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CLEAR CREEK FIRE AUTHORITY
REPORT OF FINANCIAL STATEMENTS

December 31, 2016 and 2015



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CLEAR CREEK FIRE AUTHORITY
 REPORT ON FINANCIAL STATEMENTS
 December 31, 2016 and 2015

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To the Board of Directors of Clear Creek Fire Authority,
Dumont, Colorado

Independent Auditor's Report

I have audited the accompanying financial statements of the governmental activities of the Clear Creek Fire Authority (the "Authority"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Authority'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

The Authority's 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

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

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinion

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

Other Matters

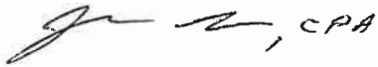
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages iv-xii be presented to supplement the basic financial statements. Such information, although not part of the basic financial statement, 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 appropriate operational, economic, or historical context. I 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 inquires of management about the methods of preparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge obtained using my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information on pages 39 and 40 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 my 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 Schedule of Contributions, Schedule of Changes in Net Pension Asset / Liability, Schedule of Employer's Proportionate Share of the Net Pension Asset / Liability and the Schedules of Authority Contributions on pages 41 to 44 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. I 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 my inquiries, the basic financial statements, and other knowledge I

obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

A handwritten signature in black ink, appearing to read "Jack Salewski, CPA". The signature is stylized and cursive.

Jack Salewski, CPA
Littleton, Colorado
June 21, 2017

CLEAR CREEK FIRE AUTHORITY
Management's Discussion and Analysis
December 31, 2016

Within this section of the Clear Creek Fire Authority's (Authority) financial report, the Authority's management provides narrative discussion and analysis of the financial activities of the Authority for the year ended December 31, 2016. The Authority's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Authority's primary government.

FINANCIAL HIGHLIGHTS

General Fund:

- The Authority's assets exceed its liabilities by \$9,866,021 (net assets) for the year reported. This compares to the previous year when assets exceeded liabilities by \$8,893,944.
- Total net assets are comprised of the following:
 - Capital assets, net of related debt, of \$5,872,545 include property and equipment, net of accumulated depreciation, and reduced for outstanding leases related to the purchase and construction of capital assets, mainly the purchase of fire engines and equipment, including the lease entered into during 2012 for the purchase of nine new pumper trucks.
 - Net assets of \$37,245 are restricted by constraints imposed from outside the Authority such as debt covenants, laws or regulations.
 - Unrestricted net assets of \$3,956,231 represent the portion available to maintain the Authority's continuing obligations to citizens and creditors.
- Total revenue decreased by approximately \$9,108 compared to the year ended December 31, 2015.
- Total expenses decreased by approximately \$155,011 compared to the year ended December 31, 2015.

CLEAR CREEK FIRE AUTHORITY
Management's Discussion and Analysis
December 31, 2016

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

Management's Discussion and Analysis introduces the Authority's basic financial statements. The Authority's basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, (3) notes to basic financial statements and (4) required supplementary information. The Authority also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Authority's financial report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Authority's overall status. Financial reporting at this level uses perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the **Statement of Net Position**. This is the Authority-wide statement of financial position presenting information that includes all of the Authority's assets and liabilities, with the difference reported as net position. Increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Authority as a whole is improving or deteriorating. Evaluation of the overall economic health of the Authority would extend to other non-financial factors such as diversification of the taxpayer base or the condition of the Authority's capital assets in addition to the financial information provided in this report.

The second government-wide statement is the **Statement of Activities**, which reports how the Authority's net positions have changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Authority's distinct activities or functions on revenues provided by intergovernmental contributions.

Both government-wide financial statements distinctively report governmental activities of the Authority that principally supported by intergovernmental contributions. Governmental activities include general government, fire suppression, fire prevention and training, communications and vehicles & equipment operations. Fiduciary activities such as employee and volunteer pension plans are not included in the government-wide statements since these assets are not available to fund authority programs.

CLEAR CREEK FIRE AUTHORITY
Management's Discussion and Analysis
December 31, 2016

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS (Continued)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other special purpose governments, uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. The basic financial statements of the Authority are presented as a special purpose governmental engaged in (1) governmental type funds- providing fire protection services to Authority residents.

Governmental Funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government wide financial statements. However, the focus is very different with fund statements providing a distinct view of the Authority's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financial requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The governmental fund balance sheet and the governmental fund statement revenues, expenditures, and changes in fund balances provide reconciliation to the governmental-wide statements to assist in understanding the difference between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund. These statements and schedules demonstrate compliance with the Authority's adopted and final revised budget.

Notes to Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

CLEAR CREEK FIRE AUTHORITY
Management's Discussion and Analysis
December 31, 2016

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS (Continued)

Notes to Basic Financial Statements (Continued)

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Other Supplementary Information concerning the Authority's Pension Fund as well as progress in funding its obligations to provide pension benefits to its volunteers.

Financial Analysis of the Authority as a Whole

The following table provides a summary of the Authority's net position at December 31:

Financial Position

As noted earlier, net position may serve over time as a useful indicator of the Authority's financial position. In the case of the Authority, assets exceeded liabilities by \$9,866,021 for year ended December 31, 2016.

The largest portion of the Authority's net position reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Authority uses these capital assets to provide services to citizens: consequently these assets are not available for future spending. Although the Authority's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CLEAR CREEK FIRE AUTHORITY
Management's Discussion and Analysis
December 31, 2016

Summary of Statements of Net Position

Assets	<u>2016</u>	<u>2015</u>
Current assets	\$ 4,109,508	\$ 2,818,259
Capital assets, net	5,872,545	6,282,866
Total Assets	<u>9,982,053</u>	<u>9,101,125</u>
Deferred Outflows of Resources	<u>147,791</u>	<u>101,856</u>
Liabilities		
Current liabilities	85,603	90,192
Long-term liabilities	-0-	-0-
Total liabilities	<u>85,603</u>	<u>90,192</u>
Deferred Inflow of Resources	<u>178,220</u>	<u>218,845</u>
Net Position		
Invested in capital assets, net of related debt	5,872,545	6,282,866
Unrestricted	3,956,231	2,578,978
Restricted for emergencies	<u>37,245</u>	<u>32,100</u>
Total net position	<u>\$ 9,866,021</u>	<u>\$ 8,893,944</u>

As noted earlier, net position may serve over time as a useful indicator of the Authority's financial position. In the case of the Authority, assets exceeded liabilities for the years ended December 31, 2016 and 2015 by \$9,866,021 and \$8,893,944, respectively.

The largest portion of the Authority's net position reflects its investment in capital assets. The Authority uses these capital assets to provide services to citizens; consequently these assets are not available for future spending.

CLEAR CREEK FIRE AUTHORITY
Management's Discussion and Analysis
December 31, 2016

Results of Operations

The following table shows the changes in the Authority's Net Assets during the year.

Summary of Statements of Activities

Revenue	<u>2016</u>	<u>2015</u>
Program revenue:		
Intergovernmental contributions	\$ 2,265,662	\$ 2,293,731
Charges for services	6,325	6,783
General revenues:		
Interest income	21,778	4,748
Other income	4,557	2,168
Total revenue	<u>2,298,322</u>	<u>2,307,430</u>
 Expenses		
Program expenses:		
Public - fire	889,385	997,288
Amortization and depreciation	436,860	440,066
Interest expense	-0-	43,902
Total program expenses	<u>1,326,245</u>	<u>1,481,256</u>
 Change in Net Position	 972,077	 826,174
 Net Position - Beginning of Year	 8,893,944	 8,056,861
Adoption of New Accounting Principal	-0-	10,909
Net Position - End of Year	<u>\$ 9,866,021</u>	<u>\$ 8,893,944</u>

Revenues:

Overall revenue decreased for the year ending December 31, 2015 by approximately \$9,108 compared to the prior year. This decrease was due to a decrease in intergovernmental contributions received from local municipalities of about \$28,069 due to an decrease in the assessed valuations of each of the municipalities that contribute to the Authority through the intergovernmental agreement in addition, there was additional interest income of \$17,030 in 2015 above 2014.

CLEAR CREEK FIRE AUTHORITY
Management's Discussion and Analysis
December 31, 2016

Results of Operation (Continued)

Expenses:

Overall expenses decreased by approximately \$155,011 for the year ended December 31, 2016 compared to the prior year. There was a decrease in operating expenses of about \$107,903, the major expenses contributing to the decrease was workers compensation insurance \$(32,620), board expense \$(29,400), legal fees \$(55,601), and apparatus repair \$(37,688).

Capital Assets and Capital Leases

Capital Assets

The Authority's investment in capital assets at December 31, 2016 amounts to \$6,282,866 (net of accumulated depreciation). This investment in capital assets includes land, buildings, apparatus, equipment and furnishing. An analysis of changes in capital assets is as follows:

	2016	2015
Land	\$ 23,807	\$ 23,807
Construction in progress	31,205	21,782
Buildings and improvements	2,812,458	2,803,423
Vehicles and vehicle improvements	4,915,425	4,909,749
Furniture, fixtures and equipment	1,431,399	1,428,994
Total capital assets	9,214,294	9,187,755
Less accumulated depreciation	(3,341,749)	(2,904,889)
Capital assets, net of accumulated depreciation	\$ 5,872,545	\$ 6,282,866

CLEAR CREEK FIRE AUTHORITY
Management's Discussion and Analysis
December 31, 2016

Capital Assets and Capital Leases (Continued)

The major capital additions purchased during the year include the following: \$9,423 for design plans for a station.

Additional information on the Authority's capital assets can be found in Note 4 of this report.

Budgetary Highlights

The Authority's annual budget is prepared according to Colorado law and it is based on accounting for certain transactions on a basis of cash receipts and disbursements.

The total actual revenue of the Authority was more than budgeted revenues by \$28,160. The total budgeted expenditures of the Authority were more than actual expenditures by \$1,463,952.

Additional information on the Authority's detailed Budget for the General fund can be found in pages 39 of this report.

CLEAR CREEK FIRE AUTHORITY
Management's Discussion and Analysis
December 31, 2016

Economic Factors and Next Year's Budget

- Clear Creek Fire Authority is comprised of seven Volunteer Fire Departments serving the greater portion of Clear Creek County. The Authority is created through Intergovernmental Agreement (IGA) with the Town of Georgetown, Town of Empire, Town of Silver Plume, City of Idaho Springs and the Clear Creek County Emergency Services General Improvement District (CCCES).
- Under the IGA, participants proportionally fund the Authority's annual budget based on revenues received from CCCES's 4.569 mill levy, net of Treasurer's fees.
- Due to voter authorization provided to CCCES, the majority of the Authority's revenues are no longer subject to the growth limitations imposed by the TABOR Amendment.
- The Authority began construction on the remodel of station 3 which will have an estimated cost of about \$600,000.
- The Authority will be purchasing a crash rescue truck. Total cost of the truck will be \$108,118.

The Authority is dedicated to operate in a safe manner within the limits of the resources available and to continue providing service to the citizens and visitors of Clear Creek County.

Request for Information

The report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Clear Creek Fire Authority
Post Office Box #507
Dumont, Colorado 80436-0507

BASIC FINANCIAL STATEMENTS

**CLEAR CREEK FIRE AUTHORITY
STATEMENTS OF NET POSITION
GENERAL FUND
December 31, 2016 and 2015**

	2016	2015
<u>CURRENT ASSETS</u>		
Cash deposits	\$ 3,970,315	\$ 2,652,230
Accounts receivable	-0-	5,400
Net Pension Asset- Volunteer Pension	138,985	145,845
Net Pension Asset- SWDB Pension	208	14,784
Total Current Assets	4,109,508	2,818,259
<u>CAPITAL ASSETS</u>		
Capital Assets not being depreciated:		
Land	23,807	23,807
Construction in progress	31,205	21,782
Total capital assets not being depreciated	55,012	45,589
Capital assets being depreciated:		
Buildings and improvements	2,812,458	2,803,423
Vehicles and vehicle improvements	4,915,425	4,909,749
Furniture, fixtures and equipment	1,431,399	1,428,994
Less: accumulated depreciation	(3,341,749)	(2,904,889)
Total capital assets being depreciated	5,817,533	6,237,277
Total Capital Assets	5,872,545	6,282,866
Total Assets	9,982,053	9,101,125
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Related to Volunteer Pension	105,341	92,188
Related to SWDB Pension	42,450	9,668
Total Assets and Deferred Outflows	\$ 10,129,844	\$ 9,202,981

The Notes to Financial Statement and Independent Auditor's Report are an Integral Part of the Statements

**CLEAR CREEK FIRE AUTHORITY
STATEMENTS OF NET POSITION
GENERAL FUND
December 31, 2016 and 2015**

	2016	2015
<u>CURRENT LIABILITIES</u>		
Accounts payable	16,242	17,278
Accrued payroll liabilities and benefits	69,111	72,914
Security deposit	250	-0-
Total Current Liabilities	85,603	90,192
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Related to Volunteer Pension	177,975	217,524
Related to SWDB	245	1,321
Total Deferred Inflows on- Resources	178,220	218,845
<u>NET POSITION</u>		
Net investment in capital assets	5,872,545	6,282,866
Restricted for:		
Emergencies	37,245	32,100
Unrestricted	3,956,231	2,578,978
Total Net Position	\$ 9,866,021	\$ 8,893,944

The Notes to Financial Statement and Independent Auditor's Report are an Integral Part of the Statements

**CLEAR CREEK FIRE AUTHORITY
STATEMENTS OF ACTIVITIES
GENERAL FUND
December 31, 2016 and 2015**

<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenues and Changes in Net Assets</u>	<u>2015</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		
Primary Government					
Governmental activities:					
General government	\$ 889,385	\$ 6,325	\$ 2,265,662	\$ 1,382,602	\$ 1,303,976
Amortization and depreciation expense	436,860	-0-	-0-	(436,860)	(440,066)
Interest on long-term debt	-0-	-0-	-0-	-0-	(43,902)
 Total Governmental activities	 <u>\$ 1,326,245</u>	 <u>\$ 6,325</u>	 <u>\$ 2,265,662</u>	 <u>945,742</u>	 <u>820,008</u>
		General Revenues / Expenses:			
				21,778	4,748
				4,557	1,418
				<u>26,335</u>	<u>6,166</u>
				972,077	826,174
				8,893,944	8,056,861
					<u>10,909</u>
				<u>\$ 9,866,021</u>	<u>\$ 8,893,944</u>

The Notes to Financial Statement and Independent Auditor's Report are an Integral Part of the Financial Statements

**CLEAR CREEK FIRE AUTHORITY
BALANCE SHEETS
GENERAL FUND
December 31, 2016 and 2015**

ASSETS	<u>2016</u>	<u>2015</u>
Cash deposits	\$ 3,970,315	\$ 2,652,230
Accounts receivable	-0-	5,400
 Total Assets	<u>\$ 3,970,315</u>	<u>\$ 2,657,630</u>
 LIABILITIES		
Accounts payable	\$ 16,242	\$ 17,278
Accrued payroll liabilities and benefits	69,111	72,914
Security deposits	250	-0-
 Total Liabilities	<u>85,603</u>	<u>90,192</u>
 FUND BALANCES		
Fund Balances:		
Unassigned for:		
General Government	3,847,467	2,360,500
Restricted for:		
TABOR emergency reserves	37,245	32,100
Committed for subsequent years expenditures	-0-	174,838
 Total Fund Balances	<u>3,884,712</u>	<u>2,567,438</u>
 Total Liabilities and Fund Balances	<u>\$ 3,970,315</u>	<u>\$ 2,657,630</u>
 The fund balance on the general fund balance sheet	 \$ 3,884,712	 \$ 2,567,438

The Notes to Financial Statement and Independent Auditor's Report are an Integral Part of the Statements

**CLEAR CREEK FIRE AUTHORITY
BALANCE SHEETS
GENERAL FUND
December 31, 2016 and 2015**

Amounts reported for Governmental Activities in the Statement of Net Position are different from these reported in the General Fund above because of the following:

	2016	2015
ASSETS AND CAPITAL ASSETS:		
Assets and Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.		
Capital assets, net of accumulated depression	\$ 5,872,545	\$ 6,282,866
Net pension assets	139,193	160,629
Deferred outflows related to pensions	147,791	101,856
 LONG TERM LIABILITIES		
The liabilities below are not due and payable in the current period and therefore are not reported in the General Fund:		
Deferred inflows related to pensions	(178,220)	(218,845)
 Net position of governmental activities (Page 2)	 \$ 9,866,021	 \$ 8,893,944

The Notes to Financial Statement and Independent Auditor's Report are an Integral Part of the Statements

**CLEAR CREEK FIRE AUTHORITY
STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES FUND BALANCES-
GENERAL FUND**

For the Years ended December 31, 2016 and 2015

REVENUES	2016	2015
Intergovernmental	\$ 2,265,662	\$ 2,293,731
Charges for services	6,325	6,783
Interest income	21,778	4,748
Miscellaneous income	4,557	2,168
 Total revenues	 <u>2,298,322</u>	 <u>2,307,430</u>
 EXPENDITURES		
Fire protection - operations	954,509	1,030,018
Capital outlay	26,539	208,594
Debt service		
Principal	-0-	1,930,474
Interest	-0-	43,902
 Total expenditures	 <u>981,048</u>	 <u>3,212,988</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 1,317,274	 (905,558)
 FUND BALANCE, JANUARY 1	 <u>2,567,438</u>	 <u>3,472,996</u>
 FUND BALANCE, DECEMBER 31	 <u>\$ 3,884,712</u>	 <u>\$ 2,567,438</u>

The Notes to Financial Statement and Independent Auditor's Report are an Integral Part of the
Statements

CLEAR CREEK FIRE AUTHORITY
Reconciliation of the
STATEMENTS OF REVENUE, EXPENDITURES AND CHANGES IN FUND
BALANCE
With the
STATEMENTS OF ACTIVITIES
December 31, 2016 and 2015

	2016	2015
<p>The schedule below reconciles the Net changes in Fund Balance reported on the General Fund Statement of Revenues, Expenditures and Charges in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Activities, which is prepared on the fall accrual basis.</p>		
NET CHANGES IN FUND BALANCE-GENERAL FUND	\$ 1,317,274	\$ (905,558)
<p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p>		
CAPITAL ASSET TRANSACTIONS:		
<p>Governmental funds report capital outlays are expenditures however, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.</p>		
The capital outlay expenditures	26,539	208,594
Amortization and depreciation expense	(436,860)	(440,066)
ACCRUAL OF NON-CURRENT ITEMS:		
<p>The amounts below included in the Statement of Activities do not (require) the use of current financial resources and therefore are not reported as an expenditure in governmental fund (net change):</p>		
Principal payments on long-term debt	-0-	1,930,474
Deferred changes related to pension and not recognized in the governmental funds. However for the government wide funds that amount are capitalized and amortized.	65,124	32,730
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 972,077	\$ 826,174

The Notes to Financial Statement and Independent Auditor's Report are an Integral Part of the Statements

CLEAR CREEK FIRE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2016

Note 1- Summary of Significant Accounting Policies

The Clear Creek Fire Authority (the Authority) was formed to maximize public firefighting capabilities and the delivery of emergency services. The Authority provides emergency services for fires, medical emergencies, rescues, hazardous materials releases, and man-made disasters within Clear Creek County. The Authority is governed by seven-member Board of Directors.

The financial statements of the Authority have been prepared in conformity with U.S. Generally Accepted Accounting Principles (“GAAP”) as applied to Government units. The Governmental Account Standards Board (“GASB”) is the accepted standard-setting body for establishing Governmental accounting and financial reporting principles. The more significant accounting policies established by GAAP used by the Authority are discussed below.

Reporting Entity

In accordance with governmental accounting standards, the Authority has considered the possibility of inclusion of additional entities in its financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Authority is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if Authority officials appoint a voting majority of the organization’s governing body and either it is 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 Authority. The Authority may also be financially accountable for organizations that are fiscally dependent upon it.

Based on the application of these criteria, the Authority has no component units and it is not a component unit of any other entity.

Government - Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Authority. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 1- Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements (Continued)

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

Fund Financial Statements

Fund financial statements are provided for governmental and fiduciary funds. The Fund Financial Statements provide information about the Authority's funds. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. The Authority only has one government fund.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the long-term economic focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Note 1- Summary of Significant Accounting Policies (Continued)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

Governmental fund financial statements are reported using the current financial focus and are presented on the modified accrual basis of accounting. Under this method, revenues are recognized as soon they are both measureable and available. The Authority considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgements, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Fund Type

Authority reports the following fund type:

Governmental Funds:

General Fund- reports as the primary fund of the Authority. This fund is used to account for all financial resources of the Authority except those required to be accrued in other funds.

Assets, Liabilities, and Net Position or Equity

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.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 1- Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity (Continued)

Investments

The Authority has implemented the accounting and reporting requirements of Governmental Accounting Standards Board (GASB) No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools". At December 31, 2016 and 2015, the carrying value of investments approximates fair value.

Capital Assets

Capital assets which include building improvements, fixtures and equipment are reported in the applicable governmental activities columns in the government wide financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the fixed assets, as applicable.

Improvements furniture, fixtures and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>ASSET TYPE</u>	<u>YEAR</u>
Building	40
Improvements	10
Furniture	5-10
Equipment	5-15
Fixtures	5-10

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 1- Summary of Significant Accounting Policies (Continued)

Pensions

The Authority participates in the statewide defined benefit plan administered by the Fire and Police Pension Association of Colorado (“FPPA”). The statewide defined benefit plan is a cost-sharing multiple-employer defined benefit pension plan. The Authority also sponsors an agent multiple employer defined benefit plan for its volunteer firefighters. The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employer contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences

Employers of the Authority are allowed to accumulate unused paid time off (PTO), as stated in the Authority’s policies allow. Upon termination of employment with the Authority, an employer is compensated for the entire employee’s accrued but unused PTO, if any, at the employer’s current rate of pay.

These Compensated absences are recognized when due in the governmental funds type. A liability has been recorded in the government-wide financial statements for accrued compensated absences.

Deferred Outflows/Inflows of Resources

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

CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Note 1- Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources (Continued)

In addition to the liabilities, the statement of net position will sometimes report a separate section or deferred inflow of resources. This separate financial statement element, deferred inflow 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.

Net Position or Equity

Beginning with fiscal year 2012 the Authority implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. Fund financial statements could include the following classifications which describe the relative strength of the spending constraints.

In addition to the liabilities, the statement of financial position and Balance Sheets will sometimes report a separate section for deferred inflows of resources. These separate financial statement element, deferred inflows of resources, represents an acquisition of net position and fund balance that applies to future periods and so will not be derecognized as an inflow of resources (revenue) until that time.

Investment in Capital Assets is intended to reflect the portion of net position which are associated with non-liquid, capital assets less outstanding capital related debt. The net related debt is the debt less the outstanding liquid assets and may associated unamortized cost.

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

Unrestricted Net Position- represents assets that do not have any third party limitations on their use. While the Authority management may have categorized and segmented portions for various purposes, the Board of Directors has the unrestricted authority to revisit or alter these managerial decisions.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 1- Summary of Significant Accounting Policies (Continued)

Fund Balance Classification

In the government-wide financial statements, net position is restricted when constraints placed on the net positions are externally imposed.

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable- This classification includes amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.
- Restricted- This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Authority has classified Emergency Reserves as being restricted because their use is restricted by the State Constitution for declared emergencies.
- Committed- This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (motion or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Authority reported unspent funds budgeted by the Authority for the 2017 expenditures as committed as of December 31, 2016.
- Unassigned- This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 1- Summary of Significant Accounting Policies (Continued)

Fund Balance Classification (Continued)

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

As of December 31, 2016, the Authority's fund balance had \$37,245 restricted by legislation (for emergencies) the Authority had \$-0- committed for subsequent year expenditures the remaining fund balance was considered by the Authority to be unassigned. At December 31, 2016, the Authority had unassigned fund balance in the general fund of \$3,847,467.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates may affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

GASB Statement Implementation

For the year ended December 31, 2016, the Authority adopted provisions of the Governmental Accounting Standards Board (GASB) Statement No. 72., "Fair Value Measurement and Application", which is effective for financial periods beginning after June 15, 2015. GASB Statement No. 72 requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The Authority's fair value measurements have not changed as a result of the implementation.

Notes 2- Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

Formal budgetary integration is employed as a management control device during the year for the General Funds. Formal budgetary integration is also employed to comply with the State of Colorado Budget Law. The amounts not included in non-GAAP budgetary basis schedules are reflected on the schedules in the budget section of this report.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Notes 2- Stewardship, Compliance and Accountability (Continued)

Budgets and Budgetary Accounting (Continued)

The Authority follows these procedures in establishing the budgetary data reflected in the financial statements.

- Before October 15, the Board of Directors appoints Authority's Management as the Authority's Budget Officer.
- On or before October 15, Authority's Management, acting as the Budget Officer submits to the Board of Directors a proposed operating budget for the fiscal year commencing that following January 1. The opening budget includes proposed expenditures and the means of financing them.
- At least one public hearing is conducted to obtain taxpayer comments.
- Prior to December 15, the budget is legally enacted through passage of a resolution.
- Authority Management is authorized to transfer budgeted amounts between one or more line items within any fund. However, any revisions that alert the total expenditures of any fund must be approved by the Board of Directors.
- Budgets are legally adopted for all funds of the Authority on a basis consistent with generally accepted accounting principles (GAAP).
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Directors. All appropriations lapse at year end.

Tax, Spending and Revenue Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue rising, spending abilities, and other specific requirements of state and local governments.

The Authority's financial activity provides the basis for calculation of limitations adjusted for allowable increases tied to inflation and local growth.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Notes 2- Stewardship, Compliance and Accountability (Continued)

Tax, Spending and Revenue Limitations (Continued)

The amendment is complex and subject to judicial interpretation. The Authority believes it is in compliance with the requirements of the amendment. However, the Authority has made certain interpretations in the amendment's language in order to determine its compliance.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). For the years ended December 31, 2016 and 2015, the Authority has reserved \$37,245 and \$32,100, respectively for this purpose.

Management of the Authority is of the belief that it is in compliance with the amendment at December 31, 2016 and 2015.

Note 3- Cash Deposits and Investments

Cash deposits and investments held by the Authority as of December 31, 2016 as follows:

	<u>Book Balance</u>	<u>Bank Balance</u>
Cash Deposits		
Insured cash deposits	\$ 30,217	\$ 119,356
Cash on hand	106	-0-
Total cash deposits and cash on hand	<u>30,323</u>	<u>\$ 119,356</u>
	<u>Fair Value</u>	
Investments		
Local government investment pools	<u>3,939,992</u>	
Total investments	<u>3,939,992</u>	
Total cash deposits and investments	<u>\$ 3,970,315</u>	

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 3- Cash Deposits and Investments (Continued)

CASH DEPOSITS:

Custodial Credit Risk Deposits

Custodial Credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Production Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2016, State regulatory commissioners have indicated that all financial institutions holding deposits for the Authority are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

As of December 31, 2016, the carrying amount of the Authority's cash and cash equivalents were \$30,217. The Authority's cash demand deposits are held at financial institutions in which deposits are insured up to \$250,000 per institution by the Federal Deposit Insurance Corporation (FDIC). The Authority's deposits are categorized to give an indication of the level of risk assumed by the Authority at December 31, 2016.

INVESTMENTS:

Eligible Investments

Colorado State Statutes define eligible investments for local governments. These include U.S. Treasury obligations, repurchase agreements, State of Colorado and local government obligations, and others. The statutes allow participation with other local governments in pooled investment funds managed by mutual agreement with the same restrictions on deposits and investments. The State Regulatory Commission for banks and financial services is required by Statute to monitor the naming of eligible depositories in physical form.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 3- Cash Deposits and Investments (Continued)

INVESTMENTS (Continued):

Primary Government Investments

Local Governmental Investment Pools

Pooled investment funds (trusts) are supervised by the participating governments and must comply with the same restrictions on cash deposits and investments explained in the preceding paragraphs. Investment funds or money market funds are not categorized because they are not evidenced by securities that exist in physical or book form.

As of December 31, 2016, the Authority had invested \$3,939,992 in the Colorado Local Government Liquid Asset Trust (the Trust); an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury Securities and repurchase agreements collateral by U.S. Treasury Securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. Agency Securities and highest rated commercial paper. A designated custodial bank serves as custodian for the Trust's portfolio's and provides services as the depository in connection with direct investments owned by the Trust.

As of December 31, 2016, the Authority had invested \$3,939,992 in the COLOTRUST PLUS+ portfolio. COLOTRUST PRIME is rated AAAm by Standard and Poor's. COLOTRUST PLUS+ is rated AAAm by Standard and Poor's, Fitch and Moody's. Separate financial statements can be obtained through the web-site at www.colotrust.com or by calling (303) 864-7474.

Note 4- Capital Assets

GASB Statement 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Alternatively, the "modified approach" may be used for certain capital assets. Depreciation is not provided under this approach, but all expenditures on these assets are expensed unless they are additions or improvements.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Note 4- Capital Assets (Continued)

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful in years and the result is charged to expense each year until the asset is fully depreciated.

CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Note 4- Capital Assets (Continued)

An analysis of the changes in governmental activities for the year ended December 31, 2016 follows:

	Balance January 1, 2016	Transfers/ Additions	Transfers/ Retirements	Balance December 31, 2016
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 23,807	\$ -0-	\$ -0-	\$ 23,807
Construction in progress	21,782	9,423	-0-	31,205
Total capital assets not being depreciated	<u>45,589</u>	<u>9,423</u>	<u>-0-</u>	<u>55,012</u>
Capital assets being depreciated:				
Building and improvements	2,803,423	9,035	-0-	2,812,458
Vehicles and improvements	4,909,749	5,676	-0-	4,915,425
Furniture, fixtures and equipment	1,428,994	2,405	-0-	1,431,399
Total capital assets being depreciated	<u>9,142,166</u>	<u>17,116</u>	<u>-0-</u>	<u>9,159,282</u>
Less accumulated depreciation for:				
Building and improvements	(450,211)	(79,830)	-0-	(530,041)
Vehicles and improvements	(1,431,020)	(256,804)	-0-	(1,687,824)
Furniture, fixtures and equipment	(1,023,658)	(100,226)	-0-	(1,123,884)
Total accumulated depreciation	<u>(2,904,889)</u>	<u>(436,860)</u>	<u>-0-</u>	<u>(3,341,749)</u>
Total Capital Assets Being Depreciated Net	<u>6,237,277</u>	<u>(419,744)</u>	<u>-0-</u>	<u>5,817,533</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,282,866</u>	<u>\$ (410,321)</u>	<u>\$ -0-</u>	<u>\$ 5,872,545</u>

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 5- Net Position

The Authority has net position of three components - net investment in capital assets, restricted and unrestricted.

Net investment in capital assets, consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets. As of December 31, 2016 and 2015, the Authority has invested in capital assets, net of related debt, as follows:

	2016	2015
Invested in Capital Assets, Net of Related Debt: (net of accumulated depreciation)	\$ 5,872,545	\$ 6,282,866

Restricted net position includes net position that is restricted for use either externally imposed by creditors, grantors, contributors, or law and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. As of December 31, 2016 and 2015, the Authority has restricted net assets as follows:

	2016	2015
Restricted Net Assets: Emergencies	\$ 37,245	\$ 32,100

Unrestricted net position are net assets that do not meet the definition of invested in capital assets, net of related debt or restricted.

Note 6- Joint Ventures

All cities, towns and Clear Creek County are members of the Clear Creek Fire Authority. As such, each member contributes financially to the Authority. Each member is given a board position on the Authority. The operating and capital budgets are funded by contributions based on assessed value of each Government.

Concentration of Risk

Approximately 90% of the contributions received from the above joint venture agreement are received from the Clear Creek County Emergency Services General Improvement Authority (ESD); roughly 90% of the funds received from the ESD are from one taxpaying entity- the Henderson Mine-Climax Molybdenum Company.

CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Note 7- Risk Management

The Authority is exposed to various risks of loss related to torts: theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2016 purchased commercial insurance to cover this risk.

Note 8- Related Party Transaction

During 2016 the Board of Directors Authorized the Fire Chief to rent the living quarters at station 8 for \$450 per month on a month to month basis. Total rental income during 2016 was \$5,400.

Note 9- Defined Benefit Pension Plans

Volunteer Firefighters' Pension Plan

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.

Plan Description

The Authority is trustee of an agent multiple-employer defined benefit pension plan available to provide retirement income for volunteer firefighters in recognition of their service to the Authority. The plan is directed by a Board of Trustees composed of the Board of Directors and volunteer firefighters selected in accordance with Colorado State Statutes. The plan is administered by the Fire and Police Pension Association of Colorado.

The plan provides for a monthly pension for volunteers who have satisfied the normal age and service requirements and pro rata pensions for volunteers who have satisfied the normal age, but only a portion of the service requirement. It further provides death benefits and a partial pension (50% of the amount the volunteer has earned) for surviving spouses. The normal age and service requirement is the latest date a volunteer reaches 50 years of age or completes 20 years of service. As of December 31 2015, the latest actuarial valuation date, there were 13 active members, 36 retirees and beneficiaries, and 6 inactive, non-retired members.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

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

Benefits

The normal retirement benefit is \$500 per month at age 50 with 20 years of service. After at least 10 years of service, the monthly retirement benefit is \$25 per year of service up to 20 service years. The monthly short term disability benefit for line of duty injury is \$250 for not more than one year. The monthly long term disability benefit for line of duty injury is \$500 for lifetime. The monthly survivor benefits are \$250 following death in line of duty, following death in normal retirement, and following death after disability retirement. The monthly survivor benefit after at least 10 years of service is \$12.50 per year of service up to 20 service years. The funeral benefit is a one-time only \$1,000.

Contributions

The funding of the plan by the Authority and members is authorized by the Board of Trustees. The contribution by the State of Colorado (the "State") toward fire pension funds has been a fixed dollar amount established by the legislature and allocated pro rata to all fire pension funds in the State who apply for State matching funds, based upon the amounts contributed by the employer up to a maximum of one half (1/2) mill on the assessed valuation or 90% of Authority contributions, whichever is less. Since the Authority currently offers maximum retirement benefits of \$500 or more per month, the State will match at the level determined above but no greater than the maximum of: (1) the amount necessary to fund a pension of \$300 per month on an actuarially sound basis and (2) the amount of State contributions provided in the prior year.

Net Pension Liability

At December 31, 2016, the volunteer firefighters' pension fund reported a net pension asset of \$138,985. 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.

CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Note 9- Defined Benefit Pension Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (Continued)**

Actuarial Assumptions

The following table sets forth the methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Dollar Open
Remaining Amortization Period:	20 Years
Asset Valuation Method:	5-Year smoothed market
Inflation	3.00%
Salary Increases:	N/A
Investment Rate of Return:	7.5%
Retirement Age:	50% per year of eligibility until 100% at age 65.
Mortality:	Pre-retirement: RP-2000 Combined Mortality Table with Blue Collar Adjustment, 40% multiplier for off-duty mortality. Post-retirement: RP-2000 Combined Mortality Table, with Blue Collar Adjustment. Disabled: RP-2000 Disabled Mortality Table. All tables projected with Scale AA.

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:

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (Continued)**

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

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

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 Rates is 7.50%.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

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

Sensitivity of the Authority'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 (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability (asset)	\$ 40,775	\$ (138,985)	\$ (290,994)

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.

Pension Expense, Deferred Outflows of Resources, and Deferred inflows of Resources Related to Pensions

In connection with the Plan, for the year ended December 31, 2016, the Authority recognized pension expense of \$14,876. At December 31, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual Experience	\$ -0-	\$ 177,975
Changes in assumptions or other inputs	-0-	-0-
Net difference between projected and actual earnings on pension plan investments	25,341	-0-
Contributions subsequent to the measurement date	80,000	-0-
Total	\$ 105,341	\$ 177,975

FFPA 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.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

FPPA Statewide Defined Benefit Plan

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

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 9% and 8% of base salary for a total contribution rate of 17% through 2016. 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 20.5% of base salary through 2015. It is a local decision on who pays the additional 4% contribution. Per the 2015 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%.

The contribution rate for members and employers of affiliated social security employers is 4.25% and 4% of base salary for a total contribution rate of 8.25% in 2015. 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.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

FFPA Statewide Defined Benefit Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (Continued)**

Benefits (Continued)

The annual normal retirement benefit is 2 percent 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.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

FFPA Statewide Defined Benefit Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (Continued)**

Benefits (Continued)

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.

Net Pension Asset

At December 31, 2016, the Authority reported an asset of \$208 for its proportionate share of the net pension liability. (The Authority 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 Authority's proportion of the net pension liability was based on the Authority 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 Authority's proportion was 0.011776% as compared to 0.013100% at December 31, 2014.

CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Note 9- Defined Benefit Pension Plans (Continued)

FFPA Statewide Defined Benefit Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (Continued)**

Net Pension Asset (Continued)

For the year ended December 31, 2016, the Authority recognized pension expense of \$16,279. At December 31, 2016, the Authority 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
	<u>\$</u>	<u>\$</u>
Difference between expected and actual Experience	1,679	245
Changes in assumptions or other inputs	3,261	-0-
Net difference between projected and actual earnings on pension plan investments	10,566	-0-
Difference between actual and reported contributions recognized	-0-	-0-
Changes in proportionate share of contributions	513	-0-
Contributions subsequent to the measurement date	26,431	-0-
Total	<u>\$ 42,450</u>	<u>\$ 245</u>

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:

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

FFPA Statewide Defined Benefit Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (Continued)**

Net Pension Asset (Continued)

Year ended December 31:	
2017	\$ 3,199
2018	3,199
2019	3,199
2020	2,950
Thereafter	3,227
	\$ 15,774

Actuarial Assumptions

The actuarial valuations for the SDBP were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2015. The valuations used for the following actuarial assumption 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 Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	4.0-14.0 percent	4.0-14.0 percent
Cost of Living Adjustments	0.0 percent	0.0 percent
*Includes Inflation at	2.5 percent	3.0 percent

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

FFPA Statewide Defined Benefit Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (Continued)**

Actuarial Assumptions (Continued)

For determining the total pension liability, the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55 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-2014 Mortality Table for Blue Collar Employees, projected with Scale BB is used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB are used. For post-retirement members ages 55 through 64, a blend of the previous tables is used.

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 experiences 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.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

FFPA Statewide Defined Benefit Plan (Continued)

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

Actuarial Assumptions (Continued)

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	37.0%	6.5%
Equity Long/Short	10.0%	4.7%
Illiquid Alternatives	20.0%	8.0%
Fixed Income	16.0%	1.5%
Absolute Return	11.0%	4.1%
Managed Futures	4.0%	3.0%
Cash	2.0%	0.0%*
Total	100.0%	

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

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

FFPA Statewide Defined Benefit Plan (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (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 a 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 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%

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

FPPA Statewide Defined Benefit Plan (Continued)

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

Sensitivity of the Authority's Proportionate Share of the Net Pension Liabilities 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 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 (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability (asset)	\$ 29,080	\$ (208)	\$ (24,)

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.

Administrative Staff Defined Contribution Plan

The Authority implemented a defined contribution pension plan for all full-time administrative employees. In a defined contribution plan, each employee's benefits depend solely on amounts contributed to the plan by or on behalf of the employee plus (minus) the related investment earnings (losses). The plan is administered by Colorado County Officials and Employees Retirement Association (CCOERA).

Employee participation is mandatory and commences after one year employment. Both the employee and the Authority contribute an amount equal to 6% of compensation. Full vesting in the Authority's contribution and income allocated to the employee's account is immediate. Each participant in the plan may contribute an additional 10% of their compensation.

**CLEAR CREEK FIRE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

Note 9- Defined Benefit Pension Plans (Continued)

Administrative Staff Defined Contribution Plan (Continued)

For the years ending December 31, 2016 and 2015, the Authority's contributions were \$2,664 and \$2,384, respectively. The employees also contributed \$2,664 and \$2,384 for the years ending December 2016 and 2015, respectively to the plan. There are no Authority securities or other transactions included in the plan's assets.

Note 10- Evaluation of Subsequent Events

The Authority has evaluated subsequent event through June 21, 2017, the date which the financial statements were available to be issued. There were no subsequent events that required recognition or additional closure.

REQUIRED SUPPLEMENTARY INFORMATION

**CLEAR CREEK FIRE AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS)
AND ACTUAL- (GENERAL FUND)
For the Year Ended December 31, 2016**

	BUDGETED AMOUNTS			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUE				
Program and other Revenue	\$ -0-	\$ -0-	\$ 4,557	\$ 4,557
Intergovernmental	2,265,662	2,265,662	2,265,662	-0-
Charges for services	1,000	1,000	6,325	5,325
Interest Income	3,500	3,500	21,778	18,278
Total revenues	2,270,162	2,270,162	2,298,322	28,160
EXPENDITURES				
General Government:				
Fire protection operations	1,070,000	1,070,000	954,509	115,491
Capital Projects:				
Improvements and equipment	1,375,000	1,375,000	26,539	1,348,461
Total Expenditures	2,445,000	2,445,000	981,048	1,463,952
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(174,838)	(174,838)	1,317,274	1,492,112
FUND BALANCE, DECEMBER 31, 2015	2,508,914	2,508,914	2,567,438	58,524
FUND BALANCE, DECEMBER 31, 2016	\$ 2,334,076	\$ 2,334,076	\$ 3,884,712	\$ 1,550,636

See the Accompanying Independent Auditor's Report

**CLEAR CREEK FIRE AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE-
BUDGET TO ACTUAL-(GENERAL FUND)
For the Year Ended December 31, 2016
RECONCILIATION TO NET INCOME (GAAP BASIS)**

Total Revenue and other financing sources	\$	2,298,322
Total Expenditures		981,048
Excess of Revenue over Expenditures		1,317,274
Add capital outlay costs which are not expenses		26,539
Add deferred charges related to pension		65,124
Deduct depreciation and amortization which are not an expense		(436,860)
CHANGE IN NET POSITION (GAAP BASIS)	\$	972,077

See the Accompanying Independent Auditor's Report

**CLEAR CREEK FIRE AUTHORITY
SCHEDULE OF CONTRIBUTIONS
Volunteer Firefighters' Pension Plan
December 31, 2016**

FY Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2012	\$ 81,685	\$ 110,123	\$ (28,438)	N/A	N/A
2013	83,647	110,123	(26,476)	N/A	N/A
2014	83,647	110,123	(26,476)	N/A	N/A
2015	47,301	105,331	(58,030)	N/A	N/A

See the Accompanying Independent Auditor's Report

CLEAR CREEK FIRE AUTHORITY
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/ (ASSET) AND RELATED
RATIOS VOLUNTEERS' PENSION PLAN

<u>Measurement Period Ending December 31,</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service Cost	\$ 10,254	\$ 12,533
Interest on the Total Pension Liability	131,837	159,677
Benefit Changes	-0-	-0-
Difference Between Expected and Actual Experiences	-0-	(395,499)
Assumption Changes	-0-	-0-
Benefit Payments	(143,315)	(150,146)
Net Change in Total Pension Liability	(1,224)	(373,435)
Total Pension Liability- Beginning	1,823,153	2,196,588
Total Pension Liability- Ending	<u>\$ 1,821,929</u>	<u>\$ 1,823,153</u>
Plan Fiduciary Net Position		
Employer Contribution	\$ 79,550	\$ 79,550
Pension Plan Net Investment Income	35,173	124,405
Benefit Payments	(143,315)	(150,146)
Pension Plan Administrative Expenses	(5,273)	(3,252)
State of Colorado Supplemental Discretionary Payment	25,781	25,200
Net Change in Plan Fiduciary Net Position	(8,084)	75,757
Plan Fiduciary Net Position- Beginning	1,968,998	1,893,241
Plan Fiduciary Net Position- Ending	<u>\$ 1,960,914</u>	<u>\$1,968,998</u>
Net Pension Liability/ (Asset)	\$ (138,985)	\$ (145,845)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	107.63%	108.00%
Covered Employee Payroll	N/A	N/A
Net Pension Liability/ (Asset) as a Percentage of Covered Employee Payroll	N/A	N/A

This schedule will report ten years of data when it is available

See the Accompanying Independent Auditor's Report

**CLEAR CREEK FIRE AUTHORITY
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE
STATEWIDE DEFINED BENEFIT PLAN**

Years Ended December 31,

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Authority's proportionate share of the Net Pension Liability (Asset)	.0122%	.0131%	.0117%
Authority's proportionate share of the Net Pension Liability (Asset)	\$ (10,909)	\$ (14,784)	\$ (208)
Authority's covered-employee payroll	\$ 52,983	\$ 58,912	\$ 49,988
Authority's proportionate share of the Net Pension Liability (Asset) as a percentage of its covered-employee payroll	-20.6%	-25.1%	-0.4%
Plan fiduciary net position as a percentage of the total pension liability	106.8%	105.8%	100.1%

Notes:

This schedule is reported as of December 31, as that is the plan year end

This schedule will report ten years of data when it is available

See the Accompanying Independent Auditor's Report

**CLEAR CREEK FIRE AUTHORITY
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS
STATEWIDE DEFINED BENEFIT PLAN**

	Year Ended December 31,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Statutorily required contributions	\$ 4,239	\$ 4,713	\$ 3,999	\$ 4,567
Contributions in relation to the Statutorily required contributions	4,239	4,713	3,999	4,567
Contribution deficiency (excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Authority's covered-employee payroll	<u>\$ 52,983</u>	<u>\$ 58,912</u>	<u>\$ 49,988</u>	<u>\$ 57,088</u>
Contributions as a percentage of covered-employee payroll	8.00%	8.00%	8.00%	8.00%

Notes:

This schedule will report ten years of data when it is available

See the Accompanying Independent Auditor's Report