

Genesee Fire Protection District
Jefferson County, Colorado

**Annual Financial Report and
Independent Auditor's Report**

December 31, 2016



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Independent Auditor's Report

To the Board of Directors
Genesee Fire Protection District

We have audited the accompanying financial statements of the governmental activities and the major fund of Genesee Fire Protection District (the "District") as of and for the year ended December 31, 2016 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Genesee Fire Protection District as of December 31, 2016 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Genesee Fire Protection District's financial statements as a whole. The other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Haynie & Co.

Littleton, Colorado
July 10, 2017

**Genesee Fire Protection District
Management's Discussion and Analysis
December 31, 2016**

This section presents management's analysis of Genesee Fire Protection District (the District) financial condition and activities as of and for the year ended December 31, 2016. Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the District's basic financial statements.

This information should be read in conjunction with the audited financial statements that follow this section. The District, as the primary governmental entity, includes, within the financial statements, the financial position and activities of the District's Pension Plan as a component unit. The discussion and analysis is designed to provide an analysis of the District's financial condition and operating results and to inform the reader on the District's financial issues and activities.

The information in this MD&A is presented under the following headings:

- I. Overview of the Basic Financial Statements
- II. Financial Analysis
- III. Capital Assets and Lease Administration
- IV. Budgetary Highlights
- V. Economic Factors and Next Year's Budget and Rates
- VI. Requests for Information

I. Overview of the Basic Financial Statements

The District's basic financial statements are comprised of four components: (A.) Government-wide Financial Statements (B.) Fund Financial Statements (C.) Notes to Basic Financial Statements and (D.) Required supplementary information and other supplementary information in addition to the basic financial statements.

A. Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the primary government (the District). These statements include the financial activities of overall District government, except for fiduciary activities. Governmental activities generally are financed through taxes.

B. 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. The District, like other special purpose governments, uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. The basic financial statements of the District are presented as a special purpose government engaged only in governmental type activities providing fire protection services to District residents.

**Genesee Fire Protection District
Management's Discussion and Analysis
December 31, 2016**

General Fund

The District's General Fund statements include:

The *Balance Sheets* present information on all of the District's assets and liabilities, with the difference between the two reported as fund balance. Over time, increases or decreases in assets and liabilities may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statements of Revenues, Expenditures and Changes in Fund Balance* present information which reflects how the District's fund balance changed during the past year. All changes in assets and liabilities are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statements for some items that will only result in cash flows in future fiscal periods.

C. Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to basic financial statements can be found on pages 6 to 21 of this report.

D. Required Supplementary Information and Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary comparisons presented for legal compliance.

II. Financial Analysis

A. Financial Highlights

- Net Position increased by \$77,909 (6%) when compared to 2015
- District revenues (fund basis) increased by \$57,332 (10%) from 2015 to 2016
- District expenses (fund basis) increased by \$528,401 (120%) from 2015 to 2016

B. Financial Position

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. In the case of the District, the total net position, was \$1,311,432 and \$1,233,523 (restated) for the years ended December 31, 2016 and 2015, respectively.

The largest portion of the District's net position reflects its investment in capital assets, 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, these assets are not available for future spending. Although the District's investment in 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.

**Genesee Fire Protection District
Management's Discussion and Analysis
December 31, 2016**

**Statement of Net Position
December 31, 2016**

Assets	2016
Current assets	\$ 826,275
Capital assets, net and other non-current assets	1,356,723
Deferred outflows of resources	<u>222,662</u>
Total assets and deferred outflows	<u>2,405,660</u>
Liabilities and Deferred Inflows of Resources	
Current liabilities	102,848
Non-current liabilities	406,847
Deferred inflows of resources	<u>584,533</u>
Total liabilities and deferred inflows of resources	<u>1,094,228</u>
Net Position	
Net investment in capital assets	1,156,239
Restricted	29,012
Unrestricted	<u>126,181</u>
Total net position	<u>\$ 1,311,432</u>

C. Results of Operation

The following table shows the changes in the District's Net Position during the year.

**Statement of Activities
December 31, 2016**

Revenue	2016
Property taxes	\$ 559,284
Specific ownership taxes	45,260
State of Colorado pension contributions	14,400
Investment earnings	1,774
Charges for services	781
Operating grants and contributions	<u>2,603</u>
Total revenue	<u>624,102</u>
Expenses	
Public safety	<u>546,193</u>
Total program expenses	<u>546,193</u>
Change in Net Position	77,909
Net Position—Beginning of Year (restated)	<u>1,233,523</u>
Net Position—End of Year	<u>\$1,311,432</u>

**Genesee Fire Protection District
Management's Discussion and Analysis
December 31, 2016**

District Revenue and Expense Analysis:

Revenues

District revenues as of December 31, 2016 increased by \$57,332 over the year ended December 31, 2015. This increase in revenue was caused by primarily an increase in the property taxes.

Expenditures/Expenses

District expenditures/ expenses as of December 31, 2016 increased by \$32,654 over the year ended December 31, 2015. This change shows a consistency in expenditure between years.

General Fund:

The General Fund was established and continually funded to provide for the general and administrative expenses and operating costs of the District. This Fund provides for the functional areas of the organization: Administration, Firefighting, Fire Prevention, Training, Communications, Apparatus and Facilities Maintenance and Replacement. The primary funding source for the General Fund is taxation of real and personal property. Other sources of income for the General Fund include interest income on reserve funds and fees from plan reviews and inspections, grants and payments for reimbursable out-of-district responses. The primary projects or program efforts for establishing funding during 2016 were:

- Support and improve upon the training programs which enable us to provide quality emergency services to the community.
- Maintain competitive salaries and benefits for all existing full-time and temporary personnel of the District.
- Normally incurred operational expenses of the District and Department.
- Maintain established fire prevention, educational and safety programs as well as the development of new programs.
- Continue with an aggressive preventive maintenance program focused on maintaining peak performance for all District apparatus and equipment.
- Maintain a replacement program to continually upgrade aging equipment and apparatus.
- Continue with the building maintenance and upgrade program for the fire station.

**Genesee Fire Protection District
Management's Discussion and Analysis
December 31, 2016**

III. Capital Assets and Leases Payable

A. Capital Assets

The District's investment in capital assets at December 31, 2016 amounts to \$1,356,239 (net of accumulated depreciation). This investment in capital assets includes land, buildings, apparatus, equipment and furnishings. An analysis of changes in capital assets is as follows:

Capital Assets				
December 31, 2016 and 2015				
	<u>2016</u>	<u>2015</u>	<u>Variance</u>	<u>Percentage Change</u>
Land	\$ 50,000	\$ 50,000	\$ -	0.00%
Building and improvements	793,248	787,511	5,737	0.73%
Communications equipment	230,995	230,995	-	0.00%
Apparatus	1,795,097	1,241,193	553,904	44.63%
Protective and other equipment	512,283	497,830	14,453	2.90%
Office equipment and IT	82,283	80,703	1,580	1.96%
Total capital assets	<u>3,463,906</u>	<u>2,888,232</u>	<u>575,674</u>	
Less: accumulated depreciation	(2,107,667)	(2,013,766)	(93,901)	
Capital assets, net of accumulated depreciation	<u>\$ 1,356,239</u>	<u>\$ 874,466</u>	<u>\$ 481,773</u>	

The major capital addition to the District during 2016 was a 2017 Pierce Enforcer 4x4 fire engine.

Additional information on the District's capital assets can be found in Note 5 of this report.

IV. General Fund Budgetary Highlights

The District's annual budgets are prepared according to Colorado law and they are based on accounting for certain transactions on a basis of cash receipts and disbursements. It should be noted that the 2016 budget was monitored to more closely align expenses with the areas of responsibility.

The difference between the final budgeted expenditures of \$983,370 and the actual expenditures of \$967,051 resulted in a favorable variance of \$16,319.

Additional information on the District's detailed budget can be found in page 22 of this report.

**Genesee Fire Protection District
Management's Discussion and Analysis
December 31, 2016**

V. Economic Factors and Next Year's Budget

- Property taxes are budgeted in the amount of \$561,938 for the General Fund based on an assessed valuation of the district of \$70,242,254 with a mill levy of 8.000. \$58,000 has been budgeted for various capital expenditures across all categories.
- The assessed valuation of the district is approximately \$292,000 or 0.41% lower than the 2016 budget year, resulting in decreased property taxes of approximately \$2,341 when compared to the prior year budget year.
- Reserve funds are budgeted at \$177,000, which represents about 35% of the 2017 operating budget excluding capital spending.
- The two primary economic factors for 2017 are the uncertainty of the residential assessment rate (RAR) as impacted by the Gallagher amendment and the appraised valuation of residential and non-residential real property.

VI. Requests for Information

This report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Genesee Fire Protection District, 23455 Currant Drive, Golden, CO 80401.

Basic Financial Statements

Genesee Fire Protection District
Statement of Net Position
December 31, 2016

	<u>Governmental Activities</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 260,417
Property taxes receivable	561,938
Due from County Treasurer	3,720
Prepaid expenses	200
Total current assets	<u>826,275</u>
Long-Term assets:	
Capital assets, net (Note 5)	1,356,239
Net pension asset	484
Total long-term assets	<u>1,356,723</u>
Deferred Outflows of Resources	
Deferred outflows related to pension	<u>222,662</u>
Total deferred outflows of resources	<u>222,662</u>
Total assets and deferred outflows of resources	<u><u>\$ 2,405,660</u></u>
Liabilities	
Accounts payable and accrued payroll liabilities	\$ 4,238
Noncurrent liabilities:	
Capital lease due in one year	98,610
Capital lease due in more than one year	101,390
Net pension liability	305,457
Total liabilities	<u>509,695</u>
Deferred Inflows of Resources	
Deferred property tax revenue	561,938
Deferred inflows related to pension	22,595
Total deferred inflows of resources	<u>584,533</u>
Net Position	
Net investment in capital assets	1,156,239
Restricted for emergencies	29,012
Unrestricted	126,181
Total net position	<u>1,311,432</u>
Total liabilities, deferred inflows of resources, and net position	<u><u>\$ 2,405,660</u></u>

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

Genesee Fire Protection District
Statement of Activities
For the Year Ended December 31, 2016

<u>Functions/Program Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contribution</u>	<u>Governmental Activities</u>
Governmental activities				
Public safety	\$ 546,193	\$ 781	\$ 2,603	\$ (542,809)
Total governmental activities	<u>\$ 546,193</u>	<u>\$ 781</u>	<u>\$ 2,603</u>	<u>\$ (542,809)</u>
General revenues:				
Property taxes				559,284
Specific ownership taxes				45,260
State of Colorado matching pension contributions				14,400
Investment income				<u>1,774</u>
Change in net position				77,909
Net position - beginning of year (restated)				<u>1,233,523</u>
Net position - end of year				<u>\$ 1,311,432</u>

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

Genesee Fire Protection District
Governmental Funds Balance Sheet and
Reconciliation of the Governmental Fund Balance Sheet
with the Statement of Net Position
December 31, 2016

	General Fund
Assets	
Cash and cash equivalents	\$ 260,417
Property taxes receivable	561,938
Due from County Treasurer	3,720
Prepaid expenses	200
Total assets	<u>\$ 826,275</u>
Liabilities	
Accounts payable and accrued payroll liabilities	\$ 4,238
Total liabilities	<u>4,238</u>
Deferred Inflows of Resources	
Deferred property tax revenue	561,938
Total deferred inflows of resources	<u>561,938</u>
Fund Balances	
Nonspendable:	
Prepaid expenses	200
Restricted for:	
Emergency reserve	29,012
Unassigned	230,887
Total fund balance	<u>260,099</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 826,275</u>
Fund Balances - Total Governmental Funds	<u>\$ 260,099</u>
Amounts reported for governmental activities in the statement of net assets excluded from the governmental fund balance because:	
Capital assets used in governmental activities are not current financial resources and are excluded from the funds.	
Governmental capital assets	3,463,906
Less accumulated depreciation	<u>(2,107,667)</u>
Long-term liabilities, such as capital leases, are not due and payable in the current period and therefore are not reported in the funds.	(200,000)
Pension balances are not available resources and are not included in fund financial statements.	
Net pension asset	484
Net pension liability	(305,457)
Deferred outflows related to pension	222,662
Deferred inflows related to pension	<u>(22,595)</u>
Net position of governmental activities	<u>\$ 1,311,432</u>

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

Genesee Fire Protection District
Governmental Fund Revenues, Expenditures,
and Changes in Fund Balances
December 31, 2016

	General Fund
Revenues	
Property tax	\$ 559,284
Specific ownership tax	45,260
State of Colorado matching pension contributions	14,400
Grants and donations	2,603
Permit fees and fines	781
Interest and other income	1,774
Total Revenues	624,102
Expenditures	
General operations	23,939
Safety and training	9,789
Apparatus and equipment	31,384
Fire station	19,490
Administration	191,768
Contribution to pension fund	115,007
Capital outlay	575,674
Total Expenditures	967,051
Excess of Expenditures over Revenues	(342,949)
Other Financing Sources (Uses)	
Capital lease obligation	200,000
Total Other Financing Sources (Uses)	200,000
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(142,949)
Fund balances:	
Beginning of the year	403,048
End of the year	\$ 260,099

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

Genesee Fire Protection District
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
December 31, 2016

Net change in fund balance—total governmental funds \$ (142,949)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.

Current year depreciation	(93,900)
Capital outlay - capitalized portion	575,674

Long-term debt provides current financial resources to governmental funds, while the rerepayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Capital lease obligation	(200,000)
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Pension expenses and income do not use current financial resources and are excluded from the funds.

Current-year pension contributions are reported as deferred outflows	115,007
Pension expense	<u>(175,923)</u>

Change in net position of governmental activities	<u>\$ 77,909</u>
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The accompanying notes are an integral part of these financial statements.

Genesee Fire Protection District

Notes to Financial Statements

December 31, 2016

1. Definition of Reporting Entity

The Genesee Fire Protection District (the “District”) is a quasi-municipal corporation governed pursuant to provisions in the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Jefferson County, Colorado. The District was established to provide firefighting and emergency services to the citizens and their property within its jurisdiction, and to individuals passing through its jurisdiction.

On February 21, 2011, the District was approved as an exempt organization under section 501(c)(3) of the Internal Revenue Code. In an attempt to better serve the taxpayers and maintain low tax mill levy, the District has actively sought grants for capital equipment purchases; many of these grants are given out by private charitable foundations, who will only grant monies to organizations exempt under this code. The District successfully sought this exemption status and is now eligible for private charitable foundation grants.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements that 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, which is the primary government, is not considered a component unit of any other government and does not engage in any business-type activities.

2. Summary of Significant Accounting Policies

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

The most significant of the District's accounting policies are described below.

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. Governmental activities are generally supported by taxes, charges for services and intergovernmental revenues. There are no business-type activities in the District for the year ended December 31, 2016.

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

2. Summary of Significant Accounting Policies (continued)

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

The fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. The District has one governmental fund, the General Fund.

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are accounted for using the current financial resources measurement focus, whereby only current assets and liabilities generally are included in the balance sheet, and the statement of revenues, expenditures and changes in fund balance present increases and decreases in those net current assets. These funds use the modified accrual basis of accounting whereby revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting.

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

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements, a reconciliation is presented that briefly explains the adjustments necessary to reconcile the ending net position and the change in net position.

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

2. Summary of Significant Accounting Policies (continued)

In accordance with GASB, the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source. Property taxes attach an enforceable lien on property as of January 1. Taxes are levied in December, payable in the following year in full by April 30, or in two equal installments due on the last day of February and June 15.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with an original maturity of three months or less.

Capital Assets

Capital assets used in governmental activities of the District are recorded at cost. Depreciation is computed on a straight-line basis over the following estimated useful lives:

Buildings	40 years
Improvements	15 – 40 years
Equipment	5 – 7 years
Vehicles	5 – 15 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset have not been capitalized. The District's threshold for capitalization is \$1,000, where the asset's estimated useful life is greater than one year.

Compensated Absences

The District has a policy that allows employees to accumulate unused vacation benefits up to certain maximum hours. Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured. The District's General Fund is used to liquidate compensated absences of the governmental activities.

Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and the noncurrent portion of long-term liabilities that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year end are considered to have been made with current available financial resources.

Genesee Fire Protection District

Notes to Financial Statements (continued)

December 31, 2016

2. Summary of Significant Accounting Policies (continued)

Net Position and Fund Balance

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

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

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: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

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

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

2. Summary of Significant Accounting Policies (continued)

- *Unassigned fund balance* – amounts that are available for any purpose; positive amounts are reported only in the general fund.

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

The District establishes fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget.

Revenue Recognition/Property Taxes

Property taxes attach an enforceable lien on property as of January 1. Taxes are levied in December, payable in the following year in full by April 30, or in two equal installments due on the last day of February and June 15. The county treasurer bills and collects property taxes for all taxing entities within the county. Property tax receipts collected by the county treasurer each month are remitted to the District by the tenth day of the subsequent month. Property tax revenues are recognized in the government-wide financial statements in the year that the property taxes are used to fund the operations of the District.

In the fund financial statements, property taxes are recognized in the year for which levied provided they become available and measurable. Property tax revenues are considered available when they become due or past due and are received by the District within 60 days of the end of the fiscal year.

Estimates

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

3. Stewardship, Compliance and Accountability

Budgetary Information

Budgetary Policy – The District Board appoints the Administrator to be the budget officer. The Budget Officer prepares the budget in accordance with Budget Law, observing legal requirements for content, and format. Prior to October 15, the District Budget Officer submits a proposed operating budget for the fiscal year commencing the following January 1 to the Board of Directors. At this time a copy of the budget is made available for inspection by the public and notice of the proposed budget is published. Public hearings are held at the regular Board of Directors meetings to obtain taxpayer input.

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

3. Stewardship, Compliance and Accountability (continued)

No later than December 15th of the prior year for the ensuing fiscal year, the Board of Directors must formally adopt the budget, which is legally enacted through passage of a Resolution to Adopt its budget and a Resolution to Appropriate. In 2016, the budgets for the General Fund were adopted, on a basis consistent with GAAP. After adopting its budget, but not earlier than December 1st and no later than December 15th the Board of Directors must certify its property tax levy to the Board of County Commissioners.

Appropriations are controlled and the budget is only amended in conformity with Colorado Revised Statutes, which defines three bases for budget amendments; 1) budgetary transfers; 2) adopt a supplemental appropriation, (if there is receipt of unanticipated revenue, other than ad valorem taxes and it is available to meet a contingency); and 3) a downward revision of the appropriation.

Budgetary Data – Budget amounts presented in the General Fund “Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual” reflect the original budget and the amended budget (which has been adjusted for legally authorized revision to the annual budget during the year). All annual appropriations lapse at fiscal year-end.

The 2016 budget was amended to adjust for additional expenditures.

4. Deposits and Investments

Custodial Credit Risks – Deposits

Colorado state statutes govern the entity’s deposits of cash. For deposits in excess of federally insured limits, Colorado Revised Statutes (CRS) require the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act (PDPA) requires state regulators to certify eligible depositories for public deposit. PDPA requires the eligible depositories with public deposits in excess of the amounts insured by the Federal Deposit Insurance Corporation (FDIC) to create a single institutional collateral pool of obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the State. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the assets in the pool must be at least 102% of the uninsured deposits. As of December 31, 2016, the District had cash deposits with a bank balance of \$274,509 and a carrying balance of \$260,417.

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

4. Deposits and Investments (continued)

Investments

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

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

As of December 31, 2016, the District had the following investments:

COLOTRUST	\$ <u>222,757</u>
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Custodial Credit Risk - Investments

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the District would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a specific policy for custodial credit risk.

Interest Rate Risk

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

COLOTRUST – During 2016, the District had invested in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST Prime and COLOTRUST Plus+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST Plus+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. 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. The COLOTRUST investment pool is rated AAAM by Standard & Poors.

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

5. Capital Assets

The following table presents capital assets activity of the District for the year ended December 31, 2016:

	Balance December 31, 2015	Transfers/ Additions	Transfers/ Retirements	Balance December 31, 2016
Capital assets, not being depreciated:				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Total capital assets, not being depreciated	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Capital assets, being depreciated:				
Buildings and improvements	787,511	5,737	-	793,248
Apparatus	1,241,193	553,904	-	1,795,097
Communications equipment	230,995	-	-	230,995
Protective equipment	198,300	4,146	-	202,446
Other response equipment	299,530	10,307	-	309,837
Office furnishings and equipment	<u>80,703</u>	<u>1,580</u>	<u>-</u>	<u>82,283</u>
Total capital assets, being depreciated	<u>2,838,232</u>	<u>575,674</u>	<u>-</u>	<u>3,413,906</u>
Less accumulated depreciation for:				
Buildings and improvements	(399,594)	(23,857)	-	(423,451)
Apparatus	(960,336)	(28,720)	-	(989,056)
Communications equipment	(178,277)	(11,071)	-	(189,348)
Protective equipment	(185,066)	(3,381)	-	(188,447)
Other response equipment	(222,930)	(22,507)	-	(245,437)
Office furnishings and equipment	<u>(67,563)</u>	<u>(4,365)</u>	<u>-</u>	<u>(71,928)</u>
Total accumulated depreciation	<u>(2,013,766)</u>	<u>(93,901)</u>	<u>-</u>	<u>(2,107,667)</u>
Total capital assets, being depreciated, net	<u>824,466</u>	<u>481,773</u>	<u>-</u>	<u>1,306,239</u>
Capital assets, net	<u>\$ 874,466</u>	<u>\$ 481,773</u>	<u>\$ -</u>	<u>\$ 1,356,239</u>

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

6. Lease-Purchase Agreement and Long-Term Debt

In October 2016, the District entered into a lease-purchase agreement to purchase a 2017 Pierce Enforcer 4x4 fire engine for Summer 2017 delivery. The total price of the vehicle was \$571,404. The District financed \$200,000 of the purchase price and along with cash reserves prepaid the entire purchase price in order to take advantage of a \$22,500 discount. The total purchase price, net of the discount, is \$548,904.

The lease-purchase agreement requires two annual payments of \$104,250, beginning October 2017.

The future minimum lease payments required under this contract are approximately as follows:

2017		\$ 104,250
2018		<u>104,250</u>
Total lease payments		208,500
Amount representing interest		<u>8,500</u>
Principal Portion		<u>\$ 200,000</u>

At December 31, 2016, the District had no authorized but unissued indebtedness.

7. Pensions

The District currently maintains two separate pension plans. One plan is maintained for the volunteer firefighters and another plan for paid personnel.

FPPA - Statewide Defined Benefit Plan

Plan Description: The District contributes to the Fire and Police Pension Association (FPPA) to provide retirement benefits for paid employees and beneficiaries. Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available financial report that includes financial statements and required supplementary information for the plan, which is available by directly contacting the entity.

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 two 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. 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 defined benefit 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.

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

7. Pensions (continued)

The financial statements of the plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

At December 31, 2016, the District reported an asset of \$484 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2015, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2014. The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2015, the District's proportion was approximately 0.03 percent.

For the year ended December 31, 2016, the District recognized pension expense of \$25,509. At December 31, 2016, 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
Net difference between projected and actual investment earnings	\$ 18,366	\$ -
Difference between actual and expected experience	3,491	571
Changes in assumptions	6,780	-
Current-year contributions	10,507	-
Total	\$ 39,144	\$ 571

Deferred outflows of resources of \$10,507, related to contributions subsequent to the measurement date, will be recognized as pension expense in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

December 31,	
2017	\$ 7,490
2018	7,490
2019	6,880
2020	1,183
2021	1,183
Thereafter	4,411

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

7. Pensions (continued)

Actuarial assumptions: The total pension liability and actuarially determined contributions as of the measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Total Pension Liability	Actuarially Determined Contributions
Actuarial Valuation Date	January 1, 2016	January 1, 2015
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Payroll, Open	Level % of Payroll, Open
Amortization Period	30 years	30 years
Long-Term Investment Rate of Return	7.5%	7.5%
Projected Salary Increases	4% - 14%	4% - 14%
Cost of Living Adjustments	0%	0%
Includes Inflation at	2.5%	3.0%

Sensitivity: The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the District's proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate this is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	Projected Net Pension Asset (Liability)
1% Decrease to 6.5%	\$ (67,758)
Single Discount Rate	484
1% Increase to 8.5%	57,088

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females with Blue Collar Adjustment, projected with Scale AA, 40 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

7. Pensions (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Geometric Real Rate of Return</u>
Global Equity	37.0%	6.5%
Equity Long/Short	10.0%	4.7%
Illiquid Alternatives	20.0%	8.0%
Fixed Income	16.0%	1.5%
Absolute Return	11.0%	4.1%
Managed Futures	4.0%	3.0%
Cash	2.0%	0.0%
Total	<u>100.0%</u>	

Discount rate: The discount rate used to measure the total pension liability was 7.50 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 SWDB 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.

Volunteer Firefighter's Pension

Plan Description: The District, on behalf of its volunteer firefighters, contributes to a defined benefit pension plan, which is administered by FPPA. The plan is an agent multiple-employer plan that provides retirement benefits for members and beneficiaries according to the plan provisions. Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the plan.

The financial statements of this Plan are prepared using the accrual basis of accounting. Contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

At December 31, 2016, the District reported a net pension liability of \$305,457 for this Plan. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015.

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

7. Pensions (continued)

For the year ended December 31, 2016, the District recognized pension expense of \$150,414. At December 31, 2016, 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 projected and actual investment earnings	\$ 71,528	\$ -
Difference between expected and actual experience	-	22,024
Current-year contributions	104,500	-
Total	\$ 176,028	\$ 22,024

Deferred outflows of resources of \$104,500 related to contributions subsequent to the measurement date will be recognized as pension expense in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

Year ending December 31,	
2017	\$ (545)
2018	15,569
2019	18,525
2020	15,955

Actuarial assumptions: The total pension liability and actuarially determined contributions as of the measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Actuarially Determined Contributions
Actuarial Valuation Date	January 1, 2015
Actuarial Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Amortization Period	20 years
Long-Term Investment Rate of Return	7.5%
Asset Valuation Method	5-Year smoothed fair value
Retirement Age	50% per year of eligibility until 100% at age 65
Includes Inflation at	3.0%

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

7. Pensions (continued)

Sensitivity: The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the District’s proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate this is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	Projected Net Pension Asset (Liability)
1% Decrease to 6.5%	\$ (482,803)
Single Discount Rate	(305,457)
1% Increase to 8.5%	(155,823)

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 rates of return for each major asset class included in the pension plan’s target asset allocation as of the valuation date are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0%	6.5%
Equity Long/Short	10.0%	4.7%
Illiquid Alternatives	20.0%	8.0%
Fixed Income	16.0%	1.5%
Absolute Return	11.0%	4.1%
Managed Futures	4.0%	3.0%
Cash	2.0%	0.0%
Total	100.0%	

Discount rate: The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that the District contributions will continue to follow the current funding policy. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Had there been a point where assets were projected to be depleted, a municipal bond rate of 3.57% would have been used in the development of the blended GASB discount rate after that point. The 3.57% rate is based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from the Federal Reserve statistical release (H.15).

Genesee Fire Protection District

Notes to Financial Statements (continued)

December 31, 2016

8. Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. The District carries commercial insurance coverage for all risks of loss. Claims have not exceeded commercial coverage since inception.

9. TABOR Compliance

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

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

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

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 the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an Enterprise will require judicial interpretation.

On November 6, 2001, District voters authorized the District to increase property taxes \$67,841 in the first year, and annually thereafter, commencing in the tax year 2004, from a current mill levy of 4.913 mills to a maximum 6.00 mill levy in order to upgrade its fire, rescue, and emergency medical equipment and services to provide improved fire protection, fire suppression, and emergency medical services. Additionally, the District voters approved revenue change to allow the District to retain and spend all revenue, other than ad valorem taxes, in excess of TABOR spending revenue raising or other limitation in 2001 and subsequent years.

On May 6, 2008, the District voters authorized the District to increase taxes by a maximum of \$137,563.62 in the first year and annually thereafter, commencing with taxes collected in 2009, from a mill levy of up to 8.00 mills to maintain the District's ability to provide fire protection, fire suppression, and emergency medical services.

Genesee Fire Protection District
Notes to Financial Statements (continued)
December 31, 2016

10. Prior-Period Restatement

Net position as of December 31, 2015, has been restated as follows to correct for an error in reporting of pension-related balances that was subsequently identified:

Net position as originally reported at December 31, 2015	\$1,071,639
Correction of GASB 68 pension entries	<u>161,884</u>
Restated net position at December 31, 2015	<u>\$1,233,523</u>

Genesee Fire Protection District

Required Supplementary Information

Genesee Fire Protection District
Statement of Revenues, Expenditures
and Changes in Fund Balance—Actual and Budget
Governmental Fund Type—General Fund
December 31, 2016

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Property tax	\$ 564,279	\$ 564,301	\$ 559,284	\$ (5,017)
Capital lease obligation	-	200,000	200,000	-
Specific ownership tax	32,000	41,678	45,260	3,582
State of Colorado matching pension	14,400	14,400	14,400	-
Grants and donations	-	999	2,603	1,604
Permit fees and fines	-	782	781	(1)
Interest and other income	160	1,317	1,774	457
Total Revenues	<u>610,839</u>	<u>823,477</u>	<u>824,102</u>	<u>625</u>
Expenditures:				
General operations	31,656	21,539	23,939	(2,400)
Safety and training	28,200	19,288	9,789	9,499
Apparatus and equipment	51,898	38,132	31,384	6,748
Fire station	17,957	18,548	19,490	(942)
Administration	241,587	205,289	191,768	13,521
Contribution to pension fund	104,400	104,400	115,007	(10,607)
Capital outlay	35,000	576,174	575,674	500
Contingency	50,000	-	-	-
Total Expenditures	<u>560,698</u>	<u>983,370</u>	<u>967,051</u>	<u>16,319</u>
Excess Revenue Over (Under) Expenditures	<u>50,141</u>	<u>(159,893)</u>	<u>(142,949)</u>	<u>16,944</u>
Fund Balance—Beginning of year	<u>372,605</u>	<u>396,286</u>	<u>403,048</u>	<u>30,443</u>
Fund Balance—End of Year	<u>\$ 422,746</u>	<u>\$ 236,393</u>	<u>\$ 260,099</u>	<u>\$ 23,706</u>

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

Genesee Fire Protection District
Required Supplementary Information
Volunteer Pension Fund
Schedules of Employer Contributions
As of Measurement Period Ended

<u>Measurement Period Ended*</u>	<u>Actuarially Required Contributions</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/(Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2015	\$ 75,204	\$ 104,400	\$ 29,196	\$ -	N/A**
12/31/2014	\$ 75,204	\$ 114,400	\$ 39,196	\$ -	N/A**

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

** *Ratio not applicable (N/A) since payroll is zero due to the plan covering volunteers.*

Genesee Fire Protection District
Required Supplementary Information
Statewide Defined Benefit Plan
Schedules of Proportionate Share of the Net Pension Liability and Related Ratios

<u>Measurement Period Ended*</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Asset</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Asset as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Asset</u>
12/31/2015	0.03%	(484)	122,642	-0.4%	100.1%
12/31/2014	0.03%	\$ (31,119)	\$ 124,500	-25.0%	106.8%

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

* *The data provided in this schedule is based as of the measurement date of the District's net pension liability, which is as of the beginning of the year.*

Genesee Fire Protection District
Required Supplementary Information
Volunteer Pension Fund
Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Years

Measurement period ended December 31,	<u>2015</u>	<u>2014</u>
Total pension liability		
Service cost	\$ 34,583	\$ 32,615
Interest	122,768	124,696
Changes of benefit terms	-	(60,162)
Benefit Payments	<u>(124,785)</u>	<u>(122,895)</u>
Net change in total pension liability	32,566	(25,746)
Total pension liability - Beginning	1,681,189	1,706,935
Total pension liability - Ending (a)	1,713,755	1,681,189
Plan fiduciary net position		
Employer contributions	90,000	100,000
Employee contributions	-	-
Net investment income	25,068	87,329
Benefit payments	(124,785)	(122,895)
Administrative expense	(8,451)	(12,964)
State of Colorado supplemental discretionary payment	<u>14,400</u>	<u>14,400</u>
Net change in plan fiduciary net position	(3,768)	65,870
Plan fiduciary net position - beginning	1,412,066	1,346,196
Plan fiduciary net position - end (b)	1,408,298	1,412,066
District's net pension liability - ending (a)-(b)	305,457	269,123
Plan fiduciary net position as a percentage of the total pension liability	82.18%	83.99%

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

Note 2: The data provided in this schedule is based as of the measurement date of the District's net pension liability.

Genesee Fire Protection District

Other Supplementary Information

Genesee Fire Protection District
SUMMARY OF ASSESSED VALUATION,
MILL LEVY AND PROPERTY TAXES COLLECTED
December 31, 2016

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Tax Levy</u>	<u>Mills Levied Operations</u>	<u>Total Property Taxes</u>		<u>Percent Collected to Levied</u>
			<u>Levied</u>	<u>Collected</u>	
2012	\$ 63,778,975	8.000	\$ 510,232	\$ 505,544	99.08%
2013	\$ 65,778,975	8.000	\$ 526,861	\$ 526,994	100.03%
2014	\$ 62,355,713	8.000	\$ 498,846	\$ 499,539	100.14%
2015	\$ 62,645,943	8.000	\$ 501,168	\$ 495,898	98.95%
2016	\$ 70,534,863	8.000	\$ 564,279	\$ 559,284	99.11%
Estimated for the year ending December 31, 2017	\$ 70,242,254	8.000	\$ 561,938		