

CASTLE ROCK FIRE PROTECTION DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2017

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Office of the State Auditor

September 27, 2018

CPA

Bruce L. Fosdick, CPA, PC
Certified Public Accountant

CASTLE ROCK FIRE PROTECTION DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

CASTLE ROCK FIRE PROTECTION DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Castle Rock Fire Protection District
Castle Rock, Colorado 80104

I have audited the accompanying financial statements of the governmental activities and each major fund of the Castle Rock Fire Protection District, Castle Rock, Colorado, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 audit 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 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, 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.

Opinions

In my 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 for the general fund of the Castle Rock Fire Protection District, Castle Rock, Colorado, as of December 31, 2017, 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

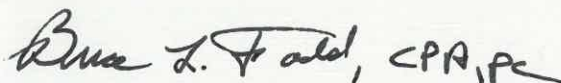
Castle Rock Fire Protection District has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial 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. My opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 16 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.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Castle Rock Fire Protection District's basic financial statements. The Other Supplemental Information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Bruce L. Fosdick, CPA, PC
Castle Rock, Colorado
September 19, 2018

BASIC FINANCIAL STATEMENTS

**CASTLE ROCK FIRE PROTECTION DISTRICT
GOVERNMENTAL FUND BALANCE SHEET AND STATEMENT OF NET POSITION
DECEMBER 31, 2017**

	<u>General Fund</u>	<u>Adjustments (See below)</u>	<u>Statement of Net Position</u>
ASSETS			
Cash	\$ 48,711	\$ -	\$ 48,711
Taxes Receivable	828,331	-	828,331
Due from Other Government	<u>5,159</u>	<u>-</u>	<u>5,159</u>
TOTAL ASSETS	<u><u>\$882,201</u></u>	<u><u>\$ -</u></u>	<u><u>\$882,201</u></u>
LIABILITIES			
Accounts Payable	<u>\$ 2,277</u>	<u>-</u>	<u>2,277</u>
TOTAL LIABILITIES	<u><u>2,277</u></u>	<u><u>-</u></u>	<u><u>2,277</u></u>
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	<u>\$828,331</u>	<u>-</u>	<u>\$ 828,331</u>
TOTAL DEFERRED INFLOW OF RESOURCES	<u><u>\$828,331</u></u>	<u><u>-</u></u>	<u><u>\$ 828,331</u></u>
FUND BALANCES/NET POSITION			
Fund balances:			
Restricted for Emergencies	23,510	(23,510)	
Unassigned - General Government	<u>28,083</u>	<u>(28,083)</u>	
Total fund balances	<u><u>51,593</u></u>	<u><u>(51,593)</u></u>	
TOTAL LIABILITIES DEFERRED INFLOWS AND FUND BALANCES	<u><u>\$882,201</u></u>		
Net Position:			
Restricted for Emergencies		\$ 23,510	\$ 23,510
Unrestricted		<u>28,083</u>	<u>28,083</u>
TOTAL NET POSITION		<u><u>\$ 51,593</u></u>	<u><u>\$ 51,593</u></u>

There are no adjustments to reconcile the governmental fund balance sheet to the statement of net position.

These financial statements should be read only in connection with the accompanying notes to financial statements.

CASTLE ROCK FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	Program Revenues			Net Program Expense
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Governmental activities:				
General and administrative	\$ 27,604	\$ -	\$ -	\$ (27,604)
Fire and emergency medical services	<u>756,572</u>	<u>-</u>	<u>-</u>	<u>(756,572)</u>
Total governmental activities	<u>\$ 784,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (784,176)</u>
General revenues:				
General property tax				706,520
Specific ownership tax				77,015
Investment earnings				29
Refund				<u>100</u>
Total general revenues				<u>783,664</u>
Change in net position				(512)
Net position, beginning				52,105
Net position, ending				<u>\$ 51,593</u>

There are no adjustments to reconcile the Governmental Statement of Revenues and Expenses to the Statement of Activities.

These financial statements should be read only in connection with the accompanying notes to financial statements.

**CASTLE ROCK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to local governments. A summary of the Castle Rock Fire Protection District's significant accounting policies consistently applied in the preparation of these financial statements follows:

A. PRINCIPLES USED IN DETERMINING THE SCOPE OF THE REPORTING ENTITY

Castle Rock Fire Protection District (District) is a quasi-municipal corporation and a political subdivision of the State of Colorado and was formed in the early 1980's to provide a funding mechanism to pay the Town of Castle Rock for fire protection and emergency medical services. The District covers approximately 38 square miles, and has an estimated population of 6,500 residents. It covers areas around Castle Rock but outside of the municipal boundaries of Castle Rock.

The District has no employees and all operational functions are contracted.

The District's combined financial statements include the accounts of all district operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board's (GASB) Codification of Government Accounting and Financial Reporting Standards, include whether:

- * the organization is legally separate (can sue and be sued in their own name)
- * the District holds the corporate powers of the organization
- * the District appoints a voting majority of the organization's board
- * the District is able to impose its will on the organization
- * the organization has the potential to impose a financial benefit/burden on the District
- * there is fiscal dependency by the organization on the District

Based on the aforementioned criteria, the Castle Rock Fire Protection District has no component units, nor is it a component unit of any other unit.

**CASTLE ROCK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Government-Wide financial statements (i.e. the statement of activities) report information on all of the nonfiduciary activities of the government. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues.

The Government-Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund balances, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary.

The following fund was used by the District during 2017:

GOVERNMENTAL FUND

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

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

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The major source of revenue susceptible to accrual is property taxes.

**CASTLE ROCK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017**

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Basis of Accounting

The modified accrual basis of accounting is used for all governmental fund types. The following are modifications of the accrual basis method:

- i. Expenditures other than accrued interest on general long-term debt are recognized at the same time the liabilities are incurred. Interest on long-term debt is recorded only when due.
- ii. Revenue is recorded when received in cash except for revenue that is not received but is measurable and available and therefore susceptible to accrual.

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

D. BUDGET AND BUDGETARY ACCOUNTING

i. General Budgets

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

ii. Budget Basis of Accounting

The Modified Accrual basis of accounting is used for budget purposes as well as financial reporting in the general fund.

E. ASSETS, LIABILITIES, AND FUND BALANCES

i. Due to/from Other Governments

General Fund - At the end of 2017, Castle Rock Fire Protection District was owed \$5,159 from Douglas County which was satisfied in January, 2018.

ii. Taxes Receivable

The Taxes Receivable include 2017 property taxes which become payable January 1, 2018 as Taxes Receivable.

**CASTLE ROCK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017**

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. ASSETS, LIABILITIES, AND FUND BALANCES (CONTINUED)

iii. Deferred Outflows

In addition to assets, the statement of net position will sometimes report separate sections for deferred outflows of resources. A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period.

iv. Deferred Inflows

In addition to liabilities, the statement of net position will sometimes report separate sections for deferred inflows of resources. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District has one item that qualify for reporting as deferred inflows of resources. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable, and are recognized as an inflow of resources in the period they are collected.

v. Net Position

The net position has been restricted for that portion of the net position that is legally segregated or is not subject to future appropriation. Designations of unrestricted net position indicate management's intention for future utilization of such funds and are subject to change by management.

The District's unrestricted net position as of December 31, 2017 is \$28,083.

vi. Fund Equity

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classification of fund balance. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

**CASTLE ROCK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017**

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. ASSETS, LIABILITIES, AND FUND BALANCES (CONTINUED)

vi. Fund Equity (continued)

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

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

Restricted for Emergencies

Article X, Section 20 of the Constitution of the State of Colorado requires the Castle Rock Fire Protection District to establish Emergency Reserves (See Note V). A portion of the fund balance has been restricted in compliance with this requirement.

F. REVENUE, EXPENDITURES, AND EXPENSES

- i. Property tax is reported as a receivable and a deferred revenue when the levy is certified and as a revenue when due for collection in the subsequent year. Property taxes are levied by the District Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of December 31 of each year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayers election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent

**CASTLE ROCK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017**

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. REVENUE, EXPENDITURES, AND EXPENSES (CONTINUED)

properties are normally held in November or December. The County Treasurers remit the taxes collected monthly to the District.

Property Tax Calendar

Collection Schedule

First Half 2017 Taxes	February 28, 2018
Second Half 2017 Taxes	June 15, 2018

Assessment Schedule

Abstract of Assessments Submitted	August 25, 2017
Certification of Levies to Commissioners	December 15, 2017
Commissioners Levy Taxes	December 31, 2017
Lien Date	January 1, 2018

During the year ended December 31, 2017, the county treasurer withheld \$1,669 of property taxes from the District and paid them to third parties as abatements of and refunds of property taxes.

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

- ii. Expenditures for the General Fund are recorded when the related liability is incurred with the exception of unmatured principal and interest on general long-term debt.

NOTE II - SUMMARY DISCLOSURE OF CONTINGENCIES

Litigation

The Castle Rock Fire Protection District is not involved in any litigation.

NOTE III - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Material Violations of Financial related, legal and contractual provisions

None

NOTE IV - CASH DEPOSITS AND INVESTMENTS

Cash deposits as of December 31, 2017 consist of the following:

Deposits with financial institutions	\$ 48,711
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Cash Deposits

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

**CASTLE ROCK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017**

NOTE IV - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

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

At December 31, 2017 the District's cash had a carrying balance of \$48,711.

At various times throughout the year, the District's cash balances on deposit exceeded the FDIC's insured limit of \$250,000. The financial institution has collateralized the amounts in excess of \$250,000 as required by state statute.

Investments

Credit Risk

The District has not adopted a formal investment policy, however, the District follows state statutes regarding investments.

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

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

During 2017, the District had no investments.

**CASTLE ROCK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017**

NOTE V - INTERGOVERNMENTAL AGREEMENTS

A. Town of Castle Rock

On March 20, 1986, an Intergovernmental Agreement (IGA) was entered into between the Town of Castle Rock (Castle Rock) and Castle Rock Fire Protection District ("District") whereby Castle Rock agreed to provide fire protection services within the District, and the District would pay Castle Rock for said services.

The Original Agreement has been amended three times, once in 1994 and twice in 1996. On September 15, 2009, the Intergovernmental Agreement was amended and restated to provide for a fair and equitable allocation of the cost of providing fire protection and prevention and emergency medical and rescue services between Castle Rock and the District and to otherwise update the Original Agreement.

The Amended and Restated IGA provides that the District's proportional cost for the services provided by Castle Rock is five and five-tenths percent (5.5%) of the total annual operations budget, exclusive of capital expenditures, of the Castle Rock Fire Department. Castle Rock and the District will meet by July 1 of 2017, 2020, 2023, and every third year thereafter to determine if the current percentage and funding formula is fair and reasonable. The IGA will remain in effect until terminated. Written notice of intent to terminate must be made at least twenty-eight (28) months prior to January 1 of the year in which the party desires to terminate the IGA.

B. Castle Pines

On June 8, 2010, an Intergovernmental Agreement (IGA) was entered into by and among the City of Castle Pines North ("City"), the Castle Pines Urban Renewal Authority ("URA"), and the Castle Rock Fire Protection District ("District") whereby they have agreed to mutually cooperate in an effort to ensure that the District continues to receive adequate funding for the provision of fire protection and emergency medical response services within the Plan Area should the City and the URA divide real property taxes on real property within the District's boundary.

The Agreement provides that in the event that the City or URA desire to utilize tax increment financing on real property within the District's boundary, the City, the URA, and the District shall negotiate and execute a separate IGA to provide the District with a mutually agreed upon share of any incremental property tax revenues produced, collected and allocated to the URA above the base tax amount attributable to the District's ad valorem mill levy. The IGA will run for a term of twenty-five (25) years unless terminated by mutual written consent.

**CASTLE ROCK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017**

NOTE VI - TAX, SPENDING, AND DEBT LIMITATION

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

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

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

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

NOTE VII - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God.

The District has elected to manage its risk of losses through an Intergovernmental Agreement with the Special District Association of Colorado. Premiums are based on revenues with surcharges and assessments being available to the Risk Management Pool for Excessive Claims. During 2017, the pool provided liability coverage in the amounts of \$150,000/\$400,000 with a one million dollar maximum.

The District is one of 1,392 special districts which are members of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2017. The Pool is an organization created by intergovernmental agreement to provide property, general liability, public officials liability, employee dishonesty and crime, equipment breakdown and workers' compensation coverage to its members. The Pool provides coverage for property claims up to \$50,000,000 and liability coverage for claims up to \$1,000,000. Workers' compensation claims are covered up to statutory limits, with claims related to employer's liability up to \$2,000,000. Settled claims have not exceeded this coverage during 2017. Settled claims have not exceeded policy coverage in any of the years prior to 2017.

The District pays annual premiums to the Pool for their liability insurance and property insurance. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and surplus accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess unassigned surplus which the Pool determines is not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

CASTLE ROCK FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
DECEMBER 31, 2017

**CASTLE ROCK FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Taxes	\$ 714,064	\$ 712,017	\$ 706,520	\$ (5,497)
Specific Ownership Taxes	62,000	77,135	77,015	(120)
Investment earnings	65	35	29	(6)
Refund	<u>0</u>	<u>0</u>	<u>100</u>	<u>100</u>
Total revenues	<u>776,129</u>	<u>789,187</u>	<u>783,664</u>	<u>(5,523)</u>
EXPENDITURES				
General and Administrative				
Professional services	9,300	13,715	14,248	(533)
Insurance	1,424	1,557	1,657	(100)
Treasurers Fees	10,000	10,561	10,599	(38)
Other Expenses	<u>1,16</u>	<u>1,101</u>	<u>1,100</u>	<u>1</u>
	21,889	26,934	27,604	(670)
Fire Protection Services				
Contract services -				
Town of Castle Rock	756,572	756,572	756,572	0
Emergency Reserves	<u>1,638</u>	<u>1,780</u>	<u>0</u>	<u>1,780</u>
Total expenditures	<u>780,099</u>	<u>785,286</u>	<u>784,176</u>	<u>1,110</u>
NET CHANGE IN FUND BALANCE	(3,970)	3,901	(512)	(4,413)
 FUND BALANCE - BEGINNING OF YEAR			52,105	
 FUND BALANCE - END OF YEAR			<u>\$ 51,593</u>	

These financial statements should be read only in connection with the accompanying notes to financial statements.

OTHER SUPPLEMENTAL INFORMATION

**CASTLE ROCK FIRE PROTECTION DISTRICT
FIVE YEAR SUMMARY OF ASSESSED VALUATION,
MILL LEVY AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2017**

<u>Year Ended December 31,</u>	<u>Prior Valuation for Current Year Tax Levy</u>	<u>Mills Levied (All Funds)</u>	<u>Total Property Taxes Levied</u>	<u>Collected Currently</u>	<u>Percent Collected to Levied</u>
2013	\$ 65,368,290	0.8750	\$ 571,973	\$ 570,729	99.78%
2014	\$ 67,686,102	0.8710	\$ 589,546	\$ 580,934	98.54%
2015	\$ 67,355,550	0.8750	\$ 583,361	\$ 579,907	99.41%
2016	\$ 71,263,850	0.9520	\$ 678,432	\$ 674,494	99.42%
2017	\$ 69,694,480	1.0100	\$ 703,914	\$ 701,600	99.67%
Estimated for the year ending December 31, 2018	\$ 72,091,430	1.149	\$ 828,331		

NOTE:

Property taxes collected in any one year includes collection of delinquent property taxes levied and/or abatements of valuations in prior years.