GRAND FIRE PROTECTION DISTRICT NO. 1
Grand County, Colorado

FINANCIAL STATEMENTS

With Independent Auditor's Report

December 31, 2024

GRAND FIRE PROTECTION DISTRICT NO. 1

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FISCAL FOCUS PARTNERS LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Grand Fire Protection District No. 1
Grand County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Grand Fire Protection District No. 1 (the District) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2024, and the respective changes in financial position thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, we

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages IV through X and pension information on pages 38 through 41 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 District's basic financial statements. The supplementary information as identified in the table of contents is presented for purposes of additional analysis and legal compliance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Fiscal Focus Partners, LLC

Arvada, Colorado
June 3, 2025

Grand Fire Protection District No. 1
MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of Grand Fire Protection District No. 1's financial performance provides an overall review of the District's financial activities for the year ended December 31, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the information presented here in conjunction with the basic financial statements and the notes to financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- Assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $10,974,742 (net position). Of this amount, $1,676,969 (unrestricted net position) may be used to meet the District's ongoing obligations to its citizens and creditors.

- The District's total net position increased by $1,745,181 over the prior fiscal year.

- General fund and related activity remained consistent to prior year, with the following changes:

    - General fund revenue increased $1,910,896 from the prior year, primarily as a result of increased property tax revenue and code enforcement revenue.

    - General fund capital expenditures decreased 97% to $142,006 from the prior year as a result of the North Station construction which was completed in the prior year.

    - General fund capital-related long-term debt decreased by principal payments made of $155,000.

- The general fund ending fund balance was $3,191,787, an increase of $1,272,709.

Effective January 1, 2015, the District and all other state and local governments throughout the nation that provide their employees with pension benefits, were required to apply GASB Statement No. 68 to their financial statements. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. The District provides its employees with pension benefits through a multiple employer cost-sharing defined benefit pension plan administered by the Colorado Fire and Police Pension Association. It is important to note that the District does not have a responsibility to pay the amount shown as the District's net pension liability, nor receive a benefit from the net pension asset. The District's direct liability is limited to the annually required contributions established by the State Legislature. In addition, the District does not have any control over the investment policies associated with FPPA investments. These responsibilities lie solely with the FPPA board and administration. Decisions regarding the plan benefit design and the funding policies lie solely with the State Legislature. Please refer to Note 7 within the Notes to Financial Statements section of this report starting on page 20.

The District also sponsors a defined benefit plan for volunteers which is subject to GASB 68. Information related to the plan can be found in Note 8 within the Notes to Financial Statements section of this report starting on page 27.

Overview of the Financial Statements

Grand Fire Protection District No. 1's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

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

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

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The governmental activities of the District include fire, rescue and emergency services within its boundaries. In addition, the District maintains mutual aid and automatic aid agreements with adjacent fire protection districts. Other activities include fire prevention and fire safety education, fire training, fire inspections and plan reviews.

The government-wide financial statements can be found on pages 1-2 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Grand Fire Protection District No. 1, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District'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 activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District'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.

Grand Fire Protection District No. 1 maintains two 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 and the debt service fund, both of which are considered to be major funds.

The District adopts an annual appropriated budget for each of the funds described above. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 3-8 of this report.

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

The notes to the financial statements can be found on pages 9-35 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. A budgetary comparison for the debt service fund can be found on page 42 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of Grand Fire Protection District No. 1, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $10,974,742 at the close of the most recent fiscal year.

Net Position

	Governmental Activities	
	2024	**2023**
Current assets	$ 7,340,701	$ 6,003,329
Capital assets	15,823,190	16,173,537
Total assets	23,163,891	22,176,866
Deferred outflows of resources	424,477	503,716
Current liabilities	548,121	536,812
Pension liabilities	858,171	971,413
Long-term obligations	7,755,390	8,501,768
Total liabilities	9,161,682	10,009,993
Deferred inflows of resources	3,451,944	3,441,028
Net position:		
Net investment in capital assets	8,067,800	7,671,769
Restricted	1,229,973	1,051,991
Unrestricted	1,676,969	505,801
Net position	$ 10,974,742	$ 9,229,561

The District has 74% of its net position invested in capital assets (e.g., property, plant, and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, this net position is *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (11%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $1,676,969 (15%) may be used to meet the District's ongoing obligations to citizens and creditors.

Statement of Activities

	For the Years Ended December 31,	
	2024	**2023**
Revenues		
Program revenues		
Operating grants and contributions	$ 120,287	$ 18,797
Wildland fire assignments	375,413	374,470
Code enforcement	108,313	41,965
General revenues		
Property taxes	3,525,482	2,023,907
Specific ownership taxes	157,956	128,281
Fire impact fees	164,228	140,797
Interest and other	404,442	252,071
Total revenues	4,856,121	2,980,288
Expenses		
General and administrative	1,520,206	920,733
Pension contribution/expense	1,551	19,517
Operating and communications	482,071	289,621
Repairs, maintenance and other	202,007	238,426
Collaboration costs	70,000	111,550
Grant expenditures	28,931	16,567
Depreciation and amortization	492,353	195,739
Bond interest expense and related debt service costs	313,821	337,134
Total expenses	3,110,940	2,129,287
Change in net position	1,745,181	851,001
Net position - beginning	9,229,561	8,378,560
Net position - ending	$ 10,974,742	$ 9,229,561

Financial Analysis of the Government's Funds

As noted earlier, Grand Fire Protection District No. 1 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of December 31, 2024, the District's governmental funds reported a combined ending fund balance of $3,611,550, an increase of $1,256,012 in comparison with the prior year. The general fund balance increased $1,272,709 while the debt service fund decreased $(16,697).

General Fund Budgetary Highlights

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The Board of Directors can only amend appropriation resolutions upon completion of notification and publication requirements.

General fund revenues were more than budgeted by $517,798. General Fund expenditures were less than budgeted by $703,339 partially because a portion of amounts budgeted for capital expenditures for the District were not expended during 2024.

Capital Asset and Debt Administration

Capital Assets. The District's investment in capital assets for governmental activities as of December 31, 2024 amounts to $15,823,190 (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles, furniture and equipment.

Capital Assets, net of Depreciation

	December 31,	
	2024	2023
Land and improvements	$ 1,149,262	$ 1,149,262
Buildings and improvements	13,076,837	13,349,200
Vehicles	1,384,952	1,456,852
Equipment, furniture & fixtures	212,139	218,223
Total	$ 15,823,190	$ 16,173,537

Additional information relating to the District's capital assets activity can be found in Note 4 of this report.

Debt Administration. As of December 31, 2024, the District had general obligation bonded debt outstanding of $300,000, and certificates of participation outstanding of $6,725,000.

Additional detail on the District's debt is in Note 5 of this report.

Economic Factors and Next Year's Budget

New growth is expected to continue throughout the District during 2025. Conservative budgeting and spending will continue. The 2025 budget includes capital expenditures related to the purchase of additional apparatus and equipment.

General fund revenues budgeted for 2025 are anticipated to be sufficient to fund budgeted expenditures. Bond fund revenues will be sufficient to support bond debt service requirements in 2025.

Requests for Information

This financial report is designed to provide a general overview of Grand Fire Protection District No 1's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

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BASIC FINANCIAL STATEMENTS

GRAND FIRE PROTECTION DISTRICT NO. 1

STATEMENT OF NET POSITION

December 31, 2024

	Governmental Activities
ASSETS	
Cash and investments	$ 2,358,799
Cash and investments - restricted	1,228,161
Accounts receivable	265,152
Accounts receivable - treasurer	14,823
Prepaid expenses	81,350
Property taxes receivable	3,392,416
Capital assets, not being depreciated	1,149,262
Capital assets, being depreciated, net	14,673,928
Total assets	23,163,891
DEFFERED OUTFLOWS OF RESOURCES	
Pension related amounts - FPPA volunteer pension fund	148,508
Pension related amounts - FPPA statewide retirement plan	273,990
Cost of refunding	1,979
Total deferred outflows of resources	424,477
LIABILITIES	
Accounts and retainage payable	105,296
Accrued interest on long-term debt	154,583
Funds held in agency-South Station	231,439
Net pension liability - FPPA volunteer pension fund	858,171
Compensated absences	56,803
Long-term debt	
Due within one year	512,401
Due in more than one year	7,242,989
Total liabilities	9,161,682
DEFERRED INFLOWS OF RESOURCES	
Pension related amounts - FPPA statewide retirement plan	59,528
Deferred property taxes	3,392,416
Total deferred inflows of resources	3,451,944
NET POSITION	
Net investment in capital assets	8,067,800
Restricted for:	
Emergencies	99,000
Fire impact expenditures	711,210
Debt service	419,763
Unrestricted	1,676,969
Total net position	$ 10,974,742

The accompanying Notes to Financial Statements are an integral part of these statements.

GRAND FIRE PROTECTION DISTRICT NO. 1

STATEMENT OF ACTIVITIES

For the year ended December 31, 2024

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Total
Primary government					
Human Resources	$ (1,168,092)	$ -	$ -	$ -	$ (1,168,092)
Administration	(352,114)	-	-	-	(352,114)
Pension expense	(1,551)	-	-	-	(1,551)
Operations	(442,551)	483,726	11,230	-	52,405
Communications	(39,520)	-	-	-	(39,520)
Building repair	(147,007)	-	-	-	(147,007)
Equipment repair	(55,000)	-	-	-	(55,000)
Collaboration costs	(70,000)	-	-	-	(70,000)
Grants and contributions	(28,931)	-	109,057	-	80,126
Depreciation expense (unallocated)	(492,353)	-	-	-	(492,353)
Interest on long-term debt and related costs	(313,821)	-	-	-	(313,821)
Total governmental activities	$ (3,110,940)	$ 483,726	$ 120,287	$ -	(2,506,927)
General Revenues:					
Property taxes					3,525,482
Specific ownership taxes					157,956
Fire impact fees					164,228
Interest earnings					182,006
Other					222,436
Total general revenues					4,252,108
Change in net position					1,745,181
Net position - beginning					9,229,561
Net position - ending					$ 10,974,742

The accompanying Notes to Financial Statements are an integral part of these statements.

GRAND FIRE PROTECTION DISTRICT NO. 1

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2024

	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash and investments	$ 2,358,799	$ -	$ 2,358,799
Cash and investments - restricted	810,210	417,951	1,228,161
Accounts receivable	265,152	-	265,152
Accounts receivable - treasurer	13,011	1,812	14,823
Prepaid expenses	81,350	-	81,350
Property taxes receivable	3,392,416	-	3,392,416
Total assets	$ 6,920,938	$ 419,763	$ 7,340,701
LIABILITIES			
Accounts and retainage payable	$ 105,296	$ -	$ 105,296
Funds held in agency - South Station	231,439	-	231,439
Total liabilities	336,735	-	336,735
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	3,392,416	-	3,392,416
Total deferred inflows of resources	3,392,416	-	3,392,416
FUND BALANCES			
Nonspendable:			
Prepaids	81,350	-	81,350
Restricted for:			
Debt service	-	419,763	419,763
Emergency reserves	99,000	-	99,000
Fire impact expenditures	711,210	-	711,210
Assigned for:			
Funds held in agency	231,439	-	231,439
Unassigned	2,068,788	-	2,068,788
Total fund balances	3,191,787	419,763	3,611,550
Total liabilities, deferred inflows of resources, and fund balances	$ 6,920,938	$ 419,763	

Amounts reported for governmental activities in the statement of net position are different because:	
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds:	
Capital assets, net	15,823,190
Deferred outflows and inflows of resources that represent acquisition or consumption of net position that applies to future periods and, therefore, are not reported in the funds.	
Deferred outflows - pension related	422,498
Deferred inflows - pension related	(59,528)
Deferred loss on refunding, net	1,979
Long-term liabilities, including bonds payable and related accrued interest, are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences payable	(56,803)
Bonds payable, net	(300,609)
COPS payable, net	(7,454,781)
Net pension liability - volunteer pension plan	(858,171)
Accrued interest payable	(154,583)
Net position of governmental activities	$ 10,974,742

The accompanying Notes to Financial Statements are an integral part of these statements.

GRAND FIRE PROTECTION DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Governmental Funds

For the year ended December 31, 2024

	General Fund	Debt Service Fund	Total Governmental Funds
REVENUES			
General property taxes	$ 2,973,921	$ 551,561	$ 3,525,482
Specific ownership taxes	157,956	-	157,956
Fire impact fees	164,228	-	164,228
Wildland fire assignments	375,413	-	375,413
Code enforcement	108,313	-	108,313
Grant revenue	109,057	-	109,057
Donations	11,230	-	11,230
Interest income	164,059	17,947	182,006
Other	222,436	-	222,436
Total revenues	4,286,613	569,508	4,856,121
EXPENDITURES			
Human resources	1,170,605	-	1,170,605
Administration	321,784	30,330	352,114
Pension contribution	97,500	-	97,500
Operations	442,551	-	442,551
Grant expenditures	28,931	-	28,931
Communications	39,520	-	39,520
Facility expenses	147,007	-	147,007
Equipment repairs and maintenance	55,000	-	55,000
Collaboration costs	70,000	-	70,000
Capital expenditures	142,006	-	142,006
Debt Service			
Bond principal	-	535,000	535,000
Bond interest	-	20,875	20,875
Cops principal	155,000	-	155,000
Cops interest	344,000	-	344,000
Total expenditures	3,013,904	586,205	3,600,109
Net change in fund balance	1,272,709	(16,697)	1,256,012
FUND BALANCES - Beginning of year	1,919,078	436,460	2,355,538
FUND BALANCES - End of year	$ 3,191,787	$ 419,763	$ 3,611,550

The accompanying Notes to Financial Statements are an integral part of these statements.

GRAND FIRE PROTECTION DISTRICT NO. 1

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, 2024

Net change in fund balance - total governmental funds	$	1,256,012
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital expenditures, net		142,006
Depreciation expense		(492,353)
The issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Bond principal payments		535,000
COPS principal payments		155,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in government funds.		
Amortization of bond premium		3,393
Amortization of cost of refunding		(11,017)
Amortization of COPS premium		52,985
Pension expense		95,949
Compensated absences - change in liability		2,513
Interest expense - change in accrued interest		5,693
Change in net position of governmental activities	$	1,745,181

The accompanying Notes to Financial Statements are an integral part of these statements.

GRAND FIRE PROTECTION DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

General Fund

For the year ended December, 31, 2024

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
General property taxes	$ 2,874,866	$ 2,973,921	$ 99,055
Specific ownership taxes	109,949	157,956	48,007
Interest income	80,000	164,059	84,059
Fire Impact	100,000	164,228	64,228
Wildland fire assignments	177,000	375,413	198,413
Code enforcement	70,000	108,313	38,313
Grant income	100,000	109,057	9,057
Donations	-	11,230	11,230
Other	257,000	222,436	(34,564)
Total revenues	3,768,815	4,286,613	517,798
EXPENDITURES			
Human resources			
Salaries and wages	905,000	812,448	92,552
Payroll taxes	20,000	28,650	(8,650)
Payroll benefits	285,000	321,944	(36,944)
Payroll expenses	600	3,655	(3,055)
Firefight health and wellness	5,000	374	4,626
Recruitment and incentives	15,000	3,534	11,466
Total human resources	1,230,600	1,170,605	59,995
Administration			
Legal, accounting and audit	55,000	40,588	14,412
County treasurer fees	143,743	148,706	(4,963)
Office and miscellaneous	16,000	23,095	(7,095)
Dues and subscriptions	18,000	34,569	(16,569)
Insurance	95,000	46,769	48,231
Outside services and agreements	30,000	13,638	16,362
Professional development	10,000	9,019	981
Directors fees	7,000	5,400	1,600
Total administration	374,743	321,784	52,959
Collaboration			
South station	15,000	15,000	-
North station	10,000	-	10,000
Headwaters rescue authority	15,000	5,000	10,000
Grand county wildfire council	10,000	10,000	-
Joint wildland division	60,000	40,000	20,000
Total collaboration	110,000	70,000	40,000

The accompanying Notes to Financial Statements are an integral part of these statements.

GRAND FIRE PROTECTION DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

General Fund

(continued)

For the year ended December, 31, 2024

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Pension contribution	90,000	97,500	(7,500)
Operations			
Gas and oil	25,000	24,009	991
Supplies and PPE	37,000	33,000	4,000
Training	31,500	32,904	(1,404)
Prevention and risk reduction	32,500	63,680	(31,180)
Resident program	5,000	1,506	3,494
Grant expenditures	15,000	28,931	(13,931)
Uniforms	-	21,852	(21,852)
Wildland deployment	111,000	213,607	(102,607)
Firefighter incentives	40,000	51,993	(11,993)
Total operations	297,000	471,482	(174,482)
Communication			
Telephone	15,000	17,651	(2,651)
Website and social media	-	3,009	(3,009)
Dispatch	15,000	14,534	466
Radios/pagers	15,000	4,326	10,674
Total communication	45,000	39,520	5,480
Facility expenses			
Improvements	5,000	1,318	3,682
Outside service	45,000	44,735	265
Supplies	10,000	17,453	(7,453)
Office equipment	10,000	4,568	5,432
Utilities	75,000	78,933	(3,933)
Total facility expenses	145,000	147,007	(2,007)
Equipment repair and maintenance			
Outside service	40,000	39,911	89
Parts and supplies	20,000	15,089	4,911
Total equipment repair and maintenance	60,000	55,000	5,000

GRAND FIRE PROTECTION DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
General Fund
(continued)
For the year ended December, 31, 2024

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Capital expenditures			
Equipment	-	31,327	(31,327)
Capital improvements	50,000	45,350	4,650
North Station construction	90,900	14,293	76,607
Building and property	20,000	32,168	(12,168)
Apparatus expenditures and reserves	260,000	18,868	241,132
Disaster reserve fund	10,000	-	10,000
Fire impact fees	385,000	-	385,000
COPS principal	155,000	155,000	-
COPS interest	344,000	344,000	-
Total capital expenditures	1,314,900	641,006	673,894
Contingency	50,000	-	50,000
Total expenditures	3,717,243	3,013,904	703,339
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	51,572	1,272,709	1,221,137
FUND BALANCES - Beginning of year	2,322,345	1,919,078	(403,267)
FUND BALANCES - End of year	$ 2,373,917	$ 3,191,787	$ 817,870

The accompanying Notes to Financial Statements are an integral part of these statements.

Grand Fire Protection District No.1

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

Note 1 – Reporting entity

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized in 1951, and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District provides fire protection and responds to various emergency situations in a 150 square mile area within the Granby, Colorado region.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

Note 2 – Summary of significant accounting policies

The more significant accounting policies of the District are described as follows:

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District except for the fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and inter-governmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and

2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, internally dedicated revenues, and other items not properly included among program revenues are reported instead as general revenues.

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

Measurement focus, basis of accounting and financial statement presentation

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

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures, other than interest on long-term obligations, generally are recorded when a liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

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

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest, and are being accumulated for principal and interest maturing in future years.

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

Pooled cash and investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Property taxes

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

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

Capital assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities of the government-wide financial statements at cost, net of accumulated depreciation. Capital assets are defined by the District as those assets with a cost of $2,500 or greater and an estimated life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Interest incurred during the construction phase of capital assets is not included as part of the capitalized value of the assets constructed.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Buildings	30-50 years
Vehicles	10-20 years
Furniture and fixtures	5 years
Equipment	10 years

Compensated absences

The District has a policy whereby employees are compensated for unused paid time off. Unused accumulated paid hours will be paid based on an employee's regular rate of pay at time of termination. The earned, unpaid balance as of December 31, 2024 is approximately $56,803.

Long-term debt

In the government-wide financial statements, long-term debt is reported as liabilities in the statement of net position.

In the fund financial statements, the face amount of debt issued is reported as other financing sources in the current period.

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 and deferred inflows of resources. A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. Both deferred outflows and inflows are reported in the Statement of Net Position, but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

The District has certain items that relate to its pension plans that qualify for reporting as deferred outflows of resources and deferred inflows of resources. Deferred inflows of resources also consist of deferred property tax revenue. The deferred property tax revenue is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Fund Balances

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints

on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: non-spendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory or prepaid expenses) or is legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the District's highest level of decision making authority, the Board of Directors prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned fund balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The total appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that District management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Fire protection postemployment benefit plan

The Governmental Accounting Standards Board (GASB) released Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, that is effective for the District for the year ending December 31, 2018. This statement details the reporting requirements for employers regarding other post-employment benefit (OPEB) plans.

FPPA administers the Statewide Death & Disability Plan discussed in Note 7, 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 District, FPPA concluded that because all contributions to the plan are considered member contributions (and not employer), the employers' proportionate share of any Net OPEB liability (asset) is $-0-.

Note 3 – Cash and investments

Cash and investments are reflected on the December 31, 2024 financial statements as follows:

	Governmental
Cash and investments	$ 2,358,799
Cash and investments - restricted	1,228,161
Total cash and investments	$ 3,586,960

Cash and investments as of December 31, 2024 consist of the following:

	Governmental
Deposits with financial institutions	$ 1,021,435
Investments	2,565,525
Total cash and investments	$ 3,586,960

Deposits with financial institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. As of December 31, 2024, the federal insurance limit was $250,000. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2024, the District's cash deposits had bank balances of $1,103,208 and carrying balances of $1,021,435.

Custodial credit risk - deposits

Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District has adopted a deposit policy, which follows state statutes, for custodial credit risk. As of December 31, 2024, all of the District’s bank balances and carrying balances were fully insured or collateralized.

Investments

The District's investment policy follows state statutes regarding investments. Colorado revised statutes limit investment maturities to five years or less unless formally approved by the District. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Revenue bonds of local government securities, corporate and bank securities and guaranteed investment contracts not purchased with bond proceeds are limited to maturities of three years or less.

The District primarily limits its investments to local government investment pools, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to custodial credit risk for investments that are in the possession of another party.

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

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2024, the District had the following investments:

Investment	Maturity	Amount
Colorado Liquid Asset Trust (COLOTRUST)	Weighted average under 60 days	$ 2,565,525

COLOTRUST

The District 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 currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to $1.00, offer daily liquidity. 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.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, 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 PRIME and COLOTRUST PLUS+ are rated AAAm by Standard & Poor's. COLOTRUST EDGE is rated AAAf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period. The District's assets were held in Colotrust Plus+ during 2024.

Cash and investments - restricted

At December 31, 2024, $711,210 of cash and investments in the Governmental Funds were restricted for fire impact expenditures. $417,951 of Governmental Funds cash and investments were restricted for future payment of bond principal, interest and related costs.

Article X, Section 20 of the Constitution of the State of Colorado requires the District to establish emergency reserves (see Note 12). At December 31, 2024, $99,000 of Governmental Funds cash and investments were restricted in compliance with this requirement.

Note 4 – Capital assets

An analysis of the changes in capital assets for the year ended December 31, 2024 follows:

	Balance at December 31, 2023	Increases	Decreases	Balance at December 31, 2024
Capital assets, not being depreciated				
Land and improvements	$ 1,149,262	$ -	$ -	$ 1,149,262
	1,149,262	-	-	1,149,262
Capital assets being depreciated				
Buildings and improvements	15,282,259	46,461	-	15,328,720
Vehicles	3,868,570	64,218	-	3,932,788
Furniture and fixtures	124,627	-	-	124,627
Equipment	563,242	31,327	(7,760)	586,809
Total capital assets being depreciated	19,838,698	142,006	(7,760)	19,972,944
Less accumulated depreciation for				
Buildings and improvements	1,933,059	318,824	-	2,251,883
Vehicles	2,411,718	136,118	-	2,547,836
Furniture and fixtures	82,978	1,496	-	84,474
Equipment	386,668	35,915	(7,760)	414,823
Total accumulated depreciation	4,814,423	492,353	(7,760)	5,299,016
Total capital assets being depreciated, net	15,024,275	(350,347)	-	14,673,928
Capital assets, net	$ 16,173,537	$ (350,347)	$ -	$ 15,823,190

Depreciation expense of $492,353 for 2024 was included in the expenses of the primary government on the statement of activities.

Note 5 – Long-term obligations

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2024:

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024	Due Within One Year
Direct Borrowings and Placements					
2022 Certificates of Participation	$ 6,880,000	$ -	$ 155,000	$ 6,725,000	$ 160,000
Premium on 2022 COPS	782,766	-	52,985	729,781	51,792
General obligation bonds payable					
Series 2012 general obligation bonds	835,000	-	535,000	300,000	300,000
Premium	4,002	-	3,393	609	609
Total long-term obligations	$ 8,501,768	$ -	$ 746,378	$ 7,755,390	$ 512,401

A description of long-term obligations outstanding as of December 31, 2024 is as follows:

$5,260,000 of General Obligation Bonds, Series 2012 dated August 24, 2012

The bonds were issued in the amount of $5,260,000 due through May 15, 2025, with interest rates of 2.0% to 3.0%. The bonds were issued primarily to refund the Series 2004 Bonds and to pay costs of issuance. Principal payments are due annually on November 15 and interest is payable semi-annually on November 15 and May 15. The 2012 Series bonds are subject to redemption prior to maturity. The 2012 Series Bonds currently have a rating by Fitch of AA-.

The bonds are secured by the District's full faith and credit. All taxable property within the boundaries of the District is subject to ad valorem taxation without limitation as to rate or amount to pay the principal of and interest on the Bonds when due.

The District issued the 2012 bonds to achieve a net present value benefit of $457,283 over the term of the bonds.

The District's long-term bond obligations will mature as follows:

Year Ended December 31	Principal	Interest	Total
2025	$ 300,000	$ 3,750	$ 303,750
	$ 300,000	$ 3,750	$ 303,750

Certificates of Participation

In June 2022, The District entered into a Lease Purchase Agreement with a financial institution for the Certificates of Participation, Series 2022 (COPS) in the amount of $7,025,000, the proceeds of which were used for the financing of construction of the District's north station and pay the cost of issuing the certificates. The COPS are to be retired over a 25-year period with interest at 5%. The COPS are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year obligation of the District within the meaning of any constitutional statutory debt limitation. Principal payments are due annually and interest payments are due semiannually through December 15, 2047.

The District's long-term obligations will mature as follows:

Year Ended December 31	Principal	Interest	Total
2025	$ 160,000	$ 336,250	$ 496,250
2026	170,000	328,250	498,250
2027	180,000	319,750	499,750
2028	190,000	310,750	500,750
2029	200,000	301,250	501,250
2030-2034	1,145,000	1,347,250	2,492,250
2035-2039	1,480,000	1,030,750	2,510,750
2040-2044	1,850,000	626,750	2,476,750
2045-2047	1,350,000	137,000	1,487,000
	$ 6,725,000	$ 4,738,000	$ 11,463,000

Debt authorization

At December 31, 2024, the District had no authorized but unissued debt.

Note 6 – Net position

The District reports net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2024, the District had a net investment in capital assets as follows:

Capital assets, net	$	15,823,190
Current portion of outstanding long-term obligations		(512,401)
Noncurrent portion of outstanding long-term obligations		(7,242,989)
Net investment in capital assets	$	8,067,800

Restricted assets include net position that is restricted for use either externally imposed by creditors, grantors, contributors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. As of December 31, 2024, the District had restricted net position as follows:

Emergencies (Note 12)	$	99,000
Fire impact expenditures		711,210
Debt service (Note 5)		419,763
Total restricted net position	$	1,229,973

The District had unrestricted net position of $1,676,969 and total net position of $10,974,742 as of December 31, 2024.

Note 7 – Firefighters pension plan

State of Colorado Fire and Police Pension Association – Statewide Retirement Plan (FPPA)

The District contributes to 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) for firefighters hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. The SRP became effective January 1, 1980. As of August 5, 2003, the SRP may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. Most full-time, paid firefighters of the District are members of the SRP, and all newly hired firefighters have to be enrolled in the SRP. Effective January 1, 2023, the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan were combined to form the Statewide Retirement Plan based on House Bill 22-1034. The Statewide Defined Benefit Plan became the Defined Benefit Component of the Statewide Retirement Plan and the Statewide Hybrid Plan became the Hybrid Component of the Statewide Retirement Plan.

The SRP assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan ("DROP") assets and Separate Retirement Account assets from eligible retired members). The SRP is administered by FPPA. FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at http://www.fppaco.org.

Description of Benefits

SRP provides retirement and disability, annual increases and death benefits for members or their beneficiaries. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the Normal Retirement Age. 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, with the Normal Retirement Age being not less than age 55 and not more than age 60. A member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

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 normal retirement benefit for the Defined Benefit Component is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average member's highest three years' base salary for each year of service thereafter.

Beginning January 1, 2007, the annual normal retirement benefit for the Social Security Component is 1.0 percent of the average of the member's highest three years base salary for each year of credited service up to then years plus 1.25 percent of the average of the member's highest three years' base salary for each year thereafter. Prior to 2007, the benefit for members of the Social Security Component will be reduced by the amount of social security income the member receives annually, calculated as if the social security benefit started as of age 62.

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023.

Benefits paid to retired members and beneficiaries may be increased annually on October 1 via cost of living adjustment (COLA). COLAs may be compounding or non-compounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0 percent to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

Upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

Contributions

Contribution rates for the SRP 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 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 2024, the total minimum required member and employer contribution rate was 22.2 percent.

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 11 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2024, the total minimum combined member and employer contribution rate was 16.5 percent.

The Hybrid Defined Benefit Component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Component is set annually by the FPPA Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2023 through June 30, 2024 is 14.24 percent. The Hybrid Defined Benefit Component contribution rate from January 1, 2023 through June 30, 2023 was 13.90 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase Component. A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members. A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan.

Employer contributions are recognized by SRP in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to SRP. Contributions to the Defined Benefit Component of the SRP from the District were $79,393 for the year ended December 31, 2024.

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

At December 31, 2024, the District reported a net pension liability of $0 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the collective total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2024. The District's proportion of the net pension liability was based on the District's contributions to the SRP relative to the total contributions of participating employers to the SRP based upon the January 1, 2024 actuarial valuation. At December 31, 2023, the District's proportion was 0.04271 percent, which was an increase of 0.01130 percent from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the District recognized pension expense of ($22,824). At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 81,341	$ 3,908
Changes of Assumptions or other Inputs	47,181	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	58,395	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share Share of Contributions	7,680	55,620
Contributions Subsequent to the Measurement Date	79,393	-
Total	$ 273,990	$ 59,528

$79,393 in total reported as deferred outflows of resources related to pension resulting from District contributions subsequent to measurement date will be recognized as an addition to the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2025	$ 24,284
2026	40,800
2027	60,955
2028	2,794
2029	4,108
Thereafter	2,128

Actuarial Assumptions

The actuarial valuations for the SRP were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2023. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2024	January 1, 2023
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 - 11.25%	4.25 - 11.25%
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 for males and females, amount-weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, and then projected with the MP-2020 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60% multiplier. The on-duty mortality rate is 0.00015.

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

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5

percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.00 %	8.33 %
Equity Long/Short	6.00	7.27
Private Markets	34.00	10.31
Fixed Income - Rates	10.00	5.35
Fixed Income - Credit	5.00	5.89
Absolute Return	9.00	6.39
Cash	1.00	4.32
Total	100.00	

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 Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SRP fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

As of the measurement period ending December 31, 2023, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of FPPA Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with FPPA Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

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 3.77 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.

Sensitivity of the District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the net pension liability (asset) 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%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability (Asset)	$ 239,497	$ -	$ -

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report, which can be obtained at http://www.fppaco.org.

Note 8 – Volunteer Pension Fund

Plan Descriptions and Provisions

The District, on behalf of its volunteer firefighters, contributes to an agent multi-employer defined benefit pension plan (the Plan) administered by the Fire and Police Pension Association of Colorado (FPPA). The plan provides retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the Pension Fund Board of Trustees. Colorado Revised Statues (CRS), as amended, establishes basic benefit provisions for such plans. The Plan is included as a Pension Trust fund of the District and the Pension Trust does not issue separate statements.

Volunteers Covered by Benefit Terms

As of the December 31, 2024, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	29
Inactive, Nonretired Members	-
Active Members	8
Total	37

Benefits provided

The Plan provides retirement, survivor, death and funeral benefits. The plan provides a retirement benefit of $700 a month for 20 or more years of service for all participants. For 4 participants vested prior to 2015, benefits are provided with a minimum of 10 years of service at a rate of $35 per month for every year of service. Survivor's death benefit is a $350 monthly benefit payment. Funeral benefit to the family members is a one-time payment of $1,400.

Funding policy.

The contributions are not actuarially determined. An actuary is used to determine the adequacy of contributions. The Actuarial study as of January 1, 2023, indicated that the current level of contributions to the fund are adequate to support, on an actuarially sound basis, the prospective benefits for the present plan.

Contributions

For the year ended December 31, 2024, the District contributed $97,500 to the plan.

Net Pension Liability

At December 31, 2024, the District reported a net pension liability of $858,171. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023 and a measurement date of December 31, 2023. This measurement date is within one year of the plan sponsor's fiscal year-end of December 31, 2024 and may be used for December 31, 2024 reporting purposes.

Actuarial Assumptions. The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 years*
Asset Valuation method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65.

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

Mortality:

Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.

Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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). Being that the plan's fiduciary net position is projected to be sufficient to pay benefits, the long-term expected rate of return of 7.00% was used as the discount rate.

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.77% (based on the weekly rate closet 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%.

Long-term expected return on plan assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	1.00%	4.32%
Fixed Income - Rates	10.00%	5.35%
Fixed Income - Credit	5.00%	5.89%
Absolute Return	9.00%	6.39%
Long Short	6.00%	7.27%
Global Equity	35.00%	8.33%
Private Markets	34.00%	10.31%
Total	100.00%	

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2022	$ 2,309,544	$1,366,013	$ 943,531
Service Cost	5,758	-	5,758
Interest	155,161	-	155,161
Changes in benefit terms	-	-	-
Difference Between Expected and Actual Experience	-	-	-
Changes in assumptions	-	-	-
Contributions - Employer	-	97,500	(97,500)
State of Colorado Supplemental Discretionary Payment	-	31,557	(31,557)
Net Investment Income	-	129,367	(129,367)
Benefit Payments, Including Refunds of Employee Contributions	(194,880)	(194,880)	-
Administrative Expenses	-	(12,145)	12,145
Net Changes	(33,961)	51,399	(85,360)
Balance at December 31, 2023	$ 2,275,583	$1,417,412	$ 858,171

Sensitivity of the Net Pension Liability to the Changes in the Discount Rate

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's Net Pension Liability	$ 1,081,809	$ 858,171	$ 668,910

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

For the year ended December 31, 2024, the District recognized pension expense of $37,738 for the Volunteer Pension Plan. At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ -
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	51,008	-
Contributions Subsequent to the Measurement Date	97,500	-
Total	$ 148,508	$ -

$97,500 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a decrease in the pension liability in the year ended December 31, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (income) as follows:

Year Ended December 31	Deferred Amounts
2025	$ 1,928
2026	17,075
2027	39,290
2028	(7,285)
Total	$ 51,008

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in a separately issued Fire & Police Pension Association of Colorado financial report.

Note 9 – Deferred compensation plan

The District established a deferred compensation plan pursuant to Internal Revenue Code Section 457, which is being administered by the FPPA. The District has no administration or trustee responsibilities for this plan. Neither the assets nor corresponding liabilities of this plan are reflected in these financial statements. During 2024, the District contributed $52,308 and the District's employees contributed $53,520 to the Plan.

Note 10 – Intergovernmental Agreements

Joint Wildland Division (JWD)

During 2023 the District and Grand Lake Fire Protection District #2 (GLFPD2) developed a framework whereby the Districts will collaborate to develop the Joint Wildland Division (JWD), a wildland program, to provide larger benefits for the firefighters and residents of both fire protections districts. The JWD will allow both Districts to provide higher levels of staffing, training and experience to address the current trends in quantity, scale and intensity of modern Wildland Urban Interface fires.

Grand County Wildfire Council (GCWC) Memorandum of Understanding (MOU)

In 2023 the District and GCWC entered into an MOU to retain and utilize resources for the benefit of all residents and visitors to Grand County. The MOU provides for two employment positions within the District which will be funded by both the District and GCWC. These Grand Fire employees report to both the fire chief and the GCWC board of directors. Under the terms of the MOU, the District committed to $70,000 annually related to these positions for up to four years, not to exceed $240,000. The District invoices GCWC quarterly for the greater of 50% of the cost of the employment or the remainder of payroll costs not covered by the District.

Joint construction and facility use agreement

Grand Fire Protection District No. 1 and East Grand Fire Protection District No. 4 entered into a Joint Construction and Facility Use Agreement on June 27, 2006. The Districts agreed to share equally, the construction costs and future operating and maintenance costs of a regional response facility (known as the “South Station” or “Red Dirt Station”) in Grand County. The Districts have been utilizing this facility since then, providing living quarters to active firefighters and responding to emergencies in both Districts, improving response times and increasing manpower on scene.

Land valued at $150,000 was donated by the YMCA of the Rockies for the South Station site. The Districts contributed $270,000 each toward construction. The facility is being operated now by a joint management committee made up of two members from each District’s board. The Districts will rotate responsibility for management of the facility. The completed construction cost of $1,075,603 was divided equally between the assets of both districts.

Note 11 – Risk management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees or volunteers; and natural disasters. The District carries commercial coverage for these risks of loss. Claims have not exceeded coverage in any of the last three fiscal years.

Note 12 – Tax, spending and debt limitation

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

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

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

On November 6, 2001, registered electors of the District passed an issue allowing the District, in the year 2002 and each subsequent year thereafter, to collect, retain, and expend the full proceeds of the District's fees, taxes, non-federal grants, and other revenues and to spend such revenue for debt service, District operations, capital projects, and any other lawful District purpose, notwithstanding any State of Colorado restrictions on revenues or spending including the restrictions of Article X, Section 20, of the Colorado Constitution, the revenue limitations in Section 29-1-301 of the Colorado Revised Statutes or any other law.

On May 4, 2004 the District voters approved a mill levy override to provide funds for District operations, allowing the District to levy up to 0.850 mills for such purposes. On November 18, 2021, voters approved a mill levy increase to provide an additional $340,000 in 2022 and by such amounts as may be collected annually thereafter by imposing a maximum operating mill levy of 10 mills to pay operating, capital improvement and certain other expenses, which may be adjusted to offset refunds, abatements, and changes to the percentage of actual valuation used to determine assessed valuation.

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

Note 13 – Commitments

On January 21, 2023, the District entered into a purchase agreement, for a 2025 Enforcer Pumper (the Pumper), in the amount of $1,095,744. Per the agreement, Delivery of the Pumper is scheduled for 35 to 37 months from the date the purchase agreement was signed. Payment is required at the time of final inspection of the Pumper.

REQUIRED SUPPLEMENTARY INFORMATION

Grand Fire Protection District No. 1

Schedule of Changes in Net Pension Liability and Related Ratios

FPPA Volunteer Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	$ 5,758	$ 5,738	$ 5,738	$ 6,823	$ 6,823	$ 11,880	$ 11,880	$ 26,299	$ 26,299	$ 27,950
Interest	155,161	156,265	158,654	163,606	165,891	178,016	178,280	174,694	174,921	176,988
Changes in Benefit Terms	-	-	-	-	-	-	-	(5,195)	-	(66,786)
Differences Between Expected and Actual Experience	-	844	-	(37,380)	-	(80,293)	-	(15,604)	-	40,896
Changes of Assumptions	-	16,248	-	-	-	89,775	-	72,370	-	-
Benefit Payments, Including Refunds of Employee Contributions	(194,880)	(194,880)	(202,027)	(204,470)	(206,218)	(194,894)	(192,500)	(202,650)	(205,800)	(205,800)
Net Change in Total Pension Liability	(33,961)	(15,785)	(37,635)	(71,421)	(33,504)	4,484	(2,340)	49,914	(4,580)	(26,752)
Total Pension Liability - Beginning of Year	2,309,544	2,325,329	2,362,964	2,434,385	2,467,889	2,463,405	2,465,745	2,415,831	2,420,411	2,447,163
Total Pension Liability - End of Year	2,275,583	2,309,544	2,325,329	2,362,964	2,434,385	2,467,889	2,463,405	2,465,745	2,415,831	2,420,411
Plan Fiduciary Net Position										
Contributions - Employer	97,500	90,000	75,000	97,500	82,500	90,000	95,000	108,333	95,040	110,004
Net Investment Income	129,367	(125,535)	209,252	168,685	180,256	850	181,731	65,983	24,181	86,885
Benefit Payments, Including Refunds of Employee Contributions	(194,880)	(194,880)	(202,027)	(204,470)	(206,218)	(194,894)	(192,500)	(202,650)	(205,800)	(205,800)
Administrative Expenses	(12,145)	(9,405)	(9,342)	(7,781)	(11,435)	(9,465)	(9,994)	(2,246)	(4,799)	(2,378)
State of Colorado supplemental discretionary payment	31,557	31,557	63,114	-	31,557	31,557	31,557	31,557	31,557	31,557
Net Change in Plan Fiduciary Net Position	51,399	(208,263)	135,997	53,934	76,660	(81,952)	105,794	977	(59,821)	20,268
Plan Fiduciary Net Position - Beginning of Year	1,366,013	1,574,276	1,438,279	1,384,345	1,307,685	1,389,637	1,283,843	1,282,866	1,342,687	1,322,419
Plan Fiduciary Net Position - End of Year	1,417,412	1,366,013	1,574,276	1,438,279	1,384,345	1,307,685	1,389,637	1,283,843	1,282,866	1,342,687
Net Pension Liability - End of Year	$ 858,171	$ 943,531	$ 751,053	$ 924,685	$ 1,050,040	$ 1,160,204	$ 1,073,768	$ 1,181,902	$ 1,132,965	$ 1,077,724
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.29%	59.15%	67.70%	60.87%	56.87%	52.99%	56.41%	52.07%	53.10%	55.47%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Grand Fire Protection District No. 1

Schedule of District Contributions

FPPA Volunteer Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	$ 105,418	$ 105,418	$ 116,372	$ 116,372	$ 121,386	$ 121,386	$ 130,724	$ 130,724	$ 130,724	$ 141,536
Contributions in Relation of the Actuarially Determined Contribution	129,057	121,557	138,114	97,500	114,057	121,386	121,557	126,557	139,890	126,597
Contribution Deficiency (Excess)	$ (23,639)	$ (16,139)	$ (21,742)	$ 18,872	$ 7,329	$ -	$ 9,167	$ 4,167	$ (9,166)	$ 14,939
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedules

Valuation Date:
Actuarially determined contribution rates are calculated as of January 1 of odd numbered years and used for two fiscal years

Grand Fire Protection District No. 1

Schedule of the District's Proportionate Share of the Net Pension Liability - Last 10 Fiscal Years

Statewide Retirement Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Plan Measurement Date Ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability (Asset)	0.042710000%	0.031412019%	0.029693001%	0.026061094%	0.025197320%	0.028472483%	0.031644835%	0.034958697%	0.034204191%	0.026536241%
District's Proportionate Share of the Net Pension Liability (Asset)	$ -	$ 27,882	$ (160,916)	$ (56,579)	$ (14,251)	$ 35,997	$ (45,526)	$ 12,632	$ (603)	$ (29,948)
District's Covered Payroll	$ 420,240	$ 273,749	$ 239,631	$ 210,302	$ 186,884	$ 190,968	$ 184,500	$ 178,917	$ 165,814	$ 119,350
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.0%	10.2%	(67.2%)	(26.9%)	(7.6%)	18.8%	(24.7%)	7.1%	(0.4%)	(25.1%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.0%	97.6%	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Covered payroll is presented based on the fiscal year.

Grand Fire Protection District No. 1

Schedule of District Contributions

Statewide Retirement Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 79,393	$ 39,863	$ 24,596	$ 20,318	$ 16,824	$ 14,951	$ 15,277	$ 14,832	$ 14,313	$ 13,265
Contributions in Relation to the Contractually Required Contribution	79,393	39,863	24,596	20,318	16,824	14,951	15,277	14,832	14,313	13,265
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's Covered Payroll	$ 796,958	$ 420,240	$ 273,749	$ 239,631	$ 210,302	$ 186,884	$ 190,968	$ 184,500	$ 178,917	$ 165,814
Contributions as a Percentage of Covered Payroll	10.0%	9.5%	9.0%	8.5%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

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

SUPPLEMENTARY INFORMATION

GRAND FIRE PROTECTION DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
Debt Service Fund

For the year ended December, 31, 2024

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
General property taxes	$ 550,243	$ 551,561	$ 1,318
Specific ownership taxes, net	30,000	-	(30,000)
Interest income	5,000	17,947	12,947
Total revenues	585,243	569,508	(15,735)
EXPENDITURES			
Debt service			
Principal	535,000	535,000	-
Interest	20,875	20,875	-
County treasurer fees	29,012	27,580	1,432
Other	35,500	2,750	32,750
Total expenditures	620,387	586,205	34,182
Change in fund balance	(35,144)	(16,697)	18,447
FUND BALANCES - Beginning of year	76,123	436,460	360,337
FUND BALANCES - End of year	$ 40,979	$ 419,763	$ 378,784