



Wellington Fire Protection District REGULAR BOARD MEETING AGENDA

The **Regular Board Meeting** of the Wellington Fire Protection District will be called to order at **5:00 PM** following a SDA workshop at **4:30 PM** on **July 16th, 2025**. The meeting will be held at **Station 1** located at 8130 3rd St, Wellington, CO 80549. Please contact our administrative office for any attendance accommodations. **Zoom Meeting information is listed below.**

Pledge of Allegiance

Roll Call

Additions/Deletions to the Agenda

Conflicts of Interest

Correspondence

Public Comment

Any property owner, business owner, or resident of the District that would like to comment on items not listed on the agenda may be restricted to a 3-minute limit per person.

Employee Recognition

- Shunzo Yoshida
- Anji Thompson

Guests or Presentations

Consent Agenda

- Regular Board Meeting Minutes for June 18th 2025

Chief's Report

Employee Report

Committee Reports

Monthly Financial Report

Auditor's Report

District Business

1. **Sales Tax Informational Presentation**
Board Discussion and decision to proceed or not.
2. **Executive Session**
Chief Germain contract.
Pursuant to §24-6-402(4)(e), C.R.S., Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators.

Station 16
8130 3rd Street
Wellington, CO 80549



Station 17
108 E County Road 66
Fort Collins, CO 80524

Wellington Fire Protection District

Other

Calendar Items:

Next Board Meeting –Regular Board Meeting – August 20th 2025, at Station 1.

Adjournment:

Wellington Fire Protection District Zoom Meeting information

Join Zoom Meeting

<https://us02web.zoom.us/j/7848079463>

Meeting ID: 784 807 9463

+ 17209289299,,7848079463# US (Denver)



MONTHLY SERVICE ACTIVITY



Month June 2025

TOTAL INCIDENT ACTIVITY: **94** **YTD: 580**


Fire and Other Services: **23** **YTD: 193** **EMS Responses:** **64** **YTD: 347**

Motor Vehicle Accidents: **7** **YTD: 40**


GREEN = Increase from prev. month


RED = Decrease “ “ “


Summer Safety Message:


 Many outdoor recreation areas lack cell service. Always let someone know where you're going and when you plan to return.


☐ Paddleboarding, tubing, and kayaking can become dangerous—especially during high runoffs and strong wind conditions. Always wear a life jacket and check the water and weather conditions before going on your adventure.

 Weed trimmers, mowers, and chainsaws can throw sparks. Avoid using them during high fire danger or Red Flag Conditions.

 Pets overheat quickly in the sun. If you're hot, they're hotter – don't leave them unattended in a vehicle, or walk them on hot pavement, or leave them outdoors too long.

 Older adults are less likely to feel thirsty or notice rising body temperature. Check in regularly, even if they “feel fine”.

 By the time you feel thirsty, you're already dehydrated. Carry a water bottle and sip often, especially if working or exercising outdoors.

 If you're leaving your property for more than a few days, unplug unnecessary appliances and secure propane tanks, firepits, and stored fuels.

**WELLINGTON FIRE PROTECTION DISTRICT
ACCOUNTANT'S REPORT
MAY 31 2025**

DESCRIPTION		AMOUNT
MAY 31 2025	Operating and Admin Expenditures	\$ 119,259
MAY 31 2025	Personnel Costs	220,900
	TOTAL EXPENDITURES - CURRENT MONTH	\$ 340,158

CURRENT MONTHS REVENUES

Tax Revenue	\$ 1,190,573
Interest Income	11,812
Other Income	1,706
TOTAL RECEIPTS - CURRENT MONTH	\$ 1,204,092

CASH BALANCE PER FINANCIAL STATEMENTS

		Balance per reconciliation
COLOTRUST - Non Impact Fee accounts		\$ 2,981,334
Points West Bank		(29,390)
Total Cash per reconciliation	MAY 31 2025	\$ 2,951,944
Less uncleared disbursements for current month		(119,259)
Add: Cash at County Treasurer		1,190,573
Net Cash Available		\$ 4,023,259

UNAUDITED
WELLINGTON FIRE PROTECTION DISTRICT
REVENUE & EXPENDITURE STATEMENT
ACTUAL & BUDGET FOR PERIOD ENDING ON JUNE 30, 2025
COMBINED FUNDS

	JUNE ACTUAL	YTD ACTUAL	2025 BUDGET	% OF BUDGET USED	BUDGET REMAINING
REVENUE					
4010 Larimer County Tax	\$ 1,170,760	\$ 3,654,745	\$ 3,880,667	94.18%	\$ 225,922
4013 Tax Rebate Payment	-	-	(52,222)	0.00%	(52,222)
4012 Specific Ownership Tax	19,814	117,827	215,000	54.80%	97,173
4014 Wildland Firefighting	-	-	60,000	0.00%	60,000
4016 Service Fees	-	-	1,000	0.00%	1,000
4017 Miscellaneous	-	2,150	5,000	43.00%	2,850
4018 Donations and events	-	600	25,000	2.40%	24,400
4020 Interest income	11,812	63,349	100,000	63.35%	36,651
4019 Grants	-	200	16,200	1.23%	16,000
4015 Impact Fees	1,706	16,256	40,000	40.64%	23,744
TOTAL REVENUE	1,204,092	3,855,126	4,290,645	89.85%	435,519
PERSONNEL COSTS					
5010 Salaries and Wages	152,550	902,501	1,904,805	47.38%	1,002,304
5020 Wildland Salaries	-	-	45,000	0.00%	45,000
5025 District Board Compensation	400	3,000	9,000	33.33%	6,000
5030 Overtime	19,414	126,541	232,301	54.47%	105,760
5110 Employer Taxes	3,446	20,825	62,158	33.50%	41,333
5120 Workers Compensation	-	16,507	71,514	23.08%	55,007
5210 Health, Dental & Vision Insurance	22,771	126,193	197,583	63.87%	71,390
5230 FPPA	22,319	123,374	258,666	47.70%	135,292
TOTAL PERSONNEL COSTS.	220,900	1,318,941	2,781,027	47.43%	1,462,086
OPERATING AND ADMIN EXPENDITURES					
6010 Utilities	3,578	24,906	53,000	46.99%	28,094
6020 Station Supplies	604	4,503	6,000	75.04%	1,497
6030 Building Repairs & Maintenance	2,296	15,453	25,000	61.81%	9,547
6110 Equipment and Supplies	18,528	51,653	85,000	60.77%	33,347
6120 Fuel Expenses	1,350	9,777	28,000	34.92%	18,223
6140 Repairs and Maintenance - Equipment	27,770	55,433	80,000	69.29%	24,567
6210 IT services and supplies	7,108	28,624	29,932	95.63%	1,308
6230 Dispatch	-	2,923	14,500	20.16%	11,577
6310 Health & Safety	10,143	18,978	28,500	66.59%	9,522
6320 Wildland Travel Expenses	-	-	15,000	0.00%	15,000
6330 Training & Seminars	70	5,432	63,000	8.62%	57,568
6335 Travel, Meetings and Meals	187	2,370	2,650	89.42%	280
7010 Office Expenses	644	3,139	6,000	52.32%	2,861
7020 Accounting/Finance	3,125	35,000	65,000	53.85%	30,000
7025 Legal Expenses	1,656	5,110	15,000	34.07%	9,890
7030 Professional Fees	2,370	19,637	32,000	61.37%	12,363
7050 Fees/Dues/Subscriptions	972	7,967	13,100	60.82%	5,133
7060 Payroll Processing Fees	815	5,133	10,000	51.33%	4,867
7070 County Treasurer Fees	23,416	73,096	77,613	94.18%	4,517
7080 Bank Service Charge	128	128	300	42.67%	172
7100 Insurance	-	20,006	44,300	45.16%	24,294
7110 District Board Expenses	-	55	5,000	1.11%	4,945
7120 Election Cost	14,500	23,982	54,000	44.41%	30,018
6336 Contingencies	-	-	80,000	0.00%	80,000
6401 Public Education	-	206	1,000	20.64%	794
TOTAL OPERATING AND ADMIN EXPENDITURES	119,259	413,511	833,895	49.59%	420,384
NON OPERATING					
7942 Capital Outlay	-	-	1,340,000	0.00%	1,340,000
9015 Debt Service / Lease Payments	-	269,546	269,546	100.00%	0
8003 Volunteer Pension Contribution	129,824	129,824	129,824	100.00%	0
TOTAL NON OPERATING	129,824	399,370	1,739,370	22.96%	1,340,000
TOTAL EXPENDITURES	469,982	2,131,821	5,354,292	39.82%	3,222,471
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURE	\$ 734,110	\$ 1,723,305	\$ (1,063,647)		\$ 2,786,952

Not audited, reviewed or compiled. No assurances provided. All Disclosures are omitted.

**WELLINGTON FIRE PROTECTION DISTRICT
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2024**

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Management's Discussion and Analysis

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Wellington Fire Protection District

Management's Discussion and Analysis

Introduction:

Management's Discussion and Analysis is intended to provide the reader and user of our financial statements with a narrative overview of the District's financial activities. Management's Discussion and Analysis (MD&A) should be read in conjunction with the District's financial statements and notes to the financial statements, beginning on page 7.

Overview of the Financial Statements of the District:

The audited financial statements of the District are:

- Statement of Net Position
- Statement of Activities
- Balance Sheet – Governmental Funds
- Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Funds
- Notes to the Financial Statements

The financial statements of the District are presented as a special purpose government engaged in government type activities. These financial statements distinguish between the functions of the District that will be principally supported by taxes. The functions of the District include the provision of fire protection services and the preventive mitigation of fire dangers.

The **Statement of Net Position** is prepared using the full accrual basis of accounting, provides information about what is owned (assets) by the District, what is owed (liabilities) by the District, and what is the District's equity in its assets (Net Position). Over time, the comparison of changes in Net Position may provide a useful method of evaluating whether the financial position of the District is improving, deteriorating, or maintaining a status quo.

The **Statement of Activities** provides information about the components – Program Expenses, Program Revenue, General Revenue – of the District's annual operating activities and how those activities affected Net Position.

The **Balance Sheet – Governmental Funds** presents the financial position of the District's funds using the traditional government modified accrual method of accounting, which does not reflect capital assets and debt obligations.

The **Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds** presents the activities of the District's funds using the modified accrual method of accounting which includes expenditures for capital assets and debt service obligations. This method approximates the reporting on a cash basis and closely follows the budgetary method.

The two reconciliations, which accompany these governmental funds statements, provide explanations of the specific differences in these statements as compared to the Statement of Net Position and the Statement of Activities.

The **Notes to Financial Statements** provide additional, required disclosures about the District, its accounting policies and practices, its financial position and operating activities, and other required information. The information included in these notes is essential to a full understanding of the information contained in the financial statements.

Condensed Comparative Financial Information:
Statement of Net Position

	2024	2023	Change
Current Assets			
Cash and cash equivalents	\$ 2,866,353	\$ 1,167,199	\$ 1,699,154
Other current assets	3,874,607	3,833,663	40,944
	<u>6,740,960</u>	<u>5,000,862</u>	<u>1,740,098</u>
Non Current Assets			
Capital assets – net	2,860,828	2,919,463	(58,635)
Total Assets	<u>9,601,788</u>	<u>7,920,325</u>	<u>1,681,463</u>
Deferred Outflows of Resources	1,428,057	1,536,736	(108,679)
Current Liabilities	735,156	282,506	452,650
Long Term Liabilities	1,134,379	1,395,810	(261,431)
Total Liabilities	<u>1,869,535</u>	<u>1,678,316</u>	<u>191,219</u>
Deferred Inflows of Resources	<u>4,164,475</u>	<u>4,181,061</u>	<u>(16,586)</u>
Net Position			
Net investment in capital assets	2,649,635	2,720,962	(71,327)
Restricted	348,086	332,325	15,761
Unrestricted	1,998,114	544,397	1,453,717
Total Net Position	<u>\$ 4,995,835</u>	<u>\$ 3,597,684</u>	<u>\$ 1,398,151</u>

Statement of Activities

	2024	2023	Change
Program Expenses			
Firefighting and rescue operations	\$ 3,327,313	\$ 2,962,833	\$ 364,480
Interest on debt	4,168	8,441	(4,273)
Total Program Expenses	<u>3,331,481</u>	<u>2,971,274</u>	<u>360,207</u>
Program Revenues			
Charges for services	10,996	25,148	(14,152)
Grants & contributions	33,926	25,620	8,306
Total Program Revenue	<u>44,922</u>	<u>50,768</u>	<u>(5,846)</u>
Net Program Expense	<u>3,286,559</u>	<u>2,920,506</u>	<u>366,053</u>
General Revenues	4,684,710	3,482,115	1,202,595
Change in Net Position	<u>1,398,151</u>	<u>561,609</u>	<u>836,542</u>
Net Position, Beginning of Year	<u>3,597,684</u>	<u>3,036,075</u>	<u>561,609</u>
Net Position, End of Year	<u>\$ 4,995,835</u>	<u>\$ 3,597,684</u>	<u>\$ 1,398,151</u>

This foregoing information is a summary of the financial information contained in the District's financial statements. For more about the information contained in this condensed, comparative financial information, we recommend a close review of the accompanying audited financial statements beginning on page 7.

Discussion of Financial Position and Operating Activities

The District's Net Position as of December 31, 2024 was \$4,995,835. This is an increase of \$1,398,151 from 2023 due to conservative spending and higher property taxes. Capital expenditures are not expensed in this statement.

Unrestricted cash and cash equivalents of the District at December 31, 2024, totaled \$2,655,479. This is an increase of \$1,720,170 from the prior year due to conservative spending and revenues exceeding expenditures.

Capital Assets, net of accumulated depreciation, of the District at December 31, 2024, totaled \$2,860,828 which represents an increase of \$5,645 from the prior year, after the adjustment as mentioned in note 10 to the financial statements.

General revenues increased in 2024 to \$4,684,710 due to the increase in taxes. See page 8 of the accompanying Financial Statements for details of these revenues and expenses.

Fund Discussion

General Fund balance increased from \$898,646 in 2023 to \$2,241,558 in 2024 due to conservative spending and higher taxes. The fund balance includes \$133,968 for emergencies in accordance with TABOR requirements. The assets and liabilities are comprised primarily of cash, investments and property tax revenues to be realized in 2025. The Impact fee fund balance decreased to \$214,118, a change of \$20,034 due to the payment of debt.

General Fund revenues exceeded expenditures by \$1,342,912, see page 10 of the accompanying financial statements for the details of the revenues and expenditures.

Budgetary Discussion

General Fund revenues for 2024 were \$513,120 more than the final budget. Actual expenditures for 2024 were \$368,767 less than the final budgeted expenditures primarily because of lower spending on wages and benefits, debt service and contingency expenses were not required. See page 28 of the accompanying financial statements for more detail. The budget was amended for the year, as such all numbers are compared to the final budgeted amounts. Impact Fund revenues were \$9,466 more than budget and expenditures were the same as budgeted.

Capital Assets and Long-term Obligations

Capital Assets. The District's primary capital assets are buildings and fire suppression equipment. There were no capital additions or expenditures in 2024. See Note 3 of the Notes to the Financial Statements on page 17.

Long-term Debt. The District entered into a new lease purchase agreement for the purchase of a fire engine. Most of the proceeds were not received until 2025 and the fire engine was not received until January 2025.

Economic Factors and Next Year's Budget. Tax revenue for 2025 should be similar to 2024 since assessed valuation remained constant.

Requests for Information. This financial report is designed to provide a general overview of Wellington Fire Protection District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the District at 8130 Third Street, Wellington, CO 80549.

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Basic Financial Statements

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Wellington Fire Protection District
Statement of Net Position
December 31, 2024

Assets

Current Assets

Cash and cash equivalents - unrestricted	\$ 2,655,479
Cash and cash equivalents - restricted	210,874
Due from County Treasurer	20,556
Prepaid insurance	15,391
Property taxes receivable	3,828,445
Other assets	10,215
Total Current Assets	<u>6,740,960</u>

Noncurrent Assets

Capital assets	
Nondepreciable	895,609
Depreciable	5,987,122
Less: Accumulated depreciation	<u>(4,021,903)</u>
Net Capital Assets	<u>2,860,828</u>
Total Noncurrent Assets	<u>2,860,828</u>
Total Assets	<u>9,601,788</u>

Deferred Outflows of Resources

FPPA Volunteer Pension	298,640
FPPA SRP Pension	1,129,417
Total Deferred Outflows of Resources	<u>1,428,057</u>

Liabilities

Current Liabilities

Accounts payable	244,643
Accrued wages	43,820
Other accrued liabilities	168,376
Accrued compensated absences	63,998
Accrued interest payable	3,126
Long-term debt - current portion	211,193
Total Current Liabilities	<u>735,156</u>

Long Term Liabilities

Net pension liability - Volunteer	1,134,379
Total Long Term Liabilities	<u>1,134,379</u>
Total Liabilities	<u>1,869,535</u>

Deferred Inflows of Resources

Deferred property taxes	3,828,445
Deferred inflows - impact fees	58,560
FPPA Volunteer Pension	102,447
FPPA SRP Pension	175,023
Total Deferred Inflows of Resources	<u>4,164,475</u>

Net Position

Net investments in capital assets	2,649,635
Restricted for emergencies and impact fees	348,086
Unrestricted	1,998,114
Total Net Position	<u>\$ 4,995,835</u>

**Wellington Fire Protection District
Statement of Activities
For the Year Ended December 31, 2024**

Governmental Activities	Expenses	Program Revenues		Net (Expenses) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Wages and benefits	\$ 2,278,971	\$ -	\$ -	\$ (2,278,971)
Firefighting and rescue operations	328,797	10,996	33,926	(283,875)
Fleet and Facilities	326,845	-	-	(326,845)
Training, health and safety	36,449	-	-	(36,449)
Administration	277,893	-	-	(277,893)
Volunteer Pension	78,358	-	-	(78,358)
Interest on long-term debt	4,168	-	-	(4,168)
Total Governmental Activities	\$ 3,331,481	\$ 10,996	\$ 33,926	(3,286,559)
General Revenues				
Property taxes				4,228,133
Specific ownership taxes				237,453
Earnings on investments				128,277
Impact fees				73,558
Other				17,289
Total Revenues				4,684,710
Change in Net Position				1,398,151
Net Position - Beginning of Year				3,597,684
Net Position - End of Year				\$ 4,995,835

Fund Financial Statements

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Wellington Fire Protection District
Balance Sheet - Governmental Funds
December 31, 2024

	<u>General Fund</u>	<u>Impact Fee Fund</u>	<u>Total</u>
Assets			
Current Assets			
Cash and cash equivalents - unrestricted	\$ 2,655,479	\$ -	\$ 2,655,479
Cash and cash equivalents - restricted	-	210,874	210,874
Due from County Treasurer	20,556	-	20,556
Due from other funds	-	3,244	3,244
Prepaid insurance	15,391	-	15,391
Property taxes receivable	3,828,445	-	3,828,445
Other assets	10,215	-	10,215
Total Assets	<u>\$ 6,530,086</u>	<u>\$ 214,118</u>	<u>\$ 6,744,204</u>
Liabilities			
Current Liabilities			
Accounts payable	\$ 244,643	\$ -	\$ 244,643
Due to other funds	3,244	-	3,244
Accrued wages	43,820	-	43,820
Other accrued liabilities	168,376	-	168,376
Total Liabilities	<u>460,083</u>	<u>-</u>	<u>460,083</u>
Deferred Inflows of Resources			
Deferred property tax revenue	3,828,445	-	3,828,445
Total Deferred Inflows of Resources	<u>3,828,445</u>	<u>-</u>	<u>3,828,445</u>
Fund Balance			
Restricted	133,968	214,118	348,086
Nonspendable	15,391	-	15,391
Unassigned	2,092,199	-	2,092,199
Total Fund Balance	<u>2,241,558</u>	<u>214,118</u>	<u>2,455,676</u>
Total Liabilities, Fund Balance and Deferred Inflows	<u>\$ 6,530,086</u>	<u>\$ 214,118</u>	<u>\$ 6,744,204</u>
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position			
Amounts reported for governmental funds in the Statement of Net Position are different because:			
Total fund balance			2,455,676
Capital Assets used in governmental activities are not current financial resources and therefore are not reported in the funds.			2,860,828
Accrued interest is recorded as a liability on the Statement of Net Position but is not reflected on the governmental fund Balance Sheet.			(3,126)
Long-term debt is not due and payable in the current period and therefore are not reported as liabilities on the fund financial statements.			(211,193)
Deferred inflows of resources related to impact fee credits are not available to pay current expenditures and therefore are not reported as liabilities in the governmental funds balance sheet			(58,560)
Net pension liabilities, assets, and the related deferred inflows and outflows of resources are not current financial resources and are therefore not reported in the fund financial statements.			16,208
Accrued compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the fund financial statements			(63,998)
Total Net Position			<u>\$ 4,995,835</u>

Wellington Fire Protection District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General Fund	Impact Fee Fund	Total
Revenues			
Property taxes	\$ 4,228,133	\$ -	\$ 4,228,133
Specific ownership taxes	237,453	-	237,453
Charges for services	10,996	-	10,996
Interest income	119,809	8,468	128,277
Grants and donations	33,926	-	33,926
Impact fees	-	40,998	40,998
Miscellaneous	17,289	-	17,289
Total Revenue	<u>4,647,606</u>	<u>49,466</u>	<u>4,697,072</u>
Expenditures			
Operations			
Wages and benefits	2,277,265	-	2,277,265
Firefighting and rescue operations	328,797	-	328,797
Fleet and Facilities	88,600	-	88,600
Training, health and safety	36,449	-	36,449
Administration	277,893	-	277,893
Volunteer Pension	129,824	-	129,824
Debt Service			
Principal	82,131	69,500	151,631
Interest	4,168	-	4,168
Capital outlay	243,890	-	243,890
Total Expenditures	<u>3,469,017</u>	<u>69,500</u>	<u>3,538,517</u>
Revenue Over (Under) Expenditures	<u>1,178,589</u>	<u>(20,034)</u>	<u>1,158,555</u>
Other Financing Sources			
Proceeds from issuance of debt	164,323	-	164,323
Total Other Financing Sources	<u>164,323</u>	<u>-</u>	<u>164,323</u>
Net Change in Fund Balance	1,342,912	(20,034)	1,322,878
Fund Balance, beginning of year	898,646	234,152	1,132,798
Fund Balance, end of year	<u>\$ 2,241,558</u>	<u>\$ 214,118</u>	<u>\$ 2,455,676</u>
Total Change in Fund Balance Governmental Fund			\$ 1,322,878
Depreciation expense reported in the Statement of Activities does not require the use of current financial resources therefore is excluded from the fund statements.			(238,245)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction has any effect on net position.			(12,692)
The change in accrued vacation does not provide the use of current financial resources and therefore is not reported in the fund financial statements.			(11,826)
Reduction to deferred inflows of resources related to impact fee credits were not received in cash and therefore are not eligible to be reported as revenues with the funds.			32,560
Changes arising from the change in net pension liabilities and the related deferred inflows and outflows of Capital outlay to purchase or build capital assets is reported in governmental funds as an expenditure. However,			61,586
Change in Net Position of Governmental Activities			<u>\$ 1,398,151</u>

**Wellington Fire Protection District
Notes to Financial Statements
December 31, 2024**

Note 1 Summary of Significant Accounting Policies

Financial Reporting Entity

In conformance with Governmental Accounting and Financial Reporting Standards, Wellington Fire Protection District, Wellington, Colorado, (the "District"), is the reporting entity for financial reporting purposes. The District is the primary government financially accountable for all activities of the District within the geographical area organized as the Wellington Fire Protection District. The District meets the criteria of a primary government: its Board of Directors is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent.

In accordance with governmental accounting standards, the District has considered the possibility of inclusion of additional entities in its financial statements. The definition of the reporting entity is based primarily on financial accountability. No other entities have been included in the District's financial statements.

Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of information.

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government and exclude the activity of funds that are fiduciary in nature.

The Statement of Net Position presents the financial position of the governmental activities at the end of the year. The Statement of Activities presents a comparison between program expenses and the program revenue for each program or function of the District's governmental activities. Program expenses are those that are specifically associated with a service, program or District; and therefore, clearly identifiable to a particular function. Program revenue includes charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenue are presented as general revenue of the District, with certain limited exceptions. The comparison of program expenses with program revenue identifies the extent to which each governmental function is self-financing or draws from the general revenue of the District.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds.

**Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024**

Note 1 Summary of Significant Accounting Policies (Continued)

Fund Accounting

Accounts of the District are organized on the basis of funds which are considered a separate accounting entity. Both of the following funds are presented as major funds.

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

Impact Fee Fund- records the activity related to impact fees collected by the District. Impact fees are required to be used on resources related to expansion of the District.

Measurement Focus and Basis of Accounting

Government-wide Financial Statement

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities associated with the District are included in the Statement of Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet and only revenues that are available within 60 days are recorded in the Statement of Revenues, Expenditures and Changes in Fund Balances. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources and uses of current financial resources. This approach differs from the manner in which the activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Revenue

Revenue resulting from exchange transactions, in which each party gives and receives essentially the same value, is recorded on the accrual basis, when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are both measurable and available to finance expenditures, which is typically within sixty days of realization. The transactions are classified as operating revenues.

Non-exchange transactions, in which the District receives value without directly giving value in return, include property taxes, grants, entitlements and donations. Revenue from property tax is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. These transactions are classified as non-operating revenues.

Property Taxes

The County Treasurer collects and remits property taxes to the District monthly. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied for the current year prior to December 31 and are payable in full on April 30 of the subsequent year, or in two installments on February 28 and June 15. Property taxes are recorded as receivables and deferred revenue when levied. As taxes are collected, the receivable and deferral are reduced and income is recognized.

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 1 Summary of Significant Accounting Policies (Continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in governmental funds.

Cash and cash equivalents- The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with maturities of 90 days or less at the date of their acquisition.

Investments – investments are recorded at fair value, which approximates cost.

Receivables – all receivables are reported at their book value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. No allowance for doubtful accounts has been established since the District has the right to place a lien on the property to collect the balance due.

Assets and Liabilities

Capital assets –Capital assets are stated at cost or estimated cost. The capitalization threshold for fixed assets is \$5,000. Depreciation over the estimated useful lives of the assets is computed using the straight-line method. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Estimated useful lives are as follows.

<u>Description</u>	<u>Estimated Lives</u>
Land	N/A
Buildings	10-40 years
Fire apparatus and equipment	10-20 years

These assets are reported in the government-wide Statement of Net Position but are not reported in the fund financial statements.

Accrued Liabilities and Long-Term Obligation

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. Long-term debt obligations are not recognized as a liability on the governmental fund financial statements but instead are recorded when paid.

Compensated absences represent the accumulated unpaid vacation time accrued by the employees. Upon termination of employment each employee will be compensated for their unused vacation time at their current rate of pay up to 240 hours of unused vacation time. There is no payment for sick time upon termination of employment. In the government fund, unpaid vacation is not expected to be paid from current resources and therefore is not accrued. Unpaid vacation is reported as a liability on the government-wide financial statements. Compensated absences increased during the year, resulting in a net change in compensated absences of \$11,826.

**Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024**

Note 1 Summary of Significant Accounting Policies (Continued)

Deferred Outflows / Inflows of Resources

The District implemented the provisions of GASB No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position (GASB 63) and the provisions of GASB No. 65, Items Previously Reported as Assets and Liabilities (GASB 65). As a result, in addition to assets, liabilities and net position, the statement of net position will sometimes report a separate section for deferred outflows of resources and deferred inflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period (deferred outflow) or the acquisition of net position that applies to future periods (deferred inflows).

Net Position

Equity is classified as net position and displayed in three components:

- a. Net investments in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position – consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District utilizes restricted net position before utilizing unrestricted net position when an expense is incurred for both purposes.
- c. Unrestricted Net Position – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.” Unrestricted net position is available for future operations or distributions.

Fund Balance

Nonspendable- consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The nonspendable fund balance was \$15,391 related to prepaid insurance as of December 31, 2024.

Restricted - General Fund - Article X, Section 20 of the Constitution of the State of Colorado (TABOR) requires the District to establish Emergency reserves (see Note 5). A reservation of \$133,968 of the General Fund balance has been made in compliance with this requirement. The District had \$214,118 restricted to the expansion of the District relating to impact fees collected.

Committed- General Fund - Committed fund balance includes those items which can be used for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. Those committed amounts cannot be used for any other purpose unless the Board of Directors formally removes or changes the specified uses. The District had a committed fund balance of \$0 as of December 31, 2024.

Assigned – Includes all amounts that are constrained by the District’s intent to be used for a specific purpose but are neither committed nor restricted. The assignment of these

**Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024**

Note 1 Summary of Significant Accounting Policies (Continued)

balances must occur through a formal action of the Board of Directors. As of December 31, 2024 the assigned fund balance was \$0.

Unassigned- consists of the residual classification for the General Fund. This represents amounts that have not been assigned to other funds and that has not been restricted, committed, or assigned for specific purposes.

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.

Budgets and Budgetary Accounting

Budgets are adopted on a cash basis except for accrual of current vendor invoices. Annual appropriated budgets are adopted for the fund. All annual appropriations lapse at fiscal year-end.

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. The budget includes proposed expenditures and the means of financing them. All appropriations lapse at year-end.
- Prior to January 31, the budget is adopted by formal resolution.
- Budgets are required to be filed with the State of Colorado within thirty days after the beginning of the fiscal year.
- Expenditures may not legally exceed appropriations at the fund level.
- The District Board must approve revisions that alter the total expenditures of any fund.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted by the District Board or revised by the District Board.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 Cash and Investments

Cash Deposits

As of December 31, 2024, the District's cash deposits had a carrying balance of \$222,654 with corresponding bank balance of \$212,085, of which \$212,085 is federally insured. 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 regulations. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified under the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all uninsured public deposits as a group is to be 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 equal to 102% of the uninsured deposits. The District did not have any funds collateralized under PDPA as of December 31, 2024.

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 2 Cash and Investments (Continued)

The Colorado Divisions of Banking 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.

Investments

Colorado statutes specify in which investment instruments the units of local government may invest:

- Obligations of the United States and certain United States government agency securities.
- Certain international agency securities.
- General obligation and revenue bonds of United States local government entities.
- Bankers' acceptances of certain banks.
- Commercial paper.
- Local government investment pools.
- Written repurchase agreements collateralized by certain authorized securities.
- Certain money market funds.
- Guaranteed investment contracts.

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's deposit policy is in accordance with State statute. As of December 31, 2024, none of the District's bank deposits were exposed to custodial credit risk.

Interest Rate Risk

Colorado statutes require that no investment may have a maturity in excess of five years from the date of purchase, unless an available active market exists. The District's investment portfolio does not contain investments that exceed that limitation of five years. The Board has adopted an investment policy that conforms to State statutes.

At December 31, 2024, the District had \$2,643,699 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 offers shares in three portfolios, COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+ - The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. 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 section 24-75-601, C.R.S., as amended.

COLOTRUST EDGE - The Trust operates similarly to a money market fund and each share is equal in value to \$10.00. The portfolio may invest in U.S. Treasury securities and 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.

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 2 Cash and Investments (Continued)

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's and is measured at net asset value (NAV). There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

A summary of cash and cash equivalents at December 31, 2024, is as follows:

Cash deposits	\$ 222,654
Colotrust	2,643,699
Total cash and cash equivalents	<u>\$ 2,866,353</u>

Note 3 Capital Assets

	Balance at 12/31/2023	Additions	Deletions	Balance at 12/31/2024
Nondepreciable				
Land	\$ 731,286	\$ -	\$ -	\$ 731,286
Construction in progress	-	164,323	-	164,323
Total Nondepreciable	<u>795,566</u>	<u>164,323</u>	<u>-</u>	<u>895,609</u>
Depreciable				
Buildings and improvements	2,841,483	26,200	-	2,867,683
Fire apparatus and equipment	3,066,072	53,367	-	3,119,439
Total Depreciable	<u>5,907,555</u>	<u>79,567</u>	<u>-</u>	<u>5,987,122</u>
TOTAL	<u>6,703,121</u>	<u>243,890</u>	<u>-</u>	<u>6,882,731</u>
Less Accumulated Depreciation				
Buildings and improvements	(1,599,504)	(58,975)	-	(1,658,479)
Fire apparatus and equipment	(2,184,154)	(179,270)	-	(2,363,424)
Total Accumulated Depreciation	<u>(3,783,658)</u>	<u>(238,245)</u>	<u>-</u>	<u>(4,021,903)</u>
Net Capital Assets	<u>\$ 2,919,463</u>	<u>\$ 5,645</u>	<u>\$ -</u>	<u>\$ 2,860,828</u>

Depreciation expense has been charged to fleet and facilities expense on the Statement of Activities.

Note 4 Long-Term Liabilities

The following is a summary of long-term obligations as of December 31, 2024:

	Balance 12/31/2023	Additions	Payments	Balance 12/31/2024	Amount due within one year
Leases	\$ 129,001	\$ 164,323	\$ (82,131)	\$ 211,193	\$ 211,193
Loan Payable	69,500	-	(69,500)	-	-
Total	<u>\$ 198,501</u>	<u>\$ 164,323</u>	<u>\$ (151,631)</u>	<u>\$ 211,193</u>	<u>\$ 211,193</u>

**Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024**

Note 4 Long-Term Liabilities

Lease Purchase Obligations

On November 15, 2019 the District entered into a lease with a financial institution for the lease of a fire engine totaling \$175,000. The requires six annual payments of \$37,953, principal and interest at 3.44%. The lease matured on April 15, 2024.

On March 20, 2020 the District entered into a lease with a financial institution for the lease of equipment totaling \$107,300. The lease requires five annual payments of \$23,359, principal and interest at 2.89%. The lease matures on March 20, 2025.

On May 15, 2020 the District entered into a lease with a financial institution for the lease of equipment totaling \$113,445. The lease requires six annual payments of \$24,986, principal and interest at 3.15%. The lease matures on April 15, 2025.

On September 9, 2024 the District entered into a lease with a financial institution for the lease of a Rosenbauer Custom Pumper with related equipment totaling \$1,300,000. The lease requires seven annual payments of \$221,201, principal and interest at 3.61%. The lease matures on April 1, 2031. The lease funds are disbursed at the time the equipment is received. As of December 31, 2024 there was \$338,141 disbursed under the lease.

The book value of assets acquired through lease purchases at December 31, 2024 is as follows:

Equipment	\$ 566,068
Less accumulated depreciation	(188,162)
Net Book Value	<u>\$ 377,906</u>

The following are events of default under the above lease agreements: (i) failure to make any lease payment (or any other payment) as it becomes due in accordance with the terms of the lease when funds have been appropriated sufficient for such purpose; (ii) failure to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured during a stated time period after written notice thereof by the lessor; (iii) the discovery by lessor that any statement, representation, or warranty made by the District in the lease or in writing delivered by lessee is false, misleading or erroneous in any material respect; (iv) proceedings under any bankruptcy, insolvency, reorganization or similar legislation shall be instituted against or by the lessee, or a receiver or similar officer shall be appointed for lessee or any of its property, and such proceedings or appointments shall not be vacated, or fully stayed, within a certain time period after the institution or occurrence thereof; or (v) an attachment, levy or execution is threatened or levied upon or against the equipment.

In the event of default, the lessors may, at their option: (i) declare all amounts due under the lease; (ii) request the District to discontinue use of the equipment; (iii) sell or lease the equipment; (iv) request the return of the equipment to the lessor; or (v) exercise any other right available under law. Following is a schedule of the future minimum lease payments under the District's lease obligations:

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 4 Long-Term Liabilities (Continued)

Following is a schedule of the future minimum lease payments under the District's lease purchase obligations:

Year Ended December 31,	
2025	\$ 269,546
2026	221,201
2027	221,201
2028	221,201
2029	221,201
2030-2031	<u>442,402</u>
Total minimum lease payments	1,596,752
Less amount representing interest	<u>(257,321)</u>
Present value of future minimum lease payment:	<u><u>\$ 1,339,431</u></u>

As of December 31, 2024 the District had only drawn \$211,193 however due to the terms of the lease agreement the full amount to amortize the lease over the seven-year period is due regardless of the amount drawn.

Loans payable

In 2021, the District entered into an in-kind exchange transaction whereby it received a parcel of land valued at \$600,000 in exchange for credits for future residential impact fees. The owner of the contributed land has already paid \$278,000 toward residential impact fees. As partial consideration for the in-kind contribution, the District will make four annual installments of \$69,500, beginning on September 2021, with the final payment due on September 15, 2024 to offset the District residential impact fees already paid by the owner. The remainder of the value of the in-kind contribution will be used to offset future residential impact fees for the planned development. District residential impact fees that would be incurred by the Owner for development shall be credited up to, but not to exceed, \$321,200. This is recorded as a Deferred Inflow of Resources on the Statement of Net Position. As of December 31, 2024 the loan was paid in full however \$58,560 of impact fees to be waived remained outstanding.

Note 5 Tax, Spending, and Debt Limitation

Article X, Section 20 of the Colorado Constitution, The Taxpayer's Bill of Rights (TABOR), contains several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. 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, which 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. This District had an emergency reserve of \$ 133,968 as of December 31, 2024.

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 6 Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The District maintains commercial insurance to mitigate their risks of loss. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

Note 7 Pension Plans

Volunteer Fireman's Pension Plan

The District has established an agent multiple-employer defined benefit pension plan for volunteer firefighters (the "Plan") as authorized by the State of Colorado statute. The Plan is administered by the FPPA. The annual financial report of FPPA may be obtained by contacting FPPA at 5290 DTC Parkway, Suite 100, Greenwood Village, CO 80111-2721. The plan consists of 17 retirees, 3 active members and 9 inactive non-retired member

Benefits Provided. Any firefighter who has both attained the age of 50 and completed 20 years of active service shall be eligible for a monthly pension. Pro rata pensions would apply to volunteers who reached 50 years of age and had between 10 and 20 years of service. A firefighter, who is disabled in the line of duty and whose disability is of such character and magnitude as to deprive the firefighter of earning capacity which extends beyond one year, shall be compensated in an amount determined by the Pension Board. The Plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute.

Funding Policy. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2022 determined the contribution amounts for 2023 and 2024. The Plan receives contributions from the District in an amount not to exceed one-half mill of property tax revenue. As established by the legislature, the State of Colorado also contributes to the plan. This funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2121. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan. The District contributed \$129,824 to the Plan during 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 \$1,134,379. 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. For the year ended December 31, 2024, the District recognized pension expense of \$(51,466). At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 7 Pension Plans (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$0	\$0
Changes in assumptions	0	0
Net difference between actual and projected earnings on pension plan investments	168,816	102,447
District contributions subsequent to the measurement date	129,824	0
Total	\$ 298,640	\$102,447

\$129,824 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Deferred outflows / inflows of resources to be amortized are as follows:

<u>Year Ending</u>	<u>Net Deferred Outflows / (Inflows) of Resources</u>
2025	\$ 4,605
2026	21,893
2027	48,072
2028	(8,201)
Total	\$ 66,369

Actuarial assumptions. The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.00 percent, compounded annually net of operating expenses, and including inflation
Projected salary increases	N/A
Cost of Living Adjustment	0.0 percent
Inflation	2.5 percent

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 sale for all years.

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 7 Pension Plans (Continued)

Asset Class	Target Allocation	Long Term Expected Rate of Return
Cash	1%	4.32%
Fixed Income – Rates	10%	5.35%
Fixed Income – Credit	5%	5.89%
Absolute Return	9%	6.39%
Long Short	6%	7.27%
Global Equity	35%	8.33%
Private Markets	34%	10.31%
Total	100%	

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

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

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the District's net pension liability/(asset) calculated using the discount rate of 7.00 percent, as well as what the District's 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:

	1.00% Decrease*	Current Discount Rate*	1.00% Increase*
District's net pension liability/(asset)	\$1,473,101	\$1,134,379	\$853,849

* The long-term rate of return used was 7.00 percent. The municipal bond rate used was 3.77 percent. The single discount rate for the plans was 7.00 percent.

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.

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 7 Pension Plans (Continued)

Statewide Retirement Plan

The District contributes to the Statewide Retirement Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Retirement Plan (SRP) provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by the FPPA. This is a noncontributory plan. All full-time, paid police officers of the District are members of the Statewide Retirement Plan and the Statewide Death and Disability Plan. Local revenue sources are responsible for funding of the Death and Disability benefits for firefighters hired on or after January 1, 1997.

Colorado statutes assign the District to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Retirement Plan and the Statewide Death and Disability Plan. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Description of Benefits

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. 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 ten years plus 1.25 percent of the average thereafter.

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

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SRP plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Members of the SRP plan and their employers contributing at the rate of 12 percent and 9.50 percent, respectively, of base salary for a total contribution rate of 21.5 percent in 2023. In 2014, the members elected to increase the member contribution rate to the SRP plan beginning in 2016. Member contribution rates will increase 0.5 percent annually through 2023 to a total of 12 percent of base salary. Employer contributions will increase .5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings.

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 7 Pension Plans (Continued)

Contributions to the SRP plan from the District were \$105,426 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 liability of \$0 for its proportionate share of the net pension liability (asset). 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 December 31, 2022. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2023, the District's proportion was .1171676975 percent, which was a decrease of .06525 percent from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the District recognized pension income of \$(10,120). 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
Differences between actual and expected experience	\$ 223,139	\$10,721
Changes in assumptions	129,430	0
Net difference between actual and projected earnings on pension plan investments	160,194	0
Net impact in change in proportionate share	511,228	164,302
Contributions subsequent to the measurement date	105,426	0
Total	\$ 1,129,417	\$ 175,023

\$105,426 in total reported as deferred outflows of resources related to pension resulting from District's contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Pension Expense
2025	\$ 111,671
2026	159,647
2027	221,343
2028	69,555
2029	89,644
Thereafter	197,108
Total	\$ 848,968

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 7 Pension Plans (Continued)

Actuarial Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Total Pension Liability	Actuarial Determined Contributions
	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 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.

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 50% of the RP-2014 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 calculations 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. 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:

Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024

Note 7 Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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	<u>100.00</u>	

Discount Rate

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

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.

Regarding the sensitivity of the net pension liability/(asset) to changes in the single discount rate, the following presents the plan's net pension liability/(asset), calculated using a single discount rate of 7.00 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a single discount rate that is one percent lower or one percent higher:

Sensitivity of the District's Proportionate Share of the Net Pension Liability 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:

<u>Discount Rate:</u>	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Proportionate share of the net pension liability (asset)	<u>\$ 657,005</u>	<u>\$0</u>	<u>\$0</u>

**Wellington Fire Protection District
Notes to Financial Statements (Continued)
December 31, 2024**

Note 7 Pension Plans (Continued)

Pension Plan Fiduciary Net Position

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

Note 8 Voluntary Investment Program

Description. Effective May 1, 2010 employees of the District who are members of the SRP (see Note 8) may voluntarily contribute to the Voluntary Investment Program ("457 Plan"), an Internal Revenue Code Section 457 defined contribution plan administered by FPPA. Plan participation is optional, and contributions are separate from others made to FPPA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the 457 Plan provisions to the State Legislature.

Funding Policy. The 457 Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$22,500 for the calendar year 2024). Catch-up contributions up to \$7,500 for 2024 were allowed for participants who had attained age 50 before the close of the plan year, subject to the limitations of IRC §414(v). For the years ended December 31, 2024 and 2023-member pre- tax contributions were \$35,330 and \$30,353, respectively.

Note 9 Commitments and Contingencies

In 2014 it was identified that during the years 2001-2014 the District over collected property taxes. The District hired an accounting firm to recompute the property taxes based on the appropriate mill levy at the time. As a result, the firm determined the amount of the excess collections to be \$890,000. The District made the decision to begin rebating this amount to taxpayers through a voluntary temporary mill levy reduction in an amount determined annually by the board of directors. There is not a formal repayment schedule in place as amounts are considered to be voluntary repayments at the discretion of the board. As of December 31, 2024 the balance remaining was \$284,283.

Note 10 Prior Period Adjustment

As of December 31, 2023 the land value on the State Highway 1 parcel and the related impact fees to be waived were overstated by \$64,280. Had these amounts been properly recorded the land value and the deferred inflows – impact fees would have had balances of \$731,286 and \$91,120, respectively, on the Statement of Net Position. There would have been no effect on the change in net position. The balances of these items have been adjusted to reflect these changes as of December 31, 2024.

Required Supplementary Information

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Wellington Fire Protection District
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance with final budget favorable (unfavorable)
Revenues			
Property taxes	\$ 3,792,486	\$ 4,228,133	\$ 435,647
Specific ownership taxes	215,000	237,453	22,453
Charges for services	90,000	10,996	(79,004)
Interest income	7,000	119,809	112,809
Grants and donations	25,000	33,926	8,926
Miscellaneous	5,000	17,289	12,289
Total Revenue	<u>4,134,486</u>	<u>4,647,606</u>	<u>513,120</u>
Expenditures			
Operations			
Wages and benefits	2,526,921	2,277,265	249,656
Firefighting and rescue operations	241,725	328,797	(87,072)
Fleet and Facilities	78,000	88,600	(10,600)
Training, health and safety	100,500	36,449	64,051
Administration	318,463	277,893	40,570
Volunteer Pension	105,876	129,824	(23,948)
Debt Service			
Principal	342,131	82,131	260,000
Interest	4,168	4,168	-
Capital outlay	40,000	243,890	(203,890)
Contingencies	80,000	-	80,000
Total Expenditures	<u>3,837,784</u>	<u>3,469,017</u>	<u>368,767</u>
Revenue Over (Under) Expenditures	<u>296,702</u>	<u>1,178,589</u>	<u>881,887</u>
Other Financing Sources			
Proceeds from issuance of debt	250,000	164,323	(85,677)
Total Other Financing Sources	<u>250,000</u>	<u>164,323</u>	<u>(85,677)</u>
Net Change in Fund Balance	<u>\$ 546,702</u>	<u>1,342,912</u>	<u>\$ 796,210</u>
Fund Balance, beginning of year		<u>898,646</u>	
Fund Balance, end of year		<u>\$ 2,241,558</u>	

Wellington Fire Protection District
Schedule of Contributions Multiyear - Volunteer Plan
Last 10 Fiscal Years

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution *	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2015	\$ 37,077	\$ -	\$ 37,077	N/A	N/A
2016	\$ 37,077	\$ -	\$ 37,077	N/A	N/A
2017	\$ 110,541	\$ 110,541	\$ -	N/A	N/A
2018	\$ 110,541	\$ 110,541	\$ -	N/A	N/A
2019	\$ 100,541	\$ 100,541	\$ -	N/A	N/A
2020	\$ 93,272	\$ 40,000	\$ 53,272	N/A	N/A
2021	\$ 113,437	\$ 113,437	\$ -	N/A	N/A
2022	\$ 113,437	\$ 113,437	\$ -	N/A	N/A
2023	\$ 105,876	\$ 105,876	\$ -	N/A	N/A
2024	\$ 129,824	\$ 129,824	\$ -	N/A	N/A

* Includes both employer and State of Colorado Supplemental Discretionary Payment

Notes to the Schedule of Contributions

Valuation Date

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2023, determines the contribution amounts for 2023 and 2024.

Methods and Assumptions Used to Determine Contribution Rates:

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

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

Wellington Fire Protection District
Required Supplementary Information
Schedule of Changes in Net Pension Liability / (Asset) and Related Ratios Multiyear - Volunteer Plan
Last 10 Fiscal Years

Measurement date December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 5,911	\$ 5,380	\$ 5,380	\$ 20,690	\$ 16,864	\$ 33,411	\$ 29,352	\$ 51,962	\$ 51,962	\$ 58,849
Interest	194,973	175,530	174,305	146,498	154,909	146,800	150,505	174,373	166,533	118,602
Changes of benefit terms	-	164,065	-	-	-	-	-	-	-	672,703
Differences between expected and actual experience	-	65,929	-	(38,671)	-	178,650	-	(180,744)	-	(121,201)
Changes of assumptions	-	46,236	-	(1,271,598)	360,850	(508,351)	220,867	1,239,696	-	-
Benefit payments, including refunds of employee contributions	(190,121)	(169,522)	(155,100)	(155,100)	(147,433)	(146,100)	(146,100)	(131,850)	(96,709)	(76,650)
Net Change in Total Pension Liability	10,763	287,618	24,585	(1,298,181)	385,190	(295,590)	254,624	1,153,437	121,786	652,303
Total Pension Liability -Beginning	2,875,874	2,588,256	2,563,671	3,861,852	3,476,662	3,772,252	3,517,628	2,364,191	2,242,405	1,590,102
Total Pension Liability - Ending	2,886,637	2,875,874	2,588,256	2,563,671	3,861,852	3,476,662	3,772,252	3,517,628	2,364,191	2,242,405
Plan Fiduciary Net Position										
Contributions - Employer	105,876	105,876	103,000	102,896	40,000	40,000	-	-	100,000	100,000
Net investment income	156,034	(150,483)	247,873	192,916	200,658	1,707	211,259	79,472	25,541	95,156
Benefit payments, including refunds of employee contributions	(190,121)	(169,522)	(155,100)	(155,100)	(147,433)	(146,100)	(146,100)	(131,850)	(96,709)	(76,650)
Administrative expense	(8,386)	(6,560)	(8,058)	(5,644)	(9,242)	(6,869)	(8,791)	(2,657)	(4,759)	(2,427)
State of Colorado supplemental discretionary payments	-	10,541	21,082	10,541	-	-	-	10,541	10,541	10,541
Net Change in Plan Fiduciary Net Positions	63,403	(210,148)	208,797	145,609	83,983	(111,262)	56,368	(44,494)	34,614	126,620
Plan Fiduciary Net Position - Beginning	1,688,855	1,899,003	1,690,206	1,544,597	1,460,614	1,571,876	1,515,508	1,560,002	1,525,388	1,398,768
Plan Fiduciary Net Position - Ending	1,752,258	1,688,855	1,899,003	1,690,206	1,544,597	1,460,614	1,571,876	1,515,508	1,560,002	1,525,388
Net Pension liability - Ending	1,134,379	1,187,019	689,253	873,465	2,317,255	2,016,048	2,200,376	2,002,120	804,189	717,017
Plan fiduciary net position as a percentage of the total pension liability	60.70%	58.72%	73.37%	65.93%	40.00%	42.01%	41.67%	43.08%	65.98%	68.02%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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

Wellington Fire Protection District
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability - FPPA SRP
Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability / asset	0.11717%	0.18242%	0.26865%	0.26053%	0.23624%	0.22989%	0.14833%	0.15901%	0.09791%	0.05628%
District's proportional share of the net pension liability (asset)	\$ -	\$ 161,920	\$ (1,455,898)	\$ (565,608)	\$ (133,607)	\$ 290,640	\$ (213,399)	\$ 57,457	\$ (1,726)	\$ (63,518)
District's percentage of net pension liability (asset) as a percent of covered payroll	0.00%	13.16%	-68.76%	-27.03%	-10.16%	20.79%	-21.85%	6.59%	-0.34%	-25.10%
District's covered payroll	1,113,251	1,230,728	2,117,285	2,092,588	1,314,861	1,397,813	976,788	871,863	504,613	253,101
Plan fiduciary net position as a percentage of the total pension	100%	98%	116%	107%	102%	95%	106%	98%	100%	107%

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Wellington Fire Protection District
Schedule of Contributions Multiyear - FPPA SRP
Last 10 Fiscal Years

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution *	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2024	\$ 105,426	\$ 105,426	\$ -	\$ 1,054,268	10.00%
2023	105,317	105,317	-	1,113,251	9.46%
2022	110,544	110,544	-	1,230,728	8.98%
2021	179,969	179,969	-	2,117,285	8.50%
2020	167,407	167,407	-	2,092,588	8.00%
2019	105,189	105,189	-	1,314,861	8.00%
2018	111,825	111,825	-	1,397,813	8.00%
2017	78,143	78,143	-	976,788	8.00%
2016	69,749	69,749	-	871,863	8.00%
2015	40,369	40,369	-	504,613	8.00%

Notes to the Schedule of Contributions

Valuation Date

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2021, determines the contribution amounts for 2022 and 2023.

Other Supplementary Information

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Wellington Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Impact Fee Fund
For the Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance with final budget favorable (unfavorable)
Revenues			
Impact Fees	\$ 40,000	\$ 40,998	\$ 998
Interest income	-	8,468	8,468
Total Revenue	40,000	49,466	9,466
Expenditures			
Debt Service			
Principal	69,500	69,500	-
Total Expenditures	69,500	69,500	-
Revenue Over (Under) Expenditures	(29,500)	(20,034)	9,466
Net Change in Fund Balance	\$ (29,500)	(20,034)	\$ 9,466
Fund Balance, beginning of year		234,152	
Fund Balance, end of year		\$ 214,118	

WFPD 2025 SALES TAX CONSIDERATION

JULY 16,2025

BACKGROUND

- Reductions in the residential and commercial assessment rates through Colorado Senate Bills 22-238 and 23B-01, and House Bills 24B1001 and 24B-1002 **have reduced revenues for Colorado Special Districts such as the Fire District** (Colorado General Assembly, 2024).
- To mitigate the impact of such reductions in property tax revenue, the Colorado General Assembly passed SB24-194 **to allow fire protection districts to propose a sales tax to their voters** (Colorado General Assembly, 2024).

DISTRICT NEED FOR SALES TAX APPARATUS

- Engine 92 and Reserve Engine require replacement within 5 years. **\$1.3 million each.**
- 2009 Type 3 Brush Truck needs to be replaced in 5 years. **\$750k.**
- 2004 and 2009 Type 6 Brush Trucks need replacing in 2027 & 2009. **\$500k each.**
- 2008 Water Tender requires replacement in 7 years. **\$600k**
- **\$4.5 million** in fleet costs over next 9 years alone.

DISTRICT NEEDS FOR SALES TAX

STATION NEEDS

- Station 1
 - Kitchen Upgrade and Renovation
 - Stairway tread replacements
 - Hardwood floor resurfacing
 - Carpet replacement (Upstairs/Offices)
- Station 2
 - Bunk Room Separation
 - Apparatus floor resurfacing
 - Roof and eave repair. Exterior painting
 - Permanent underground power to fuel tank

ARGUMENTS FOR ALLOWING SALES TAX

- Help WFPD meet growing needs of the community
- Help maintain and improve emergency equipment
- Allow for dedicated Capital Improvement Funding
- Diversifies Revenues
- Allows Property Tax Revenue to be solely used for Operations
- Shares some financial responsibility with non-residents
- Sales Tax is structured to minimize the financial impact on District residents
 - DOES NOT APPLY to food, medical prescriptions and supplies, diapers and incontinence products, electricity and gas, farm equipment and machinery, cigarettes, marijuana and items sold to schools and charitable organizations reducing the burden on lower-income individuals or families.

ARGUMENTS AGAINST THE PROPOSAL

- Increases amount of taxes collected by the District
- For those who support lowering taxes and levels of service provided by the government, this proposal may be contrary to their objective
- While it does not apply to many necessities, it will nominally increase the cost of other purchases

SALES TAX RELEVANT INFORMATION

- Probable annual revenue at .5% will be around \$250k (not \$675 as initially thought)
- Will be earmarked for Capital Projects
- Survey revealed widespread support across all demographics
- Fire Prevention Officer proposal is on hold until more dedicated funding is realized and secured
- Part of a plan to account for future growth
- Estimated cost of Coordinated Larimer County Election is \$11k