

BEULAH FIRE PROTECTION & AMBULANCE DISTRICT

AUDITED FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

BEULAH, COLORADO

December 31, 2018

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Independent Auditor's Report

July 25, 2019

Board of Directors
Beulah Fire Protection & Ambulance District
Beulah, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the Beulah Fire Protection & Ambulance District as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Beulah Fire Protection & Ambulance District as of December 31, 2018, 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 *i - v*, pension trust fund schedules on pages 22 - 23, and the budgetary comparison information on page 24, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis and the pension trust fund information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison 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 our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Garrett Ross & DeNardo, Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis
Beulah Fire Protection & Ambulance District
December 31, 2018

As management of the Beulah Fire Protection & Ambulance District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2018. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole.

District Operation and Background

The Beulah Fire Protection and Ambulance District is the result of a merger between the Beulah Ambulance District (local government) and the Beulah Valley Volunteer Fire Department 501(c)(3) non-profit organization. Effective January 1, 2013 the two separate legal entities were combined into one legal entity. The Beulah Ambulance District provided a ballot question in the November 2012 election to increase the existing mill levy through property taxes to support the fire district. The special District was formed with the blessings of the District Court of Pueblo County for the purpose of protecting the lives and property of the residents and visitors from fire and critical health threats.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$935,078 (net position). Of this amount \$95,871 (11%) unrestricted net position, may be used to meet the District's ongoing obligations to citizens and creditors. A significant portion of the District's net position \$814,907 (87%) reflects its investment in capital assets. These assets include land, buildings and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending.
- The District's total net position increased by \$349,908.
- As of the close of the current fiscal year, the District's governmental funds reported a negative combined ending fund balance of (\$34,044), for the year ending December 31, 2018.
- At the end of the current fiscal year, unassigned fund balance of the general fund is (\$58,405).

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

The basic financial statements present two different views of the District through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the District.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

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

Management's Discussion and Analysis
Beulah Fire Protection & Ambulance District
December 31, 2018

Government-wide Financial Statements (Continued)

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes. The governmental activities of the District primarily include community safety services. The government-wide financial statements can be found on pages 3 and 4 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, such as State Statutes. The District currently only has one governmental fund.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflow and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Governmental funds are reported using an accounting method called modified accrual accounting which has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the District's programs.

Overview of the Financial Statements

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation, which is a part of the fund financial statements, to facilitate the comparison between governmental funds and governmental activities.

The District maintains one individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund.

The District adopts an annual appropriated budget for governmental funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with its budget.

The basic governmental fund financial statements can be found on pages 5 and 7 of this report.

Management's Discussion and Analysis
 Beulah Fire Protection & Ambulance District
 December 31, 2018

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 9 - 21 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the government's financial position. In the case of the District, assets exceeded liabilities by \$935,078 at the close of fiscal year 2018. Increases or decreases in net position may serve as a useful indicator as to whether the financial condition of the District is improving or deteriorating over time.

A portion of the District's net position reflects its investment in capital assets (i.e., land, buildings, vehicles and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its 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.

The following table reflects the condensed Statement of Net Position at December 31:

Assets:	<u>2018</u>	<u>2017</u>
Current and other assets	\$ 458,605	\$ 2,341,215
Capital assets	<u>2,962,758</u>	<u>636,663</u>
Total Assets	3,421,363	2,977,878
 Deferred Outflow of Resources – Pension fund	 <u>16,364</u>	 <u>18,043</u>
 Liabilities:		
Current and other liabilities	270,510	45,177
Long-term liabilities	<u>1,916,922</u>	<u>2,057,749</u>
Total Liabilities	2,187,432	2,102,926
 Deferred Inflow of Resources:		
Deferred inflow – Property taxes	310,320	307,629
Deferred inflow – Pension fund	<u>4,897</u>	<u>196</u>
 Net Position:		
Invested in capital assets, net of related debt	814,907	331,684
Restricted	24,361	6,500
Unrestricted	<u>95,810</u>	<u>246,986</u>
Total Net Position	<u>\$ 935,078</u>	<u>\$ 585,170</u>

At the end of the current fiscal year, the Beulah Fire Protection & Ambulance District is able to report a positive balance in all categories of net position.

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains the requirements of setting an emergency reserve. This reserve cannot be accessed except for an unexpected disaster. This reserve amounts to \$14,300 and \$6,500 as of December 31, 2018 and 2017 respectively.

Management's Discussion and Analysis
 Beulah Fire Protection & Ambulance District
 December 31, 2018

Government Wide Financial Analysis (Continued)

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. Revenues and expenses in this statement are recorded when earned or when a liability is incurred. The following table reflects the condensed Statement of Activities for the year ended December 31:

	<u>2018</u>	<u>2017</u>
Revenues:		
Program revenues:		
Charges for services	\$ 48,317	\$ 92,879
Operating grants and contributions	35,158	60,888
Capital grants and contributions	290,787	76,072
General revenues:		
Property taxes	302,599	295,214
Specific ownership taxes	28,929	28,551
Unrestricted investment earnings	132	93
Gain/(loss) on sale of assets	52,483	500
Total Revenues	758,405	554,197
Expenses:		
Public safety	292,149	275,090
General government	116,348	92,485
Total Expenses	408,497	367,575
Change in net position	349,908	186,622
Net position – beginning	585,170	398,548
Net position – ending	\$ 935,078	\$ 585,170

Budgetary Highlights

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

For 2018, the Directors appropriated \$2,604,828 for general fund expenditures.

2018 General Fund Budget

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues	\$ 361,320	\$ 2,604,828	\$ 762,605
Expenditures	\$ 361,320	\$ 2,604,828	\$ 2,814,259

Capital Asset and Debt Administration

Capital Assets. The District's investment in capital assets as of December 31, 2018 amounts to \$2,962,758 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles, construction in process and equipment.

Management's Discussion and Analysis
Beulah Fire Protection & Ambulance District
December 31, 2018

Capital Asset and Debt Administration (Continued)

Beulah Fire Protection & Ambulance District's Capital Assets

Land	\$	30,000
Furniture & fixtures		13,047
Building and improvements		84,632
Equipment		844,737
Construction in process		2,616,547
Accumulated depreciation		(626,205)
	\$	<u>2,962,758</u>

Additional information on the District's capital assets can be found in the notes section on page 14 of this report.

Final Comments

The District continues to strive to achieve its mission of protecting the lives and property of our residents and visitors from fire and critical health threats.

Request for Information

This financial report is designed to provide a general overview of the Beulah Fire Protection & Ambulance District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Beulah Fire Protection & Ambulance District
Bryan Ware
Fire Chief
8675 Central Ave.
P.O. Box 826
Beulah, CO 81023

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
December 31, 2018

<u>Assets</u>		
Current Assets		
Cash and equivalents	\$	106,360
Cash - restricted		10,061
Receivables:		
Other		6,603
Grant		22,862
Taxes		312,719
Total Current Assets		<u>458,605</u>
Capital Assets		
Land		30,000
Building and improvements		84,632
Machinery and equipment		844,737
Furniture and fixtures		13,047
Construction in process		2,616,547
Accumulated depreciation		<u>(626,205)</u>
Total Capital Assets		<u>2,962,758</u>
	Total Assets	<u>3,421,363</u>
<u>Deferred Outflow of Resources</u>		
Deferred outflow - related to pension plan		<u>16,364</u>
	Total Assets & Deferred Outflows	<u>3,437,727</u>
<u>Liabilities</u>		
Accounts payable		179,536
Accrued interest		23,717
Payroll liabilities		2,793
Net pension liability		45
Long-term Liabilities:		
Due within one year		64,464
Due in more than one year		<u>1,916,877</u>
Total Liabilities		2,187,432
Deferred Inflow of Resources		
Deferred inflow - property taxes		310,320
Deferred inflow - related to pension plan		<u>4,897</u>
	Total Deferred Inflows	315,217
<u>Net Position</u>		
Invested in capital assets, net of related debt		814,907
Restricted		24,361
Unrestricted		<u>95,810</u>
	Total Net Position	<u>\$ 935,078</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF ACTIVITIES
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
For the year ended December 31, 2018

	Program Revenue			Net (Expense) Revenue and Changes in Net Position
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
			<u>Total</u>	
Primary Government:				
Government activities:				
General government	\$ 116,348	\$ 35,158	\$ -	\$ (81,190)
Public safety	292,149	-	290,787	46,955
Total	\$ 408,497	\$ 35,158	\$ 290,787	\$ (34,235)
General revenues and taxes				
Taxes:				
General property taxes				302,599
Specific ownership taxes				28,929
Investment earnings				132
Gain/(loss) on sale of assets				52,483
				384,143
				349,908
				585,170
				\$ 935,078
			Total General Revenues and Taxes	
			Change in Net Position	
			Net Position - Beginning	
			Net Position - Ending	

The accompanying notes to the financial statements are an integral part of this statement.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

BALANCE SHEET- GOVERNMENTAL FUNDS
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
December 31, 2018

		<u>General Fund</u>
	<u>Assets</u>	
Cash and cash equivalents		\$ 106,360
Cash - restricted		10,061
Receivables		
Taxes		312,719
Grant		22,862
Other		<u>6,603</u>
	Total Assets	<u>458,605</u>
	<u>Liabilities</u>	
Accounts payable		179,536
Accrued expenses		<u>2,793</u>
	Total Liabilities	<u>182,329</u>
	<u>Deferred Inflow of Resources</u>	
Deferred inflow - property taxes		<u>310,320</u>
	<u>Fund Balances</u>	
Restricted		24,361
Unassigned		<u>(58,405)</u>
	Total Fund Balances	<u>\$ (34,044)</u>

The accompanying notes to the financial statements are an integral part of this statement.

RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
December 31, 2018

Total Fund Balances - Government Funds	\$ (34,044)
Amounts reported for governmental activities in the Statement of Net Position differ because:	
Capital assets used in governmental activities are not current financial resources, and therefore, not reported in the governmental funds.	2,962,758
Long-term liabilities (\$1,977,432) and compensated absences (\$3,909) are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(1,981,341)
Interest payable on the long-term liabilities is not recorded on the fund statements because it is not a current use of cash, interest is accrued on the government-wide statements since the liability is to be paid in the near term.	(23,717)
Deferred activity related to pension assumptions are not recorded and included in the governmental funds.	11,467
Net pension liability for the District is a long-term liability not due and payable in the current period and therefore not reported in governmental funds.	(45)
Net Position of Governmental Activities	<u>\$ 935,078</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BEULAH FIRE PROTECTION & AMBULANCE DISTRICT

GOVERNMENTAL FUND

For the Year Ended December 31, 2018

	General Fund
Revenues	
General property tax	\$ 302,599
Specific ownership tax	28,929
Investment income	132
Grant & donation income	325,945
Proceeds from sale of assets	56,683
Charges for services	<u>48,317</u>
Total Revenues	<u>762,605</u>
Expenditures	
General government	119,583
Public safety	168,154
Debt service:	
Principal	62,450
Interest	66,301
Capital outlay	<u>2,397,771</u>
Total Expenditures	<u>2,814,259</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,051,654)
Fund balances - beginning	<u>2,017,610</u>
Fund balances - ending	<u>\$ (34,044)</u>

The accompanying notes to the financial statements are an integral part of this statement.

**RECONCILIATION OF REVENUES, EXPENDITURES CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

BEULAH FIRE PROTECTION AND AMBULANCE DISTRICT

For the Year Ended December 31, 2018

Total Net Change in Fund Balances - Governmental Funds \$ (2,051,654)

Amounts reported for governmental activities in the Statement of Activities and Changes in Net Position differ because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$2,397,771) exceeds depreciation expense (\$67,476) in the current period. 2,330,295

Expenditures for services which benefit a future period are reported as prepaid expenses and included in current assets in the government wide statement of net position. In the governmental fund financial statements they are treated as expenditures when paid. (7,114)

Principal retirements - retirements of principal outstanding on the District's debt result in a reduction of accumulated resources on the fund financial statements. The government-wide statements show these reductions against the long-term liabilities. 62,450

Net pension related items that are reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported in the governmental funds. 11,442

In the government-wide statements accrued compensated absences are measured by the amount earned and unused. In the governmental funds, the expenditures for compensated absences are measured by the amount of financial resources used (essentially, the amounts actually paid). Therefore, the change in the accrued compensated absences is recognized. (1,698)

Interest payable on general obligation debt is not recorded on the fund statements because it is not a current use of cash. Interest is accrued on the government-wide statements, and the change in the liability is recognized. 10,387

In the statement of activities, the gain on the disposal of capital assets is reported, whereas in the governmental funds, there is no recognition of the cost of the assets that were disposed. As a result, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets. (4,200)

Change in Net Position - Governmental Activities \$ 349,908

The accompanying notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
December 31, 2018

Note A - Summary of Significant Accounting Policies

The basic financial statements of Beulah Fire Protection & Ambulance District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

During the November 2012 election, the Beulah Ambulance District (local government) provided a ballot question to increase the mill levy to provide funds to operate and absorb the services of the Beulah Valley Volunteer Fire Department 501(c)(3) non-profit. Effective January 1, 2013, the Beulah Ambulance District formally merged with the Beulah Valley Volunteer Fire Department (BVFD) to become the Beulah Fire Protection & Ambulance District (the District). Upon consolidation, the BVFD contributed total assets of \$229,232 including \$157,763 in capital assets to the District. This amount is included in the beginning cumulative net position and fund balance, respectively. The District is organized under the laws of the State of Colorado. It operates under the jurisdiction of a local Board of Directors, whose members are elected by the voters of the District. The District provides fire protection services as well as emergency medical services to the public. As required by generally accepted accounting principles, these financial statements present the Beulah Fire Protection & Ambulance District (the primary government) and its component units, if any. No additional separate governmental units, agencies, or nonprofit corporations are included in the financial statements of the District, since none were discovered to fall within the oversight responsibility based upon the application of the following criteria: financial accountability, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

Government Wide Financial Statements

The District's government wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental activities of the District.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
December 31, 2018

Note A - 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 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. However, debt service expenditures, are recorded only when payment is due.

Grants and similar items are recognized when requirements imposed by the provider have been met.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The District only has a general fund, therefore no reconciliations are necessary to combine or eliminate interfund balances. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the Government-wide financial statements. The District has presented all major funds that meet the applicable criteria. The following funds are major funds:

General Fund

This fund records financial transactions for the regular operations of the District. All revenues and expenditures not allocated by law or contractual agreement to a special fund are accounted for in this fund. The general fund is the only fund of the District.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents are short-term, liquid investments that are quickly converted to known cash amounts, including restricted cash and cash equivalents with maturities of three months or less so as to minimize the risk of value changes.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
December 31, 2018

Note A - Summary of Significant Accounting Policies (Continued)

Investments

The District's policy is to state investments in their financial statements at fair value. Unrealized gain or loss resulting from the change in fair market value of investments is recognized in the statement of revenues, expenses and changes in net position.

Capital Assets

Capital assets are defined by the District as assets tangible in nature, with an initial individual cost of \$1,000 or more. Purchased or constructed capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

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

Buildings and improvements	20 - 50 years
Equipment	5 - 15 years
Vehicles	5 - 15 years

Land and related improvements are not depreciated and assets under construction are not depreciated until they become available for service.

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items, property taxes and firemen's pension plan. These items are deferred and recognized as an inflow of resources in the period that the amounts become available.

Accounts Payable

Accounts payable represent obligations due to vendors for goods delivered or services rendered prior to December 31, 2018.

Unearned Revenue

Unearned revenues are reported in the governmental fund financial statements when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise in both government-wide and fund financial statements when resources are received before they are earned. In subsequent periods, when both revenue recognition criteria are met, the liability for unearned revenue is removed and revenue is recognized.

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
December 31, 2018

Note A - Summary of Significant Accounting Policies (Continued)

Property Taxes

Pueblo County is responsible for assessing, collecting, and distributing property taxes in accordance with enabling state legislation. Property taxes become a lien on the first day of the levy year and may be paid in two equal installments before the last day of February and the 15th day of June or in full before the last day of April. Property taxes are recognized as revenue when they are levied because they are considered to be both measurable and available. Available means due or past due and receivable within the current period and collected no more than 60 days after December 31.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The District carries commercial insurance for such risks, including workers' compensation and accident insurance. Settled claims resulting from these risks did not exceed commercial insurance coverage during 2018.

Compensated Absences

The District affords the Fire Chief vacation benefits. These benefits are earned based upon the length of service and accumulation is limited to a maximum of 25 days. Accrued vacation is paid to employees upon termination of employment. Total accrued vacation for 2018 in the amount of \$3,909 is included in the government-wide financial statements.

Amounts recognized as expenditures on the fund financial statements are those which have been paid in the current year or are expected to be liquidated with currently available expendable financial resources.

Long-Term Debt

Long-term debt mainly consists of a capital lease, general obligation note payable, and net pension liability at December 31, 2018. These items are classified as liabilities in the government-wide financial statements.

Principal and interest payments on long-term debt is recognized as expenditures when they are paid in the fund financial statements.

Note B - Stewardship, Compliance, And Accountability

Deficit Fund Equity

The General Fund had an accumulated deficit of \$34,044 at December 31, 2018. The District intends to fund this accumulated deficit from future property tax collections.

Budgets and Budgetary Data

Formal budgetary accounting is employed as a management control tool for all funds of the District. Budgets are prepared on the modified accrual basis of accounting for all government fund types. Annual operating budgets are adopted each fiscal year through passage of an annual budget resolution. The Board of the District may amend the original adopted budget during the year by passing a new resolution to reflect current needs, changing conditions, or revised estimates. The budgetary amounts presented in the accompanying financial statements/schedules reflect original and most recent amended amounts which were adopted in accordance with the appropriate provisions of state law.

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
 December 31, 2018

Note B - Stewardship, Compliance, And Accountability (Continued)

Budgets and Budgetary Data (Continued)

Encumbrance accounting is not employed as part of the budgetary process. Encumbrance accounting allows a governmental entity to account for open purchase orders (purchase orders for which the underlying goods or services have not been received before the end of an accounting period) as expenditures against the budget of that accounting period. All unencumbered budget appropriations lapse at the end of each fiscal year. The District does not recognize encumbrances.

Expenditures in Excess of Budget Amounts

During 2018 the following fund exceeded budgeted expenditures, which may be a violation of Colorado Local Government Budget law:

	<u>Actual</u>	<u>Budget</u>	<u>Excess</u>
General Fund	\$ 2,814,259	\$ 2,604,828	\$ 209,431

Tax, Revenue, Spending and Debt Limitations

In November, 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer’s Bill of Rights (TABOR). TABOR imposes tax raising, revenue, spending and debt limitations on local government entities within the State of Colorado. These limitations became effective for the first fiscal year beginning after December 31, 1992.

On November 6, 2012 the Beulah Ambulance District passed a referendum regarding the revenue and spending limits imposed by Article X, section 20 of the Colorado constitution. The referendum allows the District, without increasing or adding any taxes of any kind, to collect, retain and expend all revenues and other funds collected during 2013 and thereafter.

In addition to the tax raising, revenue, spending and debt limitation provisions of TABOR, there is also a requirement that every entity to which TABOR applies must establish an “emergency reserve”. To be used for declared emergencies only, each entity shall reserve 3% or more of its fiscal year spending excluding bonded debt service. For the year ended December 31, 2018, the District has reserved \$14,300, which represents 3% of fiscal year spending.

Note C - Cash Deposits

Deposits

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. 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 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 equal to 102% of the aggregate uninsured deposits.

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
 December 31, 2018

Note C - Cash Deposits (Continued)

Deposits (Continued)

As of December 31, 2018, all of the District deposits were insured by the Federal Deposit Insurance Corporation or held in eligible public depositories as required by PDPA. Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned to it. The District's policy for custodial credit risk parallels Colorado statutes.

A summary of cash and deposits held at year end follows:

	<u>Carrying Amounts</u>	<u>Less Than One Year</u>	<u>Less Than Five Years</u>
Deposits:			
Checking Accounts	\$ <u>116,421</u>	\$ <u>116,421</u>	\$ <u>-</u>

Note D - Accounts and Other Receivables

Tax receivable consist of taxes which are due but will not be collected until 2019. Accounts receivable consist mainly of fire payments and emergency medical services that were earned in 2018 but will not be collected until 2019. As of December 31, 2018, these receivables are considered both measurable and available.

Note E - Property Tax Accrual

Property taxes which have been levied for 2018 which will not be collected until 2019 have been accrued as a receivable at December 31, 2018. An offsetting amount for deferred inflow of resources - unavailable property tax revenue has also been recorded in the general fund.

Note F - Change in Capital Assets

The following is a summary of the changes in capital assets:

	<u>Balance 1-1-18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12-31-18</u>
Land	\$ 34,200	\$ -	\$ 4,200	\$ 30,000
Buildings and improvements	238,220	2,912	156,500	84,632
Machinery and equipment	824,036	20,701	-	844,737
Furniture and fixtures	2,025	11,022	-	13,047
Construction in process	253,411	2,363,136	-	2,616,547
Totals	<u>1,351,892</u>	<u>\$ 2,397,771</u>	<u>\$ 160,700</u>	<u>3,588,963</u>
Less: Accumulated depreciation	<u>(715,229)</u>			<u>(626,205)</u>
Net Capital Assets	<u>\$ 636,663</u>			<u>\$ 2,962,758</u>

Depreciation expense by function:

General Government	\$ 1,575
Public Safety	65,901
	<u>\$ 67,476</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
 December 31, 2018

Note G - Long-Term Liabilities

The following summary of changes in long-term liabilities reported in the government-wide financial statements:

	Balance at <u>1-1-2018</u>	<u>Additions</u>	<u>Reductions</u>	Balance at <u>12-31-2018</u>	Due in <u>One Year</u>
Capital Lease	\$ 51,568	\$ -	\$ 9,681	\$ 41,887	\$ 9,980
Note Payable	1,988,314	-	52,769	1,935,545	54,484
Compensated Absences	2,211	1,698	-	3,909	-
Total Debt	<u>\$ 2,042,093</u>	<u>\$ 1,698</u>	<u>\$ 115,219</u>	<u>\$ 1,981,341</u>	<u>\$ 64,464</u>

The following is a description of each individual lease:

Fowler State Bank - Two Trucks Capital Lease Payable

\$70,000 lease purchase of 2015 Dodge Ram and 2016 Chevy Tahoe with Fowler State Bank payable over 7 annual installments of \$11,362 at 3.25% interest ending December 2022. \$ 41,887

Bank of the San Juans - Building Construction Note Payable

\$1,988,314 note payable for construction of new fire station with Bank of the San Juans payable over 25 annual installments of \$117,389 at 3.25% interest ending July 2042. 1,935,545

Compensated Absences - Accumulated vacation for eligible employees.

Total \$ 3,909
\$ 1,981,341

The following schedule reflects the estimated debt service requirements to maturity of the District's governmental activities:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 64,464	\$ 64,287	\$ 128,751
2020	66,560	62,190	128,750
2021	68,731	60,020	128,751
2022	70,922	57,781	128,703
2023	61,919	55,469	117,388
2024-2028	341,122	245,822	586,944
2029-2033	400,276	186,667	586,943
2034-2038	469,689	117,255	586,944
2039-2042	433,749	35,806	469,555
Compensated Absences	3,909	-	3,909
Total	<u>\$ 1,981,341</u>	<u>\$ 885,297</u>	<u>\$ 2,866,638</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
December 31, 2018

Note H - Firemen's Pension Plan

Summary of Significant Accounting Policies

For purposes of measuring the liability / (asset), deferred outflows of resources and deferred inflows of resources, and expense associated with the District's requirement to contribute to the Colorado Fire & Police Pension Association (FPPA) Pension Plan, information about FPPA's fiduciary net position and additions to/deductions from FPPA's fiduciary net position have been determined on the same basis as they are reported by FPPA. For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan Description

The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan. The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.

Benefits Provided

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. 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.

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

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers are contributing at the rate of 9.5 percent and 8 percent, respectively, of base salary for the total contribution rate of 17.5 percent in 2017. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
 December 31, 2018

Note H - Firemen's Pension Plan (Continued)

General Information about the Pension Plan (Continued)

Contributions (Continued)

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 21.5 percent of base salary in 2017. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the reentry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The contribution rate for members and employers of affiliated social security employers is 4.75 percent and 4 percent, respectively, of base salary for a total contribution rate of 8.75 percent in 2017. Per the 2014 member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined rate of 10 percent in 2022.

Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2018, the District reported a liability of \$45 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the contributions of the District and all participants, actuarially determined. At December 31, 2017, the District's portion was .009708%.

As a result of its requirement to contribute to FPPA, the District recognized income of \$5,183 for the year ended December 31, 2018. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources from the following sources as a result of its requirement to contribute to FPPA:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows or Resources</u>
Difference between expected and actual experience	\$ 10,072	\$ (155)
Changes in assumptions	2,104	(4,742)
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,717	-
District contributions subsequent to the measurement date	471	-
Total	<u>\$ 16,364</u>	<u>\$ (4,897)</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
 December 31, 2018

Note H - Firemen's Pension Plan (Continued)

General Information about the Pension Plan (Continued)

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

Deferred outflows and inflows will be recognized in pension expense in future years as follows:

Year ending December 31:	
2019	\$ 6,801
2020	542
2021	542
2022	542
Thereafter	3,040
Total	<u>\$ 11,467</u>

Actuarial Methods and Assumptions

In the January 1, 2018 actuarial valuation, the actuarial assumptions included:

Actuarial cost method	Entry age normal
Amortization method	Level % of payroll, open
Amortization period	30 years
Long-term Investment Rate of Return	7.5%
Projected Salary Increases	4.0% - 14%
Cost of Living Adjustments (COLA)	0.0%
Inflation	2.5%

Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except there is a three year set-forward, meaning a disabled member age 70 will be valued as if they were a 73 year old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
 December 31, 2018

Note H - Firemen’s Pension Plan (Continued)

General Information about the Pension Plan (Continued)

Actuarial Methods and 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, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37%	8.33%
Equity Long / Short	9%	7.15%
Illiquid Alternatives	24%	9.70%
Fixed Income	15%	3.00%
Absolute Return	9%	6.46%
Managed Futures	4%	6.85%
Cash	2%	2.26%
Total	100%	

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board’s funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate

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

For purposes of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.31% (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%.

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
 December 31, 2018

Note H - Firemen's Pension Plan (Continued)

General Information about the Pension Plan (Continued)

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate

The following presents the District's proportionate share of the net pension liability, calculated using a Single Discount Rate of 7.50%; as well as what the plan's net position liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease <u>6.5%</u>	Current Single Discount Rate Assumption <u>7.5%</u>	1% Increase <u>8.5%</u>
District's proportionate share of the net pension liability	\$ <u>94</u>	\$ <u>45</u>	\$ <u>(78)</u>

NOTE I - Fund Balances

Government-wide Net Position

Government-wide net position is divided into three components:

- Invested in capital assets, net of related debt - consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net position - consists of net position that is restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors, (both federal and state), and by other contributors.
- Unrestricted - all other net position is reported in this category.

Governmental Fund Balances

In the fund financial statements the following classifications describe the relative strength of the spending constraints.

- *Non-spendable fund balance* - The portion of fund balance that cannot be spent because it is either not spendable form (such as inventory) or is legally or contractually required to be maintained intact.
- *Restricted fund balance* - 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.
- *Committed fund balance* - The portion of fund balance constrained for specific purposes according to limitations imposed by the District's highest level of decision making authority, the Board of Directors, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Directors.

NOTES TO FINANCIAL STATEMENTS (Continued)
BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
December 31, 2018

NOTE I - Fund Balances (Continued)

Governmental Fund Balances (Continued)

- *Assigned fund balance* - The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Board of Directors or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balance in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum intended to be used for the purpose of that particular fund.
- *Unassigned fund balance* - The residual portion of fund balance that does not meet any of the above criteria. The District will only report a positive unassigned fund balance in the General Fund.

If both restricted and unrestricted amounts of fund balance are available for use when an expenditure is incurred, it is District policy to use restricted amounts first. Unrestricted fund balance will be used in the following order; committed, assigned and unassigned. At December 31, 2018, restricted fund balance consists of \$14,300 for the District's emergency reserve.

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
Last 10 Fiscal Years

	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability	0.009708%	0.010669%
District's proportionate share of the net pension liability	\$ 45	\$ 17,867
District's covered payroll	\$ 56,784	\$ 54,600
District's proportionate share of the net pension liability as a percentage of its covered payroll	0.08%	32.72%
Plan fiduciary net position as a percentage of the total pension liability	106.30%	98.21%

The amounts presented for each fiscal year were determined as of December 31.

The schedule is presented to show information for ten years. Until information for the full ten year period is available, information will be presented for the years it is available.

The accompanying notes to the financial statements are an integral part of this statement.

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
 BEULAH FIRE PROTECTION & AMBULANCE DISTRICT
 Last 10 Fiscal Years

	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 4,543	\$ 4,368
Contributions in relation to the contractually required contribution	<u>(4,543)</u>	<u>(4,368)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 56,784	\$ 54,600
Contributions as a percentage of covered payroll	8.00%	8.00%

The amounts presented for each fiscal year were determined as of December 31.

The schedule is presented to show information for ten years. Until information for the full ten year period is available, information will be presented for the years it is available.

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE

BUDGET TO ACTUAL - GENERAL FUND

BEULAH FIRE PROTECTION & AMBULANCE DISTRICT

For the Year Ended December 31, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
General property taxes	\$ 302,684	\$ 301,565	\$ 302,599	\$ 1,034
Specific ownership taxes	8,000	18,349	28,929	10,580
Charges for services	42,000	53,148	48,317	(4,831)
Interest income	10	15	132	117
Grants	5,000	142,231	249,759	107,528
Donations	3,626	39,462	76,186	36,724
Flash Flood Mitigation	-	3,000	-	(3,000)
District Savings	-	111,513	-	(111,513)
Debt proceeds	-	1,935,545	-	(1,935,545)
Gain/(loss) on sale of assets	-	-	56,683	56,683
Total Revenues	<u>361,320</u>	<u>2,604,828</u>	<u>762,605</u>	<u>(1,842,223)</u>
Expenditures				
Professional expenses	15,940	28,225	27,212	1,013
Department expenses & supplies	47,300	2,189,053	81,328	2,107,725
Administration	114,185	128,361	129,678	(1,317)
Insurance	15,875	14,444	7,812	6,632
Office expense	24,150	32,898	32,519	379
Public outreach	2,100	2,250	2,250	-
Promotional expenses	150	61	61	-
Contingency expenses	1,000	1,126	1,989	(863)
Capital outlay	12,500	70,673	2,397,771	(2,327,098)
Flood Mitigation Reserve	-	4,889	4,888	1
Debt service	117,389	117,389	128,751	(11,362)
Emergency reserve	10,731	15,459	-	15,459
Total Expenditures	<u>361,320</u>	<u>2,604,828</u>	<u>2,814,259</u>	<u>(209,431)</u>
Excess of Revenue Over (Under) Expenditures	-	-	(2,051,654)	(2,051,654)
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>2,017,610</u>	<u>2,017,610</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (34,044)</u>	<u>\$ (34,044)</u>

The accompanying notes to the financial statements are an integral part of this statement.