



RED, WHITE & BLUE *FIRE PROTECTION DISTRICT*

COMPREHENSIVE ANNUAL FINANCIAL REPORT For the Year Ended December 31, 2018



Together, building a safer community through
prevention, preparedness, and response.

**RED, WHITE AND BLUE FIRE PROTECTION DISTRICT
BRECKENRIDGE, COLORADO**

**COMPREHENSIVE ANNUAL FIANNCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

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**RED, WHITE AND BLUE FIRE PROTECTION DISTRICT
BRECKENRIDGE, COLORADO**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2018

Prepared by Laura Johnson, CPA, MBA
Finance Officer



RED, WHITE & BLUE

FIRE PROTECTION DISTRICT

COURAGE, COMMITMENT, CARING

June 4, 2019

To the Citizens and Board of Directors of the Red, White & Blue Fire Protection District:

State law requires that all special districts with revenue in excess of \$750,000 publish within six months of the close of their fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Financial Statements with Independent Auditor's Report of the Red, White & Blue Fire Protection District (District) for the fiscal year ended December 31, 2018.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Pursuant to that requirement, the enclosure consists of management's representations concerning the finances of the District for the fiscal year ended December 31, 2018, and the results of an independent audit of the financial statements by ACM LLP, a firm of licensed certified public accountants.

The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended December 31, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended December 31, 2018, are fairly presented in conformity with GAAP.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The management of the District is responsible for the contents of the Comprehensive Annual Financial Report (CAFR) and acknowledges the contribution of the Finance Officer who was integral in the preparation of the CAFR.

Profile of the Government

The District was formed in 1976 as a statutory fire protection district. The quasi-governmental special district model was utilized to secure long term funding via a property tax mill levy in the provision of multi-faceted emergency response services. The District incorporates approximately 138 square miles of Summit County, Colorado, including Breckenridge Ski Resort, one of the most popular skiing and snowboarding destinations in North America. Skier visits at Breckenridge Ski Area have increased from 1.0 million in 1993 to 1.6 million in 2013 (an increase of 60%); according to Vail Resorts Annual Report, in 2016/2017 ski season, Breckenridge was the single most visited mountain resort in the United States,. The Towns of Breckenridge and Blue River along with unincorporated Summit County consist of a year round population of approximately 13,000 residents that swells to over 65,000 citizens and guests during the winter.

Initially, the District provided emergency response services with a combination of volunteer and career personnel responding from three fire stations. Today, the District serves and protects life and property with a staff of 58 full-time personnel and four strategically located fire stations. Emergency medical and trauma call volume continues to increase dramatically (up 50% over past 5 years and up 15.5% from 2017), and of the 2,631 calls in 2018, 56% of them were related to trauma or medical emergency incidents. The District has enhanced emergency medical services (EMS) through an ambulance services mutual aid agreement with Summit County Ambulance Service, and the District has two fully staffed medic units in addition to the fire apparatus. This collaborative integration of resources provides for a quicker, more efficient response of advanced life support personnel, equipment and patient transport capability. The District utilizes the 9-1-1 dispatching services of the regional Summit County Communications Center. This additional multi-agency collaboration is governed by a representative policy board of the public safety users and is funded via an annually calculated assessment to the users. The District, as a primary user, is responsible for an equal share of the direct overhead expenses, as well as a portion of expenses based on an audit of the number of incidents from the previous year.

The District also equips, trains and responds to wildland fires, hazardous materials-related emergencies and a variety of technical rescue and public assistance requests for service. Wildland fires were particularly active in 2018, and the District responded locally, state-wide and nationally to calls for fighting wildland fires. Community risk management is addressed via a multilateral approach involving engineering, education, enforcement, planning, preparedness and response. All divisions and personnel understand and actively serve in their roles toward mitigating and managing community risks.

The District is governed by a publicly elected, five-member Board of Directors serving for four-year staggered terms. The Board is responsible for, among other things, overall policy development and decisions, adopting an annual budget, managing long range planning and hiring the Fire Chief. The Fire Chief is responsible for carrying out the policies of the Board of Directors and for overseeing the day-to-day operations.

The annual budget serves as the foundation for the District's financial planning and management. The staff from of all divisions of the District are required to participate in specific development and management of the annual budget. The Fire Chief and Finance Officer use appropriation requests along with the revenue projections to develop a proposed budget. The budget is then presented to the District's Board of Directors before October 15th of each year. The Board of Directors is required to hold public hearings on the proposed budget and to adopt a final budget. The necessary and appropriate property tax mill levy must be certified to the County Commissioners by December 15th of each year. The Board of Directors must approve any revision that alters the total appropriation of the General Fund through a supplemental resolution and budget amendment.

Local Economic Condition and Outlook

The District closely monitors national, state and local economic conditions, and forecasts any potential repercussions as the impact on property values historically lags several years beyond benchmark economic indicators. Historically the District enjoyed a stable economic environment in relation to the assessed valuation of properties protected. The District enjoyed an average 6% yearly economic growth for years

prior to the economic downturn in 2008 when property values plummeted. Property values began to increase in 2012. That trend has continued through 2018, particularly with the declining inventory of property on the market. Both residential and commercial construction began to improve in 2013 and continue to improve through the present. In 2018, a new assessment cycle, the District again sees increased property values. However the District faced a real challenge to its property tax revenues stream due to the TABOR and Gallagher Amendments in the state of Colorado. The combination of TABOR and Gallagher Amendments have the effect of ratcheting down the Residential Assessment Rate (RAR) when property values increase, causing the assessed values to increase at a much lower rate than the actual property values, and in some cases the assessed values may even fall as property values rise. Due to the TABOR and Gallagher Amendments the RAR in Colorado has dropped 66% since 1982, and from 2016 to 2017 it dropped 10%: from 7.96% RAR in 2016 (for revenues collected in 2017) to 7.2% RAR in 2017 (for revenues collected in 2018 and 2019). Forecasts were for the RAR to drop to 6.1% (another 15% drop) in 2019, and this caused many Fire Districts, including Red White and Blue Fire Protection District, to bring this issue to their voters. The District's voters overwhelmingly supported (78% voted Yes/For) and passed a ballot measure in November 2018 to allow the District to adjust its property tax mill levy rate beginning in tax collection year 2019 if the RAR dropped below 7.2% in order to maintain its tax revenue at the point where it would have been at the 7.2% RAR.

Since 2014 the national economy has averaged around 3% GDP growth rate and the unemployment rates have dropped from 10% in 2010 to 4% in 2018 (Colorado is currently at 2.9%). The Federal Reserve became concerned about late cycle inflationary pressures, particularly due to low unemployment and accelerating wages and prices, so the FOMC responded with rate hikes: three 0.25% rate hikes in 2017 and four 0.25% hikes in 2018. As these indicators have direct impact on the District's fiscal position, we continue with a very conservative approach to budgeting with our focus on the local economic conditions. This approach helps to ensure a stable and sustainable financial position.

Long-term financial planning

In order to meet future objectives and potential challenges, the District developed and adopted a five year Strategic Plan (2017-2021) that identifies organizational philosophies, strategic initiatives and organization goals. The Strategic Plan was developed through a collaborative effort of both internal and external stakeholders and is a guiding factor for the future needs of the District. In addition to the Strategic Plan, various long-range capital needs assessments have been completed and replacement schedules are identified for fleet, facilities and technology. The Plan and accompanying schedules are reviewed and updated as required each year during budget preparation.

The District has developed a long-range capital plan for fleet replacement. Front line apparatus (heavy fleet fire engines and ladder trucks) are generally planned for replacement on a ten year staggered schedule. A variety of factors are evaluated including exceptional usage, maintenance costs, functions demands, etc. that may extend or retract the schedule.

Relevant financial policies

In 2018, for better budgeting and tracking of expenditures, the District established a separate fund for Capital Expenditures, so the District now has a General Operating Fund and a Capital Expenditure Fund. The Capital Expenditure Reserve Fund was initially funded with a \$2.0 million transfer from the General Operating Fund Reserve; additionally 0.5 mills of the 9.0 mills Property Tax Levy are annually designated to the Capital Expenditure Fund. The District's current fiscal policy in regards to Reserves is that the General Fund Reserve balance should be maintained at 6 months of General Operating Budget for the coming year (\$4.4 million for 2019 Budget) and the Capital Expenditure Fund Reserve should be at 5 years of Budgeted Capital Expenditures (\$5.2 million through 2023). As of December 31, 2018, the General Fund fund balance, including restricted, emergency and unassigned dollars totaled approximately \$4.9 million, which is above the District's recommended Reserves of six months of budgeted operating expenses. As of December 31, 2018, the Capital Expenditure Fund fund balance is at approximately \$2.1 million which is 38% of 5 years of budgeted capital expenditures. As revenues allow, the District will

consider additional transfers from the General Operating Fund to the Capital Expenditure Fund in the upcoming years. Additional revenues are expected in upcoming years due to the District's increased EMS role in the community.

The District constantly seeks to employ the most motivated, well-educated and most technically proficient personnel in Colorado. Annually, salaries and related benefits represent the largest appropriation funds in the budget; in 2018, that figure is 75.5%, up from 71% in 2017. This increase is reflective of the competitive environment in Colorado to attract and retain EMS personnel. A rewarding compensation package is evaluated annually for alignment with industry best practices. Over the last five years, the District has performed significant compensation studies and has modified elements of total compensation to remain both competitive and fiscally responsible. Transparency and open communication exists from the Board of Directors to an internal Compensation Committee inclusive of personnel from all divisions regarding salary schedules, pay ranges, critical performance measures, hiring and promotion, and comprehensive benefits. Information on the District's pension arrangements can be found in Note 5, "Other Information" to the financial statements in the 2018 Audit Report.

Cash management policies and practice

Cash is invested mainly in state regulated investment pools and laddered Certificates of Deposit; and the investments are recorded at fair value. Colotrust and Colorado Statewide Investment Program (CSIP) manage most of the cash invested in state and federally protected regulated investment pools. Short-term cash flows for general operations require that funds be relatively liquid. These balances and the emergency reserve fund are held in money market checking accounts. With increasing reserve balances, the need for alternative investments in compliance with State statute and District's Investment Policy are continually reviewed by the District's Investment Committee.

Risk management

The District self-insures for short-term disability insurance for the District's employees. Full insurance coverage is maintained on the District's property with reasonable deductibles on vehicles and buildings. A minimum emergency reserve fund balance of 3% of the current budgeted operating expenditures is maintained to cover any disastrous loss. The District also maintains a sufficient general liability policy with the Moody Insurance. As these insurance premium rates have escalated, the District has implemented higher deductibles in recent years on workers' compensation insurance, as well as switching Worker Compensation in 2017 to Pinnacol Assurance, which is run by the state of Colorado. In the past four years, the District has focused heavily on safety in order to minimize risks associated with personal and workplace injuries.

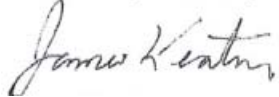
Awards and Acknowledgements

The District has worked towards becoming an Accredited Agency through the Commission on Fire Accreditation International (CFAI) since late 2009 and has been accredited in each of the two 5 year accreditation cycles since 2009. CFAI is dedicated to assisting the fire and emergency service agencies throughout the world in achieving excellence through self-assessment and accreditation in order to provide continuous quality improvement and the enhancement of service delivery to their communities. The District completed its self-assessment, standards of cover and strategic plan and had a successful peer team review in November 2011, and the Commission awarded the District with the status of Accredited Agency in March 2012, which was a five year award. The District again completed its self-assessment, standards of cover and strategic plan and had a successful peer team review in December 2016, and the Commission awarded the District with the status of Accredited Agency in March 2017. This again is a five-year award with a mandatory annual compliance report. The District continues to participate in this continual improvement process through self-assessment each year. The District is also pursuing becoming an Accredited Agency through the Commission on Accreditation of Ambulance Services (CAAS); the District has completed about 90% of documents required to be submitted for CAAS accreditation.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Red, White & Blue Fire Protection District for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2017. This was the eighth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Respectfully submitted,



James Keating
Fire Chief



Laura Johnson
Finance Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

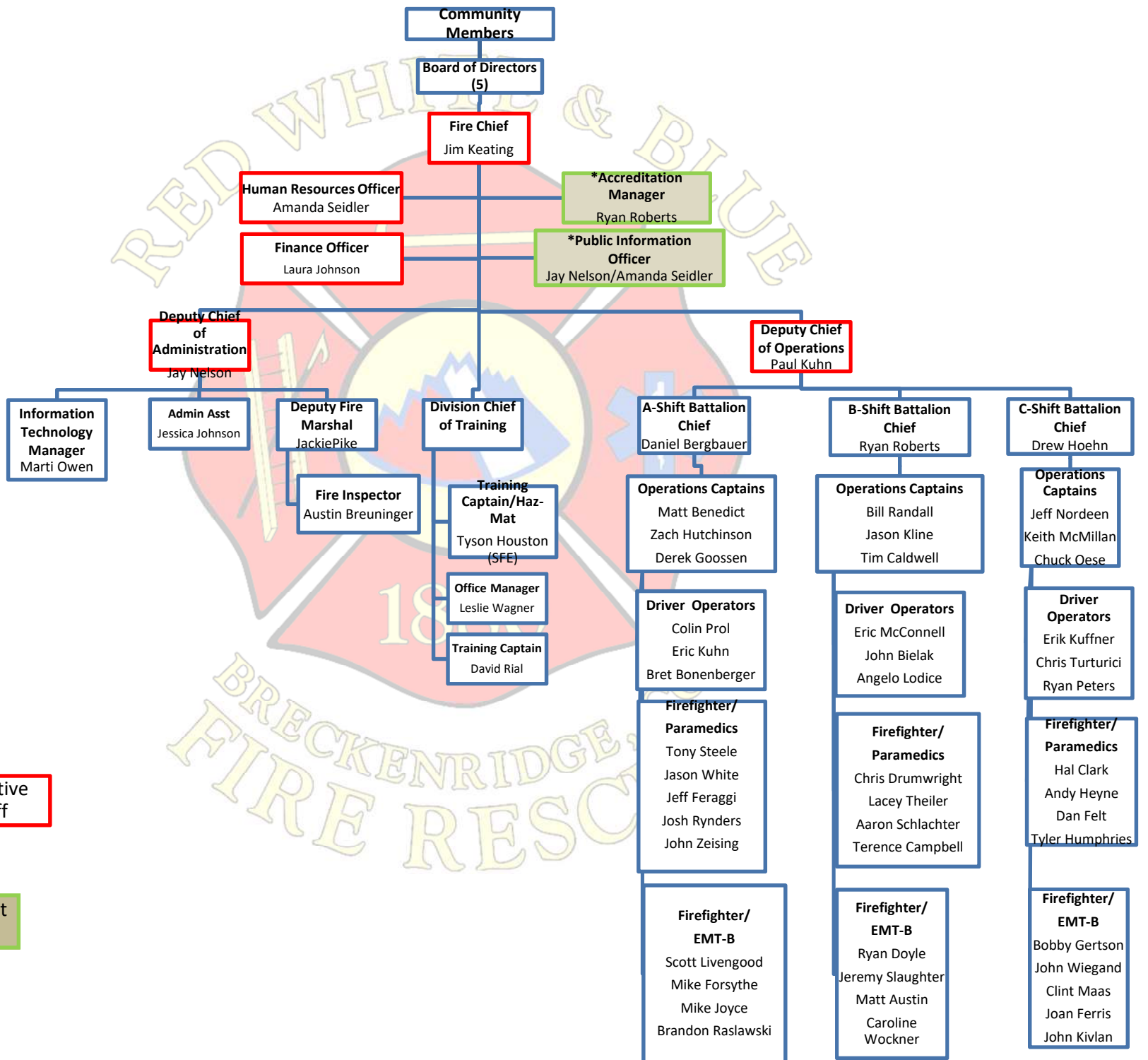
**Red, White, & Blue Fire Protection
District, Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO



Executive Staff

Function, Not Position

**RED, WHITE AND BLUE FIRE PROTECTION DISTRICT
BRECKENRIDGE, COLORADO**

**ELECTED OFFICIALS
BOARD OF DIRECTORS**

Arch Gothard, President
Jim Brook, Vice President
Ken Wiegand, Secretary-Treasurer
Dean Lippert - Director
Rich Rafferty - Director

FIRE CHIEF

James Keating

DEPUTY CHIEF OF ADMINISTRATION

Jay T. Nelson, MPA, CFPS

DEPUTY CHIEF OF OPERATIONS

Paul Kuhn

FINANCE OFFICER

Laura Johnson, CPA, MBA



Independent Auditor's Report

Board of Directors
Red, White & Blue Fire Protection District
Breckenridge, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the Red, White & Blue Fire Protection District (the "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 the 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 District as of December 31, 2018, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Emphasis of Matters

As discussed in Note 2 to the basic financial statements, the District has changed its method of accounting and reporting for post employment benefits other than *pensions during 2018 due to the adoption of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The adoption of the standard required retrospective application resulting in a \$91,682 reduction of previously reported net position. Our opinion is not modified with respect to this matter.

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 3 through 7, pension and other post-employment benefit related schedules on pages 60 through 71 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison schedule on page 71, introductory section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. 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 financial statements as a whole.

The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

ACM LLP

Greeley, Colorado
June 4, 2019

Red, White & Blue Fire Protection District

Management's Discussion and Analysis
December 31, 2018

As management of the Red, White & Blue Fire Protection District, (the "District"), we offer readers of the District's financial statements this narrative summary of the financial activities of the District for the fiscal year ended December 31, 2018.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements. These components are discussed below.

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

The Statement of Net Position presents information on all of the District's assets, deferred outflows of resources, liabilities (both short-term and long-term), and deferred inflows of resources with the difference between the categories reported as net position. The Statement of Net Position presents the financial position, focusing on long-term economic resources, and is reported on a full accrual basis. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities shows how the government's net position changed during the most recent fiscal year. The Statement of Activities focuses on long-term economic resources and is reported on a full accrual basis. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related 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.

The District's financial statements can be found on pages 8 and 9 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources, which have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with legal requirements.

The Balance Sheet presents the financial position of the District, focusing on short-term available resources, and is reported on a modified accrual basis of accounting.

The Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances column focuses on short-term available resources and is reported on a modified accrual basis.

The District's fund financial statements can be found on pages 10 through 13 of this report.

Notes to the financial statements: The notes provide a background of the entity, certain required statutes, and accounting policies utilized by the District. They also provide additional information that will aid in the interpretation of the financial statements. The notes to the financial statements can be found starting on page 15 of this report.

Financial Analysis of the District

Red, White & Blue Fire Protection District – Summary of Net Position

	<u>2018</u>	<u>2017</u>
Assets:		
Current and other assets	\$14,990,034	\$14,169,692
Net pension asset	1,269,363	227,995
Capital assets, net of depreciation	5,807,465	6,138,753
Total assets	<u>22,066,862</u>	<u>20,536,440</u>
Deferred outflows of resources		
Deferred outflows of resources related to pensions and OPEB	1,447,395	1,882,124
Total deferred outflows of resources	<u>1,447,395</u>	<u>1,882,124</u>
Liabilities:		
Current liabilities	204,596	236,053
Long-term liabilities	1,977,180	2,462,395
Total liabilities	<u>2,181,776</u>	<u>2,698,448</u>
Deferred inflows of resources:		
Deferred revenue – property taxes	7,840,401	7,722,128
Deferred inflows of resources related to pensions and OPEB	609,412	79,186
Total deferred inflows of resources	<u>8,449,813</u>	<u>7,801,314</u>
Net position:		
Net investment in capital assets	5,630,416	5,849,521
Restricted for emergencies	284,162	269,377
Unrestricted	6,968,090	5,799,904
Total net position	<u>\$12,882,668</u>	<u>\$11,918,802</u>

Net position for 2017 for the implementation of Governmental Accounting Standards Board Statement No. 75 was not restated as presented above.

At December 31, 2018, approximately 44% of the District's net position reflects its investment in capital assets, which includes land, fire stations, vehicles, and equipment, less debt outstanding related to capital assets.

Similar to 2017, the District is able to report positive balances in all categories of net position at the end of 2018. Overall, the District's net position increased \$963,866, or 8.1%, including the cumulative effect of change in accounting principle, over the prior year.

In 2018 the District continued to reduce its capital leases outstanding. Furthermore, in 2018 the District invested in IT/communications upgrades, facility improvements and fleet upgrades. These events increased both total assets and total net position at the end of 2018.

Financial Analysis of the District (continued)

Red, White & Blue Fire Protection District – Statement of Activities

	<u>2018</u>	<u>2017</u>
Revenues:		
Program Revenue:		
Charges for Services	\$720,106	\$872,520
Operating Grants and Contributions	617,314	606,282
Capital Grants and Contributions	-	21,353
General Revenue:		
Property taxes	7,706,966	7,188,113
Specific ownership taxes	458,603	428,195
Interest on delinquent taxes	10,357	8,394
Earnings on investments	125,937	68,645
Other General Revenues	17,153	21,044
Total Revenues	<u>9,656,436</u>	<u>9,214,546</u>
Expenses:		
Administration	1,729,863	1,754,222
Operations	5,381,563	5,493,418
Community Risk Management	197,447	209,437
Training	500,280	583,339
Communications	178,879	168,370
Fleet Services	194,278	169,659
Facilities	352,799	326,206
Emergency medical services	53,462	87,308
Interest on long-term debt	12,317	18,333
Total Expenses	<u>8,600,888</u>	<u>8,810,292</u>
Change in Net Position	1,055,548	404,254
Net Position:		
Beginning of the Year	11,918,802	11,514,548
Cumulative effect of a change in accounting principle	<u>(91,682)</u>	<u>-</u>
End of the Year	<u>\$12,882,668</u>	<u>\$11,918,802</u>

Property taxes were the most significant source of revenue, accounting for approximately 80% of total revenues.

When compared to 2017, revenues increased by \$441,890 in 2018. The majority of the increase occurred due to an increase in Property Tax Revenues, as 2018 was the first year in new upward assessment cycle, as well as increased returns on Certificates of Deposits due to higher short term interest rates.

Salaries, wages, and employee benefits in 2018 totaled approximately \$6,741,360, or 78% of total 2018 District expenses, as compared to 69% in 2017. This increase was due to hiring one new employee to staff the newly opened Station #5 on Peak 7, the SAFER Grant which paid for three employees' salaries expired in 2018, increased salaries for paramedics and Grade 5 employees and higher overtime expenses due to several employees being out on leave.

Depreciation expense of \$558,957 accounted for 7% of total District expenses in 2018.

Budget Variances in the General Fund

The District's actual expenditures and transfers out were under final budget in the General Fund in 2018 by \$654,487; 2018 District revenues exceeded expenditures by \$675,215.

Significant budget variances in the General Fund were as follows:

Account	Final Budget	Actual Amount	Variance Positive (Negative)	Reason
Revenues:				
Specific Ownership Taxes	\$350,000	\$458,603	\$108,603	Increase in large ticket items such as cars, RVs, etc. as the economy grew and stabilized in 2018.
Emergency Medical Services	\$300,000	\$476,141	\$176,141	The collection rate was higher than past years and Summit County Government removed the prior cap on revenues for the Red White & Blue Fire Protection District
Earnings on Investments	\$60,000	\$125,937	\$65,937	More active management of investment portfolio, combined with increasing yields on Certificates of Deposits.
Summit Fire Authority Revenues	\$294,525	\$210,694	\$(83,831)	An employee at Summit Fire Authority resigned in March 2018 and was not replaced until 2019, so reimbursement for the Red White & Blue Fire Protection District payroll expenses were less than budgeted
Other Grants and Contributions/Wildfire Fighting	\$553,244	\$432,948	\$(120,296)	Wildland firefighting revenues are difficult to budget; however revenues came in lower at year end than projected.
Plan Review and Other Fees	\$150,000	\$33,271	\$(116,729)	A 2018 budgeted plan review for large project was pushed into 2019

Expenditures:

All departments at Red White and Blue Fire Protection District came in under final amended General Fund budget.

Other Financing Uses:

In the interest of having more transparent financial statements, the District created a separate fund for capital expenditures in 2018. This was funded by a \$2,000,000 transfer from the General Operating Fund to the newly created Capital Expenditures Fund. The Capital Expenditures Fund is also funded ongoing by a 0.05 mill levy on assessed property which was approved by Red White & Blue Fire Protection District in 2015.

Capital Asset and Debt Administration

Capital assets: The District's capital assets, net of accumulated depreciation, decreased by \$331,289 in 2018. Purchases of capital assets were made for vehicles and fire equipment totaling \$227,668. Depreciation expense on all capital assets totaled \$558,957. Additional information as well as a detailed classification of the District's net capital assets can be found in the notes to the financial statements starting on page 24.

Long-term obligations: The District did not enter into any new long-term notes or lease purchase agreements in 2018. Additional information can be found in the notes to the financial statements starting on page 25 of this report.

Next Year's Budget and Rates

The District's fund balance for both the General Fund and Capital Expenditures Fund at the end of the 2018 fiscal year totaled \$6,946,568. The District's 2019 fund balance for both the General Fund and Capital Expenditures Fund budget anticipates an ending balance of approximately \$6,946,568.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Finance Officer, Red, White & Blue Fire Protection District, P.O. Box 0710, Breckenridge, CO 80424.

**Red, White & Blue Fire Protection District
Statement of Net Position**

December 31, 2018

	Governmental Activities
Assets	
Cash and investments	\$ 6,783,152
Accounts receivable:	
Taxes receivable	7,840,401
Other	203,723
Prepaid items	162,758
Capital assets, not being depreciated	535,692
Capital assets, being depreciated, net	5,271,773
Net pension asset	1,269,363
Total assets	22,066,862
Deferred outflows of resources	
Deferred outflows of resources related to pensions	1,441,209
Deferred outflows of resources related to other post employment benefits	6,186
Total deferred outflows of resources	1,447,395
Liabilities	
Accounts payable	135,497
Other payables	67,568
Accrued interest payable	1,531
Non-current liabilities:	
Earned benefits payable, due within one year	269,874
Earned benefits payable, due in more than one year	91,223
Capital leases, due in one year	116,831
Capital leases, due in more than one year	60,218
Net pension liability	1,350,031
Net other post employment benefit liability	89,003
Total liabilities	2,181,776
Deferred inflows of resources	
Deferred revenue - property taxes	7,840,401
Deferred inflows of resources related to pensions	605,602
Deferred inflows of resources related to other post employment benefits	3,810
Total deferred inflows of resources	8,449,813
Net position	
Net investment in capital assets	5,630,416
Restricted for emergencies	284,162
Unrestricted	6,968,090
Total net position	\$ 12,882,668

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

**Red, White & Blue Fire Protection District
Statement of Activities**

Year Ended December 31, 2018

	Program Revenues			Net (Expense) Revenue and Change in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
Administration	\$ 1,729,863	\$ -	\$ -	\$ -	\$ (1,729,863)
Operations	5,381,563	476,141	617,314	-	(4,288,108)
Community risk management	197,447	33,271	-	-	(164,176)
Training	500,280	210,694	-	-	(289,586)
Communications	178,879	-	-	-	(178,879)
Fleet services	194,278	-	-	-	(194,278)
Facilities	352,799	-	-	-	(352,799)
Emergency medical services	53,462	-	-	-	(53,462)
Interest on long-term debt	12,317	-	-	-	(12,317)
Total governmental activities/Primary government	\$ 8,600,888	\$ 720,106	\$ 617,314	\$ -	(7,263,468)
General revenues					
Property taxes					7,706,966
Specific ownership taxes					458,603
Interest on delinquent taxes					10,357
Earnings on investments					125,937
Other general revenues					17,153
Total general revenues					8,319,016
Change in net position					1,055,548
Net position at beginning of year					11,918,802
Cumulative effect of a change in accounting principle (Note 2)					(91,682)
Net position at end of year					\$ 12,882,668

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

Red, White & Blue Fire Protection District
Balance Sheet
Governmental Funds
December 31, 2018

	General Fund	Capital Expenditure Fund	Total
Assets			
Cash and investments	\$ 4,727,034	\$ 2,056,118	\$ 6,783,152
Accounts receivable:			
Taxes receivable	7,405,548	434,853	7,840,401
Other	203,723	-	203,723
Prepaid items	162,758	-	162,758
Total assets	\$ 12,499,063	\$ 2,490,971	\$ 14,990,034
Liabilities, deferred inflows of resources and fund balance			
Liabilities			
Accounts payable	\$ 135,497	\$ -	\$ 135,497
Other payables	67,568	-	67,568
Total liabilities	203,065	-	203,065
Deferred inflows of resources			
Deferred revenue - property taxes	7,405,548	434,853	7,840,401
Total deferred inflows of resources	7,405,548	434,853	7,840,401
Fund balance			
Nonspendable for prepaid items	162,758	-	162,758
Restricted for emergencies	284,162	-	284,162
Committed for long-range capital expenditures	710,947	2,056,118	2,767,065
Unassigned	3,732,583	-	3,732,583
Total fund balance	4,890,450	2,056,118	6,946,568
Total liabilities, deferred inflows of resources and fund balance	\$ 12,499,063	\$ 2,490,971	\$ 14,990,034

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

Red, White & Blue Fire Protection District
Reconciliation of the Governmental Funds
Balance Sheet with the Government-wide Statement of Net Position
December 31, 2018

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

Total fund balance - governmental funds		\$ 6,946,568
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental fund financial statements.

Cost of capital assets	\$ 12,990,582		
Accumulated depreciation	<u>(7,183,117)</u>		5,807,465

Pension asset, pension liability and related deferred inflows and deferred outflows of resources are not current financial resources and, therefore, are not reported in the fund financial statements.

Pension asset	\$ 1,269,363		
Pension liability	(1,350,031)		
Deferred outflows of resources relating to pensions	1,441,209		
Deferred inflows of resources relating to pensions	<u>(605,602)</u>		754,939

Other post employment benefit liability and related deferred inflows and deferred outflows of resources are not current financial resources and therefore, are not reported in the fund financial statements.

Other post employment benefit liability	\$ (89,003)		
Deferred outflows of resources relating to other post employment benefits	6,186		
Deferred inflows of resources relating to other post employment benefits	<u>(3,810)</u>		(86,627)

Long-term liabilities, including capital lease obligation payable, accrued interest payable, and earned benefits payable are not due and payable from current financial resources and, therefore, are not reported as liabilities in the fund financial statements.

Capital lease payable	\$ (177,049)		
Accrued interest payable	(1,531)		
Earned benefits payable	<u>(361,097)</u>		<u>(539,677)</u>

Total net position - governmental activities		\$ 12,882,668
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The accompanying notes are an integral part of these financial statements.

Red, White & Blue Fire Protection District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds

Year Ended December 31, 2018

	General Fund	Capital Expenditure Fund	Total
Revenues			
Property taxes	\$ 7,279,216	\$ 427,750	\$ 7,706,966
Specific ownership taxes	458,603	-	458,603
Interest on delinquent taxes	9,782	575	10,357
Earnings on investments	125,937	-	125,937
Plan review and other fees	33,271	-	33,271
Summit Fire Authority revenues	210,694	-	210,694
Grant revenues	184,366	-	184,366
Emergency Medical Services	476,141	-	476,141
Other grants and contributions	432,948	-	432,948
Other income	13,577	3,576	17,153
Total revenues	9,224,535	431,901	9,656,436
Expenditures			
Public safety:			
Administration	1,629,265	21,420	1,650,685
Operations	5,634,355	-	5,634,355
Community risk management	193,083	-	193,083
Training	515,206	-	515,206
Communication	178,879	-	178,879
Fleet services	194,278	-	194,278
Facilities	150,792	-	150,792
Emergency Medical Services	53,462	-	53,462
Capital outlay	-	227,668	227,668
Debt Service:			
Principal	-	112,184	112,184
Interest	-	13,288	13,288
Total expenditures	8,549,320	374,560	8,923,880
Excess of revenues over expenditures	675,215	57,341	732,556
Other financing sources (uses)			
Transfers in	-	1,998,777	1,998,777
Transfers out	(1,998,777)	-	(1,998,777)
Total other financing sources (uses)	(1,998,777)	1,998,777	-
Change in fund balance	(1,323,562)	2,056,118	732,556
Fund balance at beginning of year	6,214,012	-	6,214,012
Fund balance at end of year	\$ 4,890,450	\$ 2,056,118	\$ 6,946,568

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

Red, White & Blue Fire Protection District
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balance with the Government-wide Statement of Activities
Year Ended December 31, 2018

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

Net change in fund balance - governmental funds \$ 732,556

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities:

Capital outlay	\$ 227,668	
Depreciation expense	<u>(558,957)</u>	(331,289)

Repayment of capital lease principal is an expenditure in the governmental fund financial statements, but it reduces long-term liabilities on the statement of net position and does not affect the statement of activities. 112,184

Decrease in accrued interest is reflected against interest expense in the statement of activities, but is not reflected on the statement of revenues, expenditures and changes in fund balance. 971

Increase in accrued compensated absences reflected against the statement of activities and not reflected in the governmental fund statement of revenues, expenditures and changes in fund balance. (66,049)

Changes in the District's net pension liability, net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the District's pension and OPEB plans for the current year are not reported in governmental funds but are included in the statement of activities.

Pension related changes	\$ 602,120	
OPEB related changes	5,055	607,175

Change in net position - governmental activities \$ 1,055,548

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

Red, White & Blue Fire Protection District
Statement of Revenues, Expenditures and Changes in
Fund Balance (Budget and Actual) - General Fund
Year Ended December 31, 2018

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 7,288,502	\$ 7,288,502	\$ 7,279,216	\$ (9,286)
Specific ownership taxes	350,000	350,000	458,603	108,603
Interest on delinquent taxes	7,600	7,600	9,782	2,182
Earnings on investments	60,000	60,000	125,937	65,937
Plan review and other fees	150,000	150,000	33,271	(116,729)
Summit Fire Authority revenues	294,525	294,525	210,694	(83,831)
Grant revenues	173,015	173,015	184,366	11,351
Emergency Medical Services	300,000	300,000	476,141	176,141
Other grants and contributions	200,000	553,244	432,948	(120,296)
Other income	25,698	25,698	13,577	(12,121)
Total revenues	8,849,340	9,202,584	9,224,535	21,951
Expenditures				
Administration	1,969,459	1,969,459	1,629,265	340,194
Operations	5,453,729	5,806,973	5,634,355	172,618
Community risk management	201,856	201,856	193,083	8,773
Training	603,676	603,676	515,206	88,470
Communications	190,750	190,750	178,879	11,871
Fleet Services	205,100	205,100	194,278	10,822
Facilities	162,770	162,770	150,792	11,978
Emergency Medical Services	62,000	62,000	53,462	8,538
Total expenditures	8,849,340	9,202,584	8,549,320	653,264
Excess revenues over expenditures	-	-	675,215	675,215
Other financing uses				
Transfers out	-	(2,000,000)	(1,998,777)	1,223
Total other financing uses	-	(2,000,000)	(1,998,777)	1,223
Net change in fund balance	\$ -	\$ (2,000,000)	(1,323,562)	\$ 676,438
Fund balance at beginning of year			<u>6,214,012</u>	
Fund balance at end of year			<u>\$ 4,890,450</u>	

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

1. Summary of significant accounting policies

The accounting policies of the Red, White & Blue Fire Protection District (the “District”) conform to accounting principles generally accepted in the United States of America as applicable to governments (“US GAAP”). The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of such significant policies consistently applied in the preparation of the financial statements.

Reporting entity

The District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide fire protection within Breckenridge, Colorado and the surrounding area.

As defined by US GAAP, established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

Appointment of a voting majority of the component units governing board, and either, a) the ability to impose its will by the primary government, or b) there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government; or

Fiscal dependency on the primary government and there is a potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has (1) separately elected governing board, (2) a government board appointed by a higher level of government or (3) a jointly appointed board.

Based on these criteria, there are no other entities that are considered component units of the District.

Basis of presentation

The accompanying financial statements are presented in accordance with GASB Statement No. 34, *Special Purpose Governments*, Section Sp20 and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all activities of the District.

Both of the government-wide financial statements are designed to distinguish functions of the District that are principally supported by intergovernmental revenues and operating grants (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through their user fees and charges (business-type activities). The District does not report any business-type activities.

1. **Summary of significant accounting policies (continued)**

Basis of presentation (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by general and program revenues. Direct expenses are those that are clearly identifiable within a specific function or program. Program revenues include 1) fees or charges to citizens and other governmental entities that receive or directly benefit from services provided by a given function or program, and 2) grants, contributions and other revenues that are restricted to use in the operational or capital requirements of a specific function or program. Other revenues not directly related to a particular function or program, if any, are reported separately as general revenues.

Measurement focus, basis of accounting and financial statement presentation

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 flow.

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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues available if they are collected within 60 days of the end of the current fiscal period. Property taxes, intergovernmental revenue, emergency medical services revenue, grant revenue, and earnings on investments are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available when cash is received by the District. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The exceptions to this general rule are that principal and interest on general long-term debt are recognized when due.

The District reports the following major governmental funds:

General Fund - the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

Capital Expenditures Fund – this fund is used by the District to accumulate resources and disbursements for capital assets in the District. This fund was created in Fiscal Year 2018.

Financial statement accounts

Cash and investments

Cash and cash equivalents includes cash on hand, demand deposits and short-term investments with original maturities of three-months or less from the date of acquisition.

Investments are measured at net asset value, which approximates fair value, or at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

Receivables

The District considered all receivables collectible as of December 31, 2018.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

1. Summary of significant accounting policies (continued)

Financial statement accounts (continued)

Property taxes

Property taxes are levied on December 15 of each year, and attach as an enforceable lien on property as of January 1. Taxes are due as of January 1 of the following year and are payable in two equal installments, due on the last day of February and June 15 if paid in installments, or April 30 with a single payment. Taxes are delinquent as of August 1. If the taxes are not paid within subsequent statutory periods, the property lien will be sold at public auction. The County bills and collects the property taxes and remits collections to the District on a monthly basis. No provision has been made for uncollected taxes, as all taxes are deemed collectible. In accordance with US GAAP, the assessed but uncollected property taxes have been recorded as a receivable and as unearned revenue.

Capital assets

Capital assets, which include land, fire stations and improvements, equipment, and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. Capital expenditures for projects are capitalized as constructed. Interest incurred during the construction phase is capitalized as part of the value of the asset.

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

<u>Description</u>	<u>Years</u>
Fire Stations	40
Fire Station Improvements	5-20
Vehicles	14
Fire equipment (excluding vehicles)	5-10
Office equipment	6-25

Earned benefits payable

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

Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows of resources for pension and OPEB-related amounts. See Note 5 for additional information.

1. **Summary of significant accounting policies (continued)**

Financial statement accounts (continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows of resources for pension and OPEB-related amounts. See Note 5 for additional information.

Fund balance and net position

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

Net investment in capital assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted net position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This category represents the net position of the District, which is not restricted for any project or other purpose. A deficit will require future funding.

In the fund financial statements, fund balances of the governmental fund are categorized as follows:

Nonspendable – amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation, or because of constraints imposed by creditors, grantors, or the laws or regulations of other governments. The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$284,162 of the General Fund balance has been restricted in compliance with this requirement.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of Directors (the “Board”). The Board is the highest level of decision making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.

Assigned – the assigned fund balance includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board has the authority to assign amounts for specific purposes.

Unassigned – amounts that are available for any purpose. Only the General Fund reports a positive unassigned fund balance. In other governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to other purposes, the funds would report a negative unassigned fund balance; however, any amount reported as assigned fund balance would have to be eliminated before a negative unassigned fund balance could be reported.

1. Summary of significant accounting policies (continued)

Financial statement accounts (continued)

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

Pensions

The District contributes to the Statewide Defined Benefit Plan (“SWDB”), a cost-sharing multiple-employer defined benefit pension plans administered by the Fire and Police Pension Association of Colorado (“FPPA”). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the SWDB plan and additions to/deductions from the SWDB plan’s fiduciary net position have been determined on the same basis as they are reported by the FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The District participates in the Local Government Division Trust Fund (“LGDTF”), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: Concerning Modifications To the Public Employees’ Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. Governmental accounting standards require the net pension liability and related amounts of the LGDTF for financial reporting purposes be measured using the plan provisions in effect as of the LGDTF’s measurement date of December 31, 2017. As such, the disclosures do not include the changes to plan provisions required by SB 18-200 with the exception of the section titled Changes between the measurement date of the net pension liability and December 31, 2018.

In addition, the District contributes to a defined benefit pension plan to provide retirement income for volunteer firefighters in recognition of their service to the District. This plan is an agent multiple-employer Public Employee Retirement System affiliated with the FPPA for the purpose of administering the plan and managing the funds of the plan for investment.

Finally, the District provides a pension plan available to provide retirement income for paid firefighters hired before April 1, 1978 in recognition of their service to the District. The paid firefighters “Old Hire” plan became affiliated with the FPPA on January 1, 2007. This plan is an agent multiple-employer Public Employee Retirement System affiliated with the FPPA for the purpose of administering the plan and managing the funds of the plan for investment.

1. Summary of significant accounting policies (continued)

Other Post Employment Benefits (“OPEB”)

The District participates in the Health Care Trust Fund (“HCTF”), a cost-sharing multiple-employer defined benefit OPEB fund administered by the PERA. The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Estimates

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

2. Adoption of New Accounting Principle

During fiscal year 2018, the District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. It also improves information provided by state and local governmental employers about support for OPEB that is provided by other entities. The result of the implementation of this standard was to decrease the net position at the beginning of the fiscal year by \$91,682, in the governmental activities.

3. Stewardship, compliance and accountability

Budgets and budgetary accounting

Governmental funds’ budgets are adopted on a US GAAP basis wherein depreciation is not budgeted and capital outlay and principal payments on debt are recorded as expenditures in the fund. State law requires the District to adopt annual appropriated budgets for all funds.

The District conforms to the following procedures, in compliance with Colorado Revised Statutes, in establishing the budgetary data reflected in the financial statements:

On or before October 15, of each year the District’s Chief submits to the Board of Directors a recommended budget which details the necessary property taxes needed along with other available revenues to meet the District’s operating requirements.

After a required publication of “Notice of Proposed Budget” and a public hearing, the District adopts the proposed budget and an appropriating resolution, which legally appropriates expenditures for the upcoming year.

3. Stewardship, compliance and accountability (continued)

Budgets and budgetary accounting (continued)

After adoption of the budget resolution, the District may make the following changes: (a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; (b) it may approve supplemental appropriations to the extent of revenues in excess of the estimated revenues in the budget; (c) it may approve emergency appropriations; and (d) it may approve the reduction of appropriations for which originally estimated revenues are insufficient. The budget is only amended in conformity with Colorado Revised Statutes that allows the District to amend the budget and adopt a supplementary appropriation if money for a specific purpose, other than ad valorem taxes, becomes available to meet a contingency.

The following table summarizes the individual fund budgeted expenditures, as originally adopted and as revised:

Fund	Original Budget	Revisions	Final Budget
General Fund	\$ 8,849,340	\$ 2,353,244	\$ 11,202,584
Capital Expenditures Fund	577,030	-	577,030
Total	\$ 9,426,370	\$ 2,353,244	\$ 11,779,614

TABOR Amendment - Revenue and Spending Limitation Amendment

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

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service) for the fiscal year ended December 31, 2018.

On May 2, 2006, the District's voters approved the following ballot question: "Shall Red, White & Blue Fire Protection District taxes be increased \$986,963 annually, or by such amount as may be raised by the imposition of an additional ad valorem property tax rate of up to 1.8 mills to provide fire, rescue, and emergency medical services, resulting in a total District mill levy rate, exclusive of refunds, abatements, or debt service, not to exceed 9.0 mills, which total rate shall be set annually and may fluctuate from year to year, up or down, without additional voter approval, so long as the total rate does not exceed 9.0 mills, commencing January 1, 2007, and continuing thereafter; and shall the District be authorized to collect, retain and spend all tax revenue collected from such total property tax rate, and all other revenue received from any source, commencing January 1, 2007, and continuing thereafter, as a voter-approved revenue change, offset and exception to the limits which would otherwise apply under TABOR (Article X, Section 20 of the Colorado Constitution) or any other law and as a permanent waiver of the 5.5% limitation under Section 29-1-301, C.R.S.?"

The District believes that it complies with the provisions of TABOR, as it is currently understood. Many of the provisions may not become fully understood without judicial review.

4. Detailed notes on the funds

Cash and investments

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 fair value of the collateral must be equal to 102% of the aggregate uninsured deposits.

At December 31, 2018, the District had deposits with financial institutions with a carrying amount of \$213,557. The bank balances with the financial institutions were \$321,254, of which \$250,000 were covered by federal depository insurance. The remaining balance of \$71,254 was collateralized with securities held by the financial institutions' agents but not in the District's name.

Colorado Revised Statutes specify types of investments meeting defined rating and risk criteria in which local governments may invest. The allowed investments include participation in state regulated investment pools.

Investments

Custodial Credit Risk: Colorado Revised Statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. The allowed investments include participation in state regulated investment pools and money market funds. At December 31, 2018, the District had invested \$1,963,880 in the Colorado Local Government Liquid Asset Trust (the "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. COLOTRUST PRIME invests only in U.S. Treasury and government agencies. COLOTRUST PLUS+ can invest in U.S. Treasury, government agencies, and in the highest-rate commercial paper. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. The Trust is rated AAAM by Standard and Poor's and is measured at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Interest Rate Risk: The District limits its investments to savings accounts and investment pools where each share is equal to one dollar; thus, the District avoids interest rate risk.

Credit Risk: State law and District policy limit investments to those authorized by CRS including state regulated investment pools. The District's general investment policy is to apply the prudent-person rule: Investments are made, as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk: The District invests most funds in State regulated investment pools and thus avoids a concentration of credit risk.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

4. Detailed notes on the funds (continued)

Cash and investments (continued)

At December 31, 2018, the District had cash and investment balances as follows:

Petty cash	\$	100
Cash with county treasurer		44,484
Bank deposits		213,557
Local government investment pools		1,963,880
Investments		4,561,131
Total cash and investments		\$ 6,783,152

At December 31, 2018, The District's investment balances consist of the following:

Investments	Fair Value	Standard & Poors Rating	Average Maturity Date (in Days)	Concentration of Credit Risk
Money market funds	\$ 1,676,314	N/A	N/A	37%
Certificates of deposit	2,884,817	N/A	479	63%
Total	\$ 4,561,131			

The District categorizes its fair value measurement within the fair value hierarchy established by US GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At December 31, 2018, The District's investment balances at fair value hierarchy are as follows:

Investments	Level 1	Level 2	Level 3	Total
Money market funds	\$ 1,676,314	\$ -	\$ -	\$ 1,676,314
Certificates of deposit	-	2,884,817	-	2,884,817
Total	\$ 1,676,314	\$ 2,884,817	\$ -	\$ 4,561,131

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

4. Detailed notes on the funds (continued)

Capital assets

Capital asset activity for the year ended December 31, 2018, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 445,134	\$ -	\$ -	\$ 445,134
Deposit on apparatus	-	90,558	-	90,558
Total capital assets not being depreciated	445,134	90,558	-	535,692
Capital assets being depreciated:				
Fire stations and improvements	6,732,499	85,514	-	6,818,013
Vehicles and equipment	5,585,281	51,596	-	5,636,877
Total capital assets being depreciated	12,317,780	137,110	-	12,454,890
Less accumulated depreciation for:				
Fire stations and improvements	(3,309,700)	(202,007)	-	(3,511,707)
Vehicles and equipment	(3,314,460)	(356,950)	-	(3,671,410)
Total accumulated depreciation	(6,624,160)	(558,957)	-	(7,183,117)
Total capital assets being depreciated, net	5,693,620	(421,847)	-	5,271,773
Total capital assets, net	\$6,138,754	\$(331,289)	\$ -	\$5,807,465

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

Administration	\$ 38,148
Operations	318,802
Facilities	202,007
Total	\$ 558,957

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

4. Detailed notes on the funds (continued)

Long-term obligations

Changes in long-term obligations for the year ended December 31, 2018, are as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Tower Truck	\$ 289,233	\$ -	\$ 112,184	\$ 177,049	\$ 116,831
Total leases payable	289,233	-	112,184	177,049	116,831
Earned benefits payable	295,048	350,175	284,126	361,097	269,874
Total long-term obligations	\$ 584,281	\$ 350,175	\$ 396,310	\$ 538,146	\$ 386,705

Capital leases

Details of capital lease obligations for the year ended December 31, 2018 are as follows:

Description	Date	Amount financed	Interest rate	Due date
Tower Truck	2010	1,000,000	4.10%	2020

Capital assets acquired through capital leases as of December 31, 2018, are as follows:

Vehicles and improvements, at original cost	\$1,065,048
Less: accumulated depreciation	(426,019)
Total	\$ 639,029

Future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2018, were as follows:

Year ending December 31,	Total
2019	\$ 122,905
2020	61,453
Total minimum lease payments	184,358
Less: amounts representing interest	(7,309)
Present value of minimum lease payments	\$ 177,049

5. Other information

Risk management

The District is exposed to various risks of loss related to workers compensation; general liability, unemployment, torts, theft of, damage to, and destruction of assets; and errors and omissions. The District has acquired commercial coverage for these risks; claims, if any, are not expected to exceed the commercial insurance coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage.

Joint Venture - Summit County Fire Protection Authority

The Summit County Fire Protection Authority (the "Authority") was officially formed on July 7, 1983, a successor to the Summit County Cooperative Fire Board Association.

The purpose of the Authority is to conduct business and affairs for the benefit of the contracting parties and their inhabitants, and to develop cooperative programs designed to improve the fire protection and related service capabilities of the contracting parties and implement cost savings to the contracting parties through various types of resource pooling and joint purchase, use or participation arrangements.

The current contracting parties are Copper Mountain Consolidated Metropolitan District, Lake Dillon Fire Protection District, and Red, White & Blue Fire Protection District.

The Authority is governed by a Board of Directors comprised of one representative from each of the participating entities. The Board elects its own officers from its members.

Participation is determined on a year-to-year basis. The District may withdraw from the Authority for the following year by giving appropriate notice during the period of June 1 through July 15 of any year. Upon withdrawal, the District would have no equity in the Authority's assets. However, the District could be held liable for its share of any liabilities incurred during the period it was a participant.

The Authority contributed \$210,694 to the District in 2018. In addition, the District paid \$273,796 to the Authority for HCTC, hazmat, and outside training services.

The audited financial statements of the Authority may be obtained by calling the Authority at (970) 668-4330.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans

The following table presents combined information relating to the District's defined benefit pension plans as of and for the year ended December 31, 2018:

	Volunteer Firefighters' Pension Plan	Old Hires Pension Plan	Statewide Defined Benefit Plan	Local Government Division Trust Fund	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ -	\$ -	\$ 682,978	\$ 61,391	\$ 744,369
Changes of assumptions or other inputs	-	-	142,690	10,366	153,056
Net difference between projected and actual earnings on pension plan investments	46,391	9,684	-	-	56,075
Changes in proportionate share	-	-	39,609	-	39,609
District contributions subsequent to the measurement date	-	48,265	328,173	71,662	448,100
Total deferred outflows of resources relating to pensions	\$ 46,391	\$ 57,949	\$ 1,193,450	\$ 143,419	\$ 1,441,209
Deferred inflows of resources					
Differences between expected and actual experience	\$ -	\$ -	\$ 10,495	\$ -	\$ 10,495
Net difference between projected and actual earnings on pension plan investments	67,967	11,042	321,565	190,746	591,320
Changes in proportionate share	-	-	-	3,787	3,787
Total deferred inflows of resources relating to pensions	\$ 67,967	\$ 11,042	\$ 332,060	\$ 194,533	\$ 605,602
Net pension liability (asset) as of December 31, 2018	\$ (322,286)	\$ 368,706	\$ (947,077)	\$ 981,325	\$ 80,668
Total pension expense (income) for the year ended December 31, 2018	\$ (4,937)	\$ 58,781	\$ (361,094)	\$ 153,230	\$ (154,020)

Volunteer firefighters

Plan description. The District has established the Volunteer Firefighters' Pension Plan (the "Plan"), an agent multiple-employer defined benefit pension plan administered by FPPA. As of January 1, 2017, the Plan has 31 retirees and beneficiaries and 3 inactive, nonretired members, and no active current members. FPPA issues an annual, publicly available financial report that includes the assets of the Volunteer Plan. The report may be obtained on FPPA's website at <http://www.fppaco.org>.

5. Other information (continued)

Retirement plans (continued)

Volunteer firefighters (continued)

Benefits provided. The Plan provides for a monthly pension of \$400 for volunteers who have satisfied the normal age and service requirements and pro rata pensions for volunteers who have satisfied the normal age, but only a portion of the service requirement. It further provides death benefits and a partial pension (50% of the amount the volunteer has earned) for surviving spouses. The normal age and service requirement is the latest date a volunteer reaches 50 years of age or completes 20 years of service. Pro rata pensions would apply to volunteers who reached 50 years of age and had between 10 and 20 years of service. The plan also provides a funeral benefit, lump sum payment of \$100.

Funding Policy. The funding of the plan by the District and members is authorized by the Board of Directors. The District can contribute to this pension plan an annual amount, with a tax levy not to exceed one mill on the assessed valuation of the District. The contribution by the State of Colorado (the "State") toward fire pension funds has been a fixed dollar amount established by the legislature and allocated pro rata to all fire pension funds in the State who apply for State matching funds, based upon the amounts contributed by the employer up to a maximum of one half (1/2) mill on the assessed valuation or 90% of District contributions, whichever is less. Since the District currently offers maximum retirement benefits in excess of \$350 per month, the State will match at the level determined above but no greater than the maximum of: (1) the amount necessary to fund a pension of \$350 per month on an actuarially sound basis, and (2) the amount of State contributions provided in the prior year. The contributions are not actuarially determined. An actuary is used to determine the adequacy of contributions.

The actuarial study as of January 1, 2017, indicated that the current level of contributions to the fund is adequate to support, on an actuarially sound basis, the prospective benefits for the present Plan.

There were no contributions to the Plan from the District or State of Colorado for the year ended December 31, 2018.

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

At December 31, 2018, the District reported a net pension asset of \$322,286. The net pension asset was measured as of December 31, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2017. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2018 and may be used for December 31, 2018 reporting purposes.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Volunteer firefighters (continued)

For the year ended December 31, 2018, the District recognized pension income of \$4,937. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 46,391	\$ 67,967
	\$ 46,391	\$ 67,967

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amortization
2019	\$ 4,396
2020	2,743
2021	(11,724)
2022	(16,991)
	\$ (21,576)

Actuarial assumptions. The total pension asset at the December 31, 2017 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	20 years
Asset Valuation Method	5-year smoothed fair value
Inflation	3%
Salary Increases	N/A
Investment Rate of Return	7.5%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	Pre-retirement: RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality. Post-retirement: For ages less than 55, For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB. Disabled: RP-2014 Disabled Generational Mortality Table with a minimum 3% rate for males and 2% rate for females.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Volunteer firefighters (continued)

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

Long-term expected return on plan assets. 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 which eliminates the 2.5% inflation assumption, for each major asset class included in the Fund's target asset allocation as of December 31, 2016 are summarized in the following table:

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

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

	1.00% Decrease 6.50%	Current Discount Rate 7.50%	1.00% Increase 8.50%
District's proportionate share of the net pension liability/(asset)	\$(229,801)	\$(322,286)	\$(400,639)

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Volunteer firefighters (continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Change in Net Pension (Asset) Liability

	Total Pension (Asset) Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a) - (b)
Balances at December 31, 2017	\$1,001,788	\$1,229,783	\$ (227,995)
Changes for the year			
Interest	71,789	-	71,789
Net investment income	-	173,571	(173,571)
Benefit payments	(90,854)	(90,854)	-
Administrative expenses	-	(7,491)	7,491
Net changes	(19,065)	75,226	(94,291)
Balances at December 31, 2018	\$ 982,723	\$1,305,009	\$ (322,286)

Paid firefighters - "Old Hires"

Plan description. The District provides a pension plan available to provide retirement income for paid firefighters hired before April 1, 1978 in recognition of their service to the District. The "Old Hires" plan is an agent multiple-employer defined benefit pension plan administered by the FPPA. As of January 1, 2018, the Plan has two retirees and beneficiaries. FPPA issues an annual, publicly available financial report that includes the assets of the Old Hire Fire Pension Fund. The report may be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits provided. The Old Hires plan was established by a Board of Trustees composed of District members and firefighters. A firefighter who elects to retire on or after his normal retirement date shall be eligible for a monthly pension equal to 2.5% of his monthly salary at the date of his retirement times years of service, up to a maximum of 50% of his salary at the date of retirement. A firefighter's normal retirement date is the earlier of the date on which he has attained 55 years of age and completed 15 years of service or attained 50 years of age and completed 20 years of service.

Two firefighters are qualified to participate in this plan, both of them have retired and one of them was deceased in July of 2010. In December 2010, the Board of Directors amended the by-laws governing the retirement benefits payable to the spouse of the deceased firefighter. The Pension Fund Bylaws were amended by resolution to provide that the surviving spouse of an "old hire" member is entitled to a monthly annuity equal to the pension for a retired firefighter, which pension benefit shall equal one-half the amount of the deceased member's monthly salary as of the date of the deceased member's retirement, and that the "surviving spouse" shall mean the member's spouse at the time of the member's retirement and who remains married to the member until the member's death.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Paid firefighters - "Old Hires" (continued)

When any retired member dies, leaving a surviving spouse or direct family, a one-time death benefit not to exceed an aggregate amount established by the Pension Fund Board within the limits of State statutes is authorized and shall be paid to the surviving spouse or direct family as soon as reasonable notice of death is received. After one year of service, the firefighter's interest in the plan vests at 10% per year through 11 years of service when he is 100% vested.

Funding Policy. The authority under which the obligations to contribute to the plan by members and the District is determined by the bylaws of the Board of Trustees. Paid firefighters, hired before April 1, 1978, were required to contribute 8% of their yearly salary to the pension fund. Contributions by the District were determined in accordance with actuarial studies prepared by an independent party, but were at a minimum match of 8%.

The actuarial study as of January 1, 2018, indicated that the current level of contributions to the fund is adequate to support, on an actuarially sound basis, the prospective benefits for the present Plan.

Contributions to the Plan from the District were \$48,265 for the year ended December 31, 2018.

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

At December 31, 2018, the District reported a net pension liability of \$368,706. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2018 and may be used for December 31, 2018 reporting purposes.

For the year ended December 31, 2018, the District recognized pension expense of \$58,781. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 9,684	\$ 11,042
District contributions subsequent to the measurement date	48,265	-
	\$ 57,949	\$ 11,042

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Paid firefighters - "Old Hires" (continued)

The \$48,265 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amortization
2019	\$ 1,741
2020	1,259
2021	(1,599)
2022	(2,759)
	<u>\$ (1,358)</u>

Actuarial assumptions. The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	12 years
Asset Valuation Method	5-year smoothed fair value
Inflation	2.5%
Salary Increases	N/A
Investment Rate of Return	7.5%
Retirement Age	Any remaining actives are assumed to be retired immediately.
Mortality	Post-retirement: For ages less than 55, For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB. Disabled (pre-1980): RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

5. Other information (continued)

Retirement plans (continued)

Paid firefighters - "Old Hires" (continued)

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

Long-term expected return on plan assets. 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 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 Rate of Return
Cash	2%	2.26%
Fixed Income	15%	3.00%
Managed Futures	4%	6.85%
Absolute Return	9%	6.46%
Long Short	9%	7.15%
Global Public Equity	37%	8.33%
Private Capital	24%	9.70%
Total	100%	

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

	1.00% Decrease 6.50%	Current Discount Rate 7.50%	1.00% Increase 8.50%
District's proportionate share of the net pension liability/(asset)	\$406,718	\$368,706	\$334,799

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Paid firefighters - "Old Hires" (continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Change in Net Pension (Asset) Liability

	Total Pension (Asset) Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a) - (b)
Balances at December 31, 2017	\$ 590,521	\$ 216,787	\$ 373,734
Changes for the year			
Interest	41,592	-	41,592
Differences between expected and actual experience	29,878	-	29,878
Contributions - employer	-	48,265	(48,265)
Net investment income	-	29,110	(29,110)
Benefit payments	(73,252)	(73,252)	-
Administrative expenses	-	(877)	877
Net changes	(1,782)	3,246	(5,028)
Balances at December 31, 2018	\$ 588,739	\$ 220,033	\$ 368,706

Paid firefighters - "Career"

Plan Description. The District contributes to the Statewide Defined Benefit Plan ("SWDBP"), a cost-sharing multiple-employer defined benefit pension plan administered by FPPA for firefighters hired after April 1, 1978. All full-time, paid firefighters of the District are members of the SWDBP Plan.

FPPA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the SWDBP Plan. The report may be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits Provided. SWDBP provides retirement and disability, annual increases and death benefits for members or their beneficiaries. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2.0 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 SWDBP. 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 0.0 to the higher of 3.0 percent or the Consumer Price Index.

5. Other information (continued)

Retirement plans (continued)

Paid firefighters - "Career" (continued)

In addition, upon retirement a member may receive additional benefits credited to the member's "Separate Retirement Account" each year after January 1, 1988. These are attributable to contributions in excess of the actuarially determined pension cost and the allocation of the net Fire & Police Members' Benefit Investment Fund earnings and losses thereon. Members do not vest in amounts credited to their Separate Retirement Account ("SRA") until retirement, and the Plan may use such stabilization reserve amounts to reduce pension cost in the event such cost exceeds contributions. It was previously mentioned that reentry members have a higher contribution rate. As a result their SRA has two components; the standard SRA and the reentry SRA. The component of a member's SRA attributable to the higher contribution rate is considered the reentry SRA. The reentry SRA cannot be used to subsidize the costs for the non-reentry members. Effective July 1, 2017, the standard Separate Retirement Account contribution rate for members of the Fire & Police SWDBP was set at 0.0 percent. The reentry SRA contribution rate was set at 3.70 percent.

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited 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 2.0 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 SWDBP 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 SWDBP 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 SWDBP and their employers are contributing at the rate of 9.5 percent and 8.0 percent, respectively, of base salary for a total contribution rate of 17.5 percent in 2017. In 2014, the members elected to increase the member contribution rate to the SWDBP beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12.0 percent of base salary. Employer contributions will remain at 8.0 percent resulting in a combined contribution rate of 20.0 percent in 2022.

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 20.5 percent of base salary in 2015. 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 24.0 percent in 2022.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Paid firefighters - "Career" (continued)

The contribution rate for members and employers of affiliated social security employers is 4.5 percent and 4.0 percent, respectively, of base salary for a total contribution rate of 8.5 percent in 2016. 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 6.0 percent of base salary. Employer contributions will remain at 4.0 percent resulting in a combined contribution rate of 10.0 percent in 2022. In 2017, the combined member and employer contribution rate was 8.75 percent.

Employer contributions are recognized by SWDBP in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to SWDBP. Employer contributions recognized by SWHDBP from the District were \$328,173 for the year ended December 31, 2018.

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

At December 31, 2018, the District reported a net pension asset of \$947,077 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018. The District's proportion of the net pension asset was based on District contributions to the SWDBP relative to the total contributions of participating employers to SWDBP based upon the January 1, 2018 actuarial valuation. At December 31, 2018, the District's proportion was 0.6583 percent, which was an decrease of .0626 from its proportion measured as of December 31, 2017.

For the year ended December 31, 2018, the District recognized pension income of \$361,094. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 682,978	\$ 10,495
Changes of assumptions or other inputs	142,690	-
Net difference between projected and actual earnings on pension plan investments	-	321,565
Changes in proportion and differences between contributions recognized and proportionate share of contributions	39,609	-
District contributions subsequent to the measurement date	328,173	-
	\$ 1,193,450	\$ 332,060

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Paid firefighters - "Career" (continued)

The \$328,173 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amortization
2019	\$ 116,330
2020	100,908
2021	(39,046)
2022	29,149
2023	29,149
Thereafter	296,727
	\$ 533,217

Actuarial assumptions. The actuarial valuations for SWDBP were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2017. The valuations used the following actuarial assumption and other inputs:

Actuarial 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 – 14.0 percent
Cost of Living Adjustment	0.0 percent
Inflation	2.5 percent

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.

5. Other information (continued)

Retirement plans (continued)

Paid firefighters - "Career" (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 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%	

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDBP 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.

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

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

5. Other information (continued)

Retirement plans (continued)

Paid firefighters - "Career" (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/(asset) calculated using the discount rate of 7.50 percent, as well as what the District's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1.00% Decrease 6.50%	Current Discount Rate 7.5%	1.00% Increase 8.50%
District's proportionate share of the net pension liability/(asset)	\$1,031,084	\$(947,077)	\$(2,589,685)

Pension plan fiduciary net position. Detailed information about the SWDBP's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Other personnel

Plan description. Eligible employees of the District are provided with pensions through the Local Government Division Trust Fund—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes ("CRS") administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code ("IRC"). Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2017. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at CRS § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

5. Other information (continued)

Retirement plans (continued)

Other personnel (continued)

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2017, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the CRS. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Other personnel (continued)

Contribution provisions as of December 31, 2018. Eligible employees and the District are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under CRS § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	Rate
Employer Contribution Rate ¹	10.00%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in CRS § 24-51-208(1)(f) ¹	(1.02)%
Amount Apportioned to the LGDTF ¹	8.98%
Amortization Equalization Disbursement (AED) as specified in CRS § 24-51-411 ¹	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in CRS 24-51-411 ¹	1.50%
Total Employer Contribution Rate to the LGDTF ¹	12.68%

¹Rates are expressed as a percentage of salary as defined in CRS § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the District were \$71,622 for the year ended December 31, 2018.

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

At December 31, 2018, the District reported a liability of \$981,325 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 December 31, 2016. Standard update procedures were used to roll forward the total pension liability to December 31, 2017. The District's proportion of the net pension liability was based on District contributions to the LGDTF for the calendar year 2017 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2018, the District's proportion was 0.0881 percent, which was a decrease of .0040 from its proportion measured as of December 31, 2017.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Other personnel (continued)

For the year ended December 31, 2018, the District recognized pension expense of \$153,230. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 61,391	\$ -
Changes of assumptions or other inputs	10,366	-
Net difference between projected and actual earnings on pension plan investments	-	190,746
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	3,787
District contributions subsequent to the measurement date	71,662	-
Total	\$ 143,419	\$ 194,533

The \$71,662 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Amortization</u>
2019	\$ 240,733
2020	166,287
2021	(250,465)
2022	(279,331)
	\$ (122,776)

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Retirement plans (continued)

Other personnel (continued)

Actuarial assumptions. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 10.45 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00 percent
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012 through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

5. Other information (continued)

Retirement plans (continued)

Other personnel (continued)

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

5. Other information (continued)

Retirement plans (continued)

Other personnel (continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

5. Other information (continued)

Retirement plans (continued)

Other personnel (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/(asset) calculated using the discount rate of 7.250 percent, as well as what the District's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1.00% Decrease 6.25%	Current Discount Rate 7.25%	1.00% Increase 8.25%
Proportionate share of the net pension liability	\$1,562,933	\$981,325	\$496,472

Pension plan fiduciary net position. Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Changes between the measurement date of the net pension liability and December 31, 2018. During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through SB 18-200: Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to the plans administered by PERA with the goal of eliminating the unfunded actuarial accrued liability of the Division Trust Funds and thereby reach a 100 percent funded ratio for each division within the next 30 years.

A brief description of some of the major changes to plan provisions required by SB 18-200 are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employee contribution rates by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019). House Bill 19-1217 was signed into law by Governor Polis on May 20, 2019, which eliminates scheduled increases to member contributions for the Local Government Trust Fund.
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, modifying the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.

5. Other information (continued)

Retirement plans (continued)

Other personnel (continued)

- Expands eligibility to participate in the PERA DC Plan to new members hired on or after January 1, 2019, in the Local Government Division. Beginning January 1, 2021, and every year thereafter, employer contribution rates for the LGDTF will be adjusted to include a defined contribution supplement based on the employer contribution amount paid to defined contribution plan participant accounts that would have otherwise gone to the defined benefit trusts to pay down the unfunded liability plus any defined benefit investment earnings thereon.

At December 31, 2018, the District reported a liability of \$981,325 for its proportionate share of the net pension liability which was measured using the plan provisions in effect as of the pension plan's year-end based on a discount rate of 7.25%. For comparative purposes, the following schedule presents an estimate of what the District's proportionate share of the net pension liability and associated discount rate would have been had the provisions of SB 18-200, applicable to the LGDTF, become law on December 31, 2017. This pro forma information was prepared using the fiduciary net position of the LGDTF as of December 31, 2017. Future net pension liabilities reported could be materially different based on changes in investment markets, actuarial assumptions, plan experience and other factors.

Estimated Discount Rate Calculated Using Plan Provisions Required by SB 18-200 (pro forma)	Proportionate Share of the Estimated Net Pension Liability Calculated Using Plan Provisions Required by SB 18-200 (pro forma)
7.25%	\$ 694,108

Voluntary Investment Program

Plan description. Employees of the District that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary and contributions are separate from other contributions made to PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding policy. The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the CRS, as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended December 31, 2018, program members contributed \$27,117. The District does not contribute to the Voluntary Investment Program.

5. Other information (continued)

Retirement plans (continued)

Deferred compensation plans

The District offers its employees one deferred compensation plan (the “457 Plan”) created in accordance with IRC section 457 and one deferred compensation plan (the “401(k) Plan”) created in accordance with IRC section 401(a). The 457 Plan is available to all employees with their retirement under FPPA and is administered by FPPA. The 401(k) Plan is available to all employees with their retirement under PERA and is administered by ING.

The plans permit participants to defer a portion of their salary until future years. All compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the participants and their beneficiaries. Compensation deferred under the Plans are not available to employees until termination, retirement, death, or unforeseeable emergency.

Employees may elect to defer any percentage of their annual compensation, provided that the total annual contribution does not exceed limitations established by the IRS. The District does not contribute to the Plans.

The individual participants determine investment decisions within the plans and, therefore, the plan’s investment concentration varies between participants.

The District has no liability for losses under the plans, as it is not the trustee. Consequently, the Plans are not part of the District’s financial statements.

Defined Benefit Other Post Employment Benefit (OPEB) Plans

Other personnel

Plan description. Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes, as amended. Title 24, Article 51, Part 12 of the CRS., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

5. Other information (continued)

Defined Benefit Other Post Employment Benefit (OPEB) Plans (continued)

Other personnel (continued)

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

CRS. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure. The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, CRS. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Defined Benefit Other Post Employment Benefit (OPEB) Plans (continued)

Other personnel (continued)

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the CRS., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$5,765 for the year ended December 31, 2018.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2018, the District reported a liability of \$89,003 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2017. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2017 relative to the total contributions of participating employers to the HCTF.

At December 31, 2017, the District's proportion was .0068 percent, which was a decrease of .0003 from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018 the District recognized OPEB expense of \$710. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<hr/>	<hr/>
Differences between expected and actual experience	\$ 421	\$ -
Net difference between projected and actual earnings on OPEB plan investments	-	1,489
Changes in proportionate share	-	2,321
District contributions subsequent to the measurement date	5,765	-
	<hr/>	<hr/>
	\$ 6,186	\$ 3,810
	<hr/>	<hr/>

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Defined Benefit Other Post Employment Benefit (OPEB) Plans (continued)

Other personnel (continued)

The \$5,765 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Amortization
2019	\$ (856)
2020	(856)
2021	(856)
2022	(857)
2023	30
Thereafter	6
	<hr/> \$ (3,389)

Actuarial assumptions. The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 in aggregate
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A premiums	3.00 percent for 2017, gradually rising to 4.25 percent in 2023

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

5. Other information (continued)

Defined Benefit Other Post Employment Benefit (OPEB) Plans (continued)

Other personnel (continued)

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2016, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2017	5.00%	3.00%
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.00%
2023	5.00%	4.25%
2024+	5.00%	4.25%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

5. Other information (continued)

Defined Benefit Other Post Employment Benefit (OPEB) Plans (continued)

Other personnel (continued)

Healthy, post-retirement mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The following economic and demographic assumptions were specifically developed for, and used in, the measurement of the obligations for the HCTF:

- The assumed rates of PERACare participation were revised to reflect more closely actual experience.
- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2017 plan year.
- The percentages of PERACare enrollees who will attain age 65 and older ages and are assumed to not qualify for premium-free Medicare Part A coverage were revised to more closely reflect actual experience.
- The percentage of disabled PERACare enrollees who are assumed to not qualify for premium-free Medicare Part A coverage were revised to reflect more closely actual experience.
- Assumed election rates for the PERACare coverage options that would be available to future PERACare enrollees who will qualify for the "No Part A Subsidy" when they retire were revised to more closely reflect actual experience.

5. Other information (continued)

Defined Benefit Other Post Employment Benefit (OPEB) Plans (continued)

Other personnel (continued)

- Assumed election rates for the PERACare coverage options that will be available to those current PERACare enrollees, who qualify for the “No Part A Subsidy” but have not reached age 65, were revised to more closely reflect actual experience.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
- The rates of PERACare coverage election for spouses of eligible inactive members and future retirees were revised to more closely reflect actual experience.
- The assumed age differences between future retirees and their participating spouses were revised to reflect more closely actual experience.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012 through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA’s actuary, as needed.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA’s Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

RED, WHITE & BLUE FIRE PROTECTION DISTRICT
Notes to Financial Statements
December 31, 2018

5. Other information (continued)

Defined Benefit Other Post Employment Benefit (OPEB) Plans (continued)

Other personnel (continued)

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.00%	3.00%	4.00%
Ultimate Medicare Part A trend rate	3.25%	4.25%	5.25%
Net OPEB Liability	\$ 86,555	\$ 89,003	\$ 91,953

5. Other information (continued)

Defined Benefit Other Post Employment Benefit (OPEB) Plans (continued)

Other personnel (continued)

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2017, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date. For future plan members, employer contributions were reduced by the estimated amount of total service costs for future plan members.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 7.250 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
Proportionate share of the net OPEB liability	\$100,068	\$89,003	\$79,560

5. **Other information (continued)**

Defined Benefit Other Post Employment Benefit (OPEB) Plans (continued)

Other personnel (continued)

OPEB plan fiduciary net position. Detailed information about the HCTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Paid firefighters - "Career"

Plan Description. The District contributes to the Statewide Death and Disability Plan ("SDDP"), a cost-sharing multiple-employer defined benefit OPEB plan administered by FPPA. All full-time, paid firefighters of the District are members of the SWDBP Plan.

FPPA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the SWDBP Plan. The report may be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits provided. The plan provides 24-hour coverage, both on- and off-duty and are available for members not eligible for normal retirement under a defined benefit plan, or members that have not met 25 years of accumulated service and age 55 under a money purchase plan. In the case of an off-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire, but were still working.

Contributions. Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of \$39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated.

Members hired on or after January 1, 1997, began contributing 2.4 percent of base salary to this Plan as of January 1, 1997. Contributions may be increased 0.1 percent biennially by the FPPA Board. The contributions increased to 2.7 percent of base salary as of January 1, 2017. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The 2.7 percent contribution may be paid entirely by the employer or member, or it may be split between the employer and the member as determined at the local level.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

FPPA classifies all contributions to the Plan as member contributions. The District has no requirements to make contributions to the Plan, there is no payable to the Plan, and the Plan does not receive support from a nonemployer contributing entity. As such, the District does not have an OPEB liability, expense or related deferred outflows of resources or deferred inflows of resources relating to the Plan.

6. **Subsequent Events**

Management evaluated subsequent events through June 4, 2019, the date the financial statements were available to be issued. No events requiring adjustment to or disclosure in these financial statements were noted.

Red, White & Blue Fire Protection District
Schedule of the District's Proportionate Share of the Net Pension Liability/(Asset)
Cost-Sharing Defined Benefit Plans

Last Ten Years

Year Ended December 31,	2018	2017	2016	2015
FPPA - Statewide Defined Benefit Plan				
District's proportion of the net pension liability/(asset)	\$ (947,077)	\$ 260,478	\$ (11,908)	\$ (782,393)
District's proportionate share of the net pension liability/(asset)	0.6583%	0.7209%	0.6755%	0.6932%
District's covered payroll	\$ 3,853,544	\$ 3,534,529	\$ 3,487,950	\$ 3,461,880
Districts proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	24.58%	7.37%	0.34%	22.60%
Plan fiduciary net position as a percentage of the total pension	106.30%	98.21%	100.10%	106.80%
PERA - Local Government Division Trust Fund				
District's proportion of the net pension liability/(asset)	\$ 981,325	\$ 1,243,902	\$ 1,088,278	\$ 901,010
District's proportionate share of the net pension liability/(asset)	0.0881%	0.0921%	0.0988%	0.1005%
District's covered payroll	\$ 555,925	\$ 565,576	\$ 561,064	\$ 550,829
Districts proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	176.52%	219.94%	193.97%	163.57%
Plan fiduciary net position as a percentage of the total pension	79.37%	73.60%	76.90%	80.72%

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

Pension schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

See accompanying Independent Auditor's Report.

**Red, White & Blue Fire Protection District
Schedule of District Contributions - Pension
FPPA - Statewide Defined Benefit Plan**

Last Ten Years

Year Ended December 31,	2018	2017	2016	2015
Contractually Required Contribution	\$ 328,173	\$ 308,050	\$ 282,726	\$ 262,398
Contributions in Relation to the Contractually Required Contribution	328,173	308,050	282,726	262,398
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 4,146,904	\$ 3,853,544	\$ 3,534,529	\$ 3,487,950
Contributions as a Percentage of Covered Payroll	7.91%	8.00%	8.00%	7.52%

2014	2013	2012	2011	2010	2009
\$ 249,310	\$ 244,503	\$ 263,284	\$ 266,037	\$ 275,954	\$ 267,804
249,310	244,503	263,284	266,037	275,954	267,804
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 3,461,880	\$ 3,408,296	\$ 3,323,691	\$ 3,519,397	\$ 3,404,528	\$ 3,308,931
7.20%	7.17%	7.92%	7.56%	8.11%	8.09%

See accompanying Independent Auditor's Report.

**Red, White & Blue Fire Protection District
Schedule of District Contributions - Pension
PERA - Local Government Division Trust Fund**

Last Ten Years

Year Ended December 31,	2018	2017	2016	2015
Contractually Required Contribution	\$ 71,662	\$ 70,500	\$ 71,715	\$ 71,143
Contributions in Relation to the Contractually Required Contribution	71,662	70,500	71,715	71,143
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 565,159	\$ 555,925	\$ 565,576	\$ 561,064
Contributions as a Percentage of Covered Payroll	12.68%	12.68%	12.68%	12.68%

2014	2013	2012	2011	2010	2009
\$ 69,845	\$ 62,384	\$ 50,892	\$ 47,838	\$ 45,810	\$ 45,863
69,845	62,384	50,892	47,838	45,810	45,863
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 550,829	\$ 491,990	\$ 401,356	\$ 377,271	\$ 361,278	\$ 367,013
12.68%	12.68%	12.68%	12.68%	12.68%	12.50%

See accompanying Independent Auditor's Report.

Red, White & Blue Fire Protection District
Schedule of Changes in Net Pension Liability/(Asset)
and Related Ratios - Volunteer Firefighters' Pension Plan

Last Ten Years

Measurement Period Ending December 31,	2017	2016	2015	2014
Total Pension Liability				
Service Cost	\$ -	\$ -	\$ -	\$ -
Interest on the Total Pension Liability	71,789	69,739	71,299	61,361
Benefit Changes	-	-	-	123,758
Difference Between Expected and Actual Experience	-	21,083	-	34,204
Assumption Changes	-	28,931	-	-
Benefit Payments	(90,854)	(93,934)	(90,333)	(83,434)
Net Change in Total Pension Liability	(19,065)	25,819	(19,034)	135,889
Total Pension Liability - Beginning	1,001,788	975,969	995,003	859,114
Total Pension Liability - Ending	\$ 982,723	\$ 1,001,788	\$ 975,969	\$ 995,003
Plan Fiduciary Net Position				
Employer Contribution	\$ -	\$ -	\$ -	\$ -
Pension Plan Net Investment Income	173,571	64,707	24,019	88,207
Benefit Payments	(90,854)	(93,934)	(90,333)	(83,434)
Pension Plan Administrative Expenses	(7,491)	(2,212)	(3,085)	(2,395)
State of Colorado Supplemental Discretionary Payment	-	-	-	-
Net Change in Plan Fiduciary Net Position	75,226	(31,439)	(69,399)	2,378
Plan Fiduciary Net Position - Beginning	1,229,783	1,261,222	1,330,621	1,328,243
Plan Fiduciary Net Position - Ending	\$ 1,305,009	\$ 1,229,783	\$ 1,261,222	\$ 1,330,621
Net Pension Liability/(Asset) - Ending	\$ (322,286)	\$ (227,995)	\$ (285,253)	\$ (335,618)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	132.80%	122.76%	129.23%	133.73%
Covered Employee Payroll	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A
Pension schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.				

See accompanying Independent Auditor's Report.

**Red, White & Blue Fire Protection District
Schedule of District Contributions
Volunteer Firefighters' Pension Plan**

Last Ten Years

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2009	\$ -	\$ -	\$ -	N/A	N/A
2010	-	-	-	N/A	N/A
2011	-	-	-	N/A	N/A
2012	-	-	-	N/A	N/A
2013	-	-	-	N/A	N/A
2014	-	-	-	N/A	N/A
2015	-	-	-	N/A	N/A
2016	-	-	-	N/A	N/A
2017	-	-	-	N/A	N/A
2018	-	-	-	N/A	N/A

See accompanying Independent Auditor's Report.

Red, White & Blue Fire Protection District
Schedule of Changes in Net Pension Liability/(Asset)
and Related Ratios - Old Hire Pension Plan

Last Ten Years

Measurement Period Ending December 31,	2017	2016	2015	2014
Total Pension Liability				
Service Cost	\$ -	\$ -	\$ -	\$ -
Interest on the Total Pension Liability	41,592	43,801	41,685	43,887
Benefit Changes	-	-	-	-
Difference Between Expected and Actual Experience	29,878	-	28,558	-
Assumption Changes	-	-	31,221	-
Benefit Payments	(73,252)	(73,252)	(73,252)	(73,252)
Net Change in Total Pension Liability	(1,782)	(29,451)	28,212	(29,365)
Total Pension Liability - Beginning	590,521	619,972	591,760	621,125
Total Pension Liability - Ending	\$ 588,739	\$ 590,521	\$ 619,972	\$ 591,760
Plan Fiduciary Net Position				
Employer Contribution	\$ 48,265	\$ 41,896	\$ 41,846	\$ 39,422
Employee Contributions	-	-	-	-
Pension Plan Net Investment Income	29,110	10,916	4,545	17,712
Benefit Payments	(73,252)	(73,252)	(73,252)	(73,252)
Pension Plan Administrative Expenses	(877)	(2,219)	(731)	(3,304)
Net Change in Plan Fiduciary Net Position	3,246	(22,659)	(27,592)	(19,422)
Plan Fiduciary Net Position - Beginning	216,787	239,446	267,038	286,460
Plan Fiduciary Net Position - Ending	\$ 220,033	\$ 216,787	\$ 239,446	\$ 267,038
Net Pension Liability/(Asset) - Ending	\$ 368,706	\$ 373,734	\$ 380,526	\$ 324,722
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	37.37%	36.71%	38.62%	45.13%
Covered Employee Payroll	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A

Pension schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

See accompanying Independent Auditor's Report.

**Red, White & Blue Fire Protection District
Schedule of District Contributions
Old Hire Pension Plan**

Last Ten Years

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2009	\$ 31,364	\$ -	\$ 31,364	N/A	N/A
2010	30,044	30,044	-	N/A	N/A
2011	39,422	39,422	-	N/A	N/A
2012	39,422	39,422	-	N/A	N/A
2013	38,304	39,422	(1,118)	N/A	N/A
2014	38,304	39,422	(1,118)	N/A	N/A
2015	41,846	41,846	-	N/A	N/A
2016	41,846	41,896	(50)	N/A	N/A
2017	48,265	48,265	-	N/A	N/A
2018	48,265	48,265	-	N/A	N/A

See accompanying Independent Auditor's Report.

Red, White & Blue Fire Protection District
Schedule of the District's Proportionate Share of the Net OPEB Liability
Cost-Sharing Defined OPEB Plan

Last Ten Years

Year Ended December 31,	2018	2017
District's proportion of the net OPEB Liability	\$ 89,003	\$ 91,682
District's proportionate share of the net OPEB Liability	0.0068%	0.0071%
District's covered payroll	\$ 555,925	\$ 565,576
Districts proportionate share of the net OPEB Liability as a percentage of its covered payroll	16.01%	16.21%
Plan fiduciary net position as a percentage of the total OPEB Liability	17.53%	16.72%

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

OPEB schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

See accompanying Independent Auditor's Report.

**Red, White & Blue Fire Protection District
Schedule of District Contributions - OPEB
Cost-Sharing Defined OPEB Plan**

Last Ten Years

Year Ended December 31,	2018	2017	2016	2015
Contractually Required Contribution	\$ 5,765	\$ 5,671	\$ 5,769	\$ 5,723
Contributions in Relation to the Contractually Required Contribution	5,765	5,671	5,769	5,723
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 565,159	\$ 555,925	\$ 565,576	\$ 561,064
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%

2014	2013	2012	2011	2010	2009
\$ 5,618	\$ 5,018	\$ 4,094	\$ 3,848	\$ 3,685	\$ 3,744
5,618	5,018	4,094	3,848	3,685	3,744
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 550,829	\$ 491,990	\$ 401,356	\$ 377,271	\$ 361,278	\$ 367,013
1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

See accompanying Independent Auditor's Report.

Red, White & Blue Fire Protection District
Schedule of Revenues, Expenditures and Changes in
Fund Balance (Budget and Actual) - Capital Expenditures Fund
Year Ended December 31, 2018

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 428,626	\$ 428,626	\$ 427,750	\$ (876)
Interest on delinquent taxes	-	-	575	575
Other income	2,500	2,500	3,576	1,076
Total revenues	431,126	431,126	431,901	775
Expenditures				
Administration	21,441	21,441	21,420	21
Capital outlay	430,000	430,000	227,668	202,332
Debt Service	125,589	125,589	125,472	117
Total expenditures	577,030	577,030	374,560	202,470
Other financing sources				
Transfers in	-	-	1,998,777	1,998,777
Total other financing sources	-	-	1,998,777	1,998,777
Net change in fund balance	\$ (145,904)	\$ (145,904)	2,056,118	\$ 2,202,022
Fund balance at beginning of year			-	
Fund balance at end of year			\$ 2,056,118	

See accompanying Independent Auditor's Report.

STATISTICAL SECTION

This section of Red, White & Blue Fire Protection District's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information states about the District's overall financial health.

Contents

Financial Trends

Pages 73 - 76

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

Pages 77 - 81

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property and specific ownership taxes, along with plan review fees.

Debt Capacity

Pages 82 - 84

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt, and the District's ability to issue additional debt in the future.

Demographic and Economic Information

Pages 85 - 86

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

Pages 87 - 89

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

Sources:

Unless otherwise noted, the information in these schedules is derived from the audits and/or comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

Red, White & Blue Fire Protection District
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$3,074,179	\$3,460,879	\$4,053,819	\$4,855,488	\$5,068,900	\$5,341,347	\$5,454,606	\$5,745,950	\$5,849,521	\$5,630,416
Restricted - Emergency Reserve	216,700	238,636	240,936	227,360	229,656	223,133	228,308	256,085	269,377	284,162
Restricted - Board action	-	-	-	-	-	-	-	-	-	-
Restricted - Prepaid expenses	42,889	122,351	26,064	-	-	-	-	-	-	-
Unrestricted	1,412,070	2,575,000	3,568,790	3,575,503	4,040,106	4,274,940	5,138,327	5,512,513	5,799,904	6,968,090
Total governmental activities net position	<u>\$4,745,838</u>	<u>\$6,396,866</u>	<u>\$7,889,609</u>	<u>\$8,658,351</u>	<u>\$9,338,662</u>	<u>\$9,839,420</u>	<u>\$10,821,241</u>	<u>\$11,514,548</u>	<u>\$11,918,802</u>	<u>\$12,882,668</u>
Primary government										
Net investment in capital assets	\$3,074,179	\$3,460,879	\$4,053,819	\$4,855,488	\$5,068,900	\$5,341,347	\$5,454,606	\$5,745,950	\$5,849,521	\$5,630,416
Restricted - Emergency Reserve, Board action, prepaids	259,589	360,987	267,000	227,360	229,656	223,133	228,308	256,085	269,377	284,162
Unrestricted	1,412,070	2,575,000	3,568,790	3,575,503	4,040,106	4,274,940	5,138,327	5,512,513	5,799,904	6,968,090
Total primary government net position	<u>\$4,745,838</u>	<u>\$6,396,866</u>	<u>\$7,889,609</u>	<u>\$8,658,351</u>	<u>\$9,338,662</u>	<u>\$9,839,420</u>	<u>\$10,821,241</u>	<u>\$11,514,548</u>	<u>\$11,918,802</u>	<u>\$12,882,668</u>

Note: The District began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

Red, White & Blue Fire Protection District
Changes in Net Position (governmental activities only)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
Administration	\$720,348	\$729,417	\$774,466	\$657,906	\$772,559	\$796,899	\$1,117,877	\$1,192,868	\$1,346,131	1,290,553
Operations	3,636,113	4,022,141	4,249,252	3,489,271	4,049,097	3,846,825	4,269,750	4,948,840	5,580,726	5,435,025
Emergency Medical Services	25,389	24,503	19,724	126,446	127,770	68,623	-	-	-	-
Community Risk Management	294,579	314,111	295,587	234,925	232,330	249,847	193,405	193,318	209,437	197,447
Training	572,891	650,939	635,130	525,041	512,818	561,139	443,744	525,105	583,339	500,280
Information Technology/Communications	242,754	254,466	282,044	282,228	399,084	471,020	139,675	146,063	168,370	178,879
Fleet Services	113,278	130,195	122,464	684,963	173,206	402,599	142,164	143,885	169,659	194,278
Buildings	284,233	214,032	226,491	340,040	288,379	187,230	311,068	330,305	326,206	352,799
High Country Training Center	-	-	-	-	-	-	-	-	-	-
Pension Contribution	-	30,104	39,422	39,422	39,422	39,422	27,555	41,846	48,265	48,265
Grant Expenditures	226,334	5,261	38,641	17,704	37,028	403	5,491	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Treasurer's Fees	298,463	377,502	382,561	329,590	335,189	315,789	321,646	354,310	359,826	391,045
Interest on Long-term Debt - RWB	88,615	101,162	78,769	56,310	43,598	37,367	31,362	25,195	18,333	12,317
Debt Service - SFA	89,880	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	\$6,592,877	\$6,853,833	\$7,144,551	\$6,783,846	\$7,010,480	\$6,977,163	\$7,003,737	\$7,901,735	\$8,810,292	\$8,600,888
Total primary government expenses	\$6,592,877	\$6,853,833	\$7,144,551	\$6,783,846	\$7,010,480	\$6,977,163	\$7,003,737	\$7,901,735	\$8,810,292	\$8,600,888
Program Revenues										
Governmental activities:										
Plan Review & Other Fees	\$31,705	\$30,242	\$141,180	\$34,298	\$38,328	\$307,749	\$165,828	\$195,291	\$228,674	\$33,271
Intergovernmental	341,002	359,398	397,856	324,822	325,501	286,982	205,275	256,408	289,062	210,694
Emergency Medical Services Income	4,800	7,800	12,975	4,287	20,351	22,834	212,484	388,303	354,784	476,141
State & Federal Wildland	-	-	123,482	264,330	235,967	148,702	203,283	178,852	394,806	432,948
Grant Revenues	-	-	-	-	-	-	-	-	232,829	184,366
Other Income	51,777	19,752	15,099	4,926	8,740	15,859	31,819	19,623	-	-
Total governmental activities program revenues	\$429,284	\$417,192	\$690,592	\$632,663	\$628,887	\$782,126	\$818,689	\$1,038,477	\$1,500,155	\$1,337,420
Total primary government program revenues	\$429,284	\$417,192	\$690,592	\$632,663	\$628,887	\$782,126	\$818,689	\$1,038,477	\$1,500,155	\$1,337,420
Net (Expense)/Revenue										
Governmental activities	(\$6,163,593)	(\$6,436,641)	(\$6,453,959)	(\$6,151,183)	(\$6,381,593)	(\$6,195,037)	(\$6,185,048)	(\$6,863,258)	(\$7,310,137)	(\$7,263,468)
Total primary government net expenses	(\$6,163,593)	(\$6,436,641)	(\$6,453,959)	(\$6,151,183)	(\$6,381,593)	(\$6,195,037)	(\$6,185,048)	(\$6,863,258)	(\$7,310,137)	(\$7,263,468)
General Revenues										
Governmental activities:										
Property Taxes	\$5,956,815	\$7,530,647	\$7,633,455	\$6,581,471	\$6,691,759	\$6,307,043	\$6,424,302	\$7,077,664	\$7,188,113	\$7,706,966
Specific Ownership Taxes	279,558	266,240	267,939	272,725	317,239	333,130	343,571	371,547	428,195	458,603
Interest on Taxes	17,017	19,396	17,766	10,334	12,022	8,738	8,630	8,530	8,394	10,357
Grant Revenues	165,671	138,257	112,027	71,082	48,302	40,157	10,453	58,869	2,500	-
Gain (loss) on sale of capital assets	-	-	7,425	-	(12,715)	-	-	-	-	-
Investment Earnings	15,102	10,778	4,377	10,377	5,297	6,727	15,071	39,952	68,645	125,937
Other Income	-	-	-	-	-	-	-	-	18,544	17,153
Total governmental activities general revenues	\$6,434,163	\$7,965,318	\$8,042,989	\$6,945,989	\$7,061,904	\$6,695,795	\$6,802,027	\$7,556,561	\$7,714,391	\$8,319,016
Total primary government general revenues	\$6,434,163	\$7,965,318	\$8,042,989	\$6,945,989	\$7,061,904	\$6,695,795	\$6,802,027	\$7,556,561	\$7,714,391	\$8,319,016
Change in Net Position										
Governmental activities	\$270,570	\$1,528,677	\$1,589,030	\$794,806	\$680,311	\$500,758	\$616,979	\$693,303	\$404,254	\$1,055,548
Total primary government	\$270,570	\$1,528,677	\$1,589,030	\$794,806	\$680,311	\$500,758	\$616,979	\$693,303	\$404,254	\$1,055,548

Note: The District began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

Red, White & Blue Fire Protection District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Nonspendable for prepaid items (1)	\$ -	\$ -	\$ -	\$ 27,651	\$ 34,332	\$ 188,802	\$ 227,700	\$ 305,957	\$ 68,215	\$ 162,758
Restricted for emergencies	216,700	238,636	240,936	227,360	229,656	223,133	228,308	256,085	269,377	284,162
Committed for long-range capital expenditures (1)	-	-	-	1,753,116	1,307,663	677,884	1,271,595	983,914	750,336	2,767,065
Assigned for subsequent year expenditures (2)	-	-	-	-	-	86,599	-	-	-	-
Unassigned	1,668,602	2,692,522	3,770,981	2,043,276	2,935,669	3,583,329	3,497,943	4,133,230	5,126,084	3,732,583
Total general fund	\$ 1,885,302	\$ 2,931,158	\$ 4,011,917	\$ 4,051,403	\$ 4,507,320	\$ 4,759,747	\$ 5,225,546	\$ 5,679,186	\$ 6,214,012	\$ 6,946,568

Note: The District began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

(1) The District began classifying fund balance using the new categories in 2012. During 2012 budgeting, the Board of Directors committed \$2 million of the General Fund balance to be used for the purposes of capital and long-range maintenance expenditures on fleets and buildings. In 2018 the District created a separate Capital Expenditures Fund, which is reflected here.

(2) The District adopted this classification category in 2014.

Red, White & Blue Fire Protection District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Property taxes	\$ 5,956,815	\$ 7,530,647	\$ 7,633,455	\$ 6,581,471	\$ 6,691,759	\$ 6,307,043	\$ 6,424,302	\$ 7,077,664	\$ 7,188,113	\$ 7,706,966
Specific ownership taxes	279,558	266,240	267,939	272,725	317,239	333,130	343,571	371,547	428,195	458,603
Interest on delinquent tax	17,017	19,396	17,766	10,334	12,022	8,738	8,630	8,530	8,394	10,357
Earnings on Investments	15,102	10,778	4,377	10,377	5,297	6,727	15,071	39,952	68,645	125,937
Plan review fees	31,705	30,242	141,180	34,298	38,328	307,749	165,828	195,291	228,674	33,271
Intergovernmental	341,002	359,398	397,856	324,822	325,501	286,982	205,275	256,408	289,062	210,694
Emergency medical services income	4,800	7,800	12,975	4,287	20,351	22,834	212,484	388,303	354,784	476,141
State & Federal Wildland	-	-	123,482	264,330	235,967	148,702	203,283	178,852	394,806	432,948
Grant revenues	165,671	138,257	112,027	71,082	48,302	40,157	10,453	58,869	235,329	184,366
Other income	51,777	19,752	15,099	4,926	8,740	15,859	31,819	19,623	18,544	17,153
Total Revenues	\$ 6,863,447	\$ 8,382,510	\$ 8,726,156	\$ 7,578,652	\$ 7,703,506	\$ 7,477,921	\$ 7,620,716	\$ 8,595,038	\$ 9,214,546	\$ 9,656,436
Expenditures										
Public Safety										
Administration	\$ 702,085	\$ 716,656	\$ 762,908	\$ 653,087	\$ 760,492	\$ 806,677	\$ 953,411	\$ 1,091,338	\$ 1,158,906	\$ 1,216,540
Operations	3,442,927	3,507,910	4,007,297	3,982,616	3,979,937	3,937,868	4,229,438	4,810,980	4,963,500	5,634,355
Emergency medical services	35,369	34,610	34,460	125,232	128,163	67,413	-	-	87,872	53,462
Community Risk Management	294,579	330,568	295,314	233,113	232,917	248,042	193,007	176,526	191,280	193,083
Training	572,891	649,611	634,956	523,509	513,314	559,613	443,563	518,943	566,914	515,206
Information Technology/Communications	242,754	280,363	290,741	280,675	399,587	469,473	193,129	169,995	169,092	178,879
Fleet Services	113,278	1,309,033	122,464	684,963	173,206	402,599	467,164	499,334	169,659	194,278
Facilities	143,401	82,837	359,282	252,448	427,864	193,641	121,444	293,053	128,796	150,792
Grant Expenditures	226,334	245,493	38,641	17,704	37,028	403	5,491	-	-	-
Pension Contribution	-	30,104	39,422	39,422	39,422	39,422	41,846	41,846	48,265	48,265
Treasurer's Fees	298,463	377,502	382,561	329,590	335,189	315,789	321,646	354,310	359,826	385,880
Capital Outlay	-	-	-	-	-	-	-	-	-	650,608
Debt Service										
Interest on Long-term Debt - RWB	84,151	101,162	94,263	62,131	46,127	39,261	33,363	157,795	164,444	112,184
Principal on Long-term Debt - RWB	464,672	548,301	1,026,800	380,740	174,343	145,293	151,415	27,282	20,558	13,288
Debt Service - SFA	89,880	-	-	-	-	-	-	-	-	-
	\$ 6,710,784	\$ 8,214,150	\$ 8,089,109	\$ 7,565,230	\$ 7,247,589	\$ 7,225,494	\$ 7,154,917	\$ 8,141,402	\$ 8,679,720	\$ 8,923,880
Excess of revenue over (under) expenditures	\$ 152,663	\$ 168,360	\$ 637,047	\$ 13,422	\$ 455,917	\$ 252,427	\$ 465,799	\$ 453,636	\$ 534,826	\$ 732,556
Other Financing Sources (Uses)										
Proceeds from capital lease	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sale of capital assets	-	-	347,425	-	-	-	-	-	-	-
Total other financing sources (uses)	\$ -	\$ 1,000,000	\$ 347,425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ 152,663	\$ 1,168,360	\$ 984,472	\$ 13,422	\$ 455,917	\$ 252,427	\$ 465,799	\$ 453,636	\$ 534,826	\$ 732,556
Capital Outlay - per Reconciliation of Govt Fund Stmtnt of Revenues Expenditures and Changes in Fund Balance w/Govt-wide Statemnt of Activities							396,679	661,840	650,608	227,668
Debt service as a percentage of noncapital expenditures	8.18%	7.91%	13.86%	5.85%	3.04%	2.55%	2.73%	2.47%	2.30%	1.44%

Note: The District began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.
Note: In 2016 in the Audited Financial Statements the District began to report the Revenue items of Charges for Services, Operating Grants and Contributions as net against Operations Expenditures, as income/expenses related to governmental activities are classified by function, not object of expenditure per GASB -S34: 38 and 41; GAAFR, pages 306-307
Note: In 2016 in the Audited Financial Statements the District began to report Expenditure items of Grant Expenditures, Treasurer's Fees, Pensions Fund Contributions as part of Administration Expenditures, as expenses related to governmental activities are classified by function, not object of expenditure per GASB -S34: 38 and 41; GAAFR, pages 306-307

**Red, White & Blue Fire Protection District
Revenues by Source, Governmental Funds
Last Ten Fiscal Years**
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Specific Ownership Tax	Plan Review Fees	Total
2009	\$ 5,956,815	\$ 279,558	\$ 31,705	\$ 6,268,078
2010	7,530,647	266,240	30,242	7,827,129
2011	7,633,455	267,939	141,180	8,042,574
2012	6,581,471	272,725	34,298	6,888,494
2013	6,691,759	317,239	38,328	7,047,326
2014	6,307,043	333,130	307,749	6,947,922
2015	6,424,302	343,571	165,828	6,933,701
2016	7,077,664	371,547	195,291	7,644,502
2017	7,188,114	428,195	228,674	7,844,983
2018	7,706,966	458,603	33,271	8,198,840
Change 2009-2018	29.4%	64.0%	4.9%	30.8%

Source: District Financial Records

**Red, White & Blue Fire Protection District
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years**

Fiscal Year	Real Assessed Value	Real Actual Value	Mill Levy	Ratio of Total Assessed to Total Estimated Actual Value
2009	892,154,850	8,199,225,600	8.5	10.88%
2010	898,721,250	8,312,202,520	8.5	10.81%
2011	740,396,380	6,922,398,320	8.5	10.70%
2012	736,429,950	6,969,814,210	9.0	10.57%
2013	701,331,650	6,708,126,810	9.0	10.45%
2014	712,599,310	6,815,733,190	9.0	10.46%
2015	790,119,390	7,602,499,480	9.0	10.39%
2016	796,489,730	7,742,467,430	9.0	10.29%
2017	857,252,240	9,068,309,970	9.0	9.45%
2018	869,706,140	9,268,199,340	9.0	9.38%

Source: Summit County Assessor's Office

Note: The County assesses property every other year.

Both assessed and actual values are shown.

Property owners are taxed at their assessed value.

Red, White & Blue Fire Protection District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(per \$1,000 of assessed value)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<u>Government</u>										
<u>Red, White & Blue Fire Protection District - Total Operations Revenue</u>	8.500	8.500	8.500	9.000	9.098	9.013	9.004	9.004	9.004	9.004
<u>Incorporated Towns</u>										
Blue River	11.293	12.060	12.290	12.290	12.290	12.314	12.308	12.324	12.290	12.290
Breckenridge	6.957	6.945	6.945	6.945	5.070	5.070	5.070	5.070	5.070	5.070
<u>County</u>										
Summit County	12.602	12.595	12.796	12.824	12.789	15.173	15.072	15.086	14.986	19.643
<u>School District</u>										
Summit School RE-1	19.631	18.364	19.485	20.031	20.275	21.416	19.618	21.151	20.525	20.417
<u>Junior College</u>										
Colorado Mountain College	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997

Source: Various Entities and Summit County Assessors Office

**Red, White & Blue Fire Protection District
Principal Property Tax Payers
Current Year and Ten Years Ago**

Taxpayer	Fiscal Year 2018		Fiscal Year 2009	
	Assessed Valuation	Percentage of Total Assessed Rank	Assessed Valuation	Percentage of Total Assessed Rank
Vail Summit Resorts Inc. - ski area owner, developer, & property management	\$77,108,357	4.06%	\$72,616,109	3.75%
Climax Molybdenum Company - mining	39,571,888	2.09%	11,566,790	0.60%
Public Service Company - electric/gas utility entity	31,139,351	1.64%	17,370,491	0.90%
Powder Corp - Copper Mountain LLC - ski area owner, developer, & property management	11,904,290	0.63%	21,305,951 (Copper Mountain, Inc in 2009)	1.10%
Craig Realty Group - Silverthorne LLC - retail shopping centers	10,671,990	0.56%	12,256,734	0.63%
Powdr Corp - Copper Participation LLC - ski area owner, developer, & property management	10,210,783	0.54%	-	0.00%
Gold Point Lodging & Realty Inc. - property management & real estate	9,186,655	0.48%	9,774,042	0.50%
Grand Lodge on Peak 7 - interval owner association	7,953,933	0.42%	-	0.00%
Peak 8 Properties LLC - property management & real estate	7,667,447	0.40%	-	0.00%
Beaver Run Interim Cntr Acquisition LLC/Developments - hotel/retail condominium resort & management	6,974,585	0.37%	5,834,693 (Beaver Run Developments in 2009)	0.30%
Qwest Corporation - communications/public utility	-	0.00%	6,550,581	0.34%
One Ski Hill Place LLC - subsidiary of Vail Resorts - real estate development & management	-	0.00%	-	0.00%
AZCO II LLC - real estate developer	-	0.00%	7,396,650	0.38%
PFG Alders Property LLC - real estate developer & management	-	0.00%	4,060,114	0.21%
CNL Income Copper LP - real estate developer & management	-	0.00%	0.00%	0.00%
Total assessed valuation for 10 largest taxpayers	\$212,389,279	11.19%	\$168,732,155	8.71%
Total assessed valuation for all other taxpayers	\$1,685,329,911	88.81%	\$1,768,967,835	91.29%
	\$1,897,719,190	100.00%	\$1,937,699,990	100.00%

Source: Summit County Assessors Office; Summit County Finance Office

**Red, White & Blue Fire Protection District
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy	Current Tax Collections	% of Current Taxes Collected	Delinquent Tax Collection	Total Tax Collection	Ratio of Total Tax to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2009	\$ 5,983,732	\$ 5,966,475	99.71%	\$ (9,660)	\$ 5,956,815	99.55%	(1)	(2)
2010	7,583,316	7,535,964	99.38%	(5,318)	7,530,646	99.31%	(1)	(2)
2011	7,639,131	7,624,261	99.81%	9,194	7,633,455	99.93%	(1)	(2)
2012	6,663,567	6,636,449	99.59%	(54,977)	6,581,472	98.77%	(1)	(2)
2013	6,700,040	6,692,889	99.89%	(1,129)	6,691,760	99.88%	(1)	(2)
2014	6,321,102	6,310,816	99.84%	(3,773)	6,307,043	99.78%	(1)	(2)
2015	6,426,221	6,420,798	99.92%	3,504	6,424,302	99.97%	(1)	(2)
2016	7,114,235	7,088,324	99.64%	(10,660)	7,077,664	99.49%	(1)	(2)
2017	7,198,674	7,186,137	99.83%	1,977	7,188,114	99.85%	(1)	(2)
2018	7,722,128	7,703,078	99.75%	3,888	7,706,966	99.80%	(1)	(2)

Source: Red, White & Blue Fire Protection District Record of Levies and Collections.

(1) Summit County collects the taxes for all property tax levies. The record of delinquent taxes is maintained by the county, however, the District's individual delinquent taxes are unavailable.

(2) Liens are filed on all delinquent taxes, collections or refunds are immaterial timing differences.

**Red, White & Blue Fire Protection District
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years**

Fiscal Year	Governmental Activities		Ratio total outstanding debt to personal income	Personal Income (thousands of dollars) (1)	Per Capita
	Capital Leases	Total Primary Government			
2009	\$ 2,037,169	\$ 2,037,169	0.18%	\$ 1,129,081	49.94
2010	2,490,063	2,490,063	0.21%	1,177,680	59.34
2011	1,463,264	1,463,264	0.12%	1,269,541	32.23
2012	1,082,524	1,082,524	0.08%	1,321,185	23.13
2013	908,180	908,180	0.07%	1,396,879	18.69
2014	762,887	762,887	0.05%	1,490,355	15.05
2015	611,472	611,472	0.04%	1,681,998	2.72
2016	453,677	453,677	0.02%	1,873,640	7.34
2017	289,233	289,233	0.01%	1,971,069	4.49
2018	177,049	177,049	*	*	3.49

Source: (1) Bureau of Economic Analysis/County Planning Department; Reported at the County level
 Note: Personal Income and Per Capita Information for 2006-2013 have been revised per new estimates given by the Bureau of Economic Analysis

* Information not available at time of reporting

**Red, White & Blue Fire Protection District
Direct and Overlapping Governmental Activities Debt
As of December 31, 2018**

	Net General Obligation Debt Outstanding 2018	Percentage Applicable to Summit County (1)	Amount Applicable to Summit County
Alpensee Water District	\$ 1,051,105	100.00%	\$ 1,051,105
Breckenridge Mountain Metropolitan District	23,475,000	100.00%	23,475,000
Summit School District RE-1	84,705,000	100.00%	84,705,000
Swan's Nest Metro District	840,000	100.00%	840,000
Timber Creek Water District	295,000	100.00%	295,000
Town of Blue River	0	100.00%	0
Town of Breckenridge	0	100.00%	0
Upper Blue Sanitation	0	100.00%	0
Total Overlapping Debt	<u>\$ 110,366,105</u>		<u>110,366,105</u>
Red, White & Blue Fire District	177,049	100.00%	<u>177,049</u>
Total Direct and Overlapping Debt	<u>\$ 110,543,154</u>		<u>\$ 110,543,154</u>

(1) This percentage is calculated based on how much of the district lies within Summit County.

Source:
Summit County Government schedule

Note: Starting in 2016 RWB reports Capital Leases as Governmental Activities Debt per GASB-S44: 45

Red, White & Blue Fire Protection District
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total Assessed Value	\$892,154,850	\$898,721,250	\$740,396,380	\$736,429,950	\$701,331,650	\$712,599,310	\$790,119,390	\$796,489,730	857,252,240	869,706,140
Debt Limit - 50% of total assessed value (1)	446,077,425	449,360,625	370,198,190	368,214,975	350,665,825	356,299,655	395,059,695	398,244,865	428,626,120	434,853,070
Amount of Debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	446,077,425	449,360,625	370,198,190	368,214,975	350,665,825	356,299,655	395,059,695	398,244,865	428,626,120	434,853,070

Sources:
Summit County Assessor's Office
Red, White & Blue Fire Protection District Finance Office

(1) Colorado Revised Statutes

**Red, White & Blue Fire Protection District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	District Population (1)		Per Capita Income (2)	Median Age	Education Level	School Enrollment (3)	Unemployment Rate (4)
	Permanent	Seasonal					
2009	8,765	49,326	42,005	35.2	Bachelor's Degree	3,089	6.4
2010*	8,765	49,326	43,090	34.3	Bachelor's Degree	3,124	6.7
2011	8,765	49,326	46,627	34.9	Bachelor's Degree	3,151	5.2
2012	8,818	49,384	34,921	35.8	Bachelor's Degree	3,156	5.9
2013	8,870	49,442	37,506	34.4	Bachelor's Degree	3,287	5.8
2014	9,287	49,900	50,685	36.0	Bachelor's Degree	3,345	2.5
2015	9,343	52,700	54,615	37.7	Bachelor's Degree	3,506	2.6
2016	9,399	55,364	61,789	36.4	Bachelor's Degree	3,557	2.1
2017	9,529	55,364	64,446	39.9	Bachelor's Degree	3,592	2.1
2018	9,586	60,900	*	*	Bachelor's Degree	3,646	2.1

(1) Source Colorado Deographer

<https://demography.dola.colorado.gov/population/population-totals-municipalities/#population-totals-for-colorado-municipalities>
<http://www.co.summit.co.us/517/Permanent-Resident-Population>

(2) Bureau of Economic Analysis, U.S. Department of Commerce; Reported at County Level <https://apps.bea.gov/regional/bearfacts>

(3) Summit County wide; District includes 2 of six elementaries & middle & high school within Summit County

Red White & Blue Fire Protection District schools: Upper Blue Elementary - 281 students and Breckenridge Elementary - 215 students

(4) Colorado Department of Labor and Employment/Summit County Assessor

(4) <https://fred.stlouisfed.org/series/COSUMM7URN>

Information updated for 2010 Census and 2017 population is based on the most recent population estimates by the State Demographer

(4) <https://www.colmigateway.com/vosnet/lmi/profiles/profileDetails.aspx?session=areadetail§ion=employmentWage>

**Red, White & Blue Fire Protection District
Principal Employers
Current Year and ten years ago
December 31, 2018**

	Est. # of Employees <u>2018</u>	Percentage of Total County <u>Employment</u>	Employee # Range <u>2009</u>	Percentage of Total County <u>Employment</u>
Copper Mountain Ski Resort	1000-4999	4.63-23.15%	1000-4999	6-30%
Keystone Resort	500-999	2.32-4.63%	1000-4999	6-30%
Peak Materials LLC	500-999	2.32-4.63%	100-250	.5-1.5%
Breckenridge Ski Resort	250-499	1.16-2.32%	250-499	6-30%
Summit School District	500-999	2.32-4.63%	250-499	1.5-3%
Summit County Government	250-499	1.16-2.32%	400-500	2.35-3%
St. Anthony Summit Medical Ctr	100-249	.47-1.16%	100-250	.5-1.5%
Grand Timber Lodge	100-249	.47-1.16%	100-250	.5-1.5%
Beaver Run Resort & Conference	100-249	.47-1.16%	250-499	1.5-3%
Town of Silverthorne	100-249	.47-1.16%	100-250	.5-1.5%
Doubletree/Village at Breckenridge	100-249	.47-1.16%	100-250	.5-1.5%
Whole Foods Market	100-249	.47-1.16%	N/A	
Town of Breckenridge	100-249	.47-1.16%	250-499	1.5-3%
Arapahoe Basin Ski Area	100-249	.47-1.16%	100-250	.5-1.5%
Target	100-249	.47-1.16%	100-250	.5-1.5%
Lowes	100-249	.47-1.16%	N/A	
KCNC TV News 4 Mountain Bureau	100-249	.47-1.16%	N/A	
Wilderness Silverthorne	100-249	.47-1.16%	100-250	
Summit County Jail	100-249	.47-1.16%	100-250	
City Market - Breckenridge	100-249	.47-1.16%	250-499	1.5-3%
Wyndham Vacation Rentals	100-249	.47-1.16%	100-250	.5-1.5%
Breckenridge Recreation Center	100-249	.47-1.16%	100-250	
City Market - Dillon	100-249	.47-1.16%	100-250	
Breckenridge Public Works	100-249	.47-1.16%	100-250	
St. Anthony Breckenridge Medical Center	100-249	.47-1.16%	100-250	
Walmart	100-249	.47-1.16%	100-250	.5-1.5%
Total Employees in Summit County	21,598		17,029	

Sources:

*Summit County, CO Government
Colorado Department of Labor and Employment - LMI Gateway
3rd Quarter reporting estimates for each year*

Number of employees is only given in ranges for the years 2007-2014,2016-2017

Number of employees is given as a single number estimate in 2015

* Percentage of total District employment not available as data is kept at the county level only

Red, White & Blue Fire Protection District
Full-time Equivalent (FTE) District Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Administration	4	4	3	3	4.75	5	8	7	7	7
Operations	44	44	45	44	42	42	42	46	46	46
Community Risk Management	4	4	3	3	3	3	2	2	2	2
Training	4	4	4	4	3	3	3	3	3	3
Information Technology/Communications	1	1	1	1	1	1	0	0	0	0
Total FTE	57	57	56	55	53.75	54	55	58	58	58

Source: Finance Office & Deputy Chief of Admin

**Red, White & Blue Fire Protection District
Operating Indicators by Function/Program
Last Ten Fiscal Years**

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Field Operations										
Fire Calls	24	39	36	34	25	27	23	33	27	37
EMS Calls	686	655	683	718	768	884	1,017	1,164	1,338	1,482
Haz-Mat Calls	88	102	85	66	84	120	116	90	109	80
Fire Alarm Calls	346	304	329	279	349	357	376	365	419	474
Service Calls	76	78	72	66	65	92	157	156	118	156
Good Intent Calls	158	151	187	202	221	191	270	260	267	396
Other Calls	3	6	22	8	2	9	4	2	3	6
Explosion Calls	2	0	0	1	0	3	2	0	0	0
Total Calls	1,383	1,335	1,414	1,374	1,514	1,683	1,965	2,070	2,281	2,631
Support Services										
Square footage of building maintained	25,500	25,200	25,200	25,200	27,870	27,870	27,870	27,870	27,870	27,870
Community Risk Management Services										
Fire Investigations	3	10	10	8	6	4	3	6	8	14
Plan Reviews	214	178	203	234	179	248	232	311	302	369
Business Inspections	1,278	797	825	720	738	728	686	363	424	348
Burn Permits	217	192	149	140	95	68	70	81	91	87
Car seat checks	138	60	81	89	35	67	71	68	47	54
Training Operations										
Training Hours (2007-10 EMS Trng not included)	7,361	6,387	7,369	6,300	6,043	5,960	7,640	8,170	10,800	8,473
Ambulance (service started in 2009 w/ County IGA)										
EMS Transports	8	10	33	18	32	335	568	716	906	1001
% of Transports to Summit Medical Center	100.00%	100.00%	100.00%	100.00%	100.00%	98.50%	98.20%	97.75%	96.80%	93.51%
Collection Rate -SCAS	87.50%	100.00%	100.00%	69.70%	79.70%	47.07%	62.40%	61.12%	46.80%	57.00%
Collection Rate -to RWB Fire	87.50%	100.00%	100.00%	69.70%	79.70%	23.54%	31.20%	30.56%	23.40%	28.50%

Sources:

*In-House data bases (Fire Manager)
Property Liability Insurance Records
District Financial Records*

Square footage of buildings maintained changed in 2010 due to an audit of square footage performed by the District's insurance carrier.

Square footage increased in 2013 with the addition of a 2,670 square foot substation at the base of Peak 7 currently in progress.

**In 2014 the IGA with the Summit County Ambulance Service (SCAS) changed to RWB receiving 50% of billed revenues instead of guaranteed payment of 55% of all transports.*

**Red, White & Blue Fire Protection District
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Administration										
Chief Vehicles	2	3	3	3	3	3	3	3	3	3
Utility Vehicles	-	-	-	-	2	2	-	-	-	-
Accounting Software	1	1	1	1	1	1	1	1	1	1
Server at Main Station (Offices within Main Station)	-	1	1	1	2	2	3	4	4	5
Operations										
Fire Stations	3	3	3	3	4	4	4	4	4	4
Pumper Tankers	2	2	2	3	1	1	2	2	2	2
Engines	2	2	2	3	3	3	3	4	4	4
Ladder Truck	1	2	1	1	1	1	1	1	1	1
Wildland units	2	2	2	2	2	2	2	2	2	2
Battalion Chief vehicle	1	1	1	1	1	1	1	1	1	1
Utility vehicle	1	1	1	1	3	3	3	3	3	3
Slip Pump	1	1	1	1	1	1	1	1	1	1
Infra-red cameras	1	1	1	1	1	1	1	1	-	-
Thermal Imaging Cameras	2	3	4	4	4	4	4	5	5	5
Treadmill	1	1	4	4	4	4	4	4	4	4
Community Risk Management										
Vehicles	2	2	2	2	1	1	1	1	1	1
CRM Staff Escape	1	1	1	1	1	1	1	1	1	1
Printer/Scanner	-	1	1	1	1	1	1	1	1	1
Training										
Vehicle - Ford Escape	1	1	1	1	-	-	-	-	-	-
Utility vehicle	1	1	1	1	-	-	-	-	-	-
Information Technology/Communications										
Bi Directional Amplification, plus Repeater	1	1	1	1	-	-	-	-	-	-
Records Management System	1	1	1	1	1	1	1	1	1	3
Emergency Medical Services										
Rescue Squads	2	2	2	2	2	2	2	2	3	3
Mega code Manikin	1	1	1	1	1	1	1	1	1	1
Cardiac Monitor	-	1	5	5	5	5	5	8	8	8
Autopulse Resuscitation System	-	-	-	-	-	-	-	-	-	1

Source: Finance Office & Deputy Chief of Admin - capital asset policy at \$5,000 level