

**Snowmass-Wildcat Fire Protection District
Snowmass Village, Colorado**

**Financial Statements
December 31, 2016**



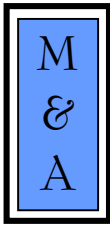
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**Snowmass-Wildcat Fire Protection District
Financial Report
December 31, 2016**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors Snowmass-Wildcat Fire Protection District Snowmass Village, Colorado

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

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 each major fund of the Snowmass-Wildcat 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.

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Other Matters

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison 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 statement 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.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis in Section B and Schedule of Changes in Net Pension Asset / Liability, Schedule of Employer's Proportionate Share of the Net Pension Asset / Liability and the Schedules of District Contributions in section E, 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The budgetary comparison information found in Section F is presented for purposes of additional analysis and is not a required part of the financial statements. The budgetary comparison information in Section F is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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.

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
September 12, 2017**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Snowmass-Wildcat Fire Protection District

Management's Discussion and Analysis December 31, 2016

As management of the Snowmass-Wildcat Fire Protection District, (the "District"), we offer readers of the District's financial statements this narrative summary of the financial activities of the District for the fiscal year ended December 31, 2016.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's financial statements are comprised of two components: 1) Financial Statements; and 2) Notes to the Financial Statements. These components are discussed below.

Financial statements: The financial statements are designed to provide readers with an overview of the District's finances, from both a short-term fund perspective and a long-term economic perspective.

The Balance Sheet/Statement of Net Position presents information on all the District's assets and liabilities (both short-term and long-term), with the difference between the two reported as fund balance or net position. The Balance Sheet columns present the financial position focusing on short-term available resources and are reported on a modified accrual basis of accounting. The Statement of Net Position column presents the financial position focusing on long-term economic resources and is reported on a full accrual basis. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Revenues, Expenditures and Changes in Fund Balance/Statement of Activities shows how the government's fund balance and net position changed during the most recent fiscal year. Again, the Statement of Revenues, Expenditures and Changes in Fund Balance column focuses on short-term available resources and is reported on a modified accrual basis. The Statement of Activities column focuses on long-term economic resources and is reported on a full accrual basis.

The District's financial statements can be found in section C of this report.

The District reports a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position on pages C3 and C4, respectively, for the District's Volunteer Pension Fund. Since the pension fund's resources are not available to support the District's activities, it is reported separately from the District's financial statements.

Notes to the Financial Statements: The notes provide a background of the entity, certain required statutes, and accounting policies utilized by the District. They also provide additional information that will aid in the interpretation of the financial statements. The Notes to the Financial Statements can be found in section D of this report.

Financial Analysis of the District

Snowmass-Wildcat Fire Protection District's Net Position

Assets:	2016	2015
Current and other assets	\$ 11,650,317	\$ 10,658,875
Net pension assets	181,122	419,542
Capital assets	3,189,345	2,512,349
Total Assets	15,020,784	13,590,766
Deferred Outflows of Resources:		
Pension related deferred outflows	496,430	195,935
	<u>496,430</u>	<u>195,935</u>
Liabilities:		
Current liabilities	419,890	207,622
Total Liabilities	<u>419,890</u>	<u>207,622</u>
Deferred Inflows of Resources:		
Property tax revenues	4,550,724	3,772,113
Pension related deferred inflows	48,896	99,682
	<u>4,599,620</u>	<u>3,871,795</u>
Net Position:		
Net Investment in capital assets	3,189,345	2,512,349
Reserved for capital projects	2,444,426	2,605,847
Reserved for emergencies	106,121	100,437
Restricted for pensions	181,122	419,542
Unrestricted	4,576,690	4,069,109
Total Net Position	\$ 10,497,704	\$ 9,707,284

Approximately 30% of the District's net position reflect its investment in capital assets, which includes land, fire stations, vehicles, and equipment.

At the end of the 2016, the District is able to report positive balances in all categories of net position. Overall, the District's net position increased during the most recent fiscal year. Governmental Accounting Standards Board Statement No. 34 requires asset acquisitions to be capitalized and depreciated over their respective estimated useful lives. For 2016, the District capitalized \$1,036,755 of new assets and reported depreciation expense in the amount of \$359,759.

Financial Analysis of the District (continued)

Snowmass-Wildcat Fire Protection District's Change in Net Position

	2016	2015
Revenues:		
Property taxes	\$ 3,769,446	\$ 3,543,526
Specific ownership taxes	124,648	126,557
Interest on delinquent taxes	6,063	1,202
Emergency medical services	562,161	575,780
Investment income	37,035	26,935
Grants and contributions	106,675	25,403
Wildfire contracts	59,700	-
Special event	37,623	50,483
Plan review and permit fees	24,069	23,223
Condominium rentals	10,100	14,200
Intergovernmental reimbursements	1,802	-
Scholarship Income	16,485	-
Other	5,827	4,438
Total Revenues	<u>4,761,634</u>	<u>4,391,747</u>
Expenditures/Expenses:		
Personnel services	2,481,763	2,184,957
General and administrative	506,285	403,598
Provision for uncollectible EMS charges	183,905	137,785
Fire and emergency medical services	330,135	336,704
Equipment	193,556	109,728
Station	209,850	210,073
Scholarship Awards	103,520	-
Other	-	2,820
Total Expenditures/Expenses	<u>4,009,014</u>	<u>3,385,665</u>
Other Financing Uses:		
Sale of assets	<u>37,800</u>	<u>11,000</u>
Change in Net Position	790,420	1,017,082
Net Position - January 1	9,707,284	8,690,202
Net Position - December 31	<u>\$ 10,497,704</u>	<u>\$ 9,707,284</u>

Property taxes were the most significant sources of revenues, accounting for 79% of total revenues. EMS revenue accounted for 12% of total revenue. Specific ownership tax revenue of \$124,648 accounted for 3% of the total revenues.

When compared to 2015, overall revenues increased by \$369,887 in 2016 mainly due to an increase in property tax, and additional grants and contributions.

Personnel expenses of \$2,481,763 in 2016 accounted for 62% of the total expense incurred by the District, and includes wages as well as employee benefits provided by the District.

Budget Variances in the General Fund

General Fund revenues were higher than anticipated, as increases in specific ownership taxes (\$59,648 higher than budgeted), wildfire contracts (\$59,700 higher than budgeted), and investment income (\$18,725 higher than budgeted) were experienced.

District operational expenses were over budget by \$6,643, as several line items had small variances from budget. Most notably, the District's scholarship awards were \$83,520 over budget, and communication services were \$49,966 over budget. These expenses were primarily offset by expenses from other services and contracts that were \$65,241 under budget.

Capital Asset and Debt Administration

Capital assets: The District's capital assets, net of accumulated depreciation, totaled \$3,189,345, with capital purchases of \$1,036,755 occurring in 2016. Capital asset additions were comprised of a vehicle and the remodeling of the fire station. Additional information as well as a detailed classification of the District's net capital assets can be found in the Notes to the Financial Statements in section D.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Administrative Offices, 5727 Owl Creek Road/P.O. Box 6436 Snowmass Village, CO 81615.

FINANCIAL STATEMENTS

Snowmass-Wildcat Fire Protection District
Governmental Funds Balance Sheet/Statement of Net Position
December 31, 2016

Governmental Funds Balance Sheet						
	General Fund	Capital Projects	Debt Service Fund	Total	Adjustments	Statement of Net Position
Assets:						
Cash and cash equivalents	2,132,143	1,541,038	-	3,673,181	-	3,673,181
Investments	2,232,301	1,079,397	-	3,311,698	-	3,311,698
Due from County Treasurer	10,593	-	-	10,593	-	10,593
Assessed taxes receivable	3,326,924	377,716	846,084	4,550,724	-	4,550,724
Accounts receivable, net of allowance of \$431,226	79,972	-	-	79,972	-	79,972
Prepaid Expenses	24,149	-	-	24,149	-	24,149
Due (to) / from other fund	176,009	(176,009)	-	-	-	-
Net pension asset- hybrid plan	-	-	-	-	177,530	177,530
Net pension asset- defined benefit plan	-	-	-	-	3,592	3,592
Capital assets, net of accumulated depreciation	-	-	-	-	3,189,345	3,189,345
Total Assets	<u>7,982,091</u>	<u>2,822,142</u>	<u>846,084</u>	<u>11,650,317</u>	<u>3,370,467</u>	<u>15,020,784</u>
Deferred Outflows of Resources:						
Pension related deferred outflows	-	-	-	-	496,430	496,430
Total Deferred Outflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>496,430</u>	<u>496,430</u>
Total Assets and Deferred Outflows	<u>7,982,091</u>	<u>2,822,142</u>	<u>846,084</u>	<u>11,650,317</u>	<u>3,866,897</u>	<u>15,517,214</u>
Liabilities:						
Accounts payable	196,358	-	-	196,358	-	196,358
Due to other governments	66,226	-	-	66,226	-	66,226
Deposits	640	-	-	640	-	640
Compensated absences	-	-	-	-	156,666	156,666
Total Liabilities	<u>263,224</u>	<u>-</u>	<u>-</u>	<u>263,224</u>	<u>156,666</u>	<u>419,890</u>
Deferred Inflows of Resources:						
Unavailable property tax revenues	3,326,924	377,716	846,084	4,550,724	-	4,550,724
Pension related deferred inflows	-	-	-	-	48,896	48,896
Total Deferred Inflows of Resources	<u>3,326,924</u>	<u>377,716</u>	<u>846,084</u>	<u>4,550,724</u>	<u>48,896</u>	<u>4,599,620</u>
Fund Balances / Net Position:						
Fund Balances:						
Restricted for emergencies	106,121	-	-	106,121	(106,121)	-
Restricted for capital projects:						
Fire station construction	-	269,570	-	269,570	(269,570)	-
Other capital projects	-	2,174,856	-	2,174,856	(2,174,856)	-
Unassigned	4,285,822	-	-	4,285,822	(4,285,822)	-
Total Fund Balances	<u>4,391,943</u>	<u>2,444,426</u>	<u>-</u>	<u>6,836,369</u>	<u>(6,836,369)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>7,982,091</u>	<u>2,822,142</u>	<u>846,084</u>	<u>11,650,317</u>		
Net Position:						
Net investment in capital assets					3,189,345	3,189,345
Restricted for capital projects					-	-
Restricted for emergencies					106,121	106,121
Restricted for pensions					181,122	181,122
Unrestricted					7,021,116	7,021,116
Total Net Position					<u>10,497,704</u>	<u>10,497,704</u>

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

Snowmass-Wildcat Fire Protection District
Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balances/Statement of Activities
For the Year Ended December 31, 2016

Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances						
	General Fund	Capital Projects	Scholarship Fund	Total	Adjustments	Statement of Activities
Revenues:						
Property taxes	3,390,703	378,743	-	3,769,446	-	3,769,446
Specific ownership taxes	124,648	-	-	124,648	-	124,648
Interest on delinquent taxes	6,063	-	-	6,063	-	6,063
Charges for services:						
Emergency medical services	378,256	-	-	378,256	183,905	562,161
Investment income	26,725	10,310	-	37,035	-	37,035
Grants and contributions	-	106,675	-	106,675	-	106,675
Wildfire contracts	59,700	-	-	59,700	-	59,700
Miscellaneous:						
Special event	37,623	-	-	37,623	-	37,623
Plan review and permit fees	24,069	-	-	24,069	-	24,069
Condominium rentals	10,100	-	-	10,100	-	10,100
Intergovernmental reimbursements	1,802	-	-	1,802	-	1,802
Scholarship Income	16,485	-	-	16,485	-	16,485
Other	5,827	-	-	5,827	-	5,827
Total Revenues	4,082,001	495,728	-	4,577,729	183,905	4,761,634
Expenditures/Expenses:						
Personnel services	2,535,575	-	-	2,535,575	(53,812)	2,481,763
General and administrative	487,112	18,893	-	506,005	280	506,285
Provision for uncollectible EMS charges	-	-	-	-	183,905	183,905
Fire and emergency medical services	85,968	-	-	85,968	244,167	330,135
Equipment	92,055	101,501	-	193,556	-	193,556
Station	94,538	-	-	94,538	115,312	209,850
Scholarship awards	103,520	-	-	103,520	-	103,520
Capital outlay	-	1,036,755	-	1,036,755	(1,036,755)	-
Total Expenditures/Expenses	3,398,768	1,157,149	-	4,555,917	(546,903)	4,009,014
Excess (Deficiency) of Revenues Over Expenditures	683,233	(661,421)	-	21,812	730,808	752,620
Other Financing Sources (Uses):						
Sale of assets	37,800	-	-	37,800	-	37,800
Transfers in (out)	(275,856)	500,000	(224,144)	-	-	-
Total Other Financing Sources (Uses)	(238,056)	500,000	(224,144)	37,800	-	37,800
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	445,177	(161,421)	(224,144)	59,612	(59,612)	-
Changes in Net Position					790,420	790,420
Fund Balances/Net Position:						
Beginning of Year	3,946,766	2,605,847	224,144	6,776,757		9,707,284
End of Year	4,391,943	2,444,426	-	6,836,369		10,497,704

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

Snowmass-Wildcat Fire Protection District
Statement of Fiduciary Net Position
Pension Fund
December 31, 2016

Assets:	
Investments	408,768
Total Assets	<u>408,768</u>
Net Position:	
Held for pension benefits	<u>408,768</u>

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

Snowmass-Wildcat Fire Protection District
Statement of Changes in Fiduciary Net Position
Pension Fund
For the Year Ended December 31, 2016

Additions:	
Contributions	50,000
Net investment gain	7,209
Total Additions	<u>57,209</u>
Deductions:	
Administration	1,875
Pension payments	47,520
Total Deductions	<u>49,395</u>
Change in Net Position	7,814
Net Position - Beginning	<u>400,954</u>
Net Position - Ending	<u><u>408,768</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016

I. Summary of Significant Accounting Policies

The Snowmass-Wildcat Fire Protection District (the "District") is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide fire protection within the Town of Snowmass Village and the surrounding area.

The financial statements of the District have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board ("FASB") issued through November 30, 1989, when applicable, that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established by GAAP used by the District are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

The District has no component units, and it is not a component unit of any other entity.

B. Government-wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. However, the District does not have any business-type activities, only governmental activities.

1. Government-wide Financial Statements

In the Governmental Funds Balance Sheet/Statement of Net Position, the Statement of Net Position column is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts—investment in capital assets; restricted net position; and unrestricted net position.

The government-wide focus is on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. The effect of interfund activity has been eliminated from the government-wide financial statements.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The District reports the following governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources not required to be accounted for in another fund.

The *Scholarship Fund* accounts for the accumulation of resources for, and the payment of, scholarships for paramedic training.

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The *Debt Service Fund* accounts for property taxes collected for the payment of principal and interest on bonds and related costs.

The District reports the following fiduciary fund which is not included in the government-wide statements since the resources of the fund are not available to the District:

The *Pension Fund* accounts for the volunteer pension investments.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus refers to whether the financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Governmental activities in the government-wide financial statements and fiduciary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

2. Current Financial Focus and Modified Accrual Basis

The governmental funds financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exceptions to this general rule are that principal and interest on general long-term debt and expenditures related to accrued compensated absences are recognized when due.

D. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with original maturities of three months or less.

2. Investment

Investments are stated at fair value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

3. Receivables

Receivables are reported net of an allowance for uncollectible accounts. The District's policy is to establish an allowance for uncollectible accounts based on historical experience and individual analysis of accounts.

4. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental entities until the subsequent year. In accordance with GAAP, the assessed but uncollected property taxes have been recorded as a receivable and as deferred revenue.

5. Interfund Receivables and Payables

Balances at year-end between funds are reported as "internal receivables" and "internal payables" in the fund financial statements and are eliminated in the government-wide financial statements.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

6. Capital Assets

Capital assets, which include land, fire stations and improvements, equipment, and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of four years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

Capital expenditures for projects are capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the asset.

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	4 - 35
Equipment	5 - 20
Vehicles	5 - 20

7. Pensions

The District participates in the Statewide Hybrid Plan and the Statewide Defined Benefit Plan, both administered by the Fire and Police Pension Association of Colorado ("FPPA"). The Statewide Hybrid Plan is comprised of two components: Defined Benefit and Money Purchase. The Statewide Defined Benefit Plan is a cost-sharing multiple-employer defined benefit pension plan. The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

8. Compensated Absences

The District permits employees to accumulate earned but unused vacation time, subject to certain limits in amount. Accumulated, unpaid time is accrued when incurred in the government-wide financial statements.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

9. Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The District has one item that qualifies for reporting in this category, which is the pension-related deferred outflow reported in the government-wide statement of net position.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for this type of reporting, pension-related deferred inflows and unavailable revenues from property taxes.

10. Fund Balance

The District classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board of Directors.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Board of Directors or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

10. Fund Balance (continued)

The District uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The District does not have a formal minimum fund balance policy. However, the District's budget includes a calculation of a targeted reserve position and management calculates targets and reports them annually to the Board of Directors.

11. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

II. Reconciliation of Government-wide and Fund Financial Statements

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

The Governmental Funds Balance Sheet and the government-wide Statement of Net Position include an adjustment column. One element of the adjustment column accounts for capital assets used in governmental activities that are not financial resources and, therefore, are not reported in the funds. \$ 3,189,345 represents the book value of capital assets at December 31, 2016.

Another element of the adjustment column accounts for net pension assets that are not financial resources and, therefore, are not reported in the funds. The District's net pension assets are \$177,530 and \$3,592 at December 31, 2016. Similarly, pension related deferred outflows are not financial resources and are also not reported in the funds. The pension related deferred outflows are \$496,430 at December 31, 2016.

Certain amounts reported in the Statement of Net Position, including accrued compensated absences and pension related deferred inflows, do not require the use of current financial resources and therefore are not recorded in the governmental funds financial statements. The balance of accrued compensated absences is \$156,665 and the balance of pension related deferred inflows is \$48,896 at December 31, 2016.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

II. Reconciliation of Government-wide and Fund Financial Statements (continued)

B. Explanation of differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the government-wide Statement of Activities

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The positive numbers below represent depreciation expense while the negative number represents capital outlay.

General and administrative:	
Depreciation	\$ 280
Fire and Emergency Medical Services:	
Depreciation	244,167
Station:	
Depreciation	115,312
Capital outlay:	
Assets capitalized	(1,036,755)

Some expenses reported in the Statement of Activities, including the change in accrued compensated absences, the provision for uncollectible ambulance revenue and the change in net pension assets, do not require the use of current financial resources and therefore are not recorded as expenditures in governmental funds. The provision for uncollectible ambulance revenues is netted against total EMS charges in governmental funds, representing collections under the modified accrual basis.

Personnel services (compensated absences)	\$ 59,812
Provision for uncollectible EMS charges	183,905
Personnel services (change in pensions)	(112,861)

III. Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

In the fall of each year, the District's Board of Directors formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Colorado Local Budget Law. The budget for the governmental funds and the fiduciary fund are adopted on a basis consistent with U.S. GAAP.

- (1) For the 2016 budget, prior to August 25, 2015, the County Assessor sent to the District a certified assessed valuation of all taxable property within the District's boundaries. The County Assessor may change the assessed valuation on or before December 10, 2015, only once by a single notification to the District.
- (2) On or before October 15, 2015, the District's budget officer submitted to the District's Board of Directors a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the District's operating requirements.
- (3) For the 2016 budget, prior to December 15, 2015, the District computed and certified to the County Commissioners a rate of a levy that derived the necessary property taxes as computed in the proposed budget.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

A. Budgets and Budgetary Accounting (continued)

- (4) After a required publication of "Notice of Proposed Budget" and a public hearing, the District adopted the proposed budget and an appropriating resolution, which legally appropriated expenditures for the upcoming year.
- (5) After adoption of the budget resolution, the District may make the following changes: (a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; (b) it may approve supplemental appropriations to the extent of revenues in excess of the estimate in the budget; (c) it may approve emergency appropriations; and (d) it may approve the reduction of appropriations for which originally estimated revenues are insufficient.
- (6) All appropriations lapse at a year-end.

Taxes levied in one year are collected in the succeeding year. Thus taxes certified in 2015 were collected in 2016 and taxes certified in 2016 will be collected in 2017. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (no later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 15th.

B. TABOR Amendment - Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The District has reserved a portion of its December 31, 2016, year-end fund balance in the General Fund for emergencies as required under TABOR in the amount of \$105,641, which is the approximate required reserve at December 31, 2016.

The initial base for local government spending and revenue limits is December 31, 1992, fiscal year spending. Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment - Revenue and Spending Limitation Amendment (continued)

The District's voters approved the following ballot question on May 5, 1998:

Shall the Snowmass-Wildcat Fire Protection District be authorized to collect, keep and expend all revenues from all voter approved taxes and all District revenues received in 1998 and each year thereafter as a voter-approved revenue change and exception to the spending, revenue-raising, or other limitations in Article X, Section 20 of the Colorado Constitution and other laws of the State?

The District's voters approved the following ballot question on November 5, 2002:

Shall Snowmass-Wildcat Fire Protection District taxes increase \$363,000 annually (first full fiscal year) or such other amount as may be received from the levy of an additional property tax at a rate of not to exceed 1.00 mill for the purpose of paying the costs of operations including recruiting, hiring and retaining fire fighters to enhance community and fire fighter safety and shall the District be authorized to collect, keep and expend all revenues from such additional tax received in 2003 and each year thereafter as a voter-approved revenue change and exception to the spending, revenue-raising, or other limitations in Article X, Section 20 of the Colorado Constitution and notwithstanding the property tax revenue limits of Section 29-1-301, C.R.S or other laws of the State?

The District's voters approved the following ballot question on May 2, 2006:

Shall Snowmass-Wildcat Fire Protection District taxes increase \$288,991 annually (first full fiscal year) or such other amount as may be received from the levy of an additional property tax at a rate of not to exceed .750 mill for the purpose of a capital replacement fund and shall the District be authorized to collect, keep and expend all revenues from such additional tax received in 2007 and each year thereafter for 20 years or until 2027 as a voter-approved revenue change and exception to the spending, revenue-raising, or other limitations in Article X, Section 20 of the Colorado Constitution and notwithstanding the property tax revenue limits of Section 29-1-301, C.R.S. or other laws of the State?

The District's voters approved the following ballot questions on November 2, 2010:

Shall Snowmass-Wildcat Fire Protection District taxes be increased \$75,000 annually, or by such lesser amount as may be necessary, in the judgment of the District Board, to offset the decrease in revenues to the District from all sources caused by the implementation of Proposition 101 if approved by the voters of the State of Colorado at the general election held on November 2, 2010, in order to avoid significant reductions in the fire protection and ambulance services provided by the District and provided that if Proposition 101 is not approved by voters this question shall have no effect: such taxes to consist of an ad valorem mill levy imposed without limitation of rate or with such limitations as may be determined by the District Board, and in amounts sufficient to produce the annual increase set forth above; and shall the proceeds of such taxes be collected and spent by the District as a voter-approved revenue change in 2011 and in each year thereafter, without regard to any spending, revenue-raising, or other limitation contained within Article X Section 20 of the Colorado Constitution, or Section 29-1-301, Colorado Revised Statutes?

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment - Revenue and Spending Limitation Amendment (continued)

Shall the Snowmass-Wildcat Fire Protection District taxes be increased \$1,497,961 annually, or by such lesser annual amount as may be collected, by authorizing the District to retain and spend any and all amounts collected by the District as ad valorem taxes and shall such approval constitute a future action to keep excess property taxes that shall not be effective until January 1, 2011, and shall only take effect if Amendment 60 is approved by the voters of the State of Colorado at the general election held on November 2, 2010, and shall the proceeds of such taxes be collected and spent by the District as a voter-approved revenue change, without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, or Section 29-1-301, Colorado Revised Statutes that shall expire after four years?

The District's voters approved the following ballot question on November 6, 2012:

Shall Snowmass-Wildcat Fire Protection District taxes be increased by up to \$800,000 in 2013, and by such amounts as may be collected annually thereafter by imposition of an additional mill levy of not to exceed 3 mills; and shall the proceeds of such taxes be collected and spent by the District without regard to the 5.5% revenue limit of Section 29-1-301, Colorado Revised Statutes?

The District's voters approved the following ballot question on November 8, 2016:

Shall Snowmass Wildcat Fire Protection District debt be increased \$17 million, with repayment cost of up to \$28 million, and shall district taxes be increased \$1.5 million annually to pay such debt, such debt to be used for capital improvements of the district, including demolishing the existing fire station 71 facility and acquiring, constructing, equipping and improving a new fire station 71 facility on the existing site?

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

C. Expenditures in Excess of Appropriations

The District exceeded budget appropriations by \$6,643 and \$236,149 in the General Fund and Capital Projects Fund, respectively. This may be a violation of state statute.

IV. Detailed Notes on All Funds

A. Deposits and Investments

The District's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

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

- Obligations of the U.S. and certain U.S. governmental agency securities
- Certain international agency securities
- General obligation and revenue bonds for U.S. local governmental 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

Fair Value of Investments

The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At December 31, 2016, the District had the following recurring fair value measurements:

Investments Measured at Fair Value	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Certificates of deposit	3,311,698	-	3,311,698	-

At year end, the District had the following deposits and investments with the following maturities:

	Standard & Poors Rating	Carrying Amounts	Maturities	
			Less than one year	One to five years
<i>Deposits:</i>				
Petty cash	Not rated	\$ 150	\$ 150	\$ -
Deposits	Not rated	3,673,031	3,673,031	-
<i>Investments:</i>				
Cash and equivalents	AAAm	3,311,698	3,311,698	
		\$ 6,984,879	\$ 6,984,879	\$ -

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the District coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than ten years.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

B. Capital Assets (continued)

Capital asset activity for the year ended December 31, 2016, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 73,575	\$ -	\$ -	\$ 73,575
Construction in progress	89,420	641,010	-	730,430
Total capital assets, not being depreciated	<u>162,995</u>	<u>641,010</u>	<u>-</u>	<u>804,005</u>
Capital assets, being depreciated:				
Fire stations and improvements	2,642,388	-	-	2,642,388
Equipment	584,559	5,242	-	589,801
Vehicles	2,258,595	390,503	(93,821)	2,555,277
Total capital assets being depreciated	<u>5,485,542</u>	<u>395,745</u>	<u>(93,821)</u>	<u>5,787,466</u>
Less accumulated depreciation:				
Fire stations and improvements	(1,858,009)	(115,312)	-	(1,973,321)
Equipment	(409,057)	(57,418)	-	(466,475)
Vehicles	(869,122)	(187,029)	93,821	(962,330)
Total accumulated depreciation	<u>(3,136,188)</u>	<u>(359,759)</u>	<u>93,821</u>	<u>(3,402,126)</u>
Total capital assets, being depreciated, net	<u>2,349,354</u>	<u>35,986</u>	<u>-</u>	<u>2,385,340</u>
Total Capital Assets, Net	<u>\$ 2,512,349</u>	<u>\$ 676,996</u>	<u>\$ -</u>	<u>\$ 3,189,345</u>

Depreciation expense was charged to functions of the District as follows:

General and administrative	\$ 280
Fire and Emergency Medical Services	244,167
Station	115,312
Total Depreciation Expense	<u>\$ 359,759</u>

C. Long-term Obligations

The following is an analysis of changes in compensated absences for the year ended December 31, 2016:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Compensated absences	\$ 97,617	59,049	-	\$ 156,666	39,166
Total Long-term Obligations	<u>\$ 97,617</u>	<u>59,049</u>	<u>-</u>	<u>\$ 156,666</u>	<u>39,166</u>

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

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

1. FPPA Statewide Defined Benefit Plan

Plan Description The Plan is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided they are not already covered by a statutorily exempt plan. As of August 1, 2003, the SDBP may include clerical and other personnel from fire districts whose services are auxiliary to fire protection.

Contributions Determined by state statute or by election of the members, contributions are set at a level that enables all benefits to be fully funded at the retirement date of all members. Employees and employers are contributing at a rate of 8% of base salary for a total contribution rate of 16% through 2014. In 2014, the members elected to increase the member contribution rate 0.5% annually from 2015 through 2022 to a total of 12% of base salary. Employer contributions will remain at 8% resulting in a combined contribution rate of 20% in 2022.

Contributions from members and employers of plans re-entering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 20% of base salary through 2014. It is a local decision on who pays the additional 4% contribution. Per the 2014 member election, the reentry group will also have their required member contribution rate increase 0.5% annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24% in 2022.

The contribution rate for members and employers of affiliated social security employers is 4% of base salary for a total contribution rate of 8% effective January 1, 2007 through 2014. Per the 2014 member election, the affiliated social security group will also have their required member contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6% of base salary. Employer contributions will remain at 4% resulting in a combined contribution rate of 10% in 2022.

Benefits On May 23, 1983, the Colorado Revised Statutes were amended to allow the Trustees of the Plan to change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The amended statutes state that retirement age should not be less than age 55 or more than age 60. The Trustees subsequently elected to amend the retirement provisions, effective July 1, 1983, such that any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Benefits (continued) 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. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

In addition, upon retirement a member may receive additional benefits credited to the member's "Separate Retirement Account" each year after January 1, 1988. These are attributable to contributions in excess of the actuarially determined pension cost and the allocation of the net Fire & Police Members' Benefit Investment Fund earnings and losses thereon. Members do not vest in amounts credited to their Separate Retirement Account until retirement, and the Plan may use such stabilization reserve amounts to reduce pension cost in the event such cost exceeds contributions. It was previously mentioned that reentry members have a higher contribution rate. As a result their Separate Retirement Account (SRA) has two components; the standard SRA and the reentry SRA.

The component of a member's SRA attributable to the higher contribution rate is considered the reentry SRA. The reentry SRA cannot be used to subsidize the costs for the non-reentry members. Effective July 1, 2014, the standard Separate Retirement Account contribution rate for members of the Statewide Defined Benefit Plan was set at 0 percent. The reentry Separate Retirement Account contribution rate was set at 3.60 percent.

A member is eligible for an early retirement at age 50 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.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Net Pension Asset At December 31, 2015, the District reported an asset of \$3,592 for its proportionate share of the net pension liability. (The District reported an asset because the Plan's fiduciary net position currently exceeds the total pension liability.) 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, 2016. The District proportion of the net pension liability was based on District contributions to the Plan for the calendar year 2015 relative to the total contributions of participating employers to the Plan.

At December 31, 2015, the District proportion was 0.203747%, as compared to 0.186208% at December 31, 2014.

For the year ended December 31, 2016, the District recognized pension expense of \$(30,823). 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 expected and actual experience	29,049	4,241
Changes of assumptions or other inputs	56,417	-
Net difference between projected and actual earnings on pension plan investments	182,804	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	26,555
Contributions subsequent to the measurement date	831	2,706
Total	<u>\$ 269,101</u>	<u>33,502</u>

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Contributions subsequent to the measurement date of December 31, 2015, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. 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 ending December 31:		
2017	\$	52,383
2018		52,383
2019		52,383
2020		47,851
Thereafter		29,678
	<u>\$</u>	<u>234,678</u>

Actuarial assumptions. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions and other inputs:

	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	7.5%	7.5%
Rate of Return *		
Projected Salary Increases	4.0% to 14.0%	4.0% - 14.0%
Cost of Living Adjustments	0.0%	0.0%
* Includes Inflation at	3.0%	3.0%

For determining the actuarially determined contributions, the RP-2000 Combined Mortality Table 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 RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA is used in the projection of post-retirement benefits.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Actuarial assumptions(continued). At least every five years the Fire & Police Pension Association's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2015 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the Fire & Police Pension Association's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2016 and were used in the rollforward calculation of total pension liability as of December 31, 2015. Actuarial assumptions effective for actuarial valuations prior to January 1, 2016 were used in the determination of the actuarially determined contributions as of December 31, 2015. 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, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	37%	6.5%
Equity Long/Short	10%	4.7%
Illiquid Alternatives	20%	8.0%
Fixed Income	16%	1.5%
Absolute Return	11%	4.1%
Managed Futures	4%	3.0%
Cash	2%	0.0%
Total	100%	

* While the expected inflation exceeds the expected reate of return for cash, a 0.0 percent real rate of return is utilized

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Actuarial Assumptions (continued). 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.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.65% (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 7.50%.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Proportionate share of net pension liability (asset)	\$ 503,153	\$ (3,592)	\$ (423,919)

Pension plan fiduciary net position. Detailed information about the Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at http://www.fppaco.org/annual_reports.htm.

Average Remaining Expected Service Life: The average of the expected remaining service lives of all members in the plan, including active and inactive members, is 10.2083 years determined as of the beginning of December 31, 2015 measurement period.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan

Plan Description The Plan was established January 1, 2004 as a cost-sharing multiple-employer pension plan covering full-time firefighters and police officers from departments that elect coverage. The Plan may also cover clerical staff or other fire district personnel whose services are auxiliary to fire protection. The Plan is comprised of two components: Defined Benefit and Money Purchase. With the latter component, employees have the option of choosing among various mutual funds offered by an outside investment manager. The Plan currently has 34 participating employer departments.

Employers may not withdraw from the Plan once affiliated. The Plan assets associated with the Defined Benefit component are included in the Fire & Police Members' Benefit Investment Fund and the Plan assets associated with the Money Purchase component and Deferred Retirement Option Plan "DROP" assets are included in the Fire & Police Members' Self-Directed Investment Fund.

Contributions The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. The members of this Plan and their employers are currently each contributing at the rate determined by the individual employer, however, the rate for both employer and members must be at least 8 percent of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the Fire & Police Pension Association Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2015 through June 30, 2016 is 12.6 percent. The Defined Benefit Component contribution rate from July 1, 2014 through June 30, 2015 was 12.5 percent.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service to be 100 percent vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members.

A member may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan

Benefits The Plan document states that any member may retire from further service and become eligible for a normal retirement pension at any time after age 55, if the member has at least 25 years of service.

The annual normal pension of the Defined Benefit Component is 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retired members of the Defined Benefit Component are evaluated and may be re-determined annually on October 1. The amount of any increase is based on the Board's discretion and can range from 0 to 3 percent.

A member is eligible for early retirement at age 50 or after of 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, a member may elect to have all contributions, along with 5 percent as interest, returned as a lump sum distribution from the Defined Benefit Component.

Alternatively, a member with at least five years of accredited service may leave contributions with the Defined Benefit Component of the Plan and remain eligible for a retirement pension at age 55 equal to 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. In addition, upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

Net Pension Asset At December 31, 2016, the District reported an asset of \$177,530 for its proportionate share of the net pension liability. (The District reported an asset because the Plan's fiduciary net position exceeds the total pension liability.) 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, 2016. The District proportion of the net pension liability was based on District contributions to the Plan for the calendar year 2015 relative to the total contributions of participating employers to the Plan.

At December 31, 2015, the District proportion was 1.685480% as compared to 1.765584% at December 31, 2014.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan

For the year ended December 31, 2016, the District recognized pension expense of \$(82,038). 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 expected and actual experience	53,117	-
Changes of assumptions or other inputs	9,372	-
Net difference between projected and actual earnings on pension plan investments	37,071	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	8,834	15,395
Contributions subsequent to the measurement date	36,590	-
Total	\$ 144,984	15,395

Contributions subsequent to the measurement date of December 31, 2015, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in the year ended December 31, 2017.

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 ending December 31:	
2017	\$ 16,813
2018	16,813
2019	16,813
2020	16,038
Thereafter	26,522
	\$ 92,999

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan

Actuarial Assumptions The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Total Pension Liability	Actuarially Determined Contributions
January 1, 2016	January 1, 2015
Entry Age Normal	Entry Age Normal
Level % of Payroll, Open	Level % of Payroll, Open
30 Years	30 Years
7.5%	7.5%
4.0% - 14.0%	4.0% - 14.0%
0.0%	0.0%
2.5%	3.0%

The RP-2000 Combined Mortality Table 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 RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA is used in the projection of post-retirement benefits.

At least every five years the Fire & Police Pension Association's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2011 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the Fire & Police Pension Association's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future.

The assumption changes were effective for actuarial valuations beginning January 1, 2016. Actuarial assumptions effective for actuarial valuation prior to January 1, 2016 were used in the determination of the actuarially determined contributions as of December 31, 2015. The actuarial assumptions impact actuarial factors for the 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, 2015 are summarized in the following table:

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	37%	6.5%
Equity Long/Short	10%	4.7%
Illiquid Alternatives	20%	8.0%
Fixed Income	16%	1.5%
Absolute Return	11%	4.1%
Managed Futures	4%	3.0%
Cash	2%	0.0%
Total	100%	

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 SWH 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.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.57% (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 7.50%.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan

Sensitivity of the District's proportionate share of the net pension asset (liability) to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Proportionate share of net pension liability (asset)	\$ (102,808)	\$ (177,530)	\$ (239,996)

Pension plan fiduciary net position. Detailed information about the Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at http://www.fppaco.org/annual_reports.htm.

3. Volunteer Firefighters Plan

Plan Description The plan is a single-employer defined benefit pension plan available to provide retirement income for volunteer fire fighters in recognition of their service to the District. The plan is administered by a Board of Trustees composed of the Board of Directors and two members of the Fire Department in accordance with Colorado State Statutes. The plan provides for a monthly pension for volunteers who have satisfied the normal age and service requirements. The normal age and service requirement is the latest date a volunteer reaches 50 years of age, completes 10 years of service, and will have participated in at least 36 hours of fire training each year for ten or more years. Additionally, volunteers will have attended at least 50% of scheduled fire meetings and 15% of all calls while on the active roster. As of January 1, 2016, the latest actuarial valuation date, there were no active members, 12 service retirees, and 1 beneficiary.

Funding Policy The funding of the plan by the District is authorized by the Board of Trustees. If necessary, the District makes contributions based upon funding requirements reported in an actuarial study and District established benefits. The plan has no funding obligation, nor has a trust been created.

Actuarial Information An actuarial firm determined the "annual required contribution" as of the January 1, 2016, study (the most recent prepared) using the "individual entry age" actuarial cost method. The significant actuarial assumptions used in the valuation as of January 1, 2016, were:

- a. Investment rate of return – 5%
- b. Asset valuation method – Market value

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. Volunteer Firefighters Plan (continued)

The following is information based on the most recent actuarial studies available:

Schedule of Funding Progress

	<u>2016</u>	<u>2014</u>	<u>2011</u>
Actuarial value of plan assets	\$ 403,712	\$ 417,009	\$ 501,407
Actuarial accrued liability	<u>(586,648)</u>	<u>(623,260)</u>	<u>(511,523)</u>
Actuarial Accrued Surplus (Liability)	(182,936)	(206,251)	(10,116)
Actuarial value of plan assets as a percentage of the actuarial accrued liability	69%	67%	98%
Covered payroll	-	-	-
Ratio of unfunded actuarial liability as a percentage of covered payroll	-	-	-
Net pension obligation, beginning of year	-	-	680
Estimated annual required contribution	33,100	8,118	18,068
Estimated contribution:			
From District	<u>(55,000)</u>	<u>(30,000)</u>	<u>(80,000)</u>
Net pension obligation, end of year	<u>\$ (21,900)</u>	<u>\$ (21,882)</u>	<u>\$ (61,252)</u>
Percentage contributed	166%	370%	443%

4. Section 457 Deferred Compensation Plan

The District adopted an IRC Section 457 deferred compensation plan administered by the Fire and Police Pension Association of Colorado ("FPPA"). Participants may defer up to the lesser of \$11,000 or 100% of the participant's includable compensation. Participants over age 50 are eligible to contribute more than the \$11,000 limit due to a catch up provision in the plan. The District is neither the trustee nor the administrator and has no liability under the plan.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

V. Other Information

A. Risk Management

The District is exposed to various risks of loss related to workers compensation; general liability, unemployment, torts, theft of, damage to, and destruction of assets; and errors and omissions. The District has acquired commercial coverage for these risks and claims, if any, are not expected to exceed the commercial insurance coverage.

The District participates in the Western Slope Health Care Group, currently with 13 local government members, for employee health and accident coverage. The plan self-insures up to \$65,000 per employee and carries commercial coverage for claims in excess of \$65,000.

B. Intergovernmental Agreements

1. Regional Emergency Dispatch Center

In April 2014 the District entered into an intergovernmental agreement (IGA) with Pitkin County, the City of Aspen, Town of Snowmass Village, and the Town of Basalt, and the Special Districts of Aspen Fire Protection District, Basalt and Rural Fire Protection District, Aspen Ambulance District, and Carbondale and Rural Fire Protection District (the "Participating Members") for the operation, administration, and financial support of the Pitkin County Regional Emergency Dispatch Center (the "Center").

The Center is governed by a Communications Board comprised of individual Participating Members. The purpose of the Board is to provide representatives of the Participating Members with a means to offer advice, suggestions and recommendations to the Director and the County with respect to the operation and management of the Center to ensure the efficient operation of the Center. The Center will remain a department of Pitkin County.

The initial term of this IGA commenced on May 1, 2014, and is set to expire on December 31, 2018, with automatic five-year renewals. Annual operating costs of the Center including salaries, utilities, maintenance, insurance premiums and deductibles and any other expenses related to the operation and administration of the Center will be allocated to each Participating Member as set forth in the IGA.

2. Fire Chief

The District entered into an IGA with Basalt and Rural Fire Protection District to share in the cost of a full-time fire chief. The Districts intend to share the use of the Fire Chief on an equal basis by having the Fire Chief spend fifty percent of his time in service to the District in consideration of the District's reimbursement of fifty percent of the actual cost of all the Fire Chief's employee wages, benefits, and other remuneration. The Fire Chief will continue to be employed as a full-time, at-will, exempt paid employee of Basalt Fire and will be considered an independent contractor to the District.

Snowmass-Wildcat Fire Protection District
Notes to the Financial Statements
December 31, 2016
(Continued)

V. Other Information (continued)

B. Intergovernmental Agreements (continued)

2. Fire Chief (continued)

The Districts will implement their own set of duties and requirements for the Fire Chief. The Fire Chief will report independently to the respective Boards of Directors for each District for matters exclusively related to the independent operation of each fire protection district, as well as a subcommittee comprised of Board members of both Basalt Fire and the District.

The agreement was effective March 1, 2014, and is set to expire December 31, 2014, with automatic one-year renewals. The agreement may be terminated by either party for any reason upon sixty days' prior written notice or upon resignation of the Fire Chief.

C. Construction of New Fire Station

The District is building a new fire station. The following schedule represents funds allocated and spent through December 31, 2016 on the new fire station:

Restricted for new fire station at December 31, 2014	\$ -
Transferred in for new fire station -- 2015	500,000
Paid for planning and design from inception through 2015	<u>(89,420)</u>
Restricted for new fire station at December 31, 2015	410,580
Transferred in for new fire station -- 2016	500,000
Paid for planning and design --2016	<u>(641,010)</u>
Restricted for new fire station at December 31, 2016	<u><u>\$ 269,570</u></u>

VI. Subsequent Event

A. General Obligation Bonds, Series 2017

On March 15, 2017, the Snowmass-Wildcat Fire Protection District issued \$15,310,000 of general obligation bonds, the proceeds of which will be used to finance capital improvements of the District. These bonds bear interest at annual rates ranging from 3.0% to 5.0%. Starting in 2017, principal payments ranging from \$375,000 to \$1,105,000 and interest payments are due annually on December 1 through 2037.

These bonds constitute general obligations of the Snowmass-Wildcat Fire Protection District.

REQUIRED SUPPLEMENTARY INFORMATION

Snowmass-Wildcat Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
General Fund
For the Year Ended December 31, 2016
With Comparative Actual Amounts for 2015

	2016			Variance Positive (Negative)	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Property taxes	3,394,600	3,394,600	3,390,703	(3,897)	3,141,083
Specific ownership taxes	65,000	65,000	124,648	59,648	126,557
Interest on delinquent taxes	1,000	1,000	6,063	5,063	1,202
Charges for services:					
Emergency medical services	397,000	397,000	378,256	(18,744)	437,995
Investment income	8,000	8,000	26,725	18,725	13,467
Wildfire contracts	-	-	59,700	59,700	-
Miscellaneous:					
Special event	25,000	25,000	37,623	12,623	50,483
Plan review and permit fees	15,000	15,000	24,069	9,069	23,223
Condominium rentals	9,000	9,000	10,100	1,100	14,200
Intergovernmental reimbursements	-	-	1,802	1,802	-
Scholarship Income	-	20,000	16,485	(3,515)	-
Other	5,000	5,000	5,827	827	3,083
Total Revenues	3,919,600	3,939,600	4,082,001	142,401	3,811,293
Expenditures:					
Personnel Services:					
Salaries and wages	1,863,000	1,863,000	1,887,827	(24,827)	1,678,671
Health and disability benefits	369,500	369,500	345,012	24,488	328,574
Pension benefits	129,500	129,500	132,771	(3,271)	120,077
Workmen's compensation	91,000	91,000	63,386	27,614	68,276
Incentives	5,000	5,000	9,016	(4,016)	9,014
Payroll taxes	37,000	37,000	38,922	(1,922)	33,942
Board members	3,000	3,000	2,950	50	2,850
Unemployment insurance	5,525	5,525	5,691	(166)	5,022
Pension contribution	50,000	50,000	50,000	-	50,000
Total Personnel Services	2,553,525	2,553,525	2,535,575	17,950	2,296,426
General and Administrative:					
Insurance	40,500	40,500	43,843	(3,343)	39,256
Treasurer's fees	160,000	160,000	169,888	(9,888)	157,110
Legal	16,500	16,500	11,638	4,862	10,622
Accounting and audit	69,000	69,000	46,589	22,411	37,517
Dues and subscriptions	7,000	7,000	6,746	254	5,247
Bank fees	3,500	3,500	1,344	2,156	2,967
Communication services	1,000	1,000	50,966	(49,966)	-
Medical billing	64,600	64,600	55,542	9,058	58,801
Supplies and expenses	15,200	15,200	21,797	(6,597)	14,015
Other services and contracts	144,000	144,000	78,759	65,241	57,390
Total General and Administrative	521,300	521,300	487,112	34,188	382,925

(continued)

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

Snowmass-Wildcat Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
General Fund
For the Year Ended December 31, 2016
With Comparative Actual Amounts for 2015
(Continued)

	2016			Variance Positive (Negative)	2015
	Original Budget	Final Budget	Actual		Actual
Expenditures (continued):					
Fire and Emergency Medical Services:					
Physician advisor	6,000	6,000	5,400	600	5,400
Supplies and expenses	48,000	48,000	29,110	18,890	51,220
Equipment	22,500	22,500	26,919	(4,419)	15,981
Training and conferences	35,000	35,000	23,065	11,935	25,860
Wildfire expenses	10,000	10,000	1,474	8,526	9,450
Total Firefighting	121,500	121,500	85,968	35,532	107,911
Equipment:					
Vehicle repairs	40,000	40,000	65,374	(25,374)	44,035
Equipment repairs	8,000	8,000	5,522	2,478	8,126
Gas and oil	28,000	28,000	21,159	6,841	22,879
Total Equipment	76,000	76,000	92,055	(16,055)	75,040
Other:					
Scholarship Awards	-	20,000	103,520	(83,520)	-
Total Other	-	20,000	103,520	(83,520)	-
Station:					
Maintenance	27,500	27,500	24,654	2,846	29,011
Supplies	8,000	8,000	5,531	2,469	7,480
Utilities	64,300	64,300	64,353	(53)	58,270
Total Station	99,800	99,800	94,538	5,262	94,761
Total Expenditures	3,372,125	3,392,125	3,398,768	(6,643)	2,957,063
Excess (Deficiency) of Revenues Over Expenditures	547,475	547,475	683,233	135,758	854,230
Other Financing Sources (Uses):					
Sale of assets	-	-	37,800	37,800	11,000
Transfer from (to) other funds	(500,000)	(500,000)	(275,856)	224,144	(500,000)
Total Other Financing Sources (Uses)	(500,000)	(500,000)	(238,056)	261,944	(489,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	47,475	47,475	445,177	397,702	365,230
Fund Balances - Beginning	4,069,157	4,069,157	3,946,766	(122,391)	3,581,536
Fund Balances - Ending	4,116,632	4,116,632	4,391,943	275,311	3,946,766

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

Snowmass-Wildcat Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Capital Projects Fund
For the Year Ended December 31, 2016
With Comparative Actual Amounts for 2015

	<u>2016</u>			Variance Positive (Negative)	<u>2015</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Property Tax	377,513	377,513	378,743	1,230	402,443
Net investment income	5,150	5,150	10,310	5,160	8,895
Grants and Contributions	-	-	106,675	106,675	-
Total Revenues	<u>382,663</u>	<u>382,663</u>	<u>495,728</u>	<u>113,065</u>	<u>411,338</u>
Expenditures:					
Building and grounds	500,000	500,000	641,010	(141,010)	69,146
Communications equipment	100,000	100,000	85,557	14,443	
Equipment - other	30,000	30,000	21,186	8,814	23,254
Vehicles	270,000	270,000	390,503	(120,503)	41,959
County Treasurer's fees	21,000	21,000	18,893	2,107	20,130
Total Expenditures	<u>921,000</u>	<u>921,000</u>	<u>1,157,149</u>	<u>(236,149)</u>	<u>154,489</u>
Excess (Deficiency) of Revenues Over Expenditures	(538,337)	(538,337)	(661,421)	(123,084)	256,849
Other Financing Sources (Uses):					
Operating transfers in	500,000	500,000	500,000	-	500,000
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(38,337)	(38,337)	(161,421)	(123,084)	756,849
Fund Balances - Beginning	<u>2,911,715</u>	<u>2,911,715</u>	<u>2,605,847</u>	<u>(305,868)</u>	<u>1,848,998</u>
Fund Balances - Ending	<u>2,873,378</u>	<u>2,873,378</u>	<u>2,444,426</u>	<u>(428,952)</u>	<u>2,605,847</u>

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

Snowmass-Wildcat Fire Protection District
Schedule of Employer's Proportionate Share of Net Pension Asset / Liability
Fire and Police Association of Colorado
Last 10 Fiscal Years *

Defined Benefit:

	2015	2014	2013
District's portion of the net pension asset	0.203747%	0.186208%	0.176654%
District's proportionate share of the net pension asset	\$ 3,592	\$ 210,150	\$ 157,961
District's covered-employee payroll	\$ 889,054	\$ 800,877	\$ 710,650
District's proportionate share of the net pension asset as a percentage of its covered-employee payroll	0.4%	26%	22%
Plan fiduciary net position as a percentage of the total pension asset	106.8%	106.8%	105.8%

Hybrid:

	2015	2014	2013
District's portion of the net pension asset	1.685480%	1.765584%	1.574854%
District's proportionate share of the net pension asset	\$ 177,530	\$ 209,392	\$ 160,638
District's covered-employee payroll	\$ 221,963	\$ 218,556	\$ 203,741
District's proportionate share of the net pension asset as a percentage of its covered-employee payroll	80%	96%	79%
Plan fiduciary net position as a percentage of the total pension asset	140.6%	140.6%	139%

* Information is only available beginning in fiscal year 2014.

** Includes both plan sponsor and State of Colorado Supplemental Discretionary Payment

Notes to the Schedule of Employer's Proportionate Share of the Net Pension Asset / Liability the

Note 1. Changes of assumptions.

No changes during the years presented above.

Note 2. Changes of benefit terms.

No changes during the years presented above.

Note 3. Changes of size or composition of population covered by benefit terms.

No changes during the years presented above.

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

**Snowmass-Wildcat Fire Protection District
Schedule of District Contributions
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years ***

Defined Benefit:	2015	2014	2013
Statutorily required contribution	\$ 79,017	\$ 66,991	\$ 61,382
Contributions in relation to the statutorily required contribution	<u>(79,017)</u>	<u>(66,991)</u>	<u>(61,382)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 889,054	\$ 800,877	\$ 710,650
Contributions as a percentage of covered-employee payroll	8.9%	8.4%	8.6%
Hybrid:	2015	2014	2013
Statutorily required contribution	\$ 22,196	\$ 21,855	\$ 20,374
Contributions in relation to the statutorily required contribution	<u>(22,196)</u>	<u>(21,855)</u>	<u>(20,374)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 221,963	\$ 218,556	\$ 203,741
Contributions as a percentage of covered-employee payroll	10.0%	10.0%	10.0%

* Information is only available beginning in fiscal year 2014.

** Includes both plan sponsor and State of Colorado Supplemental Discretionary Payment

Notes to the Schedule of District Contributions For the Year Ended December 31, 2015:

Note 1. Changes of assumptions.

No changes during the years presented above.

Note 2. Changes of benefit terms.

No changes during the years presented above.

Note 3. Changes of size or composition of population covered by benefit terms.

No changes during the years presented above.

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

SUPPLEMENTARY INFORMATION

Snowmass-Wildcat Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Scholarship Fund
For the Year Ended December 31, 2016
With Comparative Actual Amounts for 2015

	<u>2016</u>			<u>2015</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:				
Contributions	-		-	25,403
Net investment income	-	-	-	4,573
Reimbursement income	-	-	-	1,355
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,331</u>
Expenditures:				
Other	-	-	-	2,820
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,820</u>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	28,511
Other Financing Sources:				
Operating transfers out	-	(224,144)	(224,144)	-
Total Other Financing Sources	<u>-</u>	<u>(224,144)</u>	<u>(224,144)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	-	(224,144)	(224,144)	28,511
Fund Balances - Beginning	<u>-</u>	<u>224,144</u>	<u>224,144</u>	<u>195,633</u>
Fund Balances - Ending	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,144</u>

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

Snowmass-Wildcat Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Net Position
Budget and Actual
Pension Fund
For the Year Ended December 31, 2016
With Comparative Actual Amounts for 2015

	2016			2015
	Original and Final Budget	Actual	Variance Positive (Negative)	Actual
Additions:				
Contributions	50,000	50,000	-	50,000
Net investment income	4,000	7,209	3,209	3,383
Total Additions	54,000	57,209	3,209	53,383
Deductions:				
Benefits	48,000	47,520	480	48,677
Administration	2,000	1,875	125	2,800.00
Total Deductions	50,000	49,395	605	51,477
Change in Net Position	4,000	7,814	3,814	1,906
Net Position - Beginning	400,954	400,954	-	399,048
Net Position - Ending	404,954	408,768	3,814	400,954

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