. The Finance Department and Town Manager use these requests as the starting point for developing a proposed budget. The finance department then presents the proposed budget to the Board by October 15. The Board is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 15. The Town's fiscal year is on a calendar year basis. The Town's budget is prepared by fund (e.g. general) and department (e.g. police). However, the annual budget is appropriated and approved at the fund level by the Board and certified to the State of Colorado as such. Transfers of appropriations between funds require the approval of the Board.

Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. The General Fund, Firestone Urban Renewal Authority – Northern, Firestone Urban Renewal Authority – Central and Firestone Urban Renewal Authority – Bighorn comparisons are presented on page 83, 84, 85 and 86, respectively, as part of the required supplementary information. For all other governmental and proprietary funds, the comparisons are presented in the other supplementary information subsection of this report, which begins on page 103.

FACTORS AFFECTING FINANCIAL CONDITION

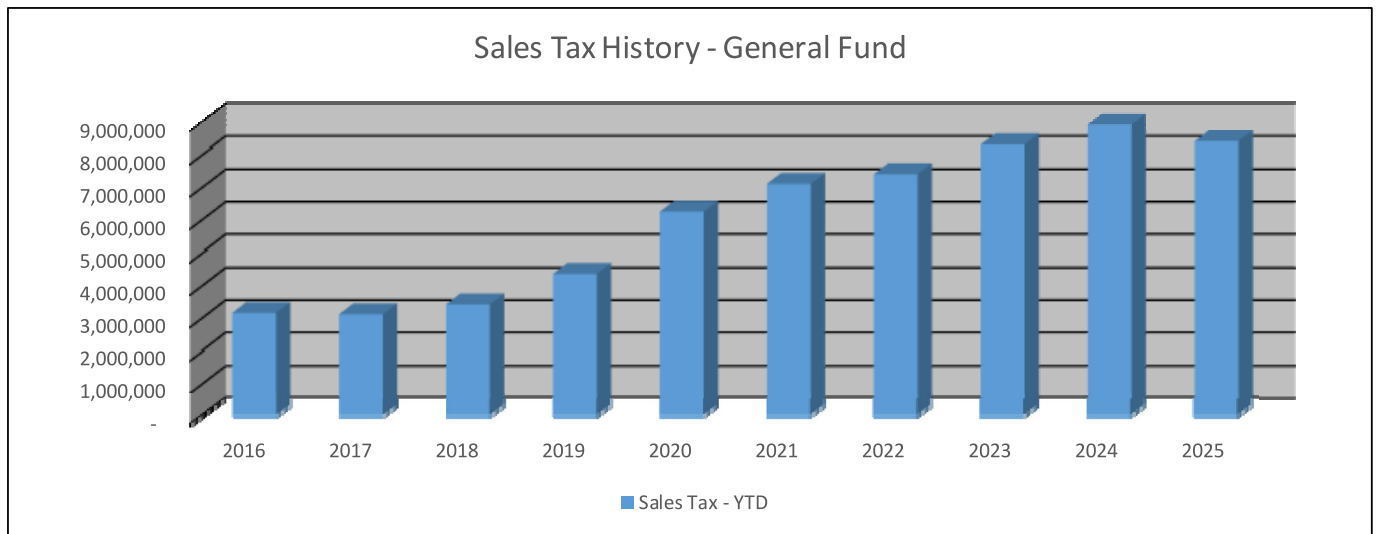
LOCAL ECONOMY

The Town is a unique community of citizens, businesses, and governments that are united in creating a stable, safe, prosperous, and healthy environment in which to live, work, worship, learn, and exercise the rights and freedoms provided by the United States Constitution. The Town has been recognized in several national and Colorado listings for its cost of home ownership, amenities, and for being a safe environment. During 2025, the Town was named the eighth safest city in Colorado by ReAlpha. The rankings highlight communities with low crime, strong schools, and thriving local economies, making them great places for families, professionals, and investors alike. The Town continues to grow and develop, attracting additional retail and lodging facilities along with more residents. In 2025 multiple businesses opened including, Chick-fil-A, Little Caesars, Maria Bonita Restaurant, Firestone Family Eyecare, The Center for Vision and Learning LLC, Carbon Valley Dental and DHI Title Agency. The area has a homeownership rate of 81.3 percent per United States Census Bureau. Firestone has a median household income of \$137,334 annually and the median home value in Firestone is \$598,000 per City-Data.com. In order to maximize commercial and residential development opportunities, the Town continued with a strategic and targeted economic development program in 2025. The objective of the plan is to attract new businesses and encourage expansion of existing businesses.

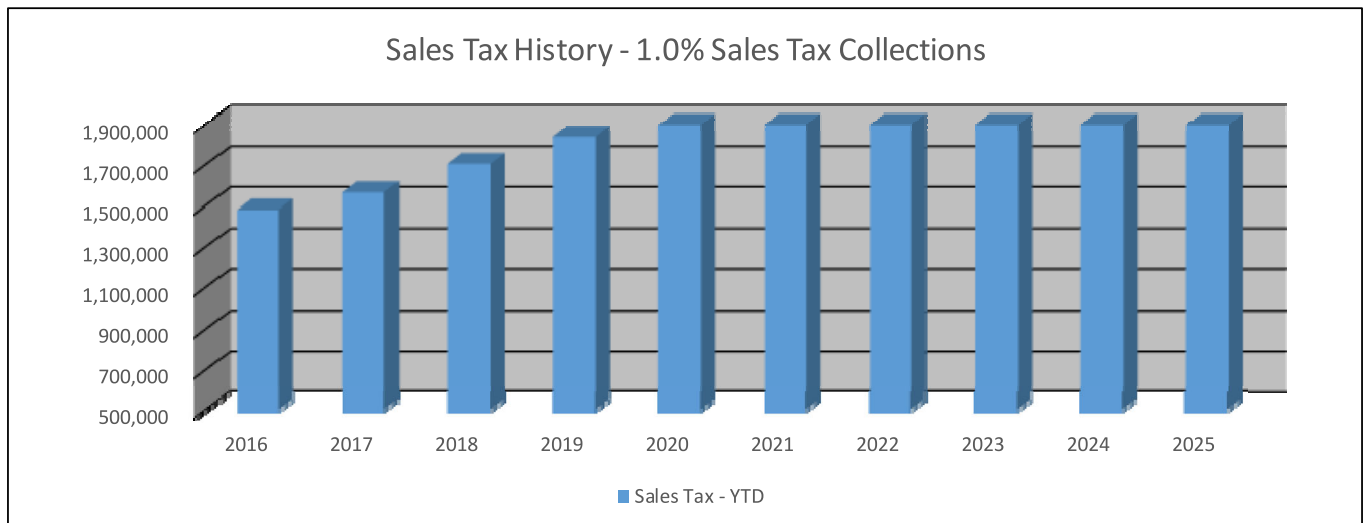
The Town is currently working to increase the number and variety of businesses throughout the community, including initiatives to enhance the economic success of historic Old Town Firestone. The tables below detail the Town's taxable assessed value (AV) for the past ten years.

AV Year/Year Levied	Assessed Valuation
2015/2016	\$ 170,842,090
2016/2017	\$ 208,282,680
2017/2018	\$ 215,444,970
2018/2019	\$ 231,241,860
2019/2020	\$ 266,484,840
2020/2021	\$ 263,819,990
2021/2022	\$ 294,286,560
2022/2023	\$ 331,141,960
2023/2024	\$ 391,452,500
2024/2025	\$ 335,639,760
2025/2026	\$ 346,399,130

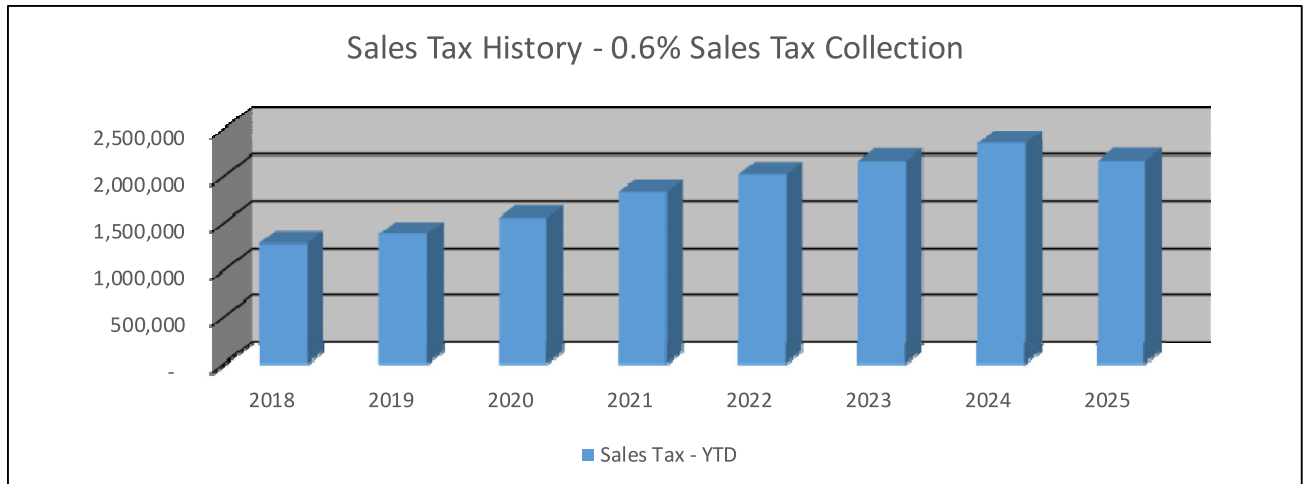
Because of the growth of the Town's residential and retail base, sales tax revenues have shown significant growth throughout the past ten years. The retail trade sector has steadily employed more of the Town's population in the past several years and significantly influences the Town's economy. The chart on the next page reflects the increase in Sales tax revenues throughout the last ten years (as of December of each year).



In addition to the sales tax revenues shown in the previous chart, in November 2013, the Town's citizens approved a 1 percent additional sales tax to be utilized for street and park capital projects, operation and maintenance and associated debt service issuances/payments. Collection of this additional tax began in 2014 and will provide for long term sustainability of the Town's streets and park assets. Below is a chart reflecting the increase in 1% sales tax revenues for the past nine years (as of December of each year).



In 2018, the Town's citizens approved a 0.6% Sales Tax increase for the purpose of constructing a Public Safety Facility that will house the police, the court, and will provide meeting space for the Town. In 2020, the Town's citizens approved an expansion of the purposes for which the 0.6% Sales Tax can be used to include maintenance and construction of town facilities. The 0.6% Sales Tax will expire after 25 years beginning January 1st, 2018. The chart on the next page reflects the increase in .6% sales tax revenues for the past five years (as of December of each year).



LONG-TERM PLANNING

The Board and management are currently working on a major project that will impact the Town's financial position. In 2005, the Board indicated its desire to pursue participation in Northern Integrated Supply Project ("NISP") for future water needs. NISP is a joint project to develop water storage and supply facilities for a large group of water providers in the region. The Town maintains a long-range financial model in order to plan and provide future funding for this vital project.

The Town continuously monitors the status of its budget and will make adjustments, as warranted.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its annual comprehensive financial report for the fiscal year ended December 31, 2024. This was the nineteenth consecutive year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to express our appreciation to all staff members who assisted and contributed to the preparation of this report. The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance and Administrative Departments. Credit also must be given to the Mayor and the Board for their unfailing support for maintaining the highest standards of professionalism in the management of the Town's finances.

Respectfully submitted,

Jessica Clanton
 Jessica Clanton, CPA
 Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

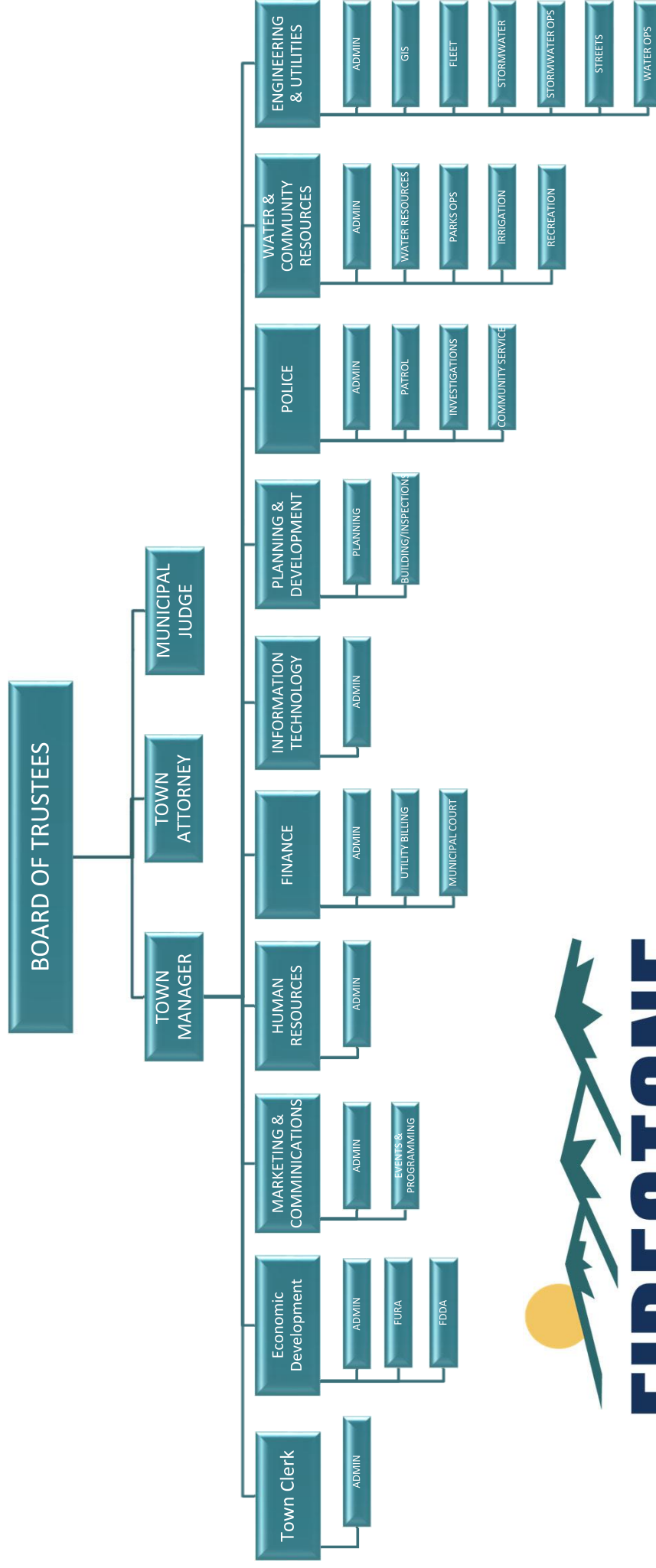
**Town of Firestone
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO





LIST OF PRINCIPAL OFFICIALS – AS OF DECEMBER 31, 2025

Elected Officials

Mayor Don Conyac, Jr.
Mayor Pro-tem Frank A. Jimenez
Trustee Lorna Morton
Trustee Sean Doherty
Trustee Matt Holcomb
Trustee John Damsma
Trustee Ray Byrd

Appointed Officials

Interim Town Manager Raelynn Ferrera
Town Clerk Miriam Luna Gonzalez
Town Treasurer Jessica Clanton, CPA
Town Attorney Marshall Keith Martin, Widner Juran, LLP
Municipal Judge Stephen Jones

Department Directors

Assistant Town Manager Raelynn Ferrera
Chief of Police David Angelo
Economic Development Director Vacant
Finance Director Jessica Clanton
Human Resource Director Janet Sloat
Marketing and Communications Director Katie Hansen
Planning Director Pam Howard
Water and Community Resources Director Julie Pasillas
Engineering and Utilities Director/Town Engineer Matt Wiederspahn



Independent Auditors' Report

Honorable Mayor and the Board of Trustees
Town of Firestone, Colorado

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 Town of Firestone (the "Town") as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the Town'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 Town of Firestone, 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 audits 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 the Town of Firestone and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 Town of Firestone'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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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 Town'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, budgetary comparison, and pension related schedules as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Firestone's basic financial statements. The accompanying budgetary comparison schedules, combining and individual nonmajor fund financial statements, combining and individual nonmajor proprietary financial statements, and the local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules, combining and individual nonmajor fund financial statements, combining and individual nonmajor proprietary financial statements, and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the report. The other information comprises the introductory section and the statistical section, but does not include the basic financial statements and our auditors' 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.

A handwritten signature in black ink, appearing to read "Haynie", with a stylized, cursive script.

Littleton, Colorado
June 15, 2026

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

As management of the Town, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources as of December 31, 2025 by \$241 million. Of this amount, \$35 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$9.1 million, or 3.9%. Governmental net position increased by \$5.5 million, or 6.1%, and business-type net position increased by \$3.7 million, or 2.6%.
- As of December 31, 2025, the Town's governmental funds reported combined ending fund balances of \$45.6 million, a decrease of \$0.2 million in 2025. Approximately 6.45% of this total amount or \$3 million is unassigned and available for discretionary spending for the benefit of Town citizens.
- Outlays for capital assets included construction of street infrastructure; stormwater infrastructure; improvements to various parks; improvements to various streets; streaming platform for Board of Trustees meetings; and acquisition of public works equipment. See the Capital Assets section of this management's discussion and analysis for more information.

Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works and parks. Business-type activities include the water system, storm drainage system and the water authority.

The government-wide financial statements can be found on pages 15 through 17 of this report.

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

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

The Town maintains 9 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Firestone Urban Renewal Authority – Northern, Firestone Urban Renewal Authority – Central, Firestone Urban Renewal Authority – Bighorn, the Capital Projects Fund, and the Debt Service Fund, which are all considered to be major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for each individual governmental fund. A budgetary comparison statement has been provided for all governmental funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 18 through 24 of this report.

Proprietary Funds: The Town maintains three individual proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water, stormwater

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

operations, and the water authority. The St Vrain Water Authority was formed with the Town of Firestone and Little Thompson Water District in 2019. In December of 2025 the entities dissolved the authority, effective December 31, 2025, with the Town paying Little Thompson Water District their capital investment of \$671,236.52. The Authority will be absorbed in the Town's water fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water operation and the stormwater operation, which are both considered to be major funds. Individual fund data for the non-major enterprise fund is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 25 through 27 of this report.

Notes to Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 29 of this report.

Required Supplementary Information: Required supplementary information consists of budgetary comparison statements for the General Fund, Firestone Urban Renewal Authority – Northern, Firestone Urban Renewal Authority – Central, and Firestone Urban Renewal Authority – Bighorn, as well as supporting pension and the other post-employment benefit schedules found on pages 83 through 101.

Other Information: The budgetary comparison statements for the Capital Projects Fund and the Debt Service Fund are presented immediately following the required supplementary information and begin on page 103 of this report. In addition, the combining statements and budget schedules for the nonmajor governmental funds, the budget schedules for the proprietary funds, and the combining statements for the nonmajor proprietary fund are also presented in this section.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflows exceeded liabilities and deferred inflows by \$241 million at December 31, 2025. The Town reported positive balances in net position for both governmental and business-type activities.

Total Assets increased by \$8.2 million or 2.61%. This is largely related to the upgrades to various parks, completion of Phase 4 of Historic Firestone Street project, completion of Weld County Road 20 Bridge replacement as well as the completion of Phase 4 of Historic Firestone Water project.

TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

The following table reflects the Town's condensed Statement of Net Position (in thousands).

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current and Other Assets	\$ 49,883	\$ 50,675	\$ 13,758	\$ 22,608	\$ 63,641	\$ 73,283
Capital Assets	74,092	67,784	184,163	172,634	258,255	240,418
Total Assets	123,975	118,459	197,921	195,242	321,896	313,701
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,654	4,886	399	776	4,053	5,662
LIABILITIES						
Long-Term Liabilities						
Outstanding	27,667	28,324	51,104	53,002	78,771	81,326
Other Liabilities	2,466	3,055	1,702	1,131	4,168	4,186
Total Liabilities	30,133	31,379	52,806	54,133	82,939	85,512
TOTAL DEFERRED INFLOWS OF RESOURCES	2,161	2,122	31	30	2,192	2,152
NET POSITION						
Net Investment in						
Capital Assets	55,476	47,293	134,372	121,176	189,848	168,469
Restricted	15,647	15,187	-	-	15,647	15,187
Unrestricted	24,212	27,364	11,111	20,679	35,323	48,043
Total Net Position	\$ 95,335	\$ 89,844	\$ 145,483	\$ 141,855	\$ 240,818	\$ 231,699

Total liabilities decreased by \$2.6 million or 3%. This is primarily due to payments of outstanding debt.

By far the largest portion of the Town's net position (78.8%) reflects its investment in capital assets (e.g., land, buildings, streets, water, storm drainage systems, equipment, and vehicles), less any related debt used to acquire those assets that is still outstanding plus any unspent bond proceeds. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position accounts for 6.5% of its total net position, representing resources that are subject to external restrictions on how they may be used. The remaining component of net position is unrestricted, representing 14.7% of the Town's total net position and may be used to meet ongoing obligations to the Town's residents and creditors.

TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

The following table is a comparison of 2025 to 2024 revenue and expenses (in thousands).

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
PROGRAM REVENUES						
Charges for Services	\$ 5,523	\$ 9,049	\$ 10,862	\$ 16,737	\$ 16,385	\$ 25,786
Operating Grants and Contributions	116	235	59	84	175	319
Capital Grants and Contributions	7,309	4,211	7,195	1,631	14,504	5,842
GENERAL REVENUE						
Property Taxes	12,589	17,322	-	-	12,589	17,322
Sales and Use Taxes	15,005	16,490	-	-	15,005	16,490
Other Taxes	1,629	1,607	-	-	1,629	1,607
Other Revenue	2,733	2,486	874	884	3,607	3,370
Total Revenues	44,904	51,400	18,990	19,336	63,894	70,736
EXPENSES						
General Government	24,283	22,185	-	-	24,283	22,185
Public Safety	6,403	7,413	-	-	6,403	7,413
Fleet and Streets	4,890	4,599	-	-	4,890	4,599
Irrigation and Parks	3,107	3,029	-	-	3,107	3,029
Interest and Fiscal Charges	830	771	-	-	830	771
Stormwater and Water	-	-	15,262	12,364	15,262	12,364
Total Expenses	39,513	37,997	15,262	12,364	54,775	50,361
INCREASE IN NET POSITION BEFORE TRANSFERS	5,391	13,403	3,728	6,972	9,119	20,375
Transfers	100	129	(100)	(129)	-	-
INCREASE IN NET POSITION	5,491	13,532	3,628	6,843	9,119	20,375
Net Position - January 1	89,844	76,312	141,855	135,012	231,699	211,324
NET POSITION - DECEMBER 31	\$ 95,335	\$ 89,844	\$ 145,483	\$ 141,855	\$ 240,818	\$ 231,699

The Town's Statement of Activities reflects a decrease in revenues for 2025 of \$6.8 million or 9.6% from the prior year. This is partially due to the Town receiving a combined decrease of \$9.4 million in charges for services in the Capital Projects Fund and Water Fund. This decrease is from timing of development activity in the Town and the purchase of water from the Town to supply water to these developments. The activity that was expected in 2025 has pushed to 2026. In 2025, the Town received a decrease of \$4.7 million in property taxes. The decrease in property taxes is due to State of Colorado HB24B-1001, in which the calculation of property taxes is completed by the counties. In addition, the Town also received a decrease of \$1.5 million in sales and use tax due to decrease in consumer shopping and development activity.

The Town's expenses for 2025 increased by \$4.4 million or 8.8% from the prior year. These changes occurred in both the Governmental Activities and Business-Type Activities. The increase in activities were primarily due to personnel costs for existing staff and the increase of costs for operations and maintenance due to market inflation.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Financial Analysis of the Town's Funds

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

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

As of December 31, 2025, the Town's governmental funds reported combined ending fund balances of \$45.7 million, a decrease of \$0.2 million compared to prior year. Approximately 6.45% of the total fund balance constitutes unassigned fund balance, which is available for spending to meet the needs of Town Citizens. The remainder of fund balance is separated into four categories.

- Nonspendable fund balance includes amounts that cannot be spent because they are either not in a spendable form or they are legally or contractually required to be maintained intact. For 2025, this is \$0.1 million.
- Restricted fund balance has constraints placed on the use of these resources either externally imposed by creditors, grantors, contributors, or have been imposed by law through constitutional provisions or enabling legislation. For 2025, this includes:
 - Bag fee reserves required by State statute of \$0.1 million;
 - Conservation Trust funds as stipulated by State statute of \$0.2 million;
 - Debt Service reserves in compliance with 2018 Certificates of Participation (COP) for \$1.1 million
 - Emergency reserves required by TABOR of \$0.8 million;
 - Facility Improvements and Maintenance funds as stipulated by the outstanding COPs of \$6.3 million;
 - Forfeiture reserves per agreement of \$0.4 million;
 - Impact fees collected for Roadway, Drainage, Local Parks, Regional Parks, and Municipal Facilities, have been committed for related capital projects of \$5.5 million.
 - Open Space taxes (Lodging/Occupation taxes) have been restricted for the purchase, development and maintenance of open space within the Town for a fund balance of \$0.8 million;
 - And, parks and streets as stipulated by the sales tax regulations imposed by voter approval for \$1.6 million.
- Committed Fund balances are reported pursuant to resolutions passed by the Board of Trustees.
 - Cash in lieu reserves as stipulated in development agreements of \$7.5 million;
 - FURA improvements related to the Finance Urban Renewal Authorities – Southern, Northern, Central, and Bighorn, are committed for projects within these four blighted areas in the amount of \$10.1 million;
 - Mills from Metro Districts reserves per service plans of \$0.9 million
- Assigned Fund balances are constrained by the Town's intent to use them for a specific purpose.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

- Fleet reserves per Town policy of \$0.8 million;
- Working reserve is determined by calculating a minimum of 25% of the General Funds appropriations in the current year, \$6.6 million.

The following schedule presents a summary of the governmental funds revenues (in thousands) from various sources for the fiscal year ended December 31, 2025 and the changes from the prior year.

REVENUE SOURCE	2025		2024		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Taxes	\$ 27,687	68.4 %	\$ 33,901	68.4 %	\$ (6,214)	-18.3%
Intergovernmental	1,536	3.8	1,718	3.5	(182)	(10.6)
Licenses, Fees and Charges	7,563	18.7	10,328	20.9	(2,765)	(26.8)
Fines	239	0.6	130	0.3	109	83.8
Grants	843	2.1	953	1.9	(110)	(11.5)
Miscellaneous	2,614	6.5	2,485	5.0	129	5.2
Total Revenue (\$000s)	<u>\$ 40,482</u>	100.0%	<u>\$ 49,515</u>	100.0%	<u>\$ (9,033)</u>	-18.2%

Overall, 2025 revenue decreased by 18.2% or \$9 million over 2024 revenue. The largest source of revenue for 2025 was derived from taxes, 68.4% of total revenues. Overall tax revenue decreased by 18.3% or \$6.2 million. The decrease in tax revenue is due to the decrease in assessed valuation of the Town causing a decrease in property tax collected. Property tax revenue in 2025 decreased by \$4.7 million or 27.3% over 2024. For more information on this refer to page 11. The Town has maintained its mill levy at 6.805 mills for over ten years. Sales and Use taxes decreased by \$1.5 million or 9% due to timing of development activity in the Town and consumer spending.

Intergovernmental revenue remained consistent with the prior year, while licenses, fees and charges decreased in 2025 by \$2.8 million or 26.8%. The decrease in revenue is due to normal activity happening in 2025. Fines revenue increased \$0.1 million or 83.8% due to the increase in citations issued in 2025.

The miscellaneous revenue remained consistent with the prior year.

The following schedule presents a summary of the governmental fund's expenditures (in thousands) for the fiscal year ended December 31, 2025 and the changes from the prior year.

EXPENDITURES	2025		2024		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
General Government	\$ 23,202	54.0 %	\$ 21,628	57.3 %	\$ 1,574	7.3 %
Public Safety	5,258	12.2	6,281	16.6	(1,023)	(16.3)
Fleet and Streets	2,154	5.0	1,809	4.8	345	19.1
Irrigation and Parks	2,442	5.7	2,273	6.0	169	7.4
Capital Outlay	6,656	15.5	2,922	7.7	3,734	127.8
Debt Service	3,272	7.6	2,838	7.5	434	15.3
Total Expenditures (\$000s)	<u>\$ 42,984</u>	100.0%	<u>\$ 37,751</u>	100.0%	<u>\$ 5,233</u>	13.9%

Overall expenditures for 2025 increased by \$5.2 million or 13.9% over the prior year.

General government expenditures increased by \$1.6 million in 2025 due to costs related to existing personnel staff and costs for operations and maintenance. In addition, costs relating to,

TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

Firestone Urban Renewal Authority - Central increased due to assessed valuation for the Urban Renewal Authority increasing causing an increase in amounts paid to taxing entities in the Authority.

Public Safety decreased by \$1 million due to less grant projects and subscription-based information technology arrangements. Irrigation and Parks primarily increased due to personnel costs for existing employees and costs for operations and maintenance. Fleet and Streets increased in expenditures by \$0.3 million or 19.1% due to personnel costs for existing employees and leased vehicles. Capital outlay increased by \$3.7 million or 127.8% partly due to the increase of projects worked on during 2025.

The General Fund is the chief operating fund of the Town. At December 31, 2025, unassigned fund balance of the General Fund was \$3 million while total fund balance decreased to \$13.2 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and a total fund balance to total fund expenditures (including transfers). Unassigned fund balance represents 11.5% of total General Fund expenditures (including transfers out), while total fund balance represents 51.7% of that same amount.

The Town has established a working reserve of just over 25%, or \$6.6 million, of current year General Fund appropriations.

The fund balance of the Town's General Fund decreased by \$3.7 million during 2025. This decrease is due primarily to the decrease in licenses, fees and charges. Licenses, fees, and charges decreased by \$2.8 million or 26.8% from 2024. In addition, property tax decreased by \$4.7 million or 27.3% and sales tax decreased \$1.5 million or 9% from 2024. Expenditures increased \$4.4 million or 8.8%. The increase in expenditures is due to personnel costs for existing staff, costs of operations and maintenance, new Axon SBITA and purchase of equipment from restricted funds.

The Firestone Urban Renewal Authority (FURA) – Northern was established in 2013 with the first revenue occurring in 2014. This FURA was established to develop and implement a plan to renew and revitalize a specific area of Firestone.

The Firestone Urban Renewal Authority (FURA) – Central was established in 2015 with the first revenue occurring in 2016. This FURA was established to develop and implement a plan to renew and revitalize a specific area of Firestone. Commercial development is starting to grow in this Urban Renewal Area and the Town will start to see economic incentive payments to developers in the coming years.

The Firestone Urban Renewal Authority (FURA) – Bighorn was established in 2019 with the first revenue occurring in 2022. Increase in fund balance is primarily from revenue received from property tax. Property tax is based on the assessed valuation for the Urban Renewal Authority. Revenue retained by the Authority is based on agreements reached with other taxing authorities within the Urban Renewal Authority. This FURA was established to develop and implement a plan to renew and revitalize a specific area of Firestone.

The Capital Projects Fund is for better transparency of capital improvement projects. The fund balance saw an increase of \$3.3 million during 2025. This was due to an increase in grant revenue, cash in lieu and increase in transfers in from FURA funds to cover street maintenance

TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

projects in 2025. The Town in 2014 had voter approval of a 1% sales tax to assist in funding parks and streets and in 2018 had voter approval of 0.6% sales tax to assist funding of municipal buildings maintenance and capital related items.

The Debt Service Fund is used for payments of all governmental debt service. The fund balance remained consistent with prior year.

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. All three of the Town's proprietary funds are enterprise funds engaged in business-type activities.

The total net position of the enterprise funds as of December 31, 2025, was \$145.5 million, of which \$11.1 million is unrestricted. Total net position increased \$3.7 million over the prior year, with unrestricted net position decreasing \$9.6 million.

The following schedule provides the breakdown of revenues (in thousands) by source for 2025:

REVENUE SOURCE	2025		2024		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Charges for Services	\$ 10,624	55.9 %	\$ 16,540	88.9 %	\$ (5,916)	(35.8)%
Licenses and fees	168	0.9	124	4.0	44	35.5
Interest Earnings	874	4.6	884	0.1	(10)	(1.1)
Pension Investments	43	0.2	72	-	(29)	(40.3)
OPEB Investments	21	0.1	1	-	20	2000.0
Capital Contributions	7,194	37.9	1,631	6.8	5,563	341.1
Miscellaneous	65	0.3	84	0.1	(19)	(22.6)
Total Revenue (\$000s)	<u>\$ 18,989</u>	100.0%	<u>\$ 19,336</u>	100.0%	<u>\$ (347)</u>	-1.8%

Proprietary Funds rely on charges for services to support related expenses. Charges for services of \$10.6 million represented 55.9% of 2025 revenues, and decreased \$5.9 million, or 35.8%, compared to the prior year. The decrease in charges for services for 2025 is due to timing of development projects. Developers that wish to develop a subdivision can purchase native water credits from the Town to assist in supplying the subdivision with water and have storage and infrastructure fees relating to the subdivision needs. The development that was to happen in 2025 is planned to happen in 2026. The other primary source of revenue, representing 4.6% of revenues, comes primarily from interest earnings. Interest earnings decreased 1.1% when compared to 2024 due to the decrease of cash on hand from paying down debt in 2025.

Proprietary Fund expenses, excluding transfers, are \$15.3 million in 2025, an increase of \$2.9 million, or 23.4% compared to 2024. The increase in expenses is due primarily to personnel costs for existing employees, costs for operations and maintenance and water treatment costs.

General Fund Budgetary Highlights

The Town's original budget for the General Fund anticipated a surplus of \$1.6 million, reflecting revenues of \$21.4 million, expenditures of \$22.3 million and other financing sources, net of other financing uses of \$2.5 million. There was an amendment to the budget for the transfers out in the amount of \$1.4 million in the Town's 2025 budget for the General Fund.

TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

Actual results in total fund balance for the General Fund decreased f \$3.7 million due to the new Axon SBITA in public safety, purchases of equipment with restricted funds and decrease in property and sales tax revenue. Expenditures in total reflects a decrease compared to the budget. Expenditures were \$0.1 million under the original budget.

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2025 amounts to \$258 million (net of accumulated depreciation). This investment in capital assets includes land, land improvements, water shares, construction in progress, buildings and improvements, infrastructure, and equipment and vehicles. The total net increase in the Town's capital assets for the current fiscal year was \$17.8 million.

The Town's capital assets consists of the following (in thousands) at December 31, 2025:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
CAPITAL ASSETS						
Land	\$ 7,818	\$ 7,818	\$ 6,377	\$ 6,377	\$ 14,195	\$ 14,195
Water Shares	-	-	57,134	56,426	57,134	56,426
Construction in Progress	1,268	1,039	11,505	6,716	12,773	7,755
Land Improvements	3,882	3,723	-	-	3,882	3,723
Buildings and Improvements	21,990	22,920	-	-	21,990	22,920
Infrastructure	33,909	28,874	108,494	102,534	142,403	131,408
Leases	1,306	1,226	-	-	1,306	1,226
SBITA	1,882	250	-	-	1,882	250
Equipment and Vehicles	2,037	1,934	653	581	2,690	2,515
Total Capital Assets (\$000s)	\$ 74,092	\$ 67,784	\$ 184,163	\$ 172,634	\$ 258,255	\$ 240,418

Additional information on the Town's capital assets can be found in Note 6 on pages 46 and 47 of the financial statements.

Long-Term Debt: At the end of 2025, the Town had \$51.8 million in revenue bonds, pension and OPEB obligations totaling \$5.3 million and compensated absences totaling \$2.2 million. In addition, the Town governmental funds had Certificates of Participation outstanding totaling \$16.6 million and Leases and SBITA obligations totaling \$2.8 million.

The Town's debt consists of the following (in thousands) at December 31, 2025:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue Bonds	\$ 1,792	\$ 1,983	\$ 49,968	\$ 51,458	\$ 51,760	\$ 53,441
Certificate of Participation	16,646	18,132	-	-	16,646	18,132
Leases	1,054	997	-	-	1,054	997
SBITA	1,841	409	-	-	1,841	409
Net Pension Liability	4,160	4,798	821	1,220	4,981	6,018
Net OPEB	254	365	50	93	304	458
Compensated Absences	1,918	1,639	265	231	2,183	1,870
Total Long-Term Debt (\$000s)	\$ 27,666	\$ 28,323	\$ 51,104	\$ 53,002	\$ 78,770	\$ 81,325

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

State Statutes limit the amount of general obligation debt the Town may issue up to 3% of estimated actual valuation, except for debt incurred to supply water. The Town's outstanding debt is below this limit. Additional information on the Town's long-term debt can be found in Note 7 in the financial statements and the statistical section of this report.

Economic Factors and Next Year's Budget and Rates

There are several factors that drive the Town's budget and financial performance. The factors include but are not limited to the following: area employment rates, sales and use tax revenues, building permit valuation and issuance, population growth, and capital asset construction requirements.

- Currently, the Town's residential building permit valuation and issuance drives a reasonable part of the budgeted revenue for corresponding capital expenditures. The Town receives capital revenues from impact fees and system development fees during the fiscal year, which will be utilized in future years to acquire or construct capital assets to serve future residents. A significant decrease in housing permits would have a significant adverse effect on impact fee revenues and corresponding capital projects.
- The Town has set aside significant amounts of reserves in the General Fund to enable it to continue to provide required services should an economic downturn occur.
- The Town has several key initiatives identified as priorities for the years 2026-2030. The overriding objective for the Town is to create vitalization throughout the Town. This initiative is meant to lay the foundation for future planning, development, and redevelopment. Staff changes have been made that allows the Town to focus on marketing the Town to potential businesses, and evaluating the sustainability of providing services given the current land-use and fiscal policies. While an emphasis has been placed on planning for the future, the Town has also committed to delivering services at current levels and to find ways to continuously improve the delivery of those services.
- In 2024, a 5-year water rate increase plan was implemented to raise funds to complete capital projects over the next decade.

All of these factors were considered in preparing the Town's budget for 2026.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Firestone Finance Director, 9950 Park Ave, Firestone, Colorado 80504.

TOWN OF FIRESTONE
STATEMENT OF NET POSITION
December 31, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 44,266,042	\$ 12,245,964	\$ 56,512,006
Cash and Investments, Restricted	1,077,374	-	1,077,374
Receivables	4,480,082	1,508,984	5,989,066
Prepaid Items	59,492	3,234	62,726
Capital Assets, Non-Depreciable	9,085,673	75,016,020	84,101,693
Capital Assets, Net	65,006,475	109,146,726	174,153,201
Total Assets	<u>123,975,138</u>	<u>197,920,928</u>	<u>321,896,066</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	3,469,255	362,352	3,831,607
OPEB	184,586	36,420	221,006
Total Deferred Outflows of Resources	<u>3,653,841</u>	<u>398,772</u>	<u>4,052,613</u>
LIABILITIES			
Accounts Payable	788,437	511,527	1,299,964
Retainage Payable	62,437	18,537	80,974
Accrued Liabilities	1,219,509	175,038	1,394,547
Accrued Interest Payable	86,856	151,942	238,798
Deposits Payable	236,030	-	236,030
Unearned Revenues	72,653	306,470	379,123
Noncurrent Liabilities:			
Customer Deposits	-	538,486	538,486
Long-Term Liabilities			
Due Within One Year	3,091,404	1,631,590	4,722,994
Due After One Year	24,575,415	49,472,878	74,048,293
Total Liabilities	<u>30,132,741</u>	<u>52,806,468</u>	<u>82,939,209</u>
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	1,853,258	-	1,853,258
Items Related to Pensions	166,556	3,306	169,862
Items Related to OPEB	141,037	27,827	168,864
Total Deferred Inflows of Resources	<u>2,160,851</u>	<u>31,133</u>	<u>2,191,984</u>
NET POSITION			
Net Investment in Capital Assets	55,476,093	134,371,539	189,847,631
Restricted:			
Bag Fee	120,354	-	120,354
Conservation Trust	170,209	-	170,209
Emergencies	796,789	-	796,789
Facility Improvements and Maintenance	6,339,567	-	6,339,567
Forfeiture Funds	355,750	-	355,750
Impact Fees	5,530,093	-	5,530,093
Open Space (Occupation Tax)	777,608	-	777,608
Parks and Streets (Sales Tax)	1,557,155	-	1,557,155
Unrestricted	<u>24,211,769</u>	<u>11,110,560</u>	<u>35,322,329</u>
Total Net Position	<u>\$ 95,335,387</u>	<u>\$ 145,482,099</u>	<u>\$ 240,817,486</u>

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

TOWN OF FIRESTONE
STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General Government	\$ 24,283,369	\$ 3,836,797	\$ 9,125	\$ -
Public Safety	6,402,691	566,214	106,592	-
Fleet and Streets	4,890,416	830,613	-	4,987,474
Irrigation and Parks	3,106,640	289,100	-	2,321,712
Interest on Long-Term Debt	829,926	-	-	-
Total Governmental Activities	<u>39,513,042</u>	<u>5,522,724</u>	<u>115,717</u>	<u>7,309,186</u>
BUSINESS-TYPE ACTIVITIES				
Water	13,467,065	8,902,661	59,285	2,684,405
Stormwater	1,268,540	922,087	-	4,510,296
St Vrain Water Authority	526,339	1,036,826	-	-
Total Business-Type Activities	<u>15,261,944</u>	<u>10,861,574</u>	<u>59,285</u>	<u>7,194,701</u>
Total	<u>\$ 54,774,986</u>	<u>\$ 16,384,298</u>	<u>\$ 175,002</u>	<u>\$ 14,503,887</u>

GENERAL REVENUES:

Property Taxes
Sales and Use Taxes
Highway Users Taxes
Specific Ownership Taxes
Other Shared Taxes
Investment Earnings
Miscellaneous
Gain on Sale of Assets
Total General Revenues

Transfers In (Out)

CHANGE IN NET POSITION

NET POSITION - BEGINNING OF YEAR

NET POSITION - END OF YEAR

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

Net (Expense) Revenues and
Changes in Net Position

Governmental Activities	Business- Type Activities	Total
\$ (20,437,447)	\$ -	\$ (20,437,447)
(5,729,885)	-	(5,729,885)
927,671	-	927,671
(495,828)	-	(495,828)
(829,926)	-	(829,926)
<u>(26,565,415)</u>	<u>-</u>	<u>(26,565,415)</u>
-	(1,820,714)	(1,820,714)
-	4,163,843	4,163,843
-	510,487	510,487
<u>-</u>	<u>2,853,616</u>	<u>2,853,616</u>
<u>\$ (26,565,415)</u>	<u>\$ 2,853,616</u>	<u>\$ (23,711,799)</u>
12,589,110	-	12,589,110
15,004,980	-	15,004,980
682,444	-	682,444
92,530	-	92,530
853,795	-	853,795
2,267,638	873,735	3,141,373
346,895	-	346,895
118,565	-	118,565
<u>31,955,957</u>	<u>873,735</u>	<u>32,829,692</u>
<u>100,000</u>	<u>(100,000)</u>	<u>-</u>
5,490,542	3,627,351	9,117,893
<u>89,844,845</u>	<u>141,854,748</u>	<u>231,699,593</u>
<u>\$ 95,335,387</u>	<u>\$ 145,482,099</u>	<u>\$ 240,817,486</u>

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

**TOWN OF FIRESTONE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025**

	General Fund	Firestone Urban Renewal Authority - Northern	Firestone Urban Renewal Authority - Central	Firestone Urban Renewal Authority - Bighorn
ASSETS				
Cash and Investments	\$ 13,252,219	\$ 955,916	\$ 1,996,247	\$ 6,888,797
Cash and Investments, Restricted	-	-	-	-
Receivables	3,438,824	6,708	5,436	37,200
Due from Other Funds	175,000	-	-	325,000
Prepaid Items	57,285	2,207	-	-
Total Assets	<u>16,923,328</u>	<u>964,831</u>	<u>2,001,683</u>	<u>7,250,997</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	475,760	\$ 23,575	18,082	1,043
Retainage Payable	-	-	-	-
Accrued Liabilities	1,078,364	77,248	41,846	7,852
Deposits Payable	236,030	-	-	-
Total Liabilities	<u>1,790,154</u>	<u>100,823</u>	<u>59,928</u>	<u>8,895</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	1,853,258	-	-	-
Intergovernmental Revenue	78,793	-	-	-
Total Deferred Inflows of Resources	<u>1,932,051</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	57,285	2,207	-	-
Restricted:				
Bag Fee	120,354	-	-	-
Conservation Trust	-	-	-	-
Debt Service	-	-	-	-
Emergencies	796,789	-	-	-
Facility Improvements and Maintenance	-	-	-	-
Forfeiture Funds	355,750	-	-	-
Impact Fees	-	-	-	-
Open Space (Occupation Tax)	766,827	-	-	-
Parks and Streets (Sales Tax)	-	-	-	-
Committed:				
Cash in Lieu	-	-	-	-
FURA and FDDA	-	861,801	1,941,755	7,242,102
Mills from Metro Districts	770,400	-	-	-
Assigned:				
Fleet Reserve	750,000	-	-	-
Working Reserve	6,639,912	-	-	-
Unassigned	2,943,806	-	-	-
Total Fund Balances	<u>13,201,123</u>	<u>864,008</u>	<u>1,941,755</u>	<u>7,242,102</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 16,923,328</u>	<u>\$ 964,831</u>	<u>\$ 2,001,683</u>	<u>\$ 7,250,997</u>

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

Capital Projects Fund	Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
\$ 20,427,182	\$ -	\$ 745,681	\$ 44,266,042
-	1,077,374	-	1,077,374
986,535	-	5,379	4,480,082
-	-	-	500,000
-	-	-	59,492
<u>21,413,717</u>	<u>1,077,374</u>	<u>751,060</u>	<u>50,382,990</u>
245,608	-	24,369	788,437
62,437	-	-	62,437
-	-	514,199	1,719,509
-	-	-	236,030
<u>308,045</u>	<u>-</u>	<u>538,568</u>	<u>2,806,413</u>
-	-	-	1,853,258
<u>-</u>	<u>-</u>	<u>-</u>	<u>78,793</u>
-	-	-	1,932,051
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	59,492
-	-	-	120,354
-	-	170,209	170,209
-	1,077,374	-	1,077,374
-	-	-	796,789
6,339,567	-	-	6,339,567
-	-	-	355,750
5,530,093	-	-	5,530,093
10,781	-	-	777,608
1,557,155	-	-	1,557,155
7,501,118	-	-	7,501,118
-	-	42,283	10,087,941
166,958	-	-	937,358
-	-	-	750,000
-	-	-	6,639,912
-	-	-	2,943,806
<u>21,105,672</u>	<u>1,077,374</u>	<u>212,492</u>	<u>45,644,526</u>
<u>\$ 21,413,717</u>	<u>\$ 1,077,374</u>	<u>\$ 751,060</u>	<u>\$ 50,382,990</u>

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

This Page Intentionally Left Blank

TOWN OF FIRESTONE
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2025

Total Fund Balance - Governmental Funds	\$ 45,644,526
Amounts reported for governmental activities on the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	74,092,148
Long-term liabilities, including interest payable, leases, SBITAs*, compensated absences, and certificates of participation, are not due and payable from current financial resources, and therefore, are not reported as liabilities in the governmental funds.	(23,339,758)
Revenues not received within 60 days of year-end are classified as deferred inflows of resources in the governmental funds.	6,140
Net pension liability, deferred outflows and deferred inflows related to pension are not available from current financial resources and therefore, is not reported in the governmental funds.	(857,229)
Net OPEB liability, deferred outflows and deferred inflows related to OPEB are not available from current financial resources and therefore, is not reported in the governmental funds.	(210,440)
Net Position - Governmental Activities	<u><u>\$ 95,335,387</u></u>

* Subscription-Based Information Technology Arrangements

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

TOWN OF FIRESTONE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2025

	General Fund	Firestone Urban Renewal Authority - Northern	Firestone Urban Renewal Authority - Central	Firestone Urban Renewal Authority - Bighorn
REVENUES				
Taxes	\$ 11,441,049	\$ 3,968,866	\$ 4,886,666	\$ 1,805,139
Intergovernmental	1,424,614	-	-	-
Licenses, Fees and Charges	4,063,395	-	-	-
Fines	239,208	-	-	-
Grants	208,237	-	-	-
Investment Earnings	668,219	79,633	84,288	389,973
Miscellaneous	346,895	-	-	-
Total Revenues	<u>18,391,617</u>	<u>4,048,499</u>	<u>4,970,954</u>	<u>2,195,112</u>
EXPENDITURES				
Current:				
General Government				
Town Administration	8,570,447	4,512,997	4,941,240	1,256,183
Engineering	335,928	-	-	-
Planning	1,563,461	-	-	-
Public Safety	5,257,668	-	-	-
Fleet and Streets	2,153,813	-	-	-
Irrigation and Parks	2,441,622	-	-	-
Capital Outlay	2,676,877	24,516	-	-
Debt Service:				
Interest	170,833	-	-	-
Principal	766,192	-	-	-
Total Expenditures	<u>23,936,841</u>	<u>4,537,513</u>	<u>4,941,240</u>	<u>1,256,183</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(5,545,224)</u>	<u>(489,014)</u>	<u>29,714</u>	<u>938,929</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,264,593	-	1,250,000	-
Transfers Out	(1,614,499)	-	(325,540)	(1,282,888)
Lease Financing	507,971	-	-	-
SBITA* Financing	1,695,239	-	-	-
Total Other Financing Sources (Uses)	<u>1,853,304</u>	<u>-</u>	<u>924,460</u>	<u>(1,282,888)</u>
NET CHANGE IN FUND BALANCES	<u>(3,691,920)</u>	<u>(489,014)</u>	<u>954,174</u>	<u>(343,959)</u>
FUND BALANCES - BEGINNING OF YEAR	<u>16,893,043</u>	<u>1,353,022</u>	<u>987,581</u>	<u>7,586,061</u>
FUND BALANCES - END OF YEAR	<u>\$ 13,201,123</u>	<u>\$ 864,008</u>	<u>\$ 1,941,755</u>	<u>\$ 7,242,102</u>

*Subscription-Based Information Technology Arrangements

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

Capital Projects Fund	Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
\$ 5,470,903	\$ -	\$ 113,997	\$ 27,686,620
-	-	111,625	1,536,239
3,499,352	-	-	7,562,747
-	-	-	239,208
634,335	-	-	842,572
977,887	49,679	17,959	2,267,638
-	-	-	346,895
<u>10,582,477</u>	<u>49,679</u>	<u>243,581</u>	<u>40,481,919</u>
1,493,542	9,882	518,856	21,303,147
-	-	-	335,928
-	-	-	1,563,461
-	-	-	5,257,668
-	-	-	2,153,813
-	-	-	2,441,622
3,838,294	-	116,142	6,655,829
-	735,438	-	906,271
-	1,600,000	-	2,366,192
<u>5,331,836</u>	<u>2,345,320</u>	<u>634,998</u>	<u>42,983,931</u>
<u>5,250,641</u>	<u>(2,295,641)</u>	<u>(391,417)</u>	<u>(2,502,012)</u>
1,547,927	2,342,438	425,000	6,829,958
(3,507,031)	-	-	(6,729,958)
-	-	-	507,971
-	-	-	1,695,239
<u>(1,959,104)</u>	<u>2,342,438</u>	<u>425,000</u>	<u>2,303,210</u>
3,291,537	46,797	33,583	(198,802)
17,814,135	1,030,577	178,909	45,843,328
<u>\$ 21,105,672</u>	<u>\$ 1,077,374</u>	<u>\$ 212,492</u>	<u>\$ 45,644,526</u>

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

TOWN OF FIRESTONE
RECONCILIATION OF THE 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	\$ (198,802)
---	--------------

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which contributed capital and capital outlay exceeds depreciation.	6,136,981
Net value of disposed capital assets	118,565
Repayment of debt principal is an expenditure in the governmental funds. However, these payments are not an expenditure in the Statement of Activities. These payments are reflected as a reduction in long-term debt obligations in the Statement of Net Position.	2,366,192
The issuance of financing leases and SBITAs are shown as "other financing sources" in the governmental funds, but are shown on the statement of net position as lease liabilities.	(2,203,210)
Actual expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(729,184)

Change in Net Position of Governmental Activities	\$ 5,490,542
--	--

*Subscription-Based Information Technology Arrangements

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

TOWN OF FIRESTONE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2025

	Water Fund	Stormwater Fund	Non-Major Fund	Total
CURRENT ASSETS				
Cash and Investments	\$ 8,894,737	\$ 2,706,001	\$ 645,226	\$ 12,245,964
Receivables	1,405,133	103,851	-	1,508,984
Prepaid Items	2,131	1,103	-	3,234
Total Current Assets	<u>10,302,001</u>	<u>2,810,955</u>	<u>645,226</u>	<u>13,758,182</u>
NONCURRENT ASSETS				
Capital Assets:				
Land	6,376,960	-	-	6,376,960
Water Rights	57,134,038	-	-	57,134,038
Construction in Progress	11,195,373	309,649	-	11,505,022
Utility Systems	106,742,092	14,634,133	-	121,376,225
Equipment	989,628	639,366	7,102	1,636,096
Less Accumulated Depreciation	(12,017,938)	(1,847,657)	-	(13,865,595)
Total Noncurrent Assets	<u>170,420,153</u>	<u>13,735,491</u>	<u>7,102</u>	<u>184,162,746</u>
Total Assets	<u>180,722,154</u>	<u>16,546,446</u>	<u>652,328</u>	<u>197,920,928</u>
DEFERRED OUTFLOWS OF RESOURCES				
Items Related to Pensions	251,290	111,062	-	362,352
Items Related to OPEB	25,258	11,162	-	36,420
Total Deferred Outflows of Resources	<u>276,548</u>	<u>122,224</u>	<u>-</u>	<u>398,772</u>
CURRENT LIABILITIES				
Accounts Payable	455,076	24,620	31,831	511,527
Retainage Payable	18,537	-	-	18,537
Accrued Liabilities	138,188	36,850	-	175,038
Accrued Interest Payable	151,942	-	-	151,942
Accrued Compensated Absences	77,995	32,018	-	110,013
Unearned Revenue	-	306,470	-	306,470
Total Current Liabilities	<u>841,738</u>	<u>399,958</u>	<u>31,831</u>	<u>1,273,527</u>
NONCURRENT LIABILITIES				
Customer Deposits	219,801	318,685	-	538,486
Accrued Compensated Absences	110,647	44,484	-	155,131
Debt Payable	49,968,443	-	-	49,968,443
Net Pension Liability	569,200	251,568	-	820,768
Net OPEB Liability	34,753	15,360	-	50,113
Total Noncurrent Liabilities	<u>50,902,844</u>	<u>630,097</u>	<u>-</u>	<u>51,532,941</u>
Total Liabilities	<u>51,744,582</u>	<u>1,030,055</u>	<u>31,831</u>	<u>52,806,468</u>
DEFERRED INFLOWS OF RESOURCES				
Items Related to Pensions	2,293	1,013	-	3,306
Items Related to OPEB	19,299	8,528	-	27,827
Total Deferred Inflows of Resources	<u>21,592</u>	<u>9,541</u>	<u>-</u>	<u>31,133</u>
NET POSITION				
Net Investment in Capital Assets	120,735,890	13,635,649	-	134,371,539
Unrestricted	<u>8,496,638</u>	<u>1,993,425</u>	<u>620,497</u>	<u>11,110,560</u>
Total Net Position	<u>\$ 129,232,528</u>	<u>\$ 15,629,074</u>	<u>\$ 620,497</u>	<u>\$ 145,482,099</u>

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

TOWN OF FIRESTONE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2025

	Water Fund	Stormwater Fund	Non-Major Fund	Total
OPERATING REVENUES				
Charges for Services	\$ 8,847,805	\$ 739,382	\$ 1,036,826	\$ 10,624,013
Licenses and Fees	3,082	165,113	-	168,195
Other Operating Revenue	59,285	5,907	-	65,192
Pension Revenue	36,469	6,155	-	42,624
OPEB Revenue	15,305	5,530	-	20,835
Total Operating Revenues	<u>8,961,946</u>	<u>922,087</u>	<u>1,036,826</u>	<u>10,920,859</u>
OPERATING EXPENSES				
Operations	1,744,381	563,556	-	2,307,937
Administration	993,027	431,427	526,339	1,950,793
Resources	2,699,987	-	-	2,699,987
Water Treatment and Tap Fees	4,493,208	-	-	4,493,208
Depreciation	2,171,971	273,557	-	2,445,528
Total Operating Expenses	<u>12,102,574</u>	<u>1,268,540</u>	<u>526,339</u>	<u>13,897,453</u>
OPERATING INCOME (LOSS)	<u>(3,140,628)</u>	<u>(346,453)</u>	<u>510,487</u>	<u>(2,976,594)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings/(Loss)	742,236	131,499	-	873,735
Interest Expense	(1,364,491)	-	-	(1,364,491)
Total Nonoperating Revenues (Expenses)	<u>(622,255)</u>	<u>131,499</u>	<u>-</u>	<u>(490,756)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(3,762,883)</u>	<u>(214,954)</u>	<u>510,487</u>	<u>(3,467,350)</u>
OTHER FINANCING SOURCES (USES)				
Contributed Capital Assets	2,684,405	4,510,296	-	7,194,701
Transfers Out	(100,000)	-	-	(100,000)
Total Other Financing Sources (Uses)	<u>2,584,405</u>	<u>4,510,296</u>	<u>-</u>	<u>7,094,701</u>
CHANGE IN NET POSITION	<u>(1,178,478)</u>	<u>4,295,342</u>	<u>510,487</u>	<u>3,627,351</u>
NET POSITION - BEGINNING OF YEAR	<u>130,411,006</u>	<u>11,333,732</u>	<u>110,010</u>	<u>141,854,748</u>
NET POSITION - END OF YEAR	<u>\$ 129,232,528</u>	<u>\$ 15,629,074</u>	<u>\$ 620,497</u>	<u>\$ 145,482,099</u>

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

**TOWN OF FIRESTONE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2025**

	Business-Type Activities			
	Water Fund	Stormwater Fund	Non-Major Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 8,509,233	\$ 1,502,043	\$ 1,083,453	\$ 11,094,729
Cash Paid to Suppliers	(8,189,351)	(460,219)	(491,607)	(9,141,177)
Cash Paid to and for Employees	(1,672,527)	(701,679)	-	(2,374,206)
Other Receipts	111,059	17,592	-	128,651
Net Cash Provided by Operating Activities	<u>(1,241,586)</u>	<u>357,737</u>	<u>591,846</u>	<u>(292,003)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers to Other Funds	(100,000)	-	-	(100,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal Paid on Capital Debt	(2,858,450)	-	-	(2,858,450)
Acquisition of Capital Assets	(6,635,188)	(76,229)	20,148	(6,691,269)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(9,493,638)</u>	<u>(76,229)</u>	<u>20,148</u>	<u>(9,549,719)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	742,236	131,499	-	873,735
Net Cash Provided by Investing Activities	<u>742,236</u>	<u>131,499</u>	<u>-</u>	<u>873,735</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(10,092,988)	413,007	611,994	(9,067,987)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>18,924,565</u>	<u>2,294,582</u>	<u>33,232</u>	<u>21,252,379</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 8,831,577</u>	<u>\$ 2,707,589</u>	<u>\$ 645,226</u>	<u>\$ 12,184,392</u>
RECONCILIATION OF TOTAL CASH TO THE STATEMENT OF NET POSITION				
Unrestricted cash and cash equivalents	8,894,737	2,706,001	645,226	12,245,964
	<u>\$ 8,894,737</u>	<u>\$ 2,706,001</u>	<u>\$ 645,226</u>	<u>\$ 12,245,964</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (3,140,628)	\$ (346,453)	\$ 510,487	\$ (2,976,594)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities				
Depreciation and Amortization	2,171,971	273,557	-	2,445,528
(Increase) Decrease in Accounts Receivable	(305,628)	(25,871)	46,627	(284,872)
(Increase) Decrease in Prepaid Expenses	10,716	(83)	50,714	61,347
Increase (Decrease) in Customer Deposits	(36,026)	316,949	-	280,923
Increase (Decrease) in Retainage Payable	(5,150)	-	-	(5,150)
Increase (Decrease) in Accounts Payable	32,025	(172,044)	(15,982)	(156,001)
Increase (Decrease) in Accrued Expenses	31,134	5,212	-	36,346
Increase (Decrease) in Unearned Revenue	-	306,470	-	306,470
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ (1,241,586)</u>	<u>\$ 357,737</u>	<u>\$ 591,846</u>	<u>\$ (292,003)</u>
NON-CASH INVESTING AND FINANCING TRANSACTIONS				
Contributed Capital Assets	\$ 2,684,405	\$ 4,510,296	\$ -	\$ 7,194,701
Increase (Decrease) in Accounts Payable Capital	(142,032)	(16,668)	-	(158,699)
Increase (Decrease) in Retainage Payable Capital	(18,537)	-	-	(18,537)
NON-CASH INVESTING AND FINANCING TRANSACTIONS	<u>\$ 2,523,837</u>	<u>\$ 4,493,629</u>	<u>\$ -</u>	<u>\$ 7,017,465</u>

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

This Page Intentionally Left Blank

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Town of Firestone (the Town), have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant accounting policies.

Financial Reporting Entity

The Town was incorporated in 1908 as a statutory municipality. The governing body of the Town consists of a mayor and six Board of Trustee members. The Town's major operations include general administrative services, municipal court, planning and development, engineering, public safety, public works, parks, utility billing, water services, and street and storm drainage systems.

In conformance with governmental accounting and financial reporting standards, the Town is the reporting entity for financial reporting purposes. The Town is the primary government financially accountable for all activities of the Town. The Town meets the criteria of a primary government: its Town Board of Trustees is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The Town is not included in any other governmental reporting entity.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization.

Based on the application of the above criteria, the Town considers the Firestone Urban Renewal Authorities, and the St. Vrain Water Authority as blended component units. The Firestone Urban Renewal Authorities were established to develop and implement a plan to renew and revitalize portions of the northern, central, southern and bighorn Firestone areas. The St. Vrain Water Authority was formed in 2019 for the purpose of owning and operating the St. Vrain Water Treatment Plant to provide potable water for the benefit of the Members, the Town of Firestone and the Little Thompson Water District. While the Firestone Urban Renewal Authorities are considered special revenue funds, the St. Vrain Water Authority is a nonmajor enterprise fund. The basis for blending the Firestone Urban Renewal Authorities and the St. Vrain Water Authority is that the Town's Board acts as the governing board for the entities or appoints the voting majority of the governing board. Also, the Firestone Urban Renewal Authorities exists to exclusively serve the Town and the St. Vrain Water Authority exists to almost exclusively serve the Town. Separate financial statements are not issued for either of the two entities.

Joint Ventures

The Town may participate in joint ventures created for special purposes which are not part of the Town's reporting entity. The following is a description of the only joint venture in which the Town participated in during the year ended December 31, 2025.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

The **E911 Emergency Telephone Service Authority Board** (E911 Authority) was created by intergovernmental agreements pursuant to Article 11 of Title 29, C.R.S., as amended, that authorizes the county, municipalities within the county, and special districts within the county to enter into an agreement for the purpose of providing 911 emergency telephone services. Per the state statute cited above, the agreement creates a separate legal entity which is responsible for administering the operations of the 911 emergency telephone service program in Weld County. The authority board consists of seven members with four selected by the Weld County Commissioners, one member each is selected by the City of Greeley, City of Fort Lupton and Weld County Sheriff. Under the by-laws of E911 Authority, Weld County is required to pay all operating costs. They are to maintain all accounts and have accounts audited. State statute requires that all funds be maintained by the Weld County Treasurer. The operation of the E911 Authority is done contractually by the Weld County Communication Regional Center. The financial statements are prepared for E911 Emergency Telephone Service Authority Board by Weld County, Colorado. In conformity with generally accepted accounting principles (GAAP) as applied to a government unit the E911 Authority's financial reports are a component unit in the Weld County Annual Comprehensive Financial Report (ACFR). Complete financial statements of this joint venture are available at:

<https://www.weldgov.com/Government/Departments/Finance-and-Administration/Accounting-Department/Annual-Report>.

Investments in joint ventures are recorded as expenditures at the time the investment is made.

Government-Wide and Fund Financial Statements

The government-wide statements include the Statement of Net Position and the Statement of Activities, which display information about the primary government (the Town) and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services reasonably equivalent to the services provided. These statements distinguish between the *governmental* and *business-type activities* of the Town. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Position reports all financial and capital resources of the Town. The difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources is reported as net position.

The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Separate financial statements are provided for governmental funds and proprietary funds. The Town does not operate any fiduciary funds. Major individual governmental funds and proprietary funds are reported as separate columns in the fund financial statements.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Governmental Funds

Governmental funds are those through which governmental functions of the Town are financed. The acquisition, use and balances of the Town's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income. The following are the Town's major governmental funds:

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

The Capital Projects Fund accounts for the activities associated with the procurement, construction and rehabilitation of non-enterprise infrastructure and facilities.

The Debt Service Fund accounts for principal and interest payments on general long-term liabilities. Only debt service payments are processed through the Debt Service Fund.

The Firestone Urban Renewal Authority – Central Fund accounts for the activities associated with the urban renewal area including Tax Increment Financing (TIF) revenue and approved expenditures to help improve this blighted area.

The Firestone Urban Renewal Authority - Bighorn Fund accounts for the activities associated with the urban renewal area including Tax Increment Financing (TIF) revenue and approved expenditures to help improve this blighted area.

Other Governmental Funds are non-major funds and include Special Revenue Funds (Conservation Trust, Firestone Downtown Development Authority, Firestone Urban Renewal Authority – Southern and Firestone Urban Renewal Authority - Northern) which have been established to account for revenues derived from specific taxes or other earmarked revenue sources which finance specific activities as required by law or administrative action.

Proprietary Funds

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as enterprise funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The Town reports the following major enterprise funds:

The Water Fund accounts for the financial transactions related to the water service operations of the Town.

The Stormwater Fund accounts for the financial transactions related to the stormwater service operations of the Town.

The Town has one nonmajor enterprise fund, St. Vrain Water Authority. The authority was established to oversee the water treatment plant and any revenues or expenses that are incurred to operate this facility. During 2025, the Town paid the Little Thompson Water District its capital investment in the Authority dating back to the Authority's inception. As a result, the Authority was dissolved effective

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

December 31, 2025, and all related assets, liabilities, and operations are now fully owned and reported by the Town.

Measurement Focus, Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are reported as revenue in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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 Town considers revenues to be available if they are collected within 60 days after year-end. Property taxes, sales tax, grants and intergovernmental revenues are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating 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. Operating revenues consist of charges to customers for services provided. The operating expenses for the proprietary funds include the cost of administrative expenses, services and supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Budgets and Budgetary Accounting

In accordance with the State Budget Law, the Town Board of Trustees annually adopts the Budget Resolution for all operating funds of the Town. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds, with the exception of the proprietary funds, which are budgeted on a non-GAAP basis of accounting. All annual appropriations are at the fund level and lapse at fiscal year-end.

By October 15 of each year, a proposed operating budget is submitted to the Board of Trustees for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the Town to obtain taxpayer comments.

Prior to December 15, the budget is legally adopted through passage of a resolution for all Town funds. Revisions that increase the expenditure of any fund must be approved by the Board of Trustees by

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

passage of a subsequent resolution. The Budgets for the General Fund, Capital Projects Fund, Conservation Trust Fund, Firestone Downtown Development Authority Fund, Firestone Urban Renewal Authority Fund – Northern, Firestone Urban Renewal Authority Fund – Central, Firestone Urban Renewal Authority Fund – Bighorn, Water Fund and the Stormwater Fund were amended by the Board of Trustees through Resolution 25-45, 25-122 and 26-45.

Cash and Investments

All cash is pooled and invested by the Town. The Town makes investments pursuant to its investment policy and relevant State of Colorado statutes. For purposes of the Statement of Cash Flows, cash equivalents are defined as liquid investments with original maturity dates of 90 days or less at the time of purchase.

Investments at December 31, 2025 consisted of money market funds; investment in a local government investment pool; CSAFE – Cash Portfolio, CSAFE – Colorado Core, and ColoTrust in accordance with GASB Statement 72 “Fair Value Measurement and Application”; and investments with Morgan Stanley Smith Barney, LLC.

Investments in corporate bonds, U.S. Government agency securities, and U.S. Treasury notes are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same – that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between the market and participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. Purchases and sales of securities are recorded on a trade-date basis. See Note 3 for additional information regarding fair value measures. Earnings on investments are recognized when earned and include realized and unrealized gains/(loss) on investments. Investment earnings are allocated to the various funds based on their pooled cash and investment balances.

Receivables and Payables

Receivables, not including property tax receivables, are shown net of an allowance for uncollectible amounts. Activities between funds where an outstanding balance is present at year-end and is expected to be repaid within one year are reported as “due to/from other funds” in the fund financial statements. If such balances are expected to remain outstanding for more than one year from the current year-end date, the balances are reported as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

No allowance is provided for utility service charges since delinquent amounts are certified as a lien against the property billed and are expected to be fully collectible.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

Property Tax Calendar

Property taxes are not due and payable until after the assessment year has ended and are not included in the budget or Statement of Revenues, Expenditures and Changes in Fund Balance of the assessment year.

Property taxes are recorded as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected. By December 15th of each year, property taxes for the Town are levied by the Board of Trustees and certified to Weld County (the County) for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 20 or in two installments by June 15 in the year of collection. The taxes are collected by the County Treasurer on behalf of the Town. A 1% collection fee is retained by the County as compensation for collecting the taxes.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items in the government-wide and fund financial statements and will be reported as expenses/expenditures in the following year.

Capital Assets

Capital assets, which include land, water rights, buildings and improvements, land improvements, infrastructure, equipment and vehicles, and construction in progress are reported in the government-wide financial statements. The Town defines capital assets as assets with an initial, individual cost of \$5,000 or more and a useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are classified and depreciated, or dedicated to other entities, after the projects are completed.

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.

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

Land Improvements	5-30 years
Buildings and Improvements	10-30 years
Infrastructure	5-50 years
Equipment and Vehicles	3-30 years

It is the Town's policy that depreciation for capital assets begins the year after the asset is placed into service.

Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused paid time off (PTO) and compensatory time. It is the Town's policy to permit employees to accumulate earned but unused paid time off up to a maximum of 480 hours, dependent on length of service. Compensatory time is allowed

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

to accrue up to 80 hours. All paid time off is accrued for leave that has not been used if the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave that has been used but not yet paid is also recognized as a liability. A liability for these amounts is reported in the governmental funds only if they have matured and are expected to be liquidated with available financial resources.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund-type Statement of Net Position. Long-term debt premiums and discounts are amortized over the life of the related debt using the effective interest method. Debt issuance costs are reported as expenses in the period incurred.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

Net position is classified in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and is reduced by the outstanding balances of any borrowings used to finance the purchase or construction of those assets. Any unspent proceeds of debt are not included in the determination of net investment in capital assets. Restricted net position consists of noncapital assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the Town. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

Leases

Lessee: The Town is a lessee for several leases of vehicles. The Town recognizes lease liabilities and intangible right-to-use lease assets (lease assets) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$5,000 or more for vehicle leases.

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the Town determines 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Subscription-Based Information Technology Arrangements (SBITAs)

Lessee: The Town is a lessee for several service-based information technology arrangements (SBITAs). The Town recognizes SBITA liabilities and intangible right-to-use SBITA assets (SBITA assets) in the government-wide financial statements. The Town recognizes SBITA liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a SBITA, the Town initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to SBITAs include how the Town determines 1) the discount rate it uses to discount the expected SBITA payments to present value, 2) SBITA term, and 3) SBITA payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the vendor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate.
- The SBITA term includes the noncancelable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments.

The Town monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

Fund Balance

In the governmental fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable: amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted: amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Committed: amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Trustees, the Town's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Trustees.

Assigned: amounts the Town intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Board of Trustees has the authority to assign amounts for specific purposes.

Unassigned: a residual classification within the General Fund. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Negative fund balances in other governmental funds are reported as unassigned once other purposes of that fund were reduced.

For the General Fund, in the event that an expenditure can be considered restricted or unrestricted (committed, assigned, or unassigned) and both categories have available amounts, the funds will be first applied against the most restrictive fund balance classification, unless the Town has provided otherwise in its commitment or assignment actions.

Contribution of Capital

Contributions of capital arise from outside contributions of capital assets, or from grants or outside contributions of resources for capital acquisition and construction.

Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the Statement of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources represents a consumption of net position that applies to future periods, and a deferred inflow of resources represents an acquisition of net position that applies to future periods. Both deferred outflows and inflows are reported in the Statement of Net Position but are not recognized in the financial statements as an outflows or inflows of resources, or as a component of the related revenues and expenses until the period(s) to which they relate.

The Town has certain items that relate to its pension and other post-employment benefit plans that qualify for reporting as deferred outflows of resources and deferred inflows of resources. See Notes 8, 11, and 14 for more information. Deferred inflows of resources also consist of property taxes receivable. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Pensions

The Town participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). In addition, the Town participates in the Statewide Retirement Plan ("SRP"), a cost sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado ("FPPA").

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

The Town participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (PERA). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the HCTF administered by PERA and additions to/deductions from the HCTF's fiduciary net position have been determined on the same basis as they are reported by the HCTF. For this purpose, the HCTF recognizes benefit payments when due and payable in accordance with benefit terms. Investments are reported at fair value.

Fire and Police Pension Association of Colorado (FPPA) administers the Statewide Death & Disability Plan discussed in Note 9, which qualifies as a cost sharing multiple-employer defined benefit OPEB plan under the standard. This plan covers substantially all active full-time (and some part-time) employees of fire and police departments in Colorado. As it pertains to the requirements in Statement No. 75 regarding the FPPA Statewide Death & Disability Plan and the Town, FPPA concluded that because all contributions to the plan are considered member contributions (and not employer), the employers' proportionate share of any FPPA Net OPEB liability (asset) is zero.

Use of Estimates

The preparation of financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates and could be material.

GASB Pronouncements Implemented by the Town

GASB Statement No 102, Certain Risk Disclosures. This Statement was issued in January 2024 and requires governments to disclose information about vulnerabilities arising from concentrations and constraints that could substantially impact financial position or service levels within 12 months of the issuance of the financial statement. Disclosure is required when:

- The concentration or constraint is known prior to issuance,
- It renders the government vulnerable to a substantial impact, and

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

- An event associated with the concentration or constraint has occurred, is underway, or is more likely than not to occur within the next 12 months.

A concentration refers to a lack of diversity in a significant inflow or outflow of resources (e.g., heavy reliance on a single tax source, grantor, or vendor). A constraint involves limitations imposed by external parties (e.g., bond covenants, grant terms) or by the government's own highest level of decision-making authority (e.g., charter, ordinance). This statement will enable a better understanding of the financial position of the Town. The requirements of this Statement were effective for reporting periods beginning after June 15, 2024. The Town has implemented this Statement in fiscal year 2025.

As part of the 2025 financial reporting process, the Town reviewed potential concentrations and constraints and determined that, as of December 31, 2025, no conditions met all three disclosure criteria under GASB 102. Therefore, no additional disclosures were included in the notes to the 2025 financial statements.

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

Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position.

The governmental fund Balance Sheet includes a reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide Statement of Net Position.

Reconciliation of Government-Wide and Fund Financial Statements

Capital Assets

Non-Depreciable	\$ 9,085,673	
Depreciable	129,019,872	
Accumulated Depreciation and Amortization	<u>(64,013,397)</u>	74,092,148

Long-Term Debt	(21,334,510)	
Compensated Absences	(1,918,392)	
Accrued Interest Payable	<u>(86,856)</u>	(23,339,758)

Recognize Unearned Revenue		6,140
----------------------------	--	-------

Net Pension Liability	(4,159,928)	
Pension related Deferred Outflow of Resources	3,469,255	
Pension related Deferred Inflow of Resources	<u>(166,556)</u>	(857,229)

Net OPEB Liability	(253,989)	
OPEB related Deferred Outflow of Resources	184,586	
OPEB related Deferred Inflow of Resources	<u>(141,037)</u>	(210,440)

Net Adjustment to Fund Balance		<u>\$ 49,690,861</u>
--------------------------------	--	----------------------

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities.

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities.

Reconciliation of Government-Wide and Fund Financial Statements

Capital Outlay	\$ 6,357,468	
Contributed Capital Assets	4,353,139	
Depreciation and Amortization Expense	<u>(4,573,626)</u>	6,136,981
Net Value of Disposed Capital Assets		118,565
Debt Principal Expended in Governmental Funds		2,366,192
Lease Proceeds	(507,971)	
SBITA Proceeds	<u>(1,695,239)</u>	(2,203,210)
Change in Compensated Absences	(279,044)	
Change in Accrued Interest on Long Term Debt	(5,546)	
Long Term Debt Premium Amortization	76,345	
Unearned Income Recognized Government Wide	6,140	
Changes related to Pension Liabilities, Deferred Inflows, and Deferred Outflows	(561,939)	
Changes related to OPEB Liabilities, Deferred Inflows, and Deferred Outflows	<u>34,860</u>	(729,184)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities		<u><u>\$ 5,689,344</u></u>

NOTE 3 - CASH AND INVESTMENTS

At December 31, 2025, the Town's cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 56,512,006
Cash and Investments, Restricted	<u>1,077,374</u>
Total Cash and Investments	<u><u>\$ 57,589,380</u></u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

At December 31, 2025, the Town's cash and investments consist of the following:

Cash on Hand	\$ 1,113
Cash Deposits	2,889,234
Investments	54,535,294
Total Cash and Investments	<u>\$ 57,425,641</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash be in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

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 agencies' securities
- Certain international agency securities
- General obligation and revenue bonds for U.S. local government entities
- Bankers' acceptance of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain securities lending agreements
- Certain money market mutual funds
- Guaranteed investment contracts
- Local government investment pools
- Certain corporate bonds

Colotrust

The Town invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

records its investments at fair value and the Town records its investment in COLOTRUST using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

CSAFE

The Town invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The Trust offers funds in two portfolios, CSAFE Cash (CSAFE) and CSAFE Colorado Core (CORE). The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAmmf by Fitch Ratings. CSAFE measures all of its investments at amortized cost with a weighted average maturity of 60 days or less. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period. CORE authorized securities primarily include highly rated commercial paper and corporate bonds, bank deposits (collateralized through PDPA) and other Colorado LGIP funds inclusive of other funds offered by the Trust as allowed. CORE operates similarly to a money market fund and each share is equal in value to \$2.00. CORE measures all of its investments at amortized cost with a weighted average maturity of 180 days or less. CORE is rated AAaf/S1 by Fitch Ratings.

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Town's policy to limit its investments to U.S. Treasury obligations, repurchase agreements, government backed securities, money market mutual funds, local government investment pools, and corporate obligations.

The Town's investment policy is to "invest idle public funds in a manner to meet the daily cash flow demands of the Town with the primary objective in priority order, being: a) safety of principal b) liquidity and c) return on investments." Investments shall be diversified so as to minimize the risk of loss and to maximize the rate of return.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town's investment policy does not allow investment maturities to exceed five years. This limit on investment maturities is a means of limiting exposure to adverse fair market value changes arising from increasing interest rates.

Custodial Credit Risk

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the Town would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town manages its credit risk by limiting its investment to certain types of

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

securities allowed by State statutes, by pre-qualifying financial institutions, brokers/dealers, intermediaries, and advisors.

Fair Value

The Town, when applicable, categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value.

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for an asset or liability.

For the Town, the following fair value techniques were utilized in measuring the fair value of its investments:

U.S. Treasury securities. These investments are reported at fair value based on quoted market prices obtained from exchanges.

U.S. Government agency securities. U.S. Government securities are reported at fair value based on bullet (noncall) spread scale for each issuer for maturities going out 40 years. These spreads represent credit risk and are obtained from the new issue market, secondary trading and dealer quotes.

An Option Adjusted Spread (OAS) model is incorporated to adjust spreads of issues that have early redemption features. Final spreads are added to a U.S. Treasury curve. A cash discounting yield/price routine calculates prices from final yields to accommodate odd coupon payment dates typical of medium-term notes.

Corporate Bonds. These investments are reported at fair value based on evaluation using markets sources and integrating relative credit information, observed market movements, and sector news into the evaluated pricing applications and models.

The Town has no assets reported at fair value on a nonrecurring basis and other investments meeting the fair value disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 72.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

The following table presents the minimum rating, actual rating, investment portfolio percentage and weighted average maturity in years for each investment type as required by the Town's investment policy as of December 31, 2025.

Investment Type	Balance	Minimum Rating Required	S&P Rating	Moody's Rating	Total Investment Portfolio Percentage	Weighted Average Maturity	Fair Value Measure- ment
Investments Measured at Fair Value:							
Money Market Funds	\$ 1,113,084	N/A	AAA	Aaa	2%	-	Level 1
United States Treasury	13,136,230	N/A	AA+	Aaa	24%	3.13	Level 2
United States Agency	14,220,902	N/A	AA+	Aaa	26%	2.63	Level 2
Corporate Bonds	1,491,450	N/A	A+	A1	3%	1.46	Level 2
Corporate Bonds	753,770	N/A	AA	Aa2	1%	2.09	Level 2
Corporate Bonds	2,574,287	N/A	AA-	Aa2	5%	1.92	Level 2
Corporate Bonds	1,459,402	N/A	AA+	Aaa	3%	2.29	Level 2
Commercial Paper	2,223,128	N/A	A-	P-1	4%	0.28	Level 2
Municipal Bonds	2,466,835	N/A	AA	Aa2	5%	2.73	Level 2
Municipal Bonds	1,782,151	N/A	AA-	Aa2	3%	2.08	Level 2
Municipal Bonds	147,897	N/A	AA+	Aa2	0%	3.21	Level 2
Investments Measured at Amortized Cost:							
Colorado Surplus Asset Fund Trust (CSAFE) - Cash Portfolio	437,716	N/A	AAAm	NR	1%	-	Level 1
Colorado Surplus Asset Fund Trust (CSAFE) - Colorado CORE	2,960,216	N/A	AAAm	NR	5%	-	Level 1
Investments Measured at Net Asset Value:							
Colorado Local Government Liquid Asset Trust (COLOTRUST)	1,077,373	N/A	AAAm	NR	2%	-	Level 1
Vectra Bank - Public Funds Money Market	8,690,853	N/A	AAAm	NR	16%	-	Level 1
	\$ 54,535,294				100%	1.45	

NOTE 4 - ACCOUNTS RECEIVABLE

Receivables at December 31, 2025, consist of the following:

Receivables	Governmental Activities	Business - Type Activities	Total
Taxes	\$ 4,060,956	\$ -	\$ 4,060,956
Customer Utilities	24,356	1,350,596	1,374,952
Other	394,770	158,388	553,158
Total Funds	\$ 4,480,082	\$ 1,508,984	\$ 5,989,066

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Transfers to and from the various funds consist of the following:

Transfers Out	Transfers In					Total
	General	Capital Projects	Debt Service	Urban Renewal Authority-Central	Nonmajor Governmental	
Major Fund						
General	\$ -	\$ 189,499	\$ -	\$ 1,250,000	\$ 175,000	\$ 1,614,499
Capital Projects	1,164,593	-	2,342,438	-	-	3,507,031
Urban Renewal Authority-Central	-	325,540	-	-	-	325,540
Urban Renewal Authority-Bighorn	-	1,032,888	-	-	250,000	1,282,888
Water	100,000	-	-	-	-	100,000
Total	\$1,264,593	\$1,547,927	\$2,342,438	\$ 1,250,000	\$ 425,000	\$ 6,829,958

Transfers to and from the various funds were to cover the costs of operations, capital expenditures and debt service. The transfer from the General Fund to the Capital Projects Fund is to cover the expenditures related to parks and open space. The transfer from the General Fund to the Urban Renewal Authority – Central is related to expenditures for economic incentives. The transfer from the General Fund to Nonmajor Governmental Fund is to cover the expenditures related to the start of the Firestone Downtown Development Authority – The Central District. The transfer to the General Fund from the Capital Projects Fund is to cover expenditures related to parks, streets and facilities. The transfer into the Debt Service Fund from the Capital Project Fund is pledged revenue for the purpose of paying debt related costs. The transfer from Urban Renewal Authority – Central to the Capital Projects Fund is to cover capital expenditures. The transfer from Urban Renewal Authority – Bighorn to Capital Projects is to cover capital expenditures and the transfer to Nonmajor Governmental Fund is to cover operational costs. The transfer from the Water Fund into the General Fund is to cover expenditures related to the lease payments of vehicles used by the Water Fund.

Interfund receivables and payables in various funds consists of the following:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 175,000	\$ -
Firestone Downtown Development Authority - The Central Firestone District	-	175,000
Firestone Urban Renewal Authority - Southern	-	325,000
Firestone Urban Renewal Authority - Bighorn	325,000	-
	<u>\$ 500,000</u>	<u>\$ 500,000</u>

Interfund receivable in the General Fund is a loan to the Firestone Downtown Development Authority – The Central Firestone District to cover operational costs to start the Authority. The interfund receivable in the Firestone Urban Renewal Authority – Bighorn is a loan to the Firestone Urban Renewal Authority – Southern to cover operational costs.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 7,818,073	\$ -	\$ -	\$ 7,818,073
Construction in Progress	1,038,875	3,882,838	3,654,113	1,267,600
Total Capital Assets Not Being Depreciated	<u>8,856,948</u>	<u>3,882,838</u>	<u>3,654,113</u>	<u>9,085,673</u>
Other Capital Assets:				
Land Improvements	10,342,990	519,269	-	10,862,259
Buildings and Improvements	27,668,820	-	-	27,668,820
Infrastructure	70,793,158	7,081,598	-	77,874,756
Leases	2,269,229	586,208	-	2,855,437
SBITA*	546,910	1,663,754	-	2,210,664
Equipment and Vehicles	7,207,605	612,832	272,501	7,547,936
Total Other Capital Assets	<u>118,828,712</u>	<u>10,463,661</u>	<u>272,501</u>	<u>129,019,872</u>
Less Accumulated Depreciation for:				
Land Improvements	(6,619,891)	(360,468)	-	(6,980,359)
Buildings and Improvements	(4,749,184)	(929,732)	-	(5,678,916)
Infrastructure	(41,919,108)	(2,046,682)	-	(43,965,790)
Equipment and Vehicles	(5,273,772)	(479,040)	242,067	(5,510,745)
Total Accumulated Depreciation	<u>(58,561,955)</u>	<u>(3,815,922)</u>	<u>242,067</u>	<u>(62,135,810)</u>
Less Accumulated Amortization for:				
Leases	(1,043,230)	(505,813)	-	(1,549,043)
SBITA*	(296,727)	(251,891)	220,074	(328,544)
Total Accumulated Amortization	<u>(1,339,957)</u>	<u>(757,704)</u>	<u>220,074</u>	<u>(1,877,587)</u>
Other Capital Assets, Net	<u>58,926,800</u>	<u>5,890,035</u>	<u>(189,640)</u>	<u>65,006,475</u>
Governmental Activities Capital Assets, Net	<u>\$ 67,783,748</u>	<u>\$ 9,772,873</u>	<u>\$ 3,464,473</u>	<u>\$ 74,092,148</u>

*Subscription-Based Information Technology Arrangements

Depreciation and amortization expense for governmental activities capital assets was allocated as follows:

Governmental Activities:	
General Government	\$ 462,578
Public Safety	842,514
Fleet and Streets	2,683,596
Irrigation and Parks	584,938
Total	<u><u>\$ 4,573,626</u></u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 6,376,960	\$ -	\$ -	\$ 6,376,960
Water Rights	56,426,420	707,618	-	57,134,038
Construction in Progress	6,715,856	5,890,893	1,101,727	11,505,022
Total Capital Assets Not Being Depreciated	69,519,236	6,598,511	1,101,727	75,016,020
Other Capital Assets:				
Infrastructure	113,103,156	8,273,069	-	121,376,225
Equipment and Vehicles	1,431,589	231,757	27,250	1,636,096
Total Other Capital Assets	114,534,745	8,504,826	27,250	123,012,321
Less Accumulated Depreciation for:				
Infrastructure	(10,569,670)	(2,312,846)	-	(12,882,516)
Equipment and Vehicles	(850,397)	(132,682)	-	(983,079)
Total Accumulated Depreciation	(11,420,067)	(2,445,528)	-	(13,865,595)
Other Capital Assets, Net	103,114,678	6,059,298	27,250	109,146,726
Business-Type Activity Capital Assets, Net	<u>\$172,633,914</u>	<u>\$12,657,809</u>	<u>\$ 1,128,977</u>	<u>\$184,162,746</u>

Depreciation expense was charged to business-type activities capital assets as follows:

Business-Type Activities:	
Water	\$ 2,171,971
Stormwater	273,557
Total	<u>\$ 2,445,528</u>

NOTE 7 - LONG-TERM DEBT

Pledged Revenues

During 2006 and 2008, the Town executed two reimbursement agreements (an Amended and Restated Public Improvements Reimbursement Agreement and Retail Infrastructure Funding Agreement) (the "Plan") with a developer (the "Developer") see Note 18 for additional information. Pursuant to the Plan, the Town will reimburse the Developer for costs incurred in constructing certain assets that were conveyed to the Town upon completion. Reimbursements are made based on a percentage of revenues derived from sales tax charged by the Town, commencing with the date the assets were completed by the developer and conveyed to the Town. Any unpaid balance accrues interest at the Wall Street Journal Prime Rate, capped at 7 percent per annum, compounding monthly until the balance is paid in full.

The Town follows guidance provided in GASB No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, to account for the assets received, and payments made in connection with these agreements. Accordingly, the pledged revenues are treated as an obligation of the Town, until fully repaid. The assets have been capitalized and are depreciated over their useful lives in the government-wide financial statements. At December 31, 2025, there is no balance due to the Developer.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Following is a schedule of changes in long-term debt for the year ended December 31, 2025:

	Beginning Balance	Additions	Reductions/ Adjustments	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Direct Borrowings and Direct Placements					
2018 Certificates of Participation	\$ 11,845,000	\$ -	\$ (450,000)	\$ 11,395,000	\$ 470,000
Premium on 2018 COPs	837,149	-	(74,812)	762,337	72,606
2019 Certificates of Participation	2,960,000	-	(565,000)	2,395,000	580,000
2020 Certificates of Participation	2,490,000	-	(395,000)	2,095,000	405,000
Bonds					
2014 Sales Tax Revenue Bonds	1,975,000	-	(190,000)	1,785,000	200,000
Premium on 2014 Bonds	8,257	-	(1,533)	6,724	1,402
Other					
Right-to-Use Lease Liability	996,603	507,971	(450,345)	1,054,229	462,655
Right-to-Use SBITA* Liability	408,978	1,748,089	(315,847)	1,841,220	129,895
Net Pension Liability	4,797,997	-	(638,069)	4,159,928	-
Net OPEB Liability	365,309	-	(111,320)	253,989	-
Compensated Absences	1,639,348	279,044	-	1,918,392	769,846
Total Governmental Long-Term Debt	\$ 28,323,641	\$ 2,535,104	\$ (3,191,926)	\$ 27,666,819	\$ 3,091,404
<u>Business-Type Activities</u>					
Bonds					
2020 Water Revenue Bonds	\$ 44,105,000	\$ -	\$ (985,000)	\$ 43,120,000	\$ 1,030,000
Premium on 2020 Bonds	7,353,298	-	(504,855)	6,848,443	491,577
Other					
Net Pension Liability	1,219,619	-	(398,851)	820,768	-
Net OPEB Liability	92,859	-	(42,746)	50,113	-
Compensated Absences	231,044	34,100	-	265,144	110,013
Total Business-Type Long-Term Debt	\$ 53,001,820	\$ 34,100	\$ (1,931,452)	\$ 51,104,468	\$ 1,631,590

*Subscription-Based Information Technology Arrangements

** The change in the compensated absences liability is presented as a net change

The Town has two pension plans employees participate in. All sworn police officers participate in Fire and Police Pension Association (FPPA) Statewide Retirement Plan, which is accounted for in governmental activities. All other employees participate in Public Employees' Retirement Association (PERA), which is accounted for in governmental activities and business-type activities. See notes 8 – 12 for further details.

For the Governmental Activities, net OPEB Liability and Pension Benefits Payable are generally liquidated by the General Fund. The Town has no debt outstanding subject to legal debt limitations.

The Town also has an unused line of credit in the amount of \$40,000,000.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Certificates of Participation

In April 2018, the Town entered into a Lease Purchase Agreement with a financial institution for the Certificates of Participation, Series 2018 in the amount of \$14,830,000, the proceeds of which were for the purpose of financing the construction of the Town's new Public Safety Facility, funding the reserve fund, and paying the costs of issuing the certificates. The 2018 Certificates of Participation are to be retired over a 25-year period with interest rates ranging from 3.00% to 5.00%.

The 2018 Certificates of Participation are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year obligation of the Town within the meaning of any constitutional statutory debt limitation. Principal payments are due annually and interest payments are due semiannually through November 15, 2042. These payments are payable from the Debt Service Fund.

Annual debt service requirements to maturity for certificates outstanding at December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	\$ 470,000	\$ 526,600	\$ 996,600
2027	490,000	507,800	997,800
2028	505,000	488,200	993,200
2029	525,000	468,000	993,000
2030	550,000	447,000	997,000
2031 - 2035	3,090,000	1,881,800	4,971,800
2036 - 2040	3,910,000	1,069,500	4,979,500
2041 - 2042	1,855,000	140,250	1,995,250
Total	<u>\$ 11,395,000</u>	<u>\$ 5,529,150</u>	<u>\$ 16,924,150</u>

In June 2019, the Town entered into a Lease Purchase Agreement with a financial institution for the Certificates of Participation, Series 2019 in the amount of \$5,585,000, the proceeds of which were for the purpose of financing the construction of a new Town Hall, financing improvements to the Public Works facility, and paying the costs of issuing the certificates. The 2019 Certificates of Participation are to be retired over a 10-year period with a fixed interest rate of 2.45%.

The 2019 Certificates of Participation are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year obligation of the Town within the meaning of any constitutional statutory debt limitation. Principal payments are due annually and interest payments are due semiannually through November 15, 2029. These payments are payable from the Debt Service Fund.

Annual debt service requirements to maturity for certificates outstanding at December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	\$ 580,000	\$ 58,677	\$ 638,677
2027	590,000	44,468	634,468
2028	605,000	30,013	635,013
2029	620,000	15,190	635,190
Total	<u>\$ 2,395,000</u>	<u>\$ 148,348</u>	<u>\$ 2,543,348</u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

In September 2020, the Town entered into a Lease Purchase Agreement with a financial institution for the Certificates of Participation, Series 2020 in the amount of \$4,000,000, the proceeds of which were for the purpose of financing the construction of a new Town Hall, financing improvements to Public Works Facility, retiring the 2005 Certificates of Participation, and paying the costs of issuing the certificates. The 2020 Certificates of Participation are to be retired over a 10-year period with a fixed interest rate of 1.82%. The 2020 Certificates of Participation are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year obligation of the Town within the meaning of any constitutional statutory debt limitation. Principal payments are due annually and interest payments are due semiannually through December 1, 2030. These payments are payable from the Debt Service Fund.

Annual debt service requirements to maturity for certificates outstanding at December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	\$ 405,000	\$ 38,129	\$ 443,129
2027	410,000	30,758	440,758
2028	420,000	23,296	443,296
2029	425,000	15,652	440,652
2030	435,000	7,917	442,917
Total	<u>\$ 2,095,000</u>	<u>\$ 115,752</u>	<u>\$ 2,210,752</u>

The collateral for the 2019, and 2020 Certificates of Participation direct placements consists of the existing Town Hall facility, current site, and the premises as well as the newly constructed Town Hall and site. In the event of default, the lessor has the right to re-lease the property. The Town's outstanding debt from direct placements contain provisions, regarding certain events of default, which are customary and consistent with normal municipal financings. Acceleration is not a remedy for such events of default.

Sales Tax Revenue Bonds

Sales Tax Revenues Bonds, Series 2014, in the amount of \$3,795,000 were issued on April 8, 2014, to pay or reimburse the costs of the acquisition, development, construction, repair, replacement, expansion, rehabilitation and renovation of existing and planned streets and parks. The interest rate on the debt ranges from 2.00 to 3.625 percent. The bonds mature December 1, 2033.

Annual debt service requirements as of December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	\$ 200,000	\$ 68,588	\$ 268,588
2027	200,000	61,588	261,588
2028	210,000	54,338	264,338
2029	215,000	46,462	261,462
2030	225,000	38,400	263,400
2031 - 2033	735,000	59,600	794,600
Total	<u>\$ 1,785,000</u>	<u>\$ 328,976</u>	<u>\$ 2,113,976</u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Water Enterprise Revenue Bonds

Water Enterprise Revenues Bonds, Series 2020, in the amount of \$45,955,000 were issued on July 28, 2020, to pay or reimburse the costs of construction of the St. Vrain Water Treatment Plant, non-potable water project, to retire the CWCB loan, and to pay the costs of issuing the revenue bonds. The net revenues from charges for services and tap fee collections were pledged by the Town. The interest rate on the debt ranges from 2.00 to 5.00 percent. The bonds mature December 1, 2049. Net revenues, as defined in the bond document, serve to secure required annual bond payments.

Annual debt service requirements as of December 31, 2025 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,030,000	\$ 1,823,300	\$ 2,853,300
2027	1,085,000	1,771,800	2,856,800
2028	1,135,000	1,717,550	2,852,550
2029	1,195,000	1,660,800	2,855,800
2030	1,255,000	1,601,050	2,856,050
2031 - 2035	7,260,000	7,014,750	14,274,750
2036 - 2040	8,935,000	5,345,200	14,280,200
2041 - 2045	10,860,000	3,410,200	14,270,200
2046 - 2049	10,365,000	1,056,800	11,421,800
Total	<u>\$ 43,120,000</u>	<u>\$ 25,401,450</u>	<u>\$ 68,521,450</u>

Right-to-Use Lease Liability

The Town has entered into multiple lease agreements as lessee. The leases allow the right-to-use vehicles over the term of the lease. The Town is required to make monthly payments at its incremental borrowing rate or the interest rate stated or implied within the leases.

The lease rate, term, and ending lease liability are as follows:

	<u>Interest Rate</u>	<u>Liability at Commencement</u>	<u>Lease Term in Years</u>	<u>Ending Balance</u>
Governmental Activities				
Leased vehicles	3.15% - 8.37%	\$ 2,855,437	4	\$ 1,054,229
Total Governmental Activities				<u>\$ 1,054,229</u>

The future principal and interest lease payments as of fiscal year end are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 462,655	\$ 60,495	\$ 523,150
2027	304,594	33,190	337,784
2028	134,435	15,919	150,354
2029	152,545	5,659	158,204
Total Governmental Activities	<u>\$ 1,054,229</u>	<u>\$ 115,263</u>	<u>\$ 1,169,492</u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

The value of the right-to-use lease assets for governmental activities as of the end of the current fiscal year was \$2,855,437 and had accumulated amortization of \$1,549,043.

Right-to-Use SBITAs (Subscription-Based Information Technology Arrangements) Liability

The Town has entered into multiple SBITA agreements as lessee. The SBITAs allow the right-to-use software over the term of the lease agreement. The Town is required to make annual payments at its incremental borrowing rate or the interest rate stated or implied within the agreement. There are no business-type activity SBITAs at this time. During 2024, the Town renegotiated its existing SBITA agreement, resulting in a new agreement that becomes effective on January 1, 2025. All payments made during 2024 related to this arrangement were prepayments on the new 2025 agreement. As a result, there were no payments applied to reduce the existing SBITA liability during 2024. However, the Town continued to amortize the related subscription asset in accordance with the original agreement. The existing SBITA remains in place through year-end and will be replaced by the new agreement in 2025. The SBITA rate, term, and ending SBITA liability are as follows:

	<u>Interest Rate</u>	<u>Liability at Commencement</u>	<u>Term in Years</u>	<u>Ending Balance</u>
Governmental Activities				
SBITA	3.89% - 5.06%	\$ 2,210,664	2 - 10	<u>\$ 1,841,220</u>
Total Governmental Activities				<u><u>\$ 1,841,220</u></u>

The future principal and interest payments as of fiscal year end are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 129,895	\$ 89,687	\$ 219,582
2027	161,161	80,784	241,945
2028	180,350	70,999	251,349
2029	187,979	61,256	249,235
2030	222,133	49,742	271,875
2031	233,646	37,632	271,278
2032	245,757	24,894	270,651
2033	234,083	12,762	246,845
2034	246,216	-	246,216
Total Governmental Activities	<u>\$ 1,841,220</u>	<u>\$ 427,756</u>	<u>\$ 2,268,976</u>

The value of the right-to-use SBITA assets for governmental activities as of the end of the current fiscal year was \$2,210,664 and had accumulated amortization of \$328,497.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 8 – FIRE AND POLICE PENSION ASSOCIATION (FPPA) – STATEWIDE RETIREMENT PLAN

The following is a summary of pension related items for the year ended December 31, 2025.

<u>Plan</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
FPPA SRP	\$ -	\$ 1,632,733	\$ 149,801	\$ 536,131
PERA				
Governmental Activities	4,159,928	1,836,522	16,755	1,212,514
Business-Type Activities	820,768	362,352	3,306	308,261
Total	<u>\$ 4,980,696</u>	<u>\$ 3,831,607</u>	<u>\$ 169,862</u>	<u>\$ 2,056,906</u>

Plan Description

The Town contributes to the Statewide Retirement Plan (SRP), a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Retirement Plan (SRP) provides retirement benefits for members and beneficiaries. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan currently has 229 participating employer fire and police departments.

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

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

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

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

FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Retirement Plan and the Statewide Death and Disability Plan. The annual comprehensive financial report can be obtained on FPPA's website at <http://www.fppaco.org>.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Benefits Provided

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

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

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

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

Contributions

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

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 22.5 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2025, the total minimum required member and employer contribution rate was 22.2 percent.

Actuarial Valuation Dates

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

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

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

At December 31, 2025, the Town reported no liability for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025. The Town's proportion of the net pension liability was based on the Town's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2024, the Town's proportion was .2898992455 percent, which was a decrease of .0540855285 percent from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Town recognized pension expense of \$536,131 from the FPPA plan. At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 696,625	\$ 21,790
Changes of Assumptions or other Inputs	249,315	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	98,962	-
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate		
Share of Contributions	212,499	128,011
Contributions Subsequent to the Measurement Date	375,332	-
Total	<u>\$ 1,632,733</u>	<u>\$ 149,801</u>

The \$375,332 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2026	\$ 285,894
2027	421,798
2028	33,678
2029	49,725
2030	109,527
Thereafter	206,977
	<u>\$ 1,107,600</u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Actuarial Assumptions

The total pension liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 01, 2025	January 01, 2024
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25-11.75%	4.25-11.75%
Cost of Living Adjustments (COLA)	0.0%	0.0%
*Includes Inflation at	2.5%	2.5%

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent).

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024 are summarized in the following table:

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	33.00%	7.00%
Equity Long/Short	6.00%	6.20%
Private Markets	34.00%	8.80%
Fixed Income - Rates	7.00%	5.00%
Fixed Income - Credit	7.00%	6.50%
Absolute Return	9.00%	5.70%
Cash	4.00%	4.20%
Total	<u>100.00%</u>	

Discount Rate

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

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

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.08 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Town's proportionate share of the net pension liability

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

would be if it were calculated using a discount rate that is 1-percentage point lower (6.00 percent) or 1-percentage point higher (8.00 percent) than the current rate:

	1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Proportionate Share of the Net Pension Liability	\$ 1,414,682	\$ -	\$ -

NOTE 9 - FIRE AND POLICE PENSION ASSOCIATION (FPPA) – STATEWIDE DEATH & DISABILITY PLAN

Plan Description

The Town participates in the Statewide Death & Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan covering full-time employees of substantially all fire and police departments in Colorado. As of August 5, 2023, the Plan may include part-time police and fire employees. Contributions to the Plan are used for the payment of death and disability benefits. Employers who are covered by Social Security may elect supplementary coverage by the Plan. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Defined Benefit System and the Statewide Death & Disability Plan. The plan was established in 1980 pursuant to Colorado Revised Statutes and currently has 268 participating employer departments. Included in that number are 7 contributing employers as of December 31, 2021, who are covered by Social Security and have elected supplementary coverage by the Plan. The Plan assets are included in the Fire & Police Members' Benefit Investment Fund Long-Term Pool. The Long-Term Pool is designed primarily for open plans with a longer time horizon, higher risk tolerance, and lower liquidity needs. The investment return assumption is 7%.

Benefits Provided

Plan benefits provide 24-hour coverage, both on- and off-duty and are available for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase plan. In the case of an on-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire but were still working. Death and disability benefits are free from state and federal taxes in the event that a member's disability is determine to be the result of an on-duty injury or an occupational disease.

Contributions

Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of \$39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated. Members hired on or after January 1, 1997, began contribution 2.40% of base salary to this Plan as of January 1, 1997. Contributions may be increased 0.20% biennially by the FPPA Board. The contributions increased to 3.00% of base salary as of January 1, 2021. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The 3.80% contribution may be paid entirely by the employer or member, or it may be split between the employer and the member as determined at the local level. Contributions from the

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

Town were \$130,679, for the year ended December 31, 2025. The plan has 1,501 retirees and beneficiaries currently receiving benefits and 15,553 total members.

Detailed information about the FPPA's fiduciary net position is available in their annual comprehensive financial report which can be obtained at <https://www.fppaco.org/annual-reports.html>.

NOTE 10 – FIRE AND POLICE PENSION ASSOCIATION (FPPA) – 457 PLAN

Plan Description

Employees of the Town who are members of the FPPA Statewide Retirement Plan (see Note 8) may voluntarily contribute to the FPPA 457 Deferred Compensation Plan (457 Plan), an Internal Revenue Code Section 457 defined contribution plan administered by FPPA. Plan participation is voluntary, and contributions are separate from others made to FPPA. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the 457 Plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado 80111 or by calling FPPA at 303-770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Funding Policy

The 457 Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$23,500 for 2025 and \$23,000 for 2024). Catch-up contributions up to \$7,500 for the calendar years 2025 and 2024 are allowed for participants who had attained age 50 before the close of the plan year. For the year ended December 31, 2025, 2024 and 2023, the 457 Plan member contributions from the Town were \$25,845, \$29,223, and \$28,566, respectively.

NOTE 11 – PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION (PERA)

The Town 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.

The following is a summary of pension related items for the year ended December 31, 2025.

Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
FPPA SRP	\$ -	\$ 1,632,733	\$ 149,801	\$ 536,131
PERA				
Governmental Activities	4,159,928	1,836,522	16,755	1,212,514
Business-Type Activities	820,768	362,352	3,306	308,261
Total	\$ 4,980,696	\$ 3,831,607	\$ 169,862	\$ 2,056,906

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

Plan Description

Eligible employees of the Town 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/investments/pera-financial-reports.

Benefits Provided

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 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent 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.

In all cases the service retirement benefit is limited to 100 percent 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 percent or 100 percent 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. The disability benefit amount is based on the

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

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 1,070,686 qualified survivor(s) who will receive the benefits.

Contributions

Eligible employees of the Town 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.* and § 24-51-413. Employee contribution rates for the period of January 1, 2025 through December 31, 2025 are summarized in the table below.

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

¹ Contribution rates are expressed as a percentage of salary as defined in CRS § 24-51-101 (42).

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

	January 1, 2023 Through December 31, 2023	January 1, 2024 Through December 31, 2024
Employer Contribution Rate ¹	11.00 %	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	(1.02)%	(1.02)%
Amount Apportioned to the LGDTF ¹	9.98 %	9.98 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411 ¹	2.20 %	2.20 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411 ¹	1.50 %	1.50 %
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.06 %	0.11 %
Total Employer Contribution Rate to the LGDTF¹	13.74 %	13.79 %

¹ Contribution rates are expressed as a percentage of salary as defined in CRS § 24-51-101 (42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Town of is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Town of were \$1,207,342 for the year ended December 31, 2025.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

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 Town's proportion of the net pension liability was based on the Town's contributions to the LGDTF for the calendar year 2024 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2025, the Town reported a liability of \$4,980,696 for its proportionate share of the net pension liability.

At December 31, 2025, the Town's proportion was .8117197319 percent, which was a decrease of .0080732232 percent from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Town recognized pension expense of \$1,520,775 from the PERA plan. At December 31, 2025, the Town 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	\$ 375,834	\$ -
Changes of Assumptions or other Inputs	146,994	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	468,703	-
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate		
Share of Contributions	-	20,061
Contributions Subsequent to the Measurement Date	1,207,342	-
Total	<u>\$ 2,198,874</u>	<u>\$ 20,061</u>

\$1,207,342 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 ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended Dec 31,</u>	<u>Amount</u>
2026	\$ 892,658
2027	1,186,226
2028	(793,334)
2029	(314,079)
	<u>\$ 971,471</u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

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	3.20 - 11.30%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007	1.00%
PERA Benefit Structure hired after December 31, 2006 ¹	Financed by the Annual Increase Reserve (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.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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.

Pre-Retirement	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Healthy Retiree	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
Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	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 Disabled Retiree	99% of the rates for all ages

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.

	Local Government Division
Salary increases, including wage inflation:	
Members other than Safety Officers	3.40%-13.00%

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%.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

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.

Pre-Retirement	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Healthy Retiree	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
Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	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 Disabled Retiree	95% of the rates for all ages

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:

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30-Year Expected Geometric Real Rate of Return</u>
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 percent.

Discount Rate

The discount rate used to measure the TPL was 7.25 percent. 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 percent.
- 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 percent at which point the AED and SAED will each drop 0.50 percent 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 fiduciary net position 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.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

- 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 percent 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 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Town's 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 percent, 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 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	\$ 10,901,745	\$ 4,980,696	\$ 6,340

Pension Plan Fiduciary Net Position

Detailed information about the LGDTF's fiduciary net position is available in PERA's Annual Comprehensive Financial Report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 12 - PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION (PERA) VOLUNTARY INVESTMENT PROGRAM

Defined Contribution Pension Plan (PERAPlus 401(k) Plan)

Plan Description

Employees of the Town 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 Annual Comprehensive Financial Report which includes additional information on the PERAPlus 401(k) Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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 and investment earnings. For the year ended December 31, 2025, program members contributed \$36,239 for the PERAPlus 401(k) Plan.

Defined Contribution Retirement Plan (PERA DC Plan)

Plan Description

Eligible employees of the LGDTF hired on or after January 1, 2019, have the option to participate in the LGDTF, a cost-sharing multiple-employer defined benefit pension plan, or the Defined Contribution Retirement Plan (PERA DC Plan).

The PERA DC Plan is an Internal Revenue Code Section 401(a) governmental profit-sharing defined contribution plan. Title 24, Article 51, Part 15 of the C.R.S., as amended, assigns the authority to establish Plan provisions to the PERA Board of Trustees. The DC Plan is also included in PERA's Annual Comprehensive Financial Report as referred to above.

Funding Policy

All participating employees in the PERA DC Plan and the Town are required to contribute a percentage of the participating employees' PERA-includable salary to the PERA DC Plan. The employee and employer contribution rates for the period January 1, 2025 through December 31, 2025 are summarized in the tables below:

	January 1, 2024 Through December 31, 2024	January 1, 2025 Through December 31, 2025
Employee Contribution Rate		
All employees other than Safety Officers	9.00 %	9.00 %
Employer Contribution Rate		
All employees other than Safety Officers	10.00 %	10.00 %

Contribution rates are expressed as a percentage of salary as defined in CRS § 24-51-101 (42).

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

Additionally, the employers are required to contribute AED, SAED, and other statutory amounts for employees other than State Troopers to the LGDTF, as follows:

	January 1, 2024 Through December 31, 2024	January 1, 2025 Through December 31, 2025
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411	2.20 %	2.20 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411	1.50 %	1.50 %
Automatic Adjustment Provision (AAP) as specified in C.R.S. § 24-51-411	1.00 %	1.00 %
Additional Contribution Supplement as specified in C.R.S. § 24-51-401 and § 24-51-415	0.08 %	0.11 %
Total Employer Contribution Rate to the LGDTF	4.78 %	4.81 %

Contribution rates are expressed as a percentage of salary as defined in CRS § 24-51-101 (42).

Contribution requirements are established under Title 24, Article 51, Section 1505 of the C.R.S., as amended. Participating employees of the PERA DC Plan are immediately vested in their own contributions and investment earnings and are immediately 50 percent vested in the amount of employer contributions made on their behalf. For each full year of participation, vesting of employer contributions increases by 10 percent. Forfeitures are used to pay expenses of the PERA DC Plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the C.R.S. As a result, forfeitures do not reduce pension expense. There were no Participating employees in the PERA DC Plan.

Deferred Compensation Plan (PERAPlus 457 Plan)

Plan Description

Employees of the Town may voluntarily contribute to the Deferred Compensation Plan (PERAPlus 457 Plan), an Internal Revenue Code Section 457 deferred compensation plan administered by PERA. Title 24, Article 51, Part 16 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 Annual Comprehensive Financial Report which includes additional information on the PERAPlus 457 Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy

The PERAPlus 457 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 1603 of the C.R.S., as amended. Members are immediately vested in their own contributions. For the year ended December 31, 2025, program members contributed \$41,515 for the PERAPlus 457 Plan.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 13 – MISSIONSQUARE – 401(A) PLAN & 457 PLAN

Plan Description

Employees of the Town may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(a) defined contribution plan or an Internal Revenue Code Section 457 defined contribution plan. Both of these plans are administered by MissionSquare. MissionSquare issues an annual report that can be obtained at <https://www.missionsq.org>.

Funding Policy for 401(a) Plan

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Section 401(a). Employees are immediately vested in their own contributions and investment earnings. For the year ended December 31, 2025, program members contributed \$1,950.

Funding Policy for 457 Plan

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Section 457(b). Employees are immediately vested in their own contributions and investment earnings. For the year ended December 31, 2025, program members contributed \$3,547.

The Town is contractually obligated to contribute to both MissionSquare 401(a) and 457. All of the Town's contributions will be vested in accordance with the Town's vesting schedule. For the year ended December 31, 2025, the Town made the required contributions of \$6,500 and \$35,450 to MissionSquare 401(a) and 457, respectively.

NOTE 14 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

The Town 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.

Plan Description

Eligible employees of the Town 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/investments/pera-financial-reports.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

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 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 percent 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.

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

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Judicial Divisions are required to contribute at a rate of 1.02 percent 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 Town is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the Town were \$90,012 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 Town reported a liability of \$304,102 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 total OPEB liability to December 31, 2024. The Town's proportion of the net OPEB liability was based on the Town's 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 Town's proportion was .0635972135 percent, which was a decrease of .0005964361 from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Town recognized OPEB expense of \$34,319. At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ -	\$ 67,078
Changes of Assumptions or other Inputs	3,488	97,206
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	1,031	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	126,474	4,580
Contributions Subsequent to the Measurement Date	90,012	-
Total	<u>\$ 221,005</u>	<u>\$ 168,864</u>

\$90,012 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 as follows:

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

<u>Year Ended Dec 31,</u>	<u>Amount</u>
2026	\$ (83)
2027	3,927
2028	(12,338)
2029	(6,912)
2030	(13,322)
Thereafter	(9,142)
	<u>\$ (37,871)</u>

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	3.20%-11.30%
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

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

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

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, as discussed below.

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

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

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 table below:

<u>Year</u>	<u>PERACare Medicare Plans¹</u>	<u>MAPD PPO #21</u>	<u>Medicare Part A Premiums</u>
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%	4.00%
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.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

Pre-Retirement	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 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 Healthy Retiree	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
Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	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 Disabled Retiree	99% of the rates for all ages

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.

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.

	Local Government Division
Salary increases, including wage inflation:	
Members other than Safety Officers	3.40%-13.00%

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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.

Pre-Retirement	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 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 Healthy Retiree	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
Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	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 Disabled Retiree	95% of the rates for all ages

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.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

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	<u>100.00%</u>	

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 percent.

Sensitivity of the Town's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates

The following table 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:

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

	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%
Proportionate Share of the Net OPEB Liability	\$295,908	\$304,102	\$313,373

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.
- 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.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025**

Sensitivity of the Town's proportionate share of the net OPEB liability to changes in the discount rate

The following table presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, 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 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Proportionate Share of the Net OPEB Liability	\$372,680	\$304,102	\$244,977

OPEB Plan Fiduciary Net Position

Detailed information about the HCTF's fiduciary net position is available in PERA's Annual Comprehensive Financial Report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Construction Commitments

At December 31, 2025, the Town had unexpended construction related contract commitments in the governmental funds of approximately \$348,534 and \$1,442,483 in the proprietary funds. These projects are expected to be completed in 2026.

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the Taxpayer Bill of Rights, otherwise known as TABOR), which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment. However, the Town has made certain interpretations of the amendment's language in order to determine its compliance.

The Amendment also requires local governments to establish emergency reserves to be used for declared emergencies only. An emergency, as defined by the Amendment, excludes economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The Town has restricted \$792,118 for this purpose.

On April 2, 1996, the voting citizens of the Town of Firestone authorized the Town to collect retain, and expend the full proceeds of the Town's sales and use tax, property tax revenues, non-federal grants, fees and other revenues collected and received during the year 1996 and each subsequent year, for capital projects, basic municipal services or other lawful municipal purposes, notwithstanding any state limitation on fiscal year revenue and spending, including without limitation the restrictions of Article X, Section 20 of the Colorado Constitution or any other law. This effectively removed all revenue and spending limits imposed by TABOR.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

The Town believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require judicial interpretation.

Litigation

Management is not aware of any outstanding claims that could have a material adverse effect on the Town's financial statements.

NOTE 16 – FUND BALANCE CLASSIFICATION

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. As required by the State Constitution amendment addressed in Note 15, the Town is required to provide for Emergency Reserves.

The rationale of the fund balance classifications are as follows:

- Nonspendable
 - These are payments made to vendors for services that will benefit periods extending beyond the current fiscal year.
- Restricted
 - Emergencies – a portion restricted for emergencies as defined under TABOR (Note 15)
 - Conservation Trust – restricted under state statutes for future payments on maintenance and capital expenditures
 - Open Space – per legal restrictions on the use of lodging taxes collected
- Committed
 - Impact Fees – committed by Board of Trustees resolution for capital projects related to roadways, local parks, regional parks, municipal facilities, drainage, and raw water
 - FURA Improvements – committed by Board of Trustees resolution to mitigate blight in the Southern, Northern, Central or Bighorn Firestone Urban Renewal Authority boundaries
- Assigned
 - Working Reserve – Town Policy adopted by Resolution of the Board of Trustees to establish a working reserve of at least 25% of the current year General Fund operating expenditures
- Unassigned – any remaining fund balance that does not fall into one of the other categories. The General Fund should be the only fund that reports a positive unassigned fund balance.

The Town's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year, in that order.

NOTE 17 - RISK MANAGEMENT

Since January 1, 2010, the Town has been a member of the Colorado Intergovernmental Risk Sharing Agency ("CIRSA") which provides sufficient liability and property coverage to protect against property damage to all the Town's capital assets and equipment. Other coverage includes general liability coverage as well as supplemental liability coverage for employee benefits, employment practices, law enforcement activities, vehicle and auto liability, crimes against the Town and a general umbrella liability policy. In addition, the Town has secured additional coverage for Town events and volunteers. The Town

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

maintains the state required worker's compensation insurance with Pinnacol Assurance, the primary provider of worker's compensation coverage in Colorado.

NOTE 18 - DEVELOPER AGREEMENTS

The Town is involved in developer agreements to promote commercial growth within its boundaries. These agreements are structured so that future revenues are committed to meet development obligations, but only as the revenues are earned. If revenues are not earned from the sources outlined in the agreements, the Town of Firestone is not obligated to fund the expenditures from other sources. These agreements fall under Government Accounting Standard Board Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues* for pledged revenues. The obligations to be repaid through these pledged revenues are summarized on the following page:

American Furniture Warehouse (AFW) and THF/TFD Firestone Development, L.L.C.

An Amended and Restated Public Improvements Reimbursement Agreement (the "PIRA") between AFW and THF/TFD Firestone Development (the "Developers") was approved by the Town on July 31, 2006. The PIRA will finance the construction of certain public improvements in connection with the Town City Centre development, located at I-25 and Firestone Blvd. Under the PIRA, the Developers will receive 1.25 percent (the "Credit PIF") of the Town's 3.6 percent sales and use tax on the sale or provision of goods in the development. The amount of eligible cost that could be reimbursed to the Developers from Credit PIF Revenues is limited to \$11,000,000, plus interest accruing at the Wall Street Journal Prime Rate (6.75% at December 31, 2025), capped at 7 percent per annum. The Developers have 20 years (2026) to receive the maximum reimbursable amount.

THF Firestone Development, L.L.C.

A Retail Infrastructure Funding Agreement (the "RIFA") with THF Firestone Development (the "THF Developer") was approved by the Town on September 4, 2008. The RIFA supplements the PIRA and is intended to help finance the construction of additional public improvements in connection with the development of a portion of the retail area at I-25 and Firestone Boulevard. Under the RIFA, the THF Developer imposed a Retail Transaction Fee ("RTF") in the amount of 0.25 percent of the Town's 3.6 percent sales and use tax on the sale or provision of goods in the project area. The amount of eligible cost that could be reimbursed to the Developers from RTF Revenues is limited to \$4,000,000, plus interest accruing at the Wall Street Journal Prime Rate (6.75% at December 31, 2025), capped at 7 percent per annum. The Developers have 20 years (2029) to receive the maximum reimbursable amount.

TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 14,568,068	\$ 14,568,068	\$ 11,441,049	\$ (3,127,019)
Intergovernmental	1,513,296	1,513,296	1,424,614	(88,682)
Licenses, Fees and Charges	4,587,122	4,587,122	4,063,395	(523,727)
Fines	123,024	123,024	239,208	116,184
Grants	87,783	87,783	208,237	120,454
Investment Earnings/(Loss)	308,687	308,687	668,219	359,532
Miscellaneous	225,000	225,000	346,895	121,895
Total Revenues	<u>21,412,980</u>	<u>21,412,980</u>	<u>18,391,617</u>	<u>(3,021,363)</u>
EXPENDITURES				
Current:				
Town Administration	7,154,701	8,004,701	8,570,447	(565,746)
Engineering	491,741	491,741	335,928	155,813
Planning	1,391,512	1,391,512	1,563,461	(171,949)
Public Safety	7,396,534	7,396,534	5,257,668	2,138,866
Fleet and Streets	2,824,393	2,824,393	2,153,813	670,580
Irrigation and Parks	2,926,756	2,926,756	2,441,622	485,134
Capital Outlay	107,800	107,800	2,676,877	(2,569,077)
Debt Service:				
Interest Expense	-	170,833	170,833	-
Principal Expense	-	766,192	766,192	-
Total Expenditures	<u>22,293,437</u>	<u>24,080,462</u>	<u>23,936,841</u>	<u>143,621</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(880,457)</u>	<u>(2,667,482)</u>	<u>(5,545,224)</u>	<u>(2,877,742)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,664,593	2,664,593	1,264,593	(1,400,000)
Transfers Out	(197,011)	(1,622,011)	(1,614,499)	7,512
Lease Financing	-	-	507,971	507,971
SBITA* Financing	-	-	1,695,239	1,695,239
Total Other Financing Sources (Uses)	<u>2,467,582</u>	<u>1,042,582</u>	<u>1,853,304</u>	<u>810,722</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,587,125</u>	<u>\$ (1,624,900)</u>	<u>(3,691,920)</u>	<u>\$ (2,067,020)</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>16,893,043</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 13,201,123</u>	

TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
FIRESTONE URBAN RENEWAL AUTHORITY - NORTHERN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property Taxes - TIF	\$ 3,819,731	\$ 3,819,731	\$ 3,968,866	\$ 149,135
Investment Earnings	61,987	61,987	79,633	17,646
Total Revenues	<u>3,881,718</u>	<u>3,881,718</u>	<u>4,048,499</u>	<u>166,781</u>
EXPENDITURES				
General Government	4,424,686	4,424,686	4,512,997	(88,311)
Capital Outlay	1,835,000	1,901,480	24,516	1,876,964
Total Expenditures	<u>6,259,686</u>	<u>6,326,166</u>	<u>4,537,513</u>	<u>1,788,653</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,377,968)</u>	<u>(2,444,448)</u>	<u>(489,014)</u>	<u>1,955,434</u>
OTHER FINANCING USES				
Transfers in	<u>1,130,000</u>	<u>1,130,000</u>	<u>-</u>	<u>(1,130,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,247,968)</u>	<u>\$ (1,314,448)</u>	<u>(489,014)</u>	<u>\$ 825,434</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>1,353,022</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 864,008</u>	

TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
FIRESTONE URBAN RENEWAL AUTHORITY - CENTRAL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property Taxes - TIF	\$ 4,819,109	\$ 4,819,109	\$ 4,886,666	\$ 67,557
Investment Earnings	41,199	41,199	84,288	43,089
Total Revenues	<u>4,860,308</u>	<u>4,860,308</u>	<u>4,970,954</u>	<u>110,646</u>
EXPENDITURES				
General Government	4,789,201	4,942,201	4,941,240	961
Total Expenditures	<u>4,789,201</u>	<u>4,942,201</u>	<u>4,941,240</u>	<u>961</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>71,107</u>	<u>(81,893)</u>	<u>29,714</u>	<u>111,607</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	1,250,000	1,250,000	-
Transfers Out	-	(325,540)	(325,540)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>924,460</u>	<u>924,460</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 71,107</u>	<u>\$ 842,567</u>	<u>954,174</u>	<u>\$ 111,607</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>987,581</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 1,941,755</u>	

TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
FIRESTONE URBAN RENEWAL AUTHORITY - BIGHORN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property Taxes - TIF	\$ 1,759,022	\$ 1,759,022	\$ 1,805,139	\$ 46,117
Investment Earnings	242,023	242,023	389,973	147,950
Total Revenues	<u>2,001,045</u>	<u>2,001,045</u>	<u>2,195,112</u>	<u>194,067</u>
EXPENDITURES				
General Government	1,213,303	1,256,303	1,256,183	120
Total Expenditures	<u>1,213,303</u>	<u>1,256,303</u>	<u>1,256,183</u>	<u>120</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>787,742</u>	<u>744,742</u>	<u>938,929</u>	<u>194,187</u>
OTHER FINANCING USES				
Transfers out	<u>(1,887,732)</u>	<u>(2,412,803)</u>	<u>(1,282,888)</u>	<u>1,129,915</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (1,099,990)</u></u>	<u><u>\$ (1,668,061)</u></u>	<u>(343,959)</u>	<u><u>\$ 1,324,102</u></u>
FUND BALANCE AT BEGINNING OF YEAR			<u>7,586,061</u>	
FUND BALANCE AT END OF YEAR			<u><u>\$ 7,242,102</u></u>	

This Page Intentionally Left Blank

TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)

FPPA - STATEWIDE RETIREMENT PLAN

Last Ten Years

	2025	2024	2023	2022	2021
Town's Proportion of the Net Pension Liability (Asset)	0.28990%	0.34398%	0.32113%	0.31807%	0.30921%
Town's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ 285,035	\$ (1,723,709)	\$ (671,289)
Town's Covered Payroll	\$ 3,596,914	\$ 3,177,292	\$ 3,389,046	\$ 2,799,383	\$ 2,563,107
Town's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.00%	0.00%	8.41%	-61.57%	-28.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.00%	100.00%	97.60%	116.20%	101.90%

The amounts presented for each fiscal year were determined as of December 31 of the prior year.

2020	2019	2018	2017	2016
0.31584%	0.30161%	0.27030%	0.27198%	0.23771%
\$ (178,626)	\$ 381,312	\$ (388,872)	\$ 98,278	\$ (4,191)
\$ 2,483,607	\$ 2,327,822	\$ 2,020,327	\$ 1,581,069	\$ 1,349,000
-7.67%	16.38%	-19.25%	6.22%	-0.31%
101.90%	95.20%	106.30%	98.21%	100.10%

TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY/(ASSET)

PERA - LOCAL GOVERNMENT DIVISION TRUST FUND
Last Ten Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Town's proportionate share of the net pension liability/(asset)	0.81172%	0.81979%	0.70254%	0.65062%	0.62002%
Town's proportion of the net pension liability/(asset)	\$ 4,980,696	\$ 6,017,616	\$ 7,043,447	\$ (557,826)	\$ 3,231,086
Town's covered payroll	\$ 8,824,739	\$ 7,781,568	\$ 7,185,776	\$ 5,737,211	\$ 4,833,157
Town's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	56.44%	77.33%	98.02%	-9.72%	74.34%
Plan fiduciary net position as a percentage of the total pension	90.45%	88.03%	82.99%	101.49%	90.88%

The amounts presented for each fiscal year were determined as of December 31 of the prior year.

2020	2019	2018	2017	2016
0.52746%	0.39639%	0.30200%	0.32290%	0.32673%
\$ 3,857,762	\$ 4,983,456	\$ 3,362,833	\$ 4,360,194	\$ 3,599,155
\$ 4,346,448	\$ 3,609,894	\$ 2,571,702	\$ 1,905,298	\$ 1,957,152
106.87%	193.78%	130.76%	228.85%	183.90%
86.26%	75.96%	79.37%	73.65%	76.87%

TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)

PERA - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Last Ten Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Town's proportionate share of the net OPEB liability/(asset)	0.06360%	0.06419%	0.05541%	0.04981%
Town's proportion of the net OPEB liability/(asset)	\$ 304,102	\$ 458,168	\$ 452,390	\$ 429,497
Town's covered payroll	\$ 8,824,739	\$ 7,781,568	\$ 7,185,776	\$ 5,737,211
Town's proportionate share of the net OPEB liability/(asset) as a percentage of its covered payroll	3.45%	5.89%	6.30%	7.49%
Plan fiduciary net position as a percentage of the total OPEB	59.83%	46.16%	38.57%	39.40%

The amounts presented for each fiscal year were determined as of December 31 of the prior year.

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

2021	2020	2019	2018
0.04669%	0.03980%	0.03041%	0.02347%
\$ 443,700	\$ 447,372	\$ 413,696	\$ 304,999
\$ 4,833,157	\$ 4,346,448	\$ 3,609,894	\$ 2,571,702
10.21%	12.39%	16.09%	16.01%
24.49%	24.49%	17.03%	17.53%

**TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S CONTRIBUTIONS**

FPPA - STATEWIDE RETIREMENT PLAN

Last Ten Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually Required Contribution	\$ 375,332	\$ 316,099	\$ 321,048	\$ 251,446	\$ 217,643
Contributions in Relation to the Contractually Required Contribution	<u>375,332</u>	<u>316,099</u>	<u>321,048</u>	<u>251,446</u>	<u>217,643</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's Covered Payroll	\$ 3,596,914	\$ 3,177,292	\$ 3,389,046	\$ 2,799,383	\$ 2,563,107
Contributions as a Percentage of Covered Payroll	10.4%	9.9%	9.5%	9.0%	8.5%

The amounts presented for each fiscal year were determined as of December 31 of the prior year.

2020	2019	2018	2017	2016
\$ 198,686	\$ 186,226	\$ 161,626	\$ 126,486	\$ 107,920
198,686	186,226	161,626	126,486	107,920
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,483,607	\$ 2,327,822	\$ 2,020,327	\$ 1,581,069	\$ 1,349,000
8%	8%	8%	8%	8%

**TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S CONTRIBUTIONS**

PERA - LOCAL GOVERNMENT DIVISION TRUST FUND
Last Ten Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Statutorily required contributions	\$ 1,164,866	\$ 1,027,167	\$ 948,522	\$ 757,312	\$ 637,977
Contributions in relation to the statutorily required contribution	<u>1,207,342</u>	<u>1,070,686</u>	<u>987,255</u>	<u>773,738</u>	<u>638,335</u>
Contribution deficiency (excess)	<u>\$ (42,476)</u>	<u>\$ (43,519)</u>	<u>\$ (38,733)</u>	<u>\$ (16,427)</u>	<u>\$ (358)</u>
Covered payroll	\$ 8,824,739	\$ 7,781,568	\$ 7,185,776	5,737,211	4,833,157
Contribution as a percentage of covered payroll	13.20%	13.20%	13.20%	13.20%	13.20%

The amounts presented for each fiscal year were determined as of December 31 of the prior year.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 551,130	\$ 457,735	\$ 326,092	\$ 241,592	\$ 248,166
<u>562,044</u>	<u>455,430</u>	<u>329,666</u>	<u>241,592</u>	<u>248,166</u>
<u>\$ (10,914)</u>	<u>\$ 2,304</u>	<u>\$ (3,574)</u>	<u>\$ -</u>	<u>\$ -</u>
4,346,448	3,609,894	2,571,702	1,905,298	1,957,152
12.68%	12.68%	12.68%	12.68%	12.68%

**TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S CONTRIBUTIONS**

**PERA - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
Last Ten Years**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Statutorily required contributions	\$ 90,012	\$ 79,372	\$ 73,295	\$ 58,520
Contributions in relation to the statutorily required contribution	<u>90,012</u>	<u>79,372</u>	<u>73,295</u>	<u>58,520</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	8,824,739	7,781,568	7,185,776	5,737,211
Contribution as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%

The amounts presented for each fiscal year were determined as of December 31 of the prior year.

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 49,298	\$ 44,334	\$ 36,821	\$ 26,231
<u>49,298</u>	<u>44,334</u>	<u>36,821</u>	<u>26,231</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
4,833,157	4,346,448	3,609,894	2,571,702
1.02%	1.02%	1.02%	1.02%

TOWN OF FIRESTONE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025

NOTE 1. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The Board of Trustees annually adopts the Budget Resolution for all operating funds of the Town. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds, with the exception of the enterprise funds, which are budgeted on a non-GAAP basis of accounting. All annual appropriations lapse at fiscal year-end.

No later than October 15, the Town Manager submits to the Mayor and Trustees a proposed budget for the calendar year commencing the following January 1. The budget is prepared by fund, department, program, and activity, and includes information on the past year, current year estimates and requested appropriations and estimated revenues for the next calendar year. The Board of Trustees holds public hearings and may add to, subtract from or change appropriations except for expenditures required by law, debt service expenditures or for estimated cash deficits. No change to the budget shall increase the authorized expenditures to any amount greater than the total amount of available funds, which includes unreserved fund balance.

The Board of Trustees shall adopt the budget by resolution in accordance with the State Budget Law. Once adopted, the Board of Trustees may at any time, by ordinance, amend the budget. The individual boards of the Town's component units approve their respective annual budgets.

Expenditures may not legally exceed budgeted appropriations at the fund level. Funds are defined as the major operating units of the Town. Those funds are the General Fund, Firestone Urban Renewal Authority – Central, Firestone Urban Renewal Authority – Bighorn, Capital Projects Fund, Debt Service Fund, Water Fund, and Stormwater Fund.

NOTE 2. CHANGE IN CONTRIBUTIONS FOR PENSIONS – FIRE AND POLICE PENSION ASSOCIATION (FPPA)

In 2014, the members elected to increase the member contribution rate to the Statewide Retirement Plan (SRP) beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions are 10.0 percent and 10.5 percent in 2024 and 2025, respectively. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2025, members of the SRP plan and their employers are contributing at the rate of 12.0 percent and 10.5 percent, respectively, of pensionable earnings for a total contribution rate of 22.5 percent.

For additional information, see note 8 on page 53 of the Notes section.

NOTE 3. SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION – 2024 CHANGES IN PLAN PROVISIONS SINCE 2023 – PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION (PERA)

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 4. SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION – 2024 CHANGES IN ASSUMPTIONS OR OTHER INPUTS SINCE 2023 – PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION (PERA)

- 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.

**TOWN OF FIRESTONE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

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

NOTE 5. SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION – 2024 CHANGES IN PLAN PROVISIONS SINCE 2023 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

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.

NOTE 6. SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION – 2024 CHANGES IN ASSUMPTIONS OR OTHER INPUTS SINCE 2023 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

- 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.

This Page Intentionally Left Blank

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 7,015,681	\$ 7,015,681	\$ 5,470,903	\$ (1,544,778)
Licenses, Fees and Charges	11,910,562	11,910,562	3,499,352	(8,411,210)
Grants	730,376	730,376	634,335	(96,041)
Investment Earnings/(Loss)	405,120	405,120	977,887	572,767
Total Revenues	<u>20,061,739</u>	<u>20,061,739</u>	<u>10,582,477</u>	<u>(9,479,262)</u>
EXPENDITURES				
General Government	-	-	1,493,542	(1,493,542)
Capital Outlay	<u>8,419,209</u>	<u>9,669,646</u>	<u>3,838,294</u>	<u>5,831,352</u>
Total Expenditures	<u>8,419,209</u>	<u>9,669,646</u>	<u>5,331,836</u>	<u>4,337,810</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>11,642,530</u>	<u>10,392,093</u>	<u>5,250,641</u>	<u>(5,141,452)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	704,743	1,555,354	1,547,927	(7,427)
Transfers Out	<u>(4,910,031)</u>	<u>(4,910,031)</u>	<u>(3,507,031)</u>	<u>1,403,000</u>
Total Other Financing Sources (Uses)	<u>(4,205,288)</u>	<u>(3,354,677)</u>	<u>(1,959,104)</u>	<u>1,395,573</u>
NET CHANGE IN FUND BALANCE	<u>\$ 7,437,242</u>	<u>\$ 7,037,416</u>	3,291,537	<u>\$ (3,745,879)</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>17,814,135</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 21,105,672</u>	

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Investment Earnings	\$ 42,389	\$ 42,389	\$ 49,679	\$ 7,290
Total Revenues	<u>42,389</u>	<u>42,389</u>	<u>49,679</u>	<u>7,290</u>
EXPENDITURES				
Administrative Fees	9,580	9,580	9,882	(302)
Interest Expenditures	735,438	735,438	735,438	-
Principal Payments	<u>1,655,000</u>	<u>1,655,000</u>	<u>1,600,000</u>	<u>55,000</u>
Total Expenditures	<u>2,400,018</u>	<u>2,400,018</u>	<u>2,345,320</u>	<u>54,698</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,357,629)</u>	<u>(2,357,629)</u>	<u>(2,295,641)</u>	<u>61,988</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>2,345,438</u>	<u>2,345,438</u>	<u>2,342,438</u>	<u>(3,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (12,191)</u>	<u>\$ (12,191)</u>	<u>46,797</u>	<u>\$ 58,988</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>1,030,577</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 1,077,374</u>	

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2025

	Conservation Trust	Firestone Downtown Development Authority - The Central Firestone District	Firestone Urban Renewal Authority - Southern	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ 170,174	\$ 198,491	\$ 377,016	\$ 745,681
Receivables	35	-	5,344	5,379
Prepaid Items	-	-	-	-
Total Assets	<u>170,209</u>	<u>198,491</u>	<u>382,360</u>	<u>751,060</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	-	23,484	885	24,369
Other Liabilities	-	175,000	339,199	514,199
Total Liabilities	<u>-</u>	<u>198,484</u>	<u>340,084</u>	<u>538,568</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Conservation Trust	170,209	-	-	170,209
Committed for:				
FURA and FDDA	-	7	42,276	42,283
Total Fund Balances	<u>170,209</u>	<u>7</u>	<u>42,276</u>	<u>212,492</u>
Total Liabilities and Fund Balances	<u>\$ 170,209</u>	<u>\$ 198,491</u>	<u>\$ 382,360</u>	<u>\$ 751,060</u>

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2025

	Conservation Trust	Firestone Downtown Development Authority - The Central Firestone District	Firestone Urban Renewal Authority - Southern	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ -	\$ -	\$ 113,997	\$ 113,997
Intergovernmental	111,625	-	-	111,625
Investment Earnings	14,993	-	2,966	17,959
Total Revenues	<u>126,618</u>	<u>-</u>	<u>116,963</u>	<u>243,581</u>
EXPENDITURES				
General Government	-	174,993	343,863	518,856
Capital Outlay	<u>116,142</u>	<u>-</u>	<u>-</u>	<u>116,142</u>
Total Expenditures	<u>116,142</u>	<u>174,993</u>	<u>343,863</u>	<u>634,998</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>10,476</u>	<u>(174,993)</u>	<u>(226,900)</u>	<u>(391,417)</u>
OTHER FINANCING SOURCES				
Transfers In	-	175,000	250,000	425,000
Total Other Financing Sources	<u>-</u>	<u>175,000</u>	<u>250,000</u>	<u>425,000</u>
NET CHANGE IN FUND BALANCES	10,476	7	23,100	33,583
FUND BALANCES - BEGINNING OF YEAR	<u>159,733</u>	<u>-</u>	<u>19,176</u>	<u>178,909</u>
FUND BALANCES - END OF YEAR	<u>\$ 170,209</u>	<u>\$ 7</u>	<u>\$ 42,276</u>	<u>\$ 212,492</u>

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 128,341	\$ 128,341	\$ 111,625	\$ (16,716)
Investment Earnings	6,453	6,453	14,993	8,540
Total Revenues	<u>134,794</u>	<u>134,794</u>	<u>126,618</u>	<u>(8,176)</u>
EXPENDITURES				
Capital Outlay	100,000	144,179	116,142	28,037
Total Expenditures	<u>100,000</u>	<u>144,179</u>	<u>116,142</u>	<u>28,037</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>34,794</u>	<u>(9,385)</u>	<u>10,476</u>	<u>19,861</u>
NET CHANGE IN FUND BALANCE	<u>\$ 34,794</u>	<u>\$ (9,385)</u>	<u>10,476</u>	<u>\$ 19,861</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>159,733</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 170,209</u>	

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
FIRESTONE DOWNTOWN DEVELOPMENT AUTHORITY - THE CENTRAL FIRESTONE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property Taxes - TIF	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES				
General Government	-	175,000	174,993	7
Total Expenditures	-	175,000	174,993	7
EXCESS OF REVENUES OVER EXPENDITURES	-	(175,000)	(174,993)	7
OTHER FINANCING USES				
Transfers in	-	175,000	175,000	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	7	<u>\$ 7</u>
FUND BALANCE AT BEGINNING OF YEAR			-	
FUND BALANCE AT END OF YEAR			<u>\$ 7</u>	

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
FIRESTONE URBAN RENEWAL AUTHORITY - SOUTHERN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property Taxes - TIF	\$ 111,093	\$ 111,093	\$ 113,997	\$ 2,904
Investment Earnings	-	-	2,966	2,966
Total Revenues	<u>111,093</u>	<u>111,093</u>	<u>116,963</u>	<u>5,870</u>
EXPENDITURES				
General Government	<u>347,065</u>	<u>347,065</u>	<u>343,863</u>	<u>3,202</u>
Total Expenditures	<u>347,065</u>	<u>347,065</u>	<u>343,863</u>	<u>3,202</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(235,972)</u>	<u>(235,972)</u>	<u>(226,900)</u>	<u>9,072</u>
OTHER FINANCING USES				
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 14,028</u>	<u>\$ 14,028</u>	23,100	<u>\$ 9,072</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>19,176</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 42,276</u>	

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
WATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
OPERATING REVENUES				
Charges for Services	\$ 28,300,945	\$ 28,300,945	\$ 8,847,805	\$ (19,453,140)
Licenses and Fees	1,600	1,600	3,082	1,482
Intergovernmental	52,500	52,500	59,285	6,785
Total Operating Revenues	<u>28,355,045</u>	<u>28,355,045</u>	<u>8,910,172</u>	<u>(19,444,873)</u>
OPERATING EXPENSES				
Operations	1,567,303	1,567,303	1,744,381	(177,078)
Administration	1,015,146	1,015,146	993,027	22,119
Resources	2,798,783	2,798,783	2,699,987	98,796
Water Treatment and Tap Fees	4,339,912	4,339,912	4,493,208	(153,296)
Capital Outlay	14,073,734	14,826,226	6,700,221	8,126,005
Total Operating Expenses	<u>23,794,878</u>	<u>24,547,370</u>	<u>16,630,824</u>	<u>7,916,546</u>
OPERATING INCOME (LOSS)	<u>4,560,167</u>	<u>3,807,675</u>	<u>(7,720,652)</u>	<u>(11,528,327)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	363,382	363,382	742,236	378,854
Interest Expense	(1,873,450)	(1,873,450)	(1,364,491)	508,959
Principal Expense	(985,000)	(1,872,550)	(985,000)	887,550
Total Nonoperating Revenues (Expenses)	<u>(2,495,068)</u>	<u>(3,382,618)</u>	<u>(1,607,255)</u>	<u>1,775,363</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>2,065,099</u>	<u>425,057</u>	<u>(9,327,907)</u>	<u>(9,752,964)</u>
OTHER FINANCING SOURCES				
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Change in Net Position - Budget Basis	<u>\$ 1,965,099</u>	<u>\$ 325,057</u>	<u>(9,427,907)</u>	<u>\$ (9,752,964)</u>
RECONCILIATION TO GAAP BASIS:				
Bond Principal Payments			985,000	
Capital Contributions			2,684,405	
Pension Income			36,469	
OPEB Income			15,305	
Capital Outlay			6,700,221	
Depreciation			(2,171,971)	
Change in Net Position - GAAP Basis			<u>(1,178,478)</u>	
TOTAL NET POSITION - BEGINNING OF YEAR			<u>130,411,006</u>	
TOTAL NET POSITION - ENDING OF YEAR			<u>\$ 129,232,528</u>	

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
STORMWATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
OPERATING REVENUES				
Charges for Services	\$ 726,516	\$ 726,516	\$ 739,382	\$ 12,866
Licenses and Fees	819,341	819,341	165,113	(654,228)
Other Operating Revenues	-	-	5,907	5,907
Total Operating Revenues	<u>1,545,857</u>	<u>1,545,857</u>	<u>910,402</u>	<u>(635,455)</u>
OPERATING EXPENSES				
Operations	626,706	626,706	563,556	63,150
Administration	479,804	479,804	431,427	48,377
Capital Outlay	423,500	530,518	99,586	430,932
Total Operating Expenses	<u>1,530,010</u>	<u>1,637,028</u>	<u>1,094,569</u>	<u>542,459</u>
OPERATING INCOME (LOSS)	<u>15,847</u>	<u>(91,171)</u>	<u>(184,167)</u>	<u>(92,996)</u>
NONOPERATING REVENUES				
Investment Earnings/(Loss)	<u>53,143</u>	<u>53,143</u>	<u>131,499</u>	<u>78,356</u>
Total Nonoperating Revenues	<u>53,143</u>	<u>53,143</u>	<u>131,499</u>	<u>78,356</u>
Change in Net Position - Budget Basis	<u>\$ 68,990</u>	<u>\$ (38,028)</u>	(52,668)	<u>\$ (14,640)</u>
RECONCILIATION TO GAAP BASIS:				
Capital Contributions			4,510,296	
Pension Income			6,155	
OPEB Income			5,530	
Capital Outlay			99,586	
Depreciation			(273,557)	
Change in Net Position - GAAP Basis			<u>4,295,342</u>	
TOTAL NET POSITION - BEGINNING OF YEAR			<u>11,333,732</u>	
TOTAL NET POSITION - ENDING OF YEAR			<u>\$ 15,629,074</u>	

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF NET POSITION
NON-MAJOR PROPRIETARY FUND
December 31, 2025

	St Vrain Water Authority
CURRENT ASSETS	
Cash and Investments	\$ 645,226
Total Current Assets	<u>645,226</u>
NONCURRENT ASSETS	
Capital Assets:	
Equipment	<u>7,102</u>
Total Noncurrent Assets	<u>7,102</u>
Total Assets	<u>652,328</u>
CURRENT LIABILITIES	
Accounts Payable	<u>31,831</u>
Total Current Liabilities	<u>31,831</u>
NET POSITION	
Unrestricted	<u>620,497</u>
Total Net Position	<u><u>\$ 620,497</u></u>

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
NON-MAJOR PROPRIETARY FUND
Year Ended December 31, 2025

	St Vrain Water Authority
OPERATING REVENUES	
Charges for Services	<u>\$ 1,036,826</u>
Total Operating Revenues	<u>1,036,826</u>
OPERATING EXPENSES	
Administration	<u>526,339</u>
Total Operating Expenses	<u>526,339</u>
OPERATING INCOME (LOSS)	<u>510,487</u>
CHANGE IN NET POSITION	510,487
NET POSITION - BEGINNING OF YEAR	<u>110,010</u>
NET POSITION - END OF YEAR	<u><u>\$ 620,497</u></u>

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
Year Ended December 31, 2025

	Business-Type Activities <u>St Vrain Water Authority</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	\$ 1,083,453
Cash Paid to Suppliers	<u>(491,607)</u>
Net Cash Provided (Used) by Operating Activities	<u>591,846</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	<u>20,148</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>20,148</u>
Net Increase (Decrease) in Cash and Cash Equivalents	611,994
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>33,232</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 645,226</u></u>
RECONCILIATION OF TOTAL CASH TO THE STATEMENT OF NET POSITION	
Unrestricted cash and cash equivalents	645,226
	<u><u>\$ 645,226</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES	
Operating Income	\$ 510,487
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities	
(Increase) Decrease in Accounts Receivable	46,627
(Increase) Decrease in Prepaid Expenses	50,714
Increase (Decrease) in Accounts Payable	<u>(15,982)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u><u>\$ 591,846</u></u>

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
ST VRAIN WATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL (NON GAAP BUDGETARY BASIS)
Year Ended December 31, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for Services	\$ 1,312,899	\$ 1,312,899	\$ 1,036,826	\$ (276,073)
Total Revenues	<u>1,312,899</u>	<u>1,312,899</u>	<u>1,036,826</u>	<u>(276,073)</u>
EXPENDITURES				
General Government	893,330	893,330	526,339	366,991
Capital Equipment	134,000	134,000	7,102	126,898
Total Expenditures	<u>1,027,330</u>	<u>1,027,330</u>	<u>533,441</u>	<u>493,889</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>285,569</u>	<u>285,569</u>	<u>503,385</u>	<u>217,816</u>
Change in Net Position - Budget Basis	<u>\$ 285,569</u>	<u>\$ 285,569</u>	503,385	<u>\$ 217,816</u>
RECONCILIATION TO GAAP BASIS:				
Capital Outlay			<u>7,102</u>	
Change in Net Position - GAAP Basis			510,487	
FUND BALANCE AT BEGINNING OF YEAR			<u>110,010</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 620,497</u>	

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
THIS INFORMATION FROM THE RECORDS OF: Town of Firestone		PREPARED BY: Christine Morrison cmorrison@firestoneco.gov	
		REPORT YEAR ENDING DATE(mm/yyyy): 12/2025	
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE			
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes
1. Total receipts available			
2. Minus amount used for collection expenses			
3. Minus amount used for nonhighway purposes			
4. Minus amount used for mass transit			
5. Total (1 - (2 through 4))			
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other Local Imposts:		A.4. Miscellaneous Local Receipts:	
a. Property Taxes and Assesments		a. Interest on investments	977,887.00
b. Non-property Taxes and Assessments Imposts	3,836,731.00	b. Other Misc. Local Receipts	72,500.00
c. Total (a + b)	\$ 3,836,731.00	c. Total (a + b)	\$ 1,050,387.00
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user Taxes (from Item I.C.5.)	682,444.00	1. FHWA (from Item I.D.5.)	
2. State General Funds		2. Other Federal Agencies:	634,335.00
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds			
c. Total (a + b)	\$ -		
4. Total (1 + 2 + 3c)	\$ 682,444.00	3. Total (1 + 2)	\$ 634,335.00
III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT		
A.1. Capital outlay:			
a. Right-Of-Way Costs			
b. Engineering Costs			
c. Construction Costs	4,516,878.00		
d. Total Capital Outlay (a+ b + c)	\$ 4,516,878.00		
Form FHWA-536 (Rev. 02-2025) Page2			

LOCAL HIGHWAY FINANCE REPORT		STATE:		
		COLORADO		
		REPORT YEAR ENDING DATE(mm/yyyy):		
		12/2025		
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Amount used for highway purposes				
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES		
ITEM	AMOUNT	ITEM	AMOUNT	
A. Receipts from Local Sources:		A. Local highway expenditures:		
1. Local Highway-user Taxes		1. Capital Outlay (from page 1, Item III.A1.d)	\$ 4,516,878.00	
a. Motor Fuel (from Item I.A.1)		2. Maintenance:	1,424,040.00	
b. Motor Vehicle (from Item I.B.1)		3. Road and Street Services:		
c. Total (a + b)		a. Snow and Ice Removal	57,118.00	
2. General Fund Appropriations		b. Other & Traffic Control Operations		
3. Other Local Imposts (from page 1, Item II.A3.c)	\$ 3,836,731.00	c. Total (a + b)	\$ 57,118.00	
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	\$ 1,050,387.00	4. General Administration & Miscellaneous		
5. Transfers from Toll Facilities		5. Highway Law Enforcement and Safety		
6. Proceeds of Sale of Bonds and Notes:		6. Total (1 through 5)	\$ 5,998,036.00	
a. Bonds - Original Issues		B. Debt Service on Local Obligations:		
b. Bonds - Refunding Issues		1. Bonds:		
c. Notes		a. Interest		
d. Total (a + b + c)	\$ -	b. Redemption		
7. Total (1 through 6)	\$ 4,887,118.00	c. Total (a + b)	\$ -	
B. Private Contributions		2. Notes:		
C. Receipts from State government (from page 1, Item II.C.4)	\$ 682,444.00	a. Interest	75,000.00	
D. Receipts from Federal government (from page 1, Item II.D.3)	\$ 634,335.00	b. Redemption	190,000.00	
E. Total receipts (A.7 + B + C + D)	\$ 6,203,897.00	c. Total (a + b)	\$ 265,000.00	
		3. Total (1c + 2c)	\$ 265,000.00	
		C. Payments to State for Highways		
		D. Payments to Toll Facilities		
		E. Total Expenditures (A6 + B3 + C + D)	\$ 6,263,036.00	
IV. LOCAL HIGHWAY DEBT STATUS				
(Show all entries at par)				
ITEM	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)		\$ -	\$ -	\$ -
1. Bonds (Refunding Portion)		\$ -		
B. Notes (Total)	1,975,000	\$ -	\$ 190,000.00	\$ 1,785,000.00

This Page Intentionally Left Blank

**TOWN OF FIRESTONE, COLORADO
STATISTICAL SECTION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025**

This part of the Town of Firestone's Annual Comprehensive Financial Report presents detailed information spanning multiple years to provide a historical context for understanding, interpreting and analyzing the information presented in the financial statements, note disclosures, and supplementary information about the Town's overall financial condition.

The Statistical Section is organized as follows -

	<u>Pages</u>
<i>Financial Trends:</i>	
Information on the Town's financial performance and health over time.	120-129
<i>Revenue:</i>	
Information on the Town's ability to generate tax revenue over time.	130-142
<i>Debt Capacity:</i>	
Information on the Town's outstanding debt and that of overlapping governments.	143-151
<i>Demographics:</i>	
Information on demographic and economic measures that affect the Town and its provision of services to its constituents.	152-154
<i>Operating Information:</i>	
Information on the Town's operations, staffing and other data.	155-157

Town of Firestone
Net Position by Component
Last Ten Years

	2016	2017	2018	2019	2020
Governmental Activities					
Net Investment in Capital Assets	\$ 35,226,064	\$ 34,650,364	\$ 28,109,970	\$ 41,257,735	\$ 40,994,563
Restricted	620,745	803,119	13,864,260	10,522,696	13,582,233
Unrestricted	12,805,734	13,822,992	11,968,347	7,855,505	2,567,164
Total Governmental Activities Net Position	<u>48,652,543</u>	<u>49,276,475</u>	<u>53,942,577</u>	<u>59,635,936</u>	<u>57,143,960</u>
Net Investment in Capital Assets	61,740,243	64,408,047	80,031,398	78,690,632	91,857,202
Unrestricted	7,468,575	7,945,531	9,309,495	14,462,030	4,966,268
Total Business-Type Activities Net Position	<u>69,208,818</u>	<u>72,353,578</u>	<u>89,340,893</u>	<u>93,152,662</u>	<u>96,823,470</u>
Primary Government					
Net Investment in Capital Assets	96,966,307	99,058,411	108,141,368	119,948,367	132,851,765
Restricted	620,745	803,119	13,864,260	10,522,696	13,582,233
Unrestricted	20,274,309	21,768,523	21,277,842	22,317,535	7,533,432
Total Primary Government Net Position	<u>\$ 117,861,361</u>	<u>\$ 121,630,053</u>	<u>\$ 143,283,470</u>	<u>\$ 152,788,598</u>	<u>\$ 153,967,430</u>

Source:
Town of Firestone Finance Department

2021	2022	2023	2024	2025
\$ 44,752,972	\$ 42,881,134	\$ 45,566,929	\$ 47,293,337	\$ 55,476,093
8,763,677	6,629,889	9,858,471	15,187,014	15,647,525
9,729,837	18,485,232	20,887,022	27,364,494	24,211,769
63,246,486	67,996,255	76,312,422	89,844,845	95,335,387
89,787,113	88,505,610	117,410,778	121,175,616	134,371,539
8,182,261	21,946,632	17,601,328	20,679,132	11,110,560
97,969,374	110,452,242	135,012,106	141,854,748	145,482,099
134,540,085	131,386,744	162,977,707	168,468,953	189,847,631
8,763,677	6,629,889	9,858,471	15,187,014	15,647,525
17,912,098	40,431,864	38,488,350	48,043,627	35,322,329
\$ 161,215,860	\$ 178,448,497	\$ 211,324,528	\$ 231,699,593	\$ 240,817,486

Town of Firestone
Changes in Net Position
Last Ten Years

	2016	2017	2018	2019	2020
Expenses					
Governmental Activities:					
General Government	\$ 2,348,047	\$ 5,513,764	\$ 6,569,854	\$ 7,346,775	\$ 9,933,121
Public Safety	2,969,834	3,261,233	3,935,427	3,998,914	5,270,936
Fleet and Streets	3,090,882	4,880,477	4,125,894	4,333,351	4,906,755
Health & Welfare	141,260	-	-	-	-
Economic Development	43,704	-	-	-	-
Irrigation and Parks	1,012,945	900,040	1,038,690	1,686,172	1,910,253
Total Governmental Activities Expenses	9,766,328	14,701,401	16,223,496	18,134,974	22,806,016
Business-Type Activities:					
Water	2,744,992	4,017,740	3,881,323	4,491,369	6,331,037
Stormwater	227,901	148,496	232,813	369,739	696,055
St Vrain Water Authority	-	-	-	-	-
Total Business-Type Activities Expenses	2,972,893	4,166,236	4,114,136	4,861,108	7,027,092
Total Primary Government Activities Expenses	\$ 12,739,221	\$ 18,867,637	\$ 20,337,632	\$ 22,996,082	\$ 29,833,108
Program Revenues					
Governmental Activities:					
Charges for Services					
General Government	\$ 1,003,617	\$ 1,944,779	\$ 2,399,646	\$ 2,951,584	\$ 2,586,062
Public Safety	242,676	215,919	245,411	167,956	110,028
Fleet and Streets	2,697,973	1,451,035	1,348,846	977,560	714,874
Irrigation and Parks	-	557,611	1,481,911	978,632	611,001
Operating Grants and Contributions	853,006	201,916	508,227	689,690	407,270
Capital Grants and Contributions	4,785,207	1,181,103	2,198,384	2,261,265	630,570
Total Governmental Activities Program Revenues	9,582,479	5,552,363	8,182,425	8,026,687	5,059,805
Business-Type Activities:					
Charges for Services					
Water	3,416,947	5,741,998	5,795,460	6,624,512	7,123,839
Stormwater	449,677	503,901	562,356	831,519	790,534
St Vrain Water Authority	-	-	-	-	-
Operating Grants and Contributions	1,074	22,616	10,342	67,297	24,870
Capital Grants and Contributions	3,228,775	400,981	13,936,292	900,824	607,315
Total Business-Type Activities Program Revenues	7,096,473	6,669,496	20,304,450	8,424,152	8,546,558
Total Primary Government Program Revenues	\$ 16,678,952	\$ 12,221,859	\$ 28,486,875	\$ 16,450,839	\$ 13,606,363
Net (Expense) Revenue					
Governmental Activities	(183,849)	(9,149,038)	(8,041,071)	(10,108,287)	(17,746,211)
Business-Type Activities	4,123,580	2,503,260	16,190,314	3,563,044	1,519,466
Total Primary Government Net Expense	\$ 3,939,731	\$ (6,645,778)	\$ 8,149,243	\$ (6,545,243)	\$ (16,226,745)

2021	2022	2023	2024	2025
\$ 13,578,564	\$ 14,958,771	\$ 20,431,094	\$ 22,184,612	\$ 24,283,369
5,309,476	5,557,826	6,594,795	7,413,245	6,402,691
4,886,034	4,857,983	5,123,228	4,599,001	4,890,416
-	-	-	-	-
-	-	-	-	-
1,773,954	1,505,774	2,075,075	3,028,604	3,106,640
26,383,925	27,684,306	35,059,704	37,996,611	39,513,042
7,342,985	7,583,116	9,026,945	10,642,010	13,467,065
878,329	932,105	1,005,738	1,078,167	1,268,540
240,220	59,342	506,605	644,309	526,339
8,461,534	8,574,563	10,539,288	12,364,486	15,261,944
\$ 34,845,459	\$ 36,258,869	\$ 45,598,992	\$ 50,361,097	\$ 54,774,986
\$ 2,937,899	\$ 2,795,781	\$ 3,536,613	\$ 7,688,885	\$ 3,836,797
106,552	131,784	242,217	236,271	566,214
762,109	616,336	829,830	689,272	830,613
649,767	464,461	614,054	434,640	289,100
2,347,686	2,098,180	63,560	235,339	115,717
2,349,763	2,151,782	4,970,710	4,211,335	7,309,186
9,153,776	8,258,324	10,256,984	13,495,742	12,947,627
7,805,808	17,811,410	32,522,206	15,198,383	8,902,661
824,565	933,682	927,210	869,026	922,087
287,361	60,096	534,821	669,777	1,036,826
12,951	250,985	49,874	84,237	59,285
655,365	2,286,830	165,964	1,630,865	7,194,701
9,586,050	21,343,003	34,200,075	18,452,288	18,115,560
\$ 18,739,826	\$ 29,601,327	\$ 44,457,059	\$ 31,948,030	\$ 31,063,187
(17,230,149)	(19,425,982)	(24,802,720)	(24,500,869)	(26,565,415)
1,124,516	12,768,440	23,660,787	6,087,802	2,853,616
\$ (16,105,633)	\$ (6,657,542)	\$ (1,141,933)	\$ (18,413,067)	\$ (23,711,799)

Town of Firestone
Changes in Net Position (continued)
Last Ten Years

General Revenues and Other Changes in Net Position

Governmental Activities:

	2016	2017	2018	2019	2020
Taxes					
Property Taxes - General	\$ 1,158,501	\$ 1,415,101	\$ 1,455,589	\$ 1,439,646	\$ 1,702,409
Property Taxes - Urban Renewal	472,096	890,758	1,455,337	1,681,342	2,461,018
Specific Ownership Taxes	72,990	110,069	112,203	105,737	86,076
Sales & Use Taxes	6,072,395	6,093,407	8,122,999	10,166,807	11,106,914
Hwy Users, Road & Bridge, Motor Vehicle					
Taxes	551,515	401,994	532,150	541,420	424,728
Franchise Fees ⁽¹⁾	481,156	517,269	-	-	-
Interest Earnings	75,918	116,195	518,530	640,060	248,512
Other Miscellaneous	702,061	309,380	474,089	426,503	437,694
Gain (Loss) on Sale of Capital Assets	-	-	-	51,693	70,132
Transfers	(1,755,254)	(575,000)	(250,000)	-	-
Total Governmental Activities	<u>7,831,378</u>	<u>9,772,969</u>	<u>12,984,045</u>	<u>15,801,646</u>	<u>17,221,338</u>
Business-Type Activities					
Investment Earnings	22,768	61,555	383,847	248,725	184,239
Other Miscellaneous	-	4,945	188,214	-	-
Transfers	1,755,254	575,000	250,000	-	-
Total Business-Type Activities	<u>1,778,022</u>	<u>641,500</u>	<u>822,061</u>	<u>248,725</u>	<u>184,239</u>
Total Primary Government	<u>\$ 9,609,400</u>	<u>\$ 10,414,469</u>	<u>\$ 13,806,106</u>	<u>\$ 16,050,371</u>	<u>\$ 17,405,577</u>

Changes in Net Position

Governmental Activities	7,647,529	623,931	4,942,975	5,693,359	(524,873)
Business-Type Activities	5,901,602	3,144,760	17,012,375	3,811,769	1,703,705
Total Primary Government	<u>\$ 13,549,131</u>	<u>\$ 3,768,691</u>	<u>\$ 21,955,350</u>	<u>\$ 9,505,128</u>	<u>\$ 1,178,832</u>

Source:

Town of Firestone Finance Department

⁽¹⁾ Franchise Fees were previously included under General Revenues. Per GASB-S37, these should be under charges for service when not based on gross receipts. Therefore, they are now included in charges for service under the appropriate function.

2021	2022	2023	2024	2025
\$ 5,433,457	\$ 8,856,296	\$ 10,528,148	\$ 2,089,377	\$ 1,928,439
3,296,422	2,135,724	3,480,816	15,232,885	10,660,671
97,538	111,746	95,831	88,978	92,530
13,116,296	13,546,388	15,207,344	16,490,239	15,004,980
553,896	505,099	562,082	665,904	682,444
-	-	-	-	-
(25,620)	(67,554)	1,909,378	2,019,638	2,267,638
240,343	112,470	531,381	465,040	346,895
57,756	(104,090)	-	-	118,565
-	36,120	129,315	129,314	100,000
23,341,106	26,208,794	33,814,197	38,033,292	32,055,957
12,957	(249,452)	1,192,076	884,154	873,735
-	-	-	-	-
-	(36,120)	(129,315)	(129,314)	(100,000)
12,957	(285,572)	1,062,761	754,840	773,735
\$ 23,354,063	\$ 25,923,222	\$ 34,876,958	\$ 38,788,132	\$ 32,829,692
6,110,957	6,970,118	9,011,477	13,532,423	5,490,542
1,137,473	12,482,868	24,723,548	6,842,642	3,627,351
\$ 7,248,430	\$ 19,452,986	\$ 33,735,025	\$ 20,375,065	\$ 9,117,893

Town of Firestone
Fund Balances of Governmental Funds
Last Ten Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund					
Nonspendable	\$ 9,928	\$ 63,850	\$ 116,814	\$ 120,797	\$ 45,940
Restricted	419,510	803,119	939,501	7,312,893	2,039,838
Committed	-	7,166,423	6,429,983	8,221,410	-
Assigned	-	2,237,467	2,682,429	3,329,528	3,605,481
Unassigned	6,024,085	5,881,921	4,869,230	3,795,451	3,495,144
Total General Fund	<u>\$ 6,453,523</u>	<u>\$ 16,152,780</u>	<u>\$ 15,037,957</u>	<u>\$ 22,780,079</u>	<u>\$ 9,186,403</u>
All Other Governmental Funds					
Nonspendable	\$ 1,318	\$ -	\$ -	\$ -	\$ -
Restricted	201,235	-	12,924,759	3,209,803	11,542,395
Committed	6,586,504	1,074,337	1,057,094	1,457,191	8,260,405
Assigned	1,693,642	-	-	-	-
Unassigned	-	(38,302)	(27,641)	-	(41,375)
Total of All Other Governmental Funds	<u>\$ 8,482,699</u>	<u>\$ 1,036,035</u>	<u>\$ 13,954,212</u>	<u>\$ 4,666,994</u>	<u>\$ 19,761,425</u>

Source:
Town of Firestone Finance Department

2021	2022	2023	2024	2025
\$ 125,672	\$ 115,473	\$ 190,605	\$ 134,366	\$ 57,285
1,862,940	1,739,534	2,332,555	1,566,147	2,039,720
482,824	-	-	739,857	770,400
3,821,161	4,046,813	4,724,970	5,815,834	7,389,912
4,384,523	5,845,097	4,742,627	8,636,839	2,943,806
<u>\$ 10,677,120</u>	<u>\$ 11,746,917</u>	<u>\$ 11,990,757</u>	<u>\$ 16,893,043</u>	<u>\$ 13,201,123</u>
\$ 5,527	\$ 1,407	\$ 1,616	\$ 2,041	\$ 2,207
6,900,738	5,911,447	8,554,531	13,620,867	14,685,179
9,028,744	9,773,812	13,276,193	15,327,377	17,756,017
-	-	-	-	-
6,095,238	-	-	-	-
<u>\$ 22,030,246</u>	<u>\$ 15,686,666</u>	<u>\$ 21,832,340</u>	<u>\$ 28,950,285</u>	<u>\$ 32,443,403</u>

Town of Firestone
Changes in Fund Balances of Governmental Funds
Last Ten Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues					
Taxes	\$ 11,638,871	\$ 8,597,266	\$ 11,235,451	\$ 13,489,106	\$ 15,430,861
Intergovernmental	853,006	1,096,057	1,044,700	1,360,479	1,224,429
Licenses, Fees and Charges	1,164,279	3,752,927	4,474,448	4,910,146	4,138,622
Fines	242,676	212,529	243,821	165,586	107,683
Grants	-	5,367	369,489	448,366	191,151
Investment Earnings	75,918	116,195	518,530	640,060	248,512
Total Revenues	<u>14,383,904</u>	<u>15,022,705</u>	<u>19,218,089</u>	<u>21,567,068</u>	<u>21,630,958</u>
Expenditures					
General Government	2,241,403	4,579,269	6,188,354	7,420,638	9,306,105
Public Safety	2,916,172	3,224,787	3,661,060	3,970,905	4,331,301
Fleet and Streets	931,942	1,639,613	1,500,029	1,406,210	2,038,527
Health & Welfare	141,260	-	-	-	-
Economic Development	43,704	-	-	-	-
Irrigation and Parks	627,552	435,065	681,902	1,484,645	1,516,621
Capital Outlay	2,967,231	1,905,964	9,435,637	12,557,891	2,117,734
Debt Service					
Interest	159,471	150,414	535,305	836,414	870,695
Principal	250,755	260,000	1,170,976	935,461	1,875,000
Debt Issuance Costs	-	-	175,259	85,000	107,117
Total Expenditures	<u>10,279,490</u>	<u>12,195,112</u>	<u>23,348,522</u>	<u>28,697,164</u>	<u>22,163,100</u>
Excess of Revenues					
Over (Under) Expenditures	4,104,414	2,827,593	(4,130,433)	(7,130,096)	(532,142)
Other Financing Sources (Uses)					
Operating Transfers In	2,451,310	10,094,527	5,644,059	11,982,877	3,134,847
Operating Transfers Out	(4,206,564)	(10,669,527)	(5,894,059)	(11,982,877)	(3,134,847)
Lease Proceeds	-	-	-	-	-
SBITA* Proceeds	-	-	-	-	-
Proceeds from Debt Issuance	-	-	14,830,000	5,585,000	4,000,000
Premium on Issuance of Debt	-	-	1,353,786	-	-
Total Other Financing Sources (Uses)	<u>(1,755,254)</u>	<u>(575,000)</u>	<u>15,933,786</u>	<u>5,585,000</u>	<u>4,000,000</u>
Net Changes in Fund Balance	<u>\$ 2,349,160</u>	<u>\$ 2,252,593</u>	<u>\$ 11,803,353</u>	<u>\$ (1,545,096)</u>	<u>\$ 3,467,858</u>
Debt Service as a percentage of					
Noncapital Expenditures	5.56%	3.94%	12.26%	10.98%	13.70%

Source:

Town of Firestone Finance Department

*Subscription-Based Information Technology Arrangements

2021	2022	2023	2024	2025
\$ 22,060,103	\$ 24,827,344	\$ 29,312,139	\$ 33,901,479	\$ 27,686,620
1,189,078	1,750,489	1,931,984	1,717,821	1,536,239
4,610,517	3,903,414	6,903,170	10,327,994	7,562,747
104,567	126,665	133,098	130,453	239,208
2,851,012	1,987,770	1,981,794	952,553	842,572
(25,620)	(67,554)	1,909,378	2,019,638	2,267,638
30,966,233	32,634,370	42,702,944	49,514,978	40,481,919
13,098,895	16,200,729	19,345,552	21,628,294	23,202,536
4,462,747	4,732,368	5,784,020	6,281,312	5,257,668
2,389,145	1,987,999	2,017,024	1,809,371	2,153,813
-	-	-	-	-
-	-	-	-	-
1,391,866	1,624,224	1,777,109	2,272,876	2,441,622
10,112,203	2,897,714	5,245,680	2,921,785	6,655,829
891,470	892,837	916,834	850,016	906,271
1,430,000	1,681,482	1,975,113	1,987,930	2,366,192
-	-	-	-	-
33,776,326	30,017,353	37,061,332	37,751,584	42,983,931
(2,810,093)	2,617,017	5,641,612	11,763,394	(2,502,012)
4,968,239	5,493,491	4,270,367	4,379,905	6,829,958
(4,968,239)	(5,457,371)	(4,141,052)	(4,250,591)	(6,729,958)
-	684,183	604,795	127,523	507,971
-	-	13,792	-	1,695,239
-	-	-	-	-
-	-	-	-	-
-	720,303	747,902	256,837	2,303,210
\$ (2,810,093)	\$ 3,337,320	\$ 6,389,514	\$ 12,020,231	\$ (198,802)
9.81%	9.49%	9.09%	8.15%	9.01%

**Town of Firestone
General Governmental Tax Revenues By Source
Last Ten Years**

Year	Property Tax	Specific Ownership Tax	Franchise Tax ⁽¹⁾	Sales & Use Tax	Severance Tax	Cigarette Tax	Other	Total
2016	\$ 1,630,597	\$ 72,990	\$ 481,156	\$ 6,072,395	\$ 178,086	\$ 18,236	\$ 648,099	\$ 9,101,560
2017	2,305,859	110,069	517,269	6,093,407	80,794	18,187	796,809	9,922,394
2018	2,910,926	112,203	-	8,122,999	137,952	22,894	934,452	12,241,426
2019	3,120,988	105,737	-	10,166,807	323,257	22,214	944,387	14,683,390
2020	4,163,427	86,076	-	11,106,914	235,352	34,190	839,041	16,465,000
2021	8,729,879	97,538	-	13,196,791	85,311	32,334	1,007,269	23,149,122
2022	10,992,020	111,746	-	13,546,388	532,576	16,757	1,032,361	26,231,848
2023	14,008,964	95,831	-	15,207,344	630,302	35,655	703,945	30,682,041
2024	17,322,262	88,978	-	16,490,239	122,133	24,261	705,523	34,753,396
2025	12,589,110	92,530	-	15,004,980	86,838	23,450	743,507	28,540,415

Source:

Town of Firestone Finance Department

⁽¹⁾ In 2018, the Franchise Fees were documented differently to follow GASB Statement No. 37

Year	Taxable Revenue Sales Tax	% Change	Taxable Revenue Use Tax	% Change
2016	\$ 148,351,395	9.81%	\$ 39,452,175	6.88%
2017	156,684,562	5.62%	33,806,900	-14.31%
2018	196,750,193	25.57%	39,999,704	18.32%
2019	242,240,088	23.12%	55,621,667	39.06%
2020	276,328,806	14.07%	44,579,885	-19.85%
2021	322,821,611	16.83%	60,585,115	35.90%
2022	338,859,639	4.97%	39,865,115	-34.20%
2023	372,895,417	10.04%	48,051,269	20.53%
2024	404,399,528	8.45%	51,819,538	7.84%
2025	378,032,167	-6.52%	37,464,385	-27.70%

This Page Intentionally Left Blank

Town of Firestone
Sales Tax Trends
Last Ten Years

	2016	2017	2018	2019	2020
Motor Vehicle Taxes	\$ 926,406	\$ 776,835	\$ 1,103,314	\$ 1,199,261	\$ 1,279,147
Hotel/Motels	110,806	133,528	175,898	184,652	-
Restaurants	674,929	774,683	989,526	1,131,681	-
Retail - Grocery	468,049	470,009	588,765	658,831	-
Retail - Other	1,339,173	1,526,329	2,252,453	2,574,875	-
Bars/Liquor Stores	132,458	133,684	170,261	240,926	-
Other	121,590	120,886	138,859	187,631	-
Services	81,868	123,542	193,857	311,615	-
Utilities and Communications	736,228	558,466	721,318	900,194	-
Agriculture	-	-	-	-	2,426
Mining, Utilities and Construction	-	-	-	-	913,260
Wholesale, Retail, Transport and Warehouse	-	-	-	-	4,960,314
Information	-	-	-	-	125,043
Professional Services	-	-	-	-	245,106
Education, Health and Social Assistance	-	-	-	-	2,688
Accommodation and Food Services	-	-	-	-	1,227,777
Other Services	-	-	-	-	98,928
Developer Reimbursement Obligation ⁽¹⁾	605,824	673,326	769,331	890,561	994,920
TOTAL	\$ 5,283,351	\$ 5,393,537	\$ 7,211,949	\$ 8,335,296	\$ 9,849,609

⁽¹⁾ Pledged revenues from sales tax for PIRA and RIFA agreements (See Note 17)

In 2020, the Town used the NAICS code for the groupings as it was determined to provide more reliable data.

2021	2022	2023	2024	2025
\$ 1,446,893	\$ 1,665,559	\$ 1,332,956	\$ 1,643,251	\$ 1,544,084
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	3,115	1,492	1,889	1,897
1,042,543	786,503	932,751	1,177,806	1,452,723
5,514,976	6,700,514	6,974,659	7,711,770	7,046,719
156,154	166,897	187,560	198,286	246,275
300,432	304,893	439,175	937,412	90,387
1,935	3,947	49,467	45,148	51,388
1,493,146	1,834,826	1,672,188	1,552,007	1,772,708
136,507	314	183,569	193,528	188,199
1,032,192	1,189,423	1,126,987	1,097,286	1,214,777
\$ 11,124,779	\$ 12,655,991	\$ 12,900,805	\$ 14,558,383	\$ 13,609,158

Town of Firestone
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Year⁽¹⁾	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Oil & Gas Property	Vacant Land
2016	\$ 81,440,220	\$ 38,234,500	\$ 5,168,420	\$ 956,120	\$ 74,448,970	\$ 4,770,570
2017	94,651,970	42,820,800	5,055,340	1,044,270	61,193,030	6,393,710
2018	99,929,150	44,280,990	4,467,370	1,024,170	71,906,320	4,833,110
2019	121,972,990	55,475,240	4,735,120	817,040	67,683,540	10,098,490
2020	129,654,860	60,530,070	5,087,100	783,970	51,769,760	9,135,080
2021	147,512,380	64,314,200	4,594,920	938,510	58,281,100	11,409,310
2022	153,906,110	69,732,120	5,530,400	887,220	83,172,270	8,061,150
2023	185,898,230	81,141,660	6,130,680	983,280	105,661,280	7,642,470
2024	191,589,770	81,307,590	6,172,700	839,710	42,519,920	9,286,630
2025	209,344,610	86,873,740	6,332,010	791,560	27,672,490	10,468,000

% of Assessed Valuation	52.3%	22.2%	1.7%	0.2%	11.6%	2.5%
----------------------------	-------	-------	------	------	-------	------

Source:

Weld County Assessor's Office

⁽¹⁾ Taxes are levied in December of the prior year based on the prior year's assessed valuation.

⁽²⁾ Includes tax-exempt property

					Grand Total Actual Taxable Value	Assessed Value as a Percentage of Actual Value ⁽²⁾
Other	Tax Exempt Real Property	Total Taxable Assessed Value	Percent Change	Total Direct Tax Rate		
\$ 3,263,880	\$ 13,207,650	\$ 208,282,680	-9.2%	6.805	\$ 1,346,732,610	16.45%
4,285,850	14,607,160	215,444,970	3.4%	6.805	1,653,001,095	13.92%
4,800,750	15,817,050	231,241,860	11.0%	6.805	1,743,703,006	14.17%
5,702,420	17,486,610	266,484,840	15.2%	6.805	2,128,107,378	13.34%
6,859,150	19,372,740	263,819,990	-1.0%	6.805	2,240,491,910	12.64%
7,236,140	24,110,330	294,286,560	11.5%	6.805	2,535,303,091	12.56%
9,852,690	25,866,874	357,008,834	21.3%	6.805	2,743,234,797	13.96%
3,994,900	30,270,130	421,722,630	18.1%	6.805	3,391,195,890	13.33%
3,923,440	30,683,320	366,323,080	-13.1%	6.805	3,296,154,882	12.04%
4,916,720	33,602,810	380,001,940	3.7%	6.805	3,812,188,643	10.85%
1.1%	8.4%	100%				

Town of Firestone
Property Tax Levy from Direct and Overlapping Governments
Last Ten Years

Year	Town of Firestone	Weld County	RE1J School District	Frederick Firestone Fire Protection District	Mountain View Fire Rescue District	Carbon Valley Recreation District	High Plains Library District ⁽¹⁾
2016	6.805	15.800	56.945	12.058	11.747	7.055	3.271
2017	6.805	15.800	56.394	12.058	11.747	5.955	3.256
2018	6.805	15.800	56.394	12.058	11.747	5.955	3.256
2019	6.805	15.038	56.385	11.961	16.247	4.619	3.252
2020	6.805	15.038	56.542	14.383	16.247	4.427	3.181
2021	6.805	15.038	57.358	14.369	16.247	4.427	3.197
2022	6.805	15.038	58.385	15.394	16.247	4.427	3.181
2023	6.805	12.024	57.238	15.118	16.247	4.427	3.196
2024	6.805	15.956	57.168	15.534	16.247	4.427	3.179
2025	6.805	15.956	15.382	15.559	16.342	4.427	3.044

Source:

Weld County Assessor's Office

⁽¹⁾Formerly known as the Weld County Library District.

N. Colo. Water Conservation District	Cottonwood Hollow Res Metro Dist	Cottonwood Hollow Com Metro Dist	Denmore Metro Dist #2	Denmore Metro Dist #3	Firelight Commercial Metro Dist	Firelight Residential Metro Dist
1.000	50.000	46.000	-	-	-	-
1.000	61.911	46.000	-	-	-	-
1.000	61.911	46.000	-	-	-	-
1.000	61.911	46.000	-	-	-	-
1.000	65.734	60.000	-	-	-	-
1.000	65.734	60.000	-	-	-	-
1.000	65.321	53.941	-	-	60.113	60.012
1.000	67.667	52.928	60.328	-	63.516	60.507
1.000	67.667	53.057	62.282	-	62.630	60.491
1.000	69.744	53.703	64.444	64.444	64.445	61.589

Frontier Estates Metro Dist	The Greens Metro District	Mountain Shadows Metro Dist	Neighbors Point Metro Dist	NP 125 Metro Dist	Skyview Meadows Metro Dist	The Springs Metro District
-	50.000	50.000	45.000	50.000	-	42.000
-	55.456	55.000	45.000	55.456	-	42.000
-	55.456	55.000	45.000	55.456	-	42.000
-	55.456	55.379	45.000	55.838	60.000	42.000
-	55.838	55.379	45.000	55.838	75.000	-
-	55.838	55.379	45.000	55.838	75.000	6.000
-	57.445	56.973	56.046	57.445	75.001	6.000
-	61.456	62.214	52.700	61.429	75.002	6.000
-	61.456	62.214	52.700	61.429	75.007	6.000
64.623	61.456	62.214	50.000	61.429	61.025	6.000

St Vrain Lakes Metro Dist #1	St Vrain Lakes Metro Dist #2	St Vrain Lakes Metro Dist #3	St Vrain Lakes Metro Dist #4	St. Vrain Sanitation District	Stoneridge Metro District	Whispering Waters Irrigation Metro Dist
65.000	65.000	65.000	65.000	0.519	50.000	-
71.861	71.861	71.861	71.861	0.517	50.000	-
71.861	71.861	71.861	71.861	0.517	50.000	-
72.363	72.363	72.363	72.363	0.519	50.000	-
72.363	72.363	72.363	72.363	0.475	34.000	-
72.363	72.363	72.363	72.363	0.473	23.373	-
65.000	78.340	70.314	71.278	0.373	23.435	-
65.038	82.398	65.567	66.612	0.317	17.776	50.638
64.787	81.921	65.671	66.544	0.316	17.776	51.646
38.147	80.771	61.671	65.900	0.316	18.315	53.538

Town of Firestone
Principal Taxpayers
Current Year and Ten Years Ago

Principal Taxpayer	2025			2016		
	Assessed Value	Rank	% Total Assessed Value	Assessed Value	Rank	Total Assessed Value
Crestone Peak Resources, LP	\$ 16,071,570	1	0.63%			
American Furniture Warehouse	10,708,610	2	0.42%			
Gateway North Holdings LLC	5,987,160	3	0.24%			
Kerr-McGee Oil & Gas Onshore LP	3,767,510	4	0.15%	7,499,490	3	0.56%
Kerr McGee Gathering LLC	3,591,680	5	0.14%			
Dillon Companies Inc	3,548,980	6	0.14%	1,710,930	9	0.13%
United Power Inc	3,006,430	8	0.12%			
Sun Eagle Crest LLC	2,921,330	9	0.12%	34,356,690	1	2.55%
Home Depot	2,751,420	10	0.11%			
Extraction Oil & Gas LLC				30,720,110	2	2.28%
Synergy Resources Corp				6,326,440	4	0.47%
Sunsecured Financing LLC						
High Plains Marketplace LLC				1,782,980	8	0.13%
Advance Forming Technology Inc				1,994,550	6	0.15%
Encana Oil & Gas (USA) Inc				1,588,260	10	0.12%
Firestone Development LLC						
	<u>\$ 55,430,950</u>		<u>2.19%</u>	<u>\$ 89,899,880</u>		<u>6.12%</u>

Source:
Weld County Assessor's Office

Town of Firestone
Property Tax Levies and Collections
Last Ten Years

Levy Year	Collection Year	Total Tax Levy ¹	Current Tax Collections	Percent of Levy Collected
2015	2016	1,158,501	1,158,493	100.00 ⁽²⁾
2016	2017	1,375,530	1,404,373	102.00 ⁽²⁾
2017	2018	1,400,949	1,455,590	104.00 ^{(1), (2)}
2018	2019	1,480,347	1,439,646	97.25 ⁽¹⁾
2019	2020	1,705,336	1,702,409	99.83 ⁽¹⁾
2020	2021	1,490,247	1,486,351	99.74
2021	2022	1,599,923	2,110,125	131.89 ⁽²⁾
2022	2023	1,714,748	1,706,824	99.54
2023	2024	1,985,040	2,089,377	105.26
2024	2025	1,813,366	1,814,442	100.06

Source:

Weld County Assessor's Office

⁽¹⁾Taxes are levied on November 1 of the prior year based on the prior year's assessed valuation at January 1.

⁽²⁾Amounts showing greater than 100% collected include previous year abatements that were overruled.

Town of Firestone
Largest Water Customers
12/31/2025

	2025				
	Billings/ Payments	% of Total ⁽¹⁾	Rank ⁽⁴⁾	Gallons Used	% of Total ⁽²⁾
Mobile Home Park	\$ 374,975	6.42%	1	45,481,470	6.13%
Irrigation	130,121	2.23%	2	10,968,130	1.48%
Commercial (Government) ⁽³⁾	68,858	1.18%	3	8,716,630	1.17%
Hydrant Meter	33,143	0.57%	4	5,319,844	0.72%
Commercial (Government) ⁽³⁾	38,777	0.66%	5	4,449,869	0.60%
Irrigation	51,505	0.88%	6	4,045,991	0.55%
Commercial	28,669	0.49%	7	3,889,940	0.52%
Irrigation	43,450	0.74%	9	3,488,715	0.47%
Hydrant Meter	21,597	0.37%	10	3,466,570	0.47%
Total	<u>\$ 835,936</u>	<u>14.30%</u>		<u>93,434,216</u>	<u>12.59%</u>
YTD Amounts	<u>\$ 5,843,866</u>	<u>100.00%</u>		<u>741,984,391</u>	<u>100.00%</u>

⁽¹⁾ Based on total Charges for Services

⁽²⁾ Based on total Gallons used

⁽³⁾ These accounts are related to the same governmental entity; however, due to different base rates, they are billed and paid as separate accounts.

⁽⁴⁾ Rank is based on total Gallons used

Customers by Class - 2025

Customer Class	Number of Accounts
Residential	6,673
Commercial (including multifamily)	294
Industrial	2
Total	<u>6,969</u>

Town of Firestone
Ratios of Outstanding Debt by Type
Last Ten Years

Fiscal Year	Governmental Activities					Business - Type Activities			Total		Weld County	
	Sales Tax Revenue Bonds	Certificates of Participation	Financing Leases	Right-to-Use Lease Liability	Right-to-Use SBITA Liability	Water Loans	Water Bonds		Primary Government	Personal Income	Per Capita	
2016	\$ 3,344,113	\$ 1,160,000	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 4,504,113	1015.57%	\$ 349	
2017	3,186,868	1,055,000	-	-	-	1,580,000	-		5,821,868	1031.82%	441	
2018	3,029,687	16,464,635	1,192,568	-	-	1,580,000	-		22,266,890	3946.41%	1,611	
2019	2,867,569	21,520,483	892,107	-	-	5,905,801	-		31,185,960	6238.01%	2,099	
2020	2,690,516	23,734,559	577,207	-	-	-	-		82,395,218	12578.87%	5,093	
2021	2,518,553	22,390,675	-	-	-	-	55,392,936		79,779,771	10681.10%	4,637	
2022	2,346,681	21,008,914	-	1,045,446	-	-	54,870,543		98,749,191	11433.18%	5,611	
2023	2,169,913	19,584,360	-	1,307,285	408,978	-	74,348,150		76,381,293	8337.20%	4,109	
2024	1,983,257	18,132,149	-	996,602	408,978	-	52,910,757		72,979,284	6942.05%	3,801	
2025	1,791,724	16,647,337	-	1,054,229	1,752,729	-	51,458,298		71,214,462	6301.54%	3,625	

Details regarding the Town's outstanding debt can be found in Note 7 to the financial statements.

Town of Firestone
Ratio of General Bonded Debt Outstanding
Last Ten Years

	Population ⁽¹⁾	Actual Taxable Value ⁽²⁾	General Bonded Debt	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
2016	12,917	\$ 1,346,732,610	-	0.00%	-
2017	13,187	1,653,001,095	-	0.00%	-
2018	13,826	1,743,703,006	-	0.00%	-
2019	14,860	2,128,107,378	-	0.00%	-
2020	16,177	2,240,491,910	-	0.00%	-
2021	17,206	2,535,303,091	-	0.00%	-
2022	17,600	2,743,234,797	-	0.00%	-
2023	18,589	3,391,195,890	-	0.00%	-
2024	19,200	3,296,154,882	-	0.00%	-
2025	19,648	3,812,188,643	-	0.00%	-

Source:

⁽¹⁾U.S. Census Bureau

⁽²⁾Weld County Assessor's Office

Town of Firestone
Direct and Overlapping General Bonded Debt
12/31/2025

	Debt Outstanding⁽¹⁾	Estimated Percentage Applicable	Amount Applicable to the Town
Direct Debt:			
Town of Firestone	\$ 21,334,510	100%	\$ 21,334,510
Total Direct Debt	<u>21,334,510</u>		<u>21,334,510</u>
Overlapping General Obligation Debt:			
Frederick-Firestone Fire Protection District	17,500,000	36%	6,279,992
St Vrain Valley School District	550,735,000	7%	39,147,705
Cottonwood Hollow Commercial Metro District	492,000,000	100%	492,000,000
Cottonwood Hollow Residential Metro District	30,147,000	100%	30,147,000
The Greens Metro District	3,760,000	100%	3,760,000
Neighbors Point Metro District	5,150,000	100%	5,150,000
St Vrain Lakes Metro District #2	58,490,000	100%	58,490,000
St Vrain Lakes Metro District #4	43,895,025	100%	43,895,025
Total Overlapping General Bonded Debt	<u>1,201,677,025</u>		<u>678,869,723</u>
Total Direct and Overlapping General Bonded Debt	<u>\$ 1,223,011,535</u>		<u>\$ 700,204,233</u>

⁽¹⁾ Provided by each governmental entity

The determination of debt applicable to the Town is calculated using the Assessed Values for each entity as reported by Weld County Assessor's abstract.

Town of Firestone
Pledged Revenue - Developer Reimbursement Obligations
Last Ten Years

Fiscal Year	Sales Tax Collected		Assets Dedicated		Debt Service Payments	
	PIRA 1.25%	RIFA 0.25%	General Fund	Enterprise Fund	General Fund	Enterprise Fund
2016	\$ 504,853	\$ 100,971	\$ 4,801,570	\$ 3,103,643	\$ 410,226	\$ -
2017	600,156	73,171	1,181,103	400,981	410,414	-
2018 ⁽¹⁾	680,027	89,304	1,478,016	2,120,403	1,170,976	-
2019	786,309	104,252	2,261,266	880,824	935,461	-
2020	871,141	123,780	630,570	607,315	2,189,900	-
2021	906,170	126,022	1,567,367	655,365	2,007,207	-
2022	1,036,318	153,105	1,908,213	2,286,830	1,470,000	-
2023	976,656	150,332	1,236,646	165,964	1,520,000	915,000
2024	947,848	149,438	926,291	1,630,865	1,560,000	935,000
2025	1,043,976	170,801	4,353,139	7,194,701	1,600,000	985,000

⁽¹⁾2018 General Fund debt service payment amount changed to exclude amortization of premiums.

This Page Intentionally Left Blank

Town of Firestone
Legal Debt Margin Information
Last Ten Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt limit - 3% of Actual Valuation	\$ 40,401,978	\$ 49,590,033	\$ 52,311,090	\$ 63,843,221	\$ 67,214,757
Total Net Debt Applicable to Limit	-	-	-	-	-
Legal Debt Margin	<u>\$ 40,401,978</u>	<u>\$ 49,590,033</u>	<u>\$ 52,311,090</u>	<u>\$ 63,843,221</u>	<u>\$ 67,214,757</u>

Total Net Debt Applicable to the Limit

Source:

Town of Firestone Finance Department

<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 76,059,093	\$ 82,297,044	\$ 101,735,877	\$ 98,884,646	\$ 114,365,659
-	-	-	-	-
<u>\$ 76,059,093</u>	<u>\$ 82,297,044</u>	<u>\$ 101,735,877</u>	<u>\$ 98,884,646</u>	<u>\$ 114,365,659</u>

Town of Firestone
Net Revenues and Pro-Forma Debt Service Coverage
Last Ten Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Gross Revenues					
Charges for Services	\$ 3,166,697	\$ 4,017,893	\$ 4,444,869	\$ 4,553,938	\$ 5,296,193
Tap/Connection Fee Revenue	399,000	1,724,105	1,350,295	1,729,800	1,776,600
Other Operating Income	<u>25,000</u>	<u>84,509</u>	<u>379,637</u>	<u>628,872</u>	<u>24,870</u>
Total Gross Revenues	<u>3,590,697</u>	<u>5,826,507</u>	<u>6,174,801</u>	<u>6,912,610</u>	<u>7,097,663</u>
Operation and Maintenance Expenses⁽¹⁾	<u>2,338,213</u>	<u>2,087,426</u>	<u>2,408,119</u>	<u>1,793,310</u>	<u>2,209,620</u>
Combined Maximum Annual Principal and Interest Requirements⁽²⁾	\$ 2,857,550	\$ 2,857,550	\$ 2,857,550	\$ 2,857,550	\$ 2,857,550
Pro-Forma Coverage	0.44	1.31	1.32	1.79	1.71

⁽¹⁾ This figure includes all operating expense properly allocable to the System pursuant to GAAP, but excludes depreciation, amortization, and interest paid on outstanding bonds, which are booked as expenses pursuant to GAAP.

⁽²⁾ This represents the Combined Maximum Annual Principal and Interest Requirements payable on the 2020 Bonds, (\$2,857,550 in years 2025 and 2032).

<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 5,830,133	\$ 16,351,085	\$ 32,423,579	\$ 15,084,892	\$ 8,491,521
1,840,200	1,015,200	1,203,200	858,200	1,098,520
12,951	252,660	51,764	86,913	62,367
<u>7,683,284</u>	<u>17,618,945</u>	<u>33,678,543</u>	<u>16,030,005</u>	<u>9,652,408</u>
<u>2,771,671</u>	<u>3,508,929</u>	<u>4,576,072</u>	<u>4,106,122</u>	<u>5,437,395</u>
\$ 2,857,550	\$ 2,857,550	\$ 2,857,550	\$ 2,857,550	\$ 2,857,550
1.72	4.94	10.18	4.17	1.48

Town of Firestone
Demographic and Economic Statistics
Last Ten Years

Weld County ⁽⁴⁾						
Year	Town of Firestone Population ⁽¹⁾	Personal Income (amounts expressed in thousands)	Per Capita Income ⁽³⁾	Median Age ⁽¹⁾	School Enrollment ⁽²⁾	Unemploy- ment Rate ⁽³⁾
2016	12,917	443,505	34,335	34.0	31,776	4.5
2017	13,187	564,232	42,787	33.7	32,171	2.5
2018	13,826	499,934	36,159	33.7	32,421	2.7
2019	14,860	655,029	44,080	34.3	32,639	2.7
2020	16,177	746,924	46,172	33.8	32,855	3.0
2021	17,206	863,707	50,198	34.8	31,312	7.2
2022	17,600	916,150	52,054	34.6	32,406	5.7
2023	18,589	1,051,264	56,553	35.2	32,639	3.0
2024	19,200	1,130,112	58,860	35.3	32,506	3.3
2025	19,648	1,228,629	62,532	36.7	32,414	4.7

Sources:

⁽¹⁾U.S. Census Bureau

⁽²⁾St. Vrain Valley School District

⁽³⁾Upstate Colorado

⁽⁴⁾Weld County information is provided due to a lack of availability of Town of Firestone statistics.

Town of Firestone
Principal Employers
Current Year and Ten Years Ago

Employer	2025				2016			
	# of Employees	Rank	Type of Business	% Total Town Employment	# of Employees	Rank	Type of Business	% Total Town Employment
American Furniture Warehouse	313	1	Retail	7.85%	278	1	Retail	18.51%
King Soopers Store - Firestone	165	2	Grocery	4.14%	155	2	Grocery	10.32%
Home Depot	152	3	Home Improv.	3.81%	126	4	Home Improv.	8.39%
ARC Worldwide	150	4	Retail	3.76%			Retail	0.00%
Town of Firestone	119	5	Government	2.99%	52	8	Government	3.46%
Safeway Store - Firestone	93	6	Grocery	2.33%	90	5	Grocery	5.99%
Coal Ridge Middle School					71	6	Education	4.73%
Chick-fil-A	81	7	Fast Food	2.03%			Financial	0.00%
UCHealth Medical	76	8	Medical	1.91%			Medical	0.00%
SWABBCO	62	9	Oil & Gas	1.56%			Oil & Gas	0.00%
McDonald's	50	10	Fast Food	1.25%			Fast Food	0.00%
Century RV			Retail	0.00%	35	10	Retail	2.33%
Advanced Forming Technologies			Manufacturing	0.00%	128	3	Manufacturing	8.52%
Encana			Oil & Gas	0.00%	50	9	Oil & Gas	3.33%
Ehrlich I-25 Kia			Retail	0.00%	55	7	Retail	3.66%
Total	<u>1,261</u>			<u>31.64%</u>	<u>1,040</u>			<u>69.24%</u>
Total Town Employment (estimated)	3,985				1,502			

Source:

Firestone Finance Department & Planning Department

(*)Information is not available.

Town of Firestone
Property Value and Construction
Last Ten Years

Year	Actual Property Value ⁽¹⁾		Commercial Construction ⁽²⁾		Residential Construction ⁽²⁾	
	Commercial	Residential	# Units	Value	# Units	Value
2016	\$ 131,842,824	\$ 1,023,041,946	37	\$ 15,823,875	191	\$ 56,478,538
2017	147,657,928	1,314,690,408	46	14,087,021	167	45,594,678
2018	152,692,770	1,387,985,939	57	40,232,129	133	36,020,629
2019	191,293,787	1,705,925,376	26	25,549,857	260	74,086,365
2020	208,724,174	1,813,367,258	21	22,069,498	252	70,427,254
2021	221,772,900	2,063,103,259	19	11,144,358	322	94,444,891
2022	240,455,532	2,217,273,144	7	4,927,446	198	77,479,814
2023	290,830,374	2,774,594,627	2	3,920,841	278	73,945,509
2024	291,424,857	2,859,548,697	9	24,604,927	157	80,761,405
2025	321,754,391	3,349,311,973	3	33,230,714	117	58,220,325

Source:

⁽¹⁾Weld County Assessor's Office

⁽²⁾Town of Firestone Building Department (Citizenserve - Issued Permits Report)

Town of Firestone
Full-Time Equivalent Town Government Employees by Function
Last Ten Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government	9.8	11.0	19.0	24.5	30.0	33.0	41.0	44.0	47.5	50.6
Public Safety										
Police	26.0	24.5	33.0	32.5	32.5	29.8	38.0	39.0	38.8	38.8
CSO	2.0	3.0	3.0	3.0	3.0	2.0	1.0	1.0	2.0	2.0
Fleet and Streets	-	6.5	8.1	9.0	10.0	9.0	14.0	14.0	10.0	10.0
Irrigation and Parks	-	4.0	10.0	12.0	12.0	10.0	18.0	18.0	19.5	22.4
Community Development	21.7	-	-	-	-	-	-	-	-	-
StormWater	-	1.1	2.1	2.0	2.0	3.0	4.0	4.0	4.0	4.0
Total	62.1	55.8	81.0	86.0	93.5	91.8	124.0	128.0	129.8	135.8

Source:
Town of Firestone Finance Department

Town of Firestone
Miscellaneous Statistics
Last Ten Years

Form of Government 1908
 Trustees & Town Manager

	2016	2017	2018	2019	2020
Number of Employees					
Non-Exempt (Hourly)	52	51	65	61	69
Exempt (Salary)	10	9	16	25	25
Town of Firestone's Facilities and Services					
Streets Paved/Gravel, in Miles ⁽¹⁾	74	74	74	95	100
Parks:					
Number of Parks ⁽¹⁾	18	18	18	17	18
Number of Park, Open Space, and Undeveloped Acres Maintained	998	998	998		
Parks Maintained, by Acreage ⁽²⁾	(*)	(*)	(*)	400	400
Open Space maintained, by Acreage ⁽¹⁾	(*)	(*)	(*)	204	204
Town Owned Property-Maintained, by Acreage ⁽¹⁾	(*)	(*)	(*)	171	171
Number of Trail & Sidewalk Miles Maintained	18	18	18		
Trails, in Miles ¹				28	28
Police Protection:					
Number of Stations	1	1	1	1	1
Number of Police Personnel and Officers	28	28	28	37	37
Number of Patrol Units	21	23	23	24	27
Water System:					
Linear Feet of Water Lines Maintained ⁽¹⁾	288,482	288,482	288,482	342,754	352,615
Linear Feet of Water Lateral Lines ⁽¹⁾	(*)	(*)	(*)	179,685	188,057
Number of Customer Accounts	3,910	4,200	5,358	5,625	5,814
Services not Included in the Reporting Entity:					
Frederick Firestone Fire Protection District					
Electrical services by Xcel Energy or United Power					
Gas services by Source Gas					
Sewer services by St. Vrain Sanitation District					
School Districts					
Weld County School District RE-1					
St Vrain Valley School District					

Source:

Town of Firestone Departments

(*)Information is not available

⁽¹⁾The Town of Firestone has developed a GIS department. In implementing this process, the tracking of assets is considered to be more reliable than the information used in the past.

⁽²⁾Decrease in number of parks and acreage of parks maintained in 2022 is due to the elimination of two dog parks and a park.

⁽³⁾Decrease in acreage of parks maintained is due to a park moved to Home Owners Association maintained.

⁽⁴⁾Decrease in number of parks and acreage of parks maintained is due to the elimination of a dog park.

