



Eaton Fire Protection District

Financial Statements
and Supplementary Information
For the Year Ended December 31, 2019



Eaton Fire Protection District

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Independent Auditor's Report

Board of Directors
Eaton Fire Protection District
Eaton, Colorado

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Eaton Fire Protection District (the "District"), as of and for the year ended December 31, 2019, 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 from material misstatement.

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

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

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Eaton Fire Protection District as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Emphasis of A Matter

The COVID-19 outbreak in 2020 (see Note 10) has caused business disruption in a variety of industries, markets and geographic regions, which has resulted in considerable uncertainty as to the financial impact and duration, which cannot be reasonably estimated at this time. 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 12, the budgetary comparison information for the General Fund on page 37, and the pension related schedules on pages 38 through 41 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.

ACM LLP

Greeley, Colorado
September 28, 2020

**Eaton Fire Protection District
Management's Discussion and Analysis
For the Year Ended December 31, 2019**

This section of the annual financial report offers readers of the Eaton Fire Protection District's (the "District") financial statements management's discussion and analysis of the District's financial performance during the year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information furnished in the District's financial statements, which immediately follow this section.

Background Information

The District was created in 1960, by a number of citizens concerned about fire protection for their homes and businesses. The predominant fund approach for the District was comprised of one basic fund: the General Fund.

On November 11, 2003, the taxpayers approved a ballot question which eliminated the Taxpayer Bill of Rights ("TABOR") limits that were imposed on the District in 1992. The mill levy for 2019 was set at 9.000 mills.

Financial Highlights

- The District's financial status improved over the course of the 2019 fiscal year. Total net position increased \$321,128 or 7%.
- General revenues account for \$3,710,317 and 100% of all revenues. The District had \$0 in program specific revenues in the form of operating grants and contributions during 2019.
- The District had \$3,389,189 in expenses related to governmental activities; with \$0 of these expenses offset by program specific charges for services and operating grants and contributions. General revenues, property and specific ownership taxes of \$3,657,229 and \$53,088 in other revenues were adequate to provide for the governmental activities.
- The District decreased its outstanding capital leases by \$79,077 or 15%.

Overview of the Financial Statements

This annual financial report consists of three parts: management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.
- The governmental fund statements reflect how basic services such as fire protection were financed in the short-term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements.

**Eaton Fire Protection District
Management's Discussion and Analysis
For the Year Ended December 31, 2019**

Detailed in the following diagram are how the various parts of this annual report are arranged and related to one another.

**Table 1
Organization of the Eaton Fire Protection
District's Annual Financial Report**

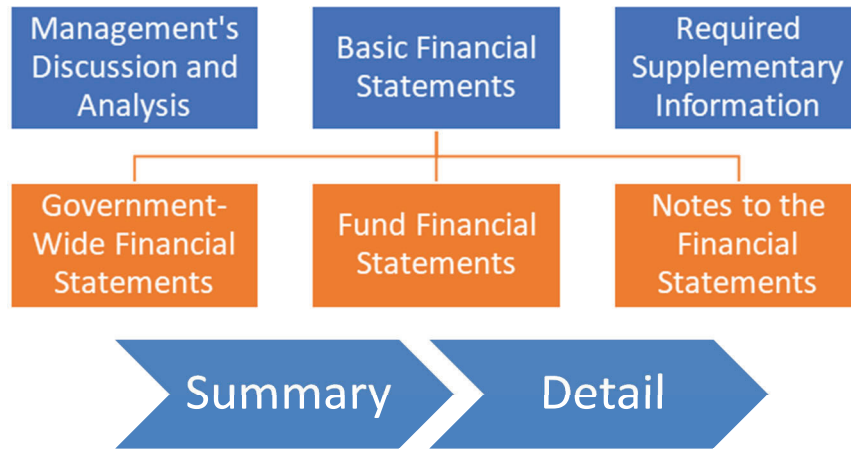


Table 2, displayed on the following page, summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the two types of financial statements, government-wide and fund financial statements, found in the basic financial statements.

**Eaton Fire Protection District
Management's Discussion and Analysis
For the Year Ended December 31, 2019**

**Table 2
Major Features of the Government-Wide and Fund Financial Statements**

	Government-Wide Statements	Governmental Fund
Scope	Entire District (except fiduciary funds)	Activities of the District that are not proprietary or fiduciary
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets, deferred outflows of resources, liabilities and deferred inflows of resources, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Government-Wide Statements

The government-wide statements are designed to provide readers a broad overview of the District finances, in a manner similar to a private-sector business. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. These statements provide both *short-term* and *long-term* information about the District's *overall* financial status.

The *statement of net position* presents information on all of the District's assets, liabilities, deferred outflows of resources and deferred inflows of resources with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors such as the condition of buildings, vehicles and equipment.

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

**Eaton Fire Protection District
Management's Discussion and Analysis
For the Year Ended December 31, 2019**

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*). Included in governmental activities are all of the District's basic services such as fire protection.

The basic government-wide financial statements can be found on pages 13 and 14 of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. The District funds are all in one category: governmental funds.

- *Governmental funds*: All of the District's basic services are included in governmental funds, which generally focus on (1) inflows and outflows of cash and other financial assets and (2) balances remaining at year-end which are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the government-wide statements, a reconciling schedule is included on the governmental funds statements explaining the relationship (or difference) between them.

The District maintains one governmental fund, the General Fund. Information is separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund which is considered a major fund. The basic governmental fund financial statements can be found on pages 15 to 18 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 to 36 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's disclosure of information related to the General Fund's budgetary comparison schedule and schedules for its various pension plans Required supplementary information can be found on page 37 to 41 of this report.

**Eaton Fire Protection District
Management's Discussion and Analysis
For the Year Ended December 31, 2019**

Financial Analysis of the District as a Whole

Net Position and Changes in Net Position

The District's *combined* net position was larger on December 31, 2019, than it was the year before, increasing 7% to \$4,848,661. Table 3 provides a summary of the District's net position at December 31, 2019 and 2018.

**Table 3
Condensed Statement of Net Position**

	2019	2018
Assets		
Current assets	\$ 6,679,116	\$ 4,915,109
Capital assets, net	3,937,884	3,681,835
Total assets	10,617,000	8,596,944
Deferred outflows of resources		
Deferred outflows of resources relating to pensions	979,180	523,673
Total deferred outflows of resources	979,180	523,673
Liabilities		
Current liabilities	150,124	120,713
Long-term liabilities	1,589,770	824,904
Total liabilities	1,739,894	945,617
Deferred inflows of resources		
Deferred revenue - property taxes	4,927,232	3,429,243
Deferred inflows of resources relating to pensions	80,393	218,224
Total deferred inflows of resources	5,007,625	3,647,467
Net position		
Net investment in capital assets	3,494,706	3,159,580
Restricted	111,310	280,418
Unrestricted	1,242,645	1,087,535
Total net position	\$ 4,848,661	\$ 4,527,533

**Eaton Fire Protection District
Management's Discussion and Analysis
For the Year Ended December 31, 2019**

Table 4 provides a summary of the changes in net position. Following Table 4 is specific discussion related to overall revenues and expenses.

**Table 4
Changes in Net Position from Operating Results**

	2019	2018
Revenues		
General revenues:		
Taxes	\$ 3,657,229	\$ 3,157,432
Earning on investments	34,717	15,172
Other	18,371	1,744
Total revenue	3,710,317	3,174,348
Expenses		
Firefighting	2,747,722	1,772,899
Stations and buildings	179,630	195,801
Administration	210,026	237,347
Equipment repair	115,905	92,616
Fire training	87,856	45,740
Interest on long-term debt	21,101	41,159
Communications	11,919	9,670
Emergency medical services	15,030	15,050
Total expenses	3,389,189	2,410,282
Change in net position	321,128	764,066
Net position at beginning of year	4,527,533	3,763,467
Net position at end of year	\$ 4,848,661	\$ 4,527,533

Property and specific ownership taxes account for most of the District's revenue, contributing about 99.0 cents for every dollar raised (see Table 5). The remaining 1.0 cents came from earnings on investments and other sources.

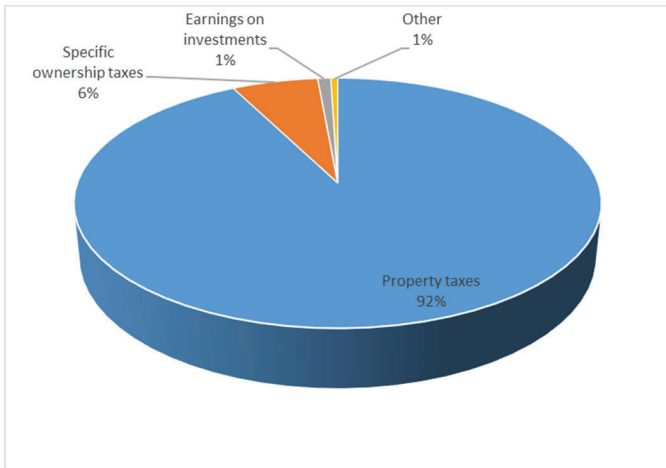
The District expenses predominantly relate to fire protection, which includes administration, firefighting, training, equipment, communications, stations and buildings, emergency medical service, and debt service.

Eaton Fire Protection District Management's Discussion and Analysis For the Year Ended December 31, 2019

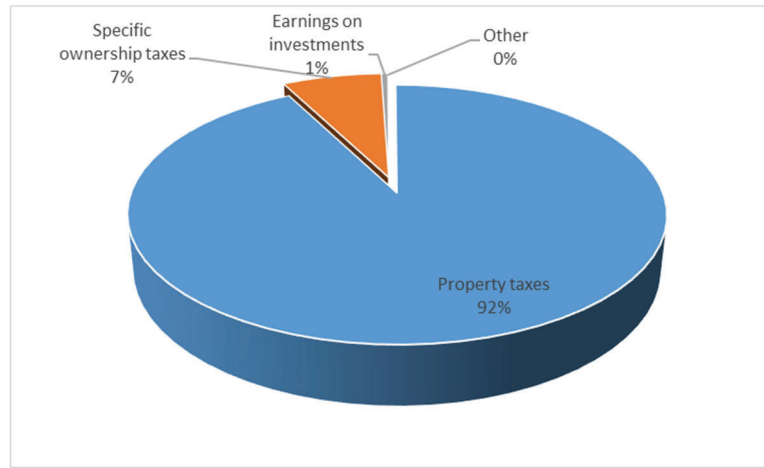
Detailed below in Tables 5 and 6 are charts displaying revenues by sources and expenses by program for the total District.

**Table 5
Sources of Revenues for Fiscal Year**

2019

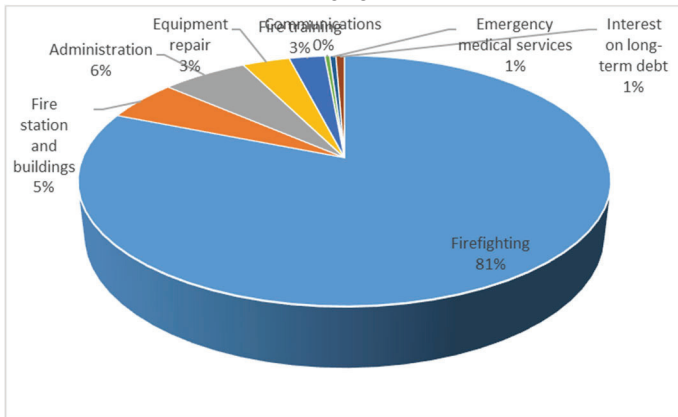


2018

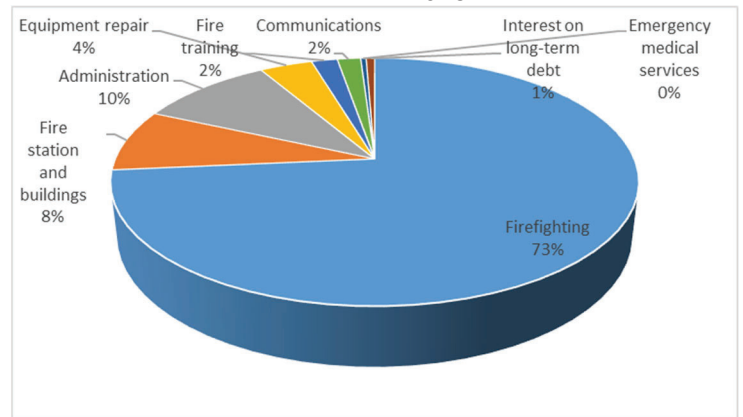


**Table 6
Expenses for Fiscal Year**

2019



2018



**Eaton Fire Protection District
Management's Discussion and Analysis
For the Year Ended December 31, 2019**

Financial Analysis of District's Funds

General Fund

The General Fund was established and is continually funded to provide for the daily activities, salaries, expenses, and operating costs of the District. This fund provides for functional areas of the organization - administration, firefighting, fire prevention, communications, and building and grounds maintenance. The General Fund also provides for such other items as insurance, utilities, and other costs the District incurs. The primary funding source for the General Fund is taxation of real property. Other sources of income for the General Fund include earnings on investments and miscellaneous sources. The primary projects or program efforts for establishing needed funding during 2019 were normal operational costs of the District and capital outlay.

The increase in fund balance for the General Fund was \$445,404 during 2019.

The monitor cash resources and expenditures. During 2019, the District expended \$528,217 on capital asset additions. This significant expenditure is not considered an expense on the government-wide statement of activities. Rather, these costs are written off over time as depreciation expense.

As reflected on the reconciliation of governmental funds revenues and expenditures to the government-wide statement of activities (page 18), capital outlay exceeded depreciation by \$258,047.

General Fund Budgetary Highlights

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

It should be noted that the District's budget format is designed to establish and monitor divisional functions of the District's operations to more closely align expenses with the areas of responsibility. These divisions are set up as cost centers for accountability in each of the following areas:

- Administration
- Firefighting
- Fire Training
- Equipment Repair
- Communications
- Fire Station and Buildings
- Emergency Medical Services
- Debt Service

The total budge for the General Fund was \$3,525,907; there were no revisions to the budget during the year ended December 31, 2019.

Emergency Reserve

The District must maintain a 3% emergency reserve as a part of the TABOR Amendment (Taxpayer Bill of Rights). At December 31, 2019, the District's TABOR restriction amounted to \$111,310.

Capital Assets and Debt Administration

Capital Assets

By the end of 2019, the District had invested \$3,937,884 (net of accumulated depreciation) in a broad range of capital assets, including land, building, vehicles and other equipment (See Table 7). This amount represents a net increase of \$256,049 or 7% percent from last year. Additional information on the District's capital assets can be found in Note 3 to the financial statements. Total depreciation expense for 2019 was \$270,170.

**Eaton Fire Protection District
Management's Discussion and Analysis
For the Year Ended December 31, 2019**

**Table 7
Capital Assets (Net of Depreciation)**

	2019	2018	% of Change
Governmental Activities			
Land	\$ 100,000	\$ 100,000	0.0%
Building and improvements	2,463,598	2,301,595	7.0%
Vehicles and equipment	1,374,286	1,280,240	7.3%
Total	\$ 3,937,884	\$ 3,681,835	7.0%

In 2019, the lease/purchase plan for the Administration Building debt payment increased to \$100,000 annually until 2022, at which time a balloon payment of \$194,157 will be due. Early payment, in full, of this debt was written into the 2020 Budget. A Type-4 Wildland Truck was ordered; however, delivery was delayed until spring of 2020. Station Modifications during 2019 included upgrades to flooring, bay doors, and the HVAC system. The Training Center is a capital project that continues to be developed. Additions during 2019 included the construction of a Conex Box Live Fire Burn Building and an additional 20,000 square feet of concrete. The District is committed to continued development of the Contingency Fund, as revenues are projected to decrease in future years. This fund will be used to continue to replace apparatus, as needed. As an ongoing project, Eaton Fire remains committed to achieve energy efficiency in operations of the District.

Long-Term Debt

At year-end, the District had \$443,178 in capital lease obligations, a net decrease of \$79,077 from the previous year, as shown below in Table 8. More detailed information about the District's long-term liabilities is presented in Note 5 to the financial statements.

**Table 8
Outstanding Long-Term Debt**

	2019	2018	% of Change
Governmental Activities			
Capital lease obligations	443,178	522,255	-15.1%
Compensated absences	48,612	47,318	2.7%
Total	\$ 491,790	\$ 569,573	-13.7%

During 2019, the District continued to pay down its debt. Colorado Revised Statute 32-1-1101(6) states that a fire district shall have a limit of bonded indebtedness determined by a specific formula. The District's outstanding debt is below this limit.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that could significantly affect its financial health in the future:

The District's budget for general property tax revenues of \$4,927,232 (based on an assessed valuation for the District of \$547,470,180 and a mill levy of 9 mills) with a budget of \$3,987,105 for expenditures for all funds during 2020. The tax levy plus carryover funds should be adequate to cover all the District's 2020 budgeted expenditures.

**Eaton Fire Protection District
Management's Discussion and Analysis
For the Year Ended December 31, 2019**

COVID-19

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The District is dependent upon its workforce to see through its support of the economic growth and development of _____ . Development such as social distancing and shelter-in-place directives could impact the District's ability to deploy its workforce effectively. The outbreak could have a continued impact on economic and market conditions and trigger a period of global economic slowdown, which may depress the District's asset values.

On March 27, 2020 as a result of the expected economic impact of the COVID-19, the U.S. Federal government approved enacted the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) to provide financial relief to individuals and organizations. The District is still in process of assessing the impact the CARES Act will have on the District for the year ending December 31, 2020.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Eaton Fire Protection District at (970) 454-2115.

Basic Financial Statements

Eaton Fire Protection District
Statement of Net Position
December 31, 2019

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 1,741,608
Property taxes receivable	4,927,232
Prepaid items	10,276
Capital assets:	
Not being depreciated	100,000
Being depreciated, net of accumulated depreciation	3,837,884
Total assets	10,617,000
Deferred outflows of resources	
Deferred outflows of resources relating to pensions	928,747
Total deferred outflows of resources	928,747
Liabilities	
Accounts payable	17,055
Accrued liabilities	118,648
Accrued interest	14,421
Non-current liabilities:	
Due within one year:	
Capital lease obligation	82,195
Due in more than one year	
Accrued compensated absences	48,612
Capital lease obligation	360,983
Net pension liability	1,097,980
Total liabilities	1,739,894
Deferred inflows of resources	
Property taxes levied for the next fiscal year	4,927,232
Deferred inflows of resources relating to pensions	29,960
Total deferred inflows of resources	4,957,192
Net Position	
Net investment in capital assets	3,494,706
Restricted for:	
Emergencies	111,310
Unrestricted	1,242,645
Total net position	\$ 4,848,661

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

Eaton Fire Protection District
Statement of Activities
Year Ended December 31, 2019

Governmental Activities	Expenses	Program Revenues		Net Revenue (Expense) and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Firefighting	\$ 2,747,722	\$ -	\$ -	\$ (2,747,722)
Fire station and buildings	179,630	-	-	(179,630)
Administration	210,026	-	-	(210,026)
Equipment repair	115,905	-	-	(115,905)
Fire training	87,856	-	-	(87,856)
Communications	11,919	-	-	(11,919)
Emergency medical services	15,030	-	-	(15,030)
Interest on long-term debt	21,101	-	-	(21,101)
Total governmental activities and primary government	\$ 3,389,189	\$ -	\$ -	(3,389,189)
General revenues:				
Property taxes				3,428,969
Specific ownership taxes				228,260
Earnings on investments				34,717
Other				18,371
Total general revenues				3,710,317
Change in net position				321,128
Net position at beginning of year				4,527,533
Net position at end of year				\$ 4,848,661

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

Eaton Fire Protection District
Balance Sheet
General Fund
December 31, 2019

Assets

Cash and cash equivalents	\$ 1,741,608
Property taxes receivable	4,927,232

Total assets **\$ 6,668,840**

Liabilities, deferred inflows of resources and fund balance

Liabilities

Accounts payable	\$ 17,055
Accrued liabilities	118,648

Total liabilities 135,703

Deferred inflows of resources

Property taxes levied for the next fiscal year	4,927,232
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Total deferred inflows of resources 4,927,232

Fund balance

Restricted for emergencies	111,310
Unassigned	1,494,595

Total fund balance 1,605,905

Total liabilities, deferred inflows of resources and fund balance **\$ 6,668,840**

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

Eaton Fire Protection District
Reconciliation of the General Fund Balance Sheet
with the Government-Wide Statement of Net Position
December 31, 2019

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

Total fund balance - General Fund		\$ 1,605,905
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Prepaid insurance is recorded as an asset on the statement of net position and was an expenditure in the year paid in the fund financial statements.		10,276
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Capital assets used in governmental activities are not current financial resources, and therefore, are not reported as assets in the fund financial statements.

Capital assets, cost	\$ 6,482,791	
Accumulated depreciation	<u>(2,544,907)</u>	3,937,884

Accrued compensated absences are reflected as a liability on the statement of net position, but are not due and payable from current financial resources, and therefore, are not reflected in the fund financial statements.		(48,612)
--	--	----------

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

Capital lease obligation	\$ (443,178)	
Accrued interest payable	<u>(14,421)</u>	(457,599)

Net pension asset/liability and the related deferred inflows and deferred outflows of resources are not current financial resources or due and payable from current financial resources, and therefore, are not reported in the fund financial statements.

Net pension liability	(1,097,980)	
Deferred outflows of resources relating to pensions	928,747	
Deferred inflows of resources relating to pensions	(29,960)	(199,193)

Total net position - governmental activities		\$ 4,848,661
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The accompanying notes are an integral part of these financial statements.

Eaton Fire Protection District
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Year Ended December 31, 2019

Revenues	
Property taxes	\$ 3,428,969
Specific ownership taxes	228,260
Earnings on investments	34,717
Other	18,371
Total revenues	3,710,317
Expenditures	
Current:	
Firefighting	2,108,860
Fire station and buildings	98,606
Administration	186,595
Equipment repair	115,905
Fire training	87,856
Communications	11,919
Emergency medical services	15,030
Capital outlay	540,142
Debt service:	
Principal	79,077
Interest	20,923
Total expenditures	3,264,913
Change in fund balance	445,404
Fund balance at beginning of year	1,160,501
Fund balance at end of year	\$ 1,605,905

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

Eaton Fire Protection District
Reconciliation of the General Fund Statement of Revenues, Expenditures and
Changes in Fund Balance with the Government-Wide Statement of Activities
Year Ended December 31, 2019

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

Total net change in fund balance - General Fund	\$	445,404
Decrease in prepaid insurance is reflected as a expense on the government-wide financial statements and the change is not reflected on the fund financial statements.		(23,431)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities these costs are capitalized in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount that depreciation expense exceeded capital outlay during the period.		
Depreciation expense	\$	(270,170)
Net book value of disposed of assets		(1,998)
Capital outlay		<u>528,217</u>
		256,049
Increase in accrued compensated absences is reflected as an expense on the statement of activities and not reflected as an expenditure on the statement of revenues, expenditures and changes in fund balance.		(1,294)
Increase in accrued interest payable is reflected as an expense on the statement of activities and is not reflected in the statement of revenues, expenditures and changes in fund balance.		(178)
Repayment of capital lease obligation 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.		79,077
Changes in the District's net pension asset/liability, deferred outflows of resources, and deferred inflows of resources related to the pension plans for the current year are not reported in the governmental funds but are reported in the statement of activities.		(434,499)
Change in net position - governmental activities	\$	321,128

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

Eaton Fire Protection District
Notes to Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies

Form of Organization

The Eaton Fire Protection District (the “District”) is organized under the provisions of Section 32-1-305 (6) of the Colorado Revised Statutes (“CRS”). It is a quasi-municipal corporation and a political subdivision of the State of Colorado with all powers thereof, which includes the power to levy taxes against property within the District.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District’s accounting policies are described below.

Reporting Entity

In conformity with GASB financial reporting standards, the District is the reporting entity for financial reporting purposes. The District is the primary government financially accountable for all activities of the District. The District meets the criteria of a primary government: its Board of Directors is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The District is not included in any other governmental reporting entity.

As defined by 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:

- 1) Appointment of a voting majority of the component unit’s 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
- 2) 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 a) a separately elected governing board, b) a governing board appointment by a higher level of government, or c) a jointly appointed board.

Based on the above criteria, there are no other organizations that would be considered component units of the District. The District meets the criteria of an “other stand alone government.”

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. Governmental activities, which normally are supported by taxes, charges for services, and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support. The District does not report any business-type activities.

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

The fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. The District has only one governmental fund, the General Fund, which is a major fund.

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 related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are accounted for using the current financial resources measurement focus, whereby only current assets, deferred outflows of resources, liabilities, and deferred inflows of resources generally are included in the balance sheet, and the statement of revenues, expenditures and changes in fund balance presents increases and decreases in those components. These funds use the modified accrual basis of accounting, whereby revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recognized only when payment is due.

Property taxes, intergovernmental grants, and earnings on investments associated with the current fiscal period 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 only when cash is received by the District.

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements, a reconciliation is presented that briefly explains the adjustments necessary to reconcile to ending net position and the change in net position.

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source. Property taxes attach an enforceable lien on property as of January 1. Taxes are levied in December, payable in the following year in full by April 30, or in two equal installments due on the last day of February and June 15.

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Governmental funds are used to account for all or most of a government's general activities. The following is the District's only major governmental fund:

General Fund - The General Fund is the District's primary operating fund. It accounts for all the financial resources of the District.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and participation in local government investment pools. All cash equivalents have an original maturity date of less than three months.

Investments

Investments are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

Receivables

In the government-wide financial statements, receivables are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible. No amounts were determined to be uncollectible at December 31, 2019. Property taxes levied on December 31, 2019 are identified as property taxes receivable and deferred inflows of resources.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items in the government-wide financial statements and will be reported as expenses in the following year. These amounts are reflected as expenditures in the year paid in the governmental fund financial statements.

Debt Issuance Costs

In the government-wide financial statements, debt issuance costs are recognized as an expense during the period of issuance.

In the fund financial statements, governmental fund types recognize debt issuance costs as an expenditure during the period of issuance. The face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable District activities in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

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Description	Estimated Lives
Buildings and improvements	20-40 years
Vehicles and equipment	10-20 years

Compensated Absences

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services rendered and it is probable that the District will compensate the employees for the benefits earned. Upon termination of employment from the District, an employee will be compensated for all accrued vacation and compensatory time at their current rate of pay; there is no payment for sick leave upon termination.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements, regardless of whether they will be liquidated with current resources. However, claims and judgments and the noncurrent portion of long-term liabilities that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Payments made within

60 days after year-end are considered to have been made with current available financial resources. Capital lease obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

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's deferred outflows of resources relate to pensions (see note 6).

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's deferred inflows of resources relate to deferred property tax revenue and pensions (see note 6).

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 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.

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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, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances of the governmental funds are classified 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 that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, or the laws or regulations of other governments.

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 - 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 - all other spendable amounts.

When an expense/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 expense/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.

Revenue Recognition/Property Taxes

Property taxes attach an enforceable lien on property as of January 1. Taxes are levied in December, payable in the following year in full by April 30, or in two equal installments due on the last day of February and June 15. The county treasurer bills and collects property taxes for all taxing entities within the county. Property tax receipts collected by the county treasurer each month are remitted to the District by the tenth day of the subsequent month. Property tax revenues are recognized in the government-wide financial statements in the year that the property taxes are used to fund the operations of the District.

In the fund financial statements, property taxes are recognized in the year for which they are levied provided they become available and measurable. Property tax revenues are considered available when they become due or past due and are received by the District within 60 days of the end of the fiscal year.

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Pensions

The District contributes to the Statewide Defined Benefit Plan (“SWDBP”). The plan is a cost-sharing multiple-employer defined benefit pension plan 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 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.

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.

Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense/expenditure during the reporting period. Actual results could differ from those estimates.

2. Cash and Investments

Custodial Credit Risk - Deposits

Colorado state statutes govern the District’s deposits of cash. For deposits in excess of federally insured limits, Colorado Revised Statutes require the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act (“PDPA”) requires state regulators to certify eligible depositories for public deposit. PDPA requires the eligible depositories with public deposits in excess of the amounts insured by the Federal Deposit Insurance Corporation (“FDIC”) to create a single institutional collateral pool of obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the assets in the pool must be at least 102% of the uninsured deposits. At December 31, 2019, the District had deposits with financial institutions with a carrying amount (book balance) of \$1,724,338. The bank balances with the financial institutions totaled \$1,774,882 of which \$500,000 was covered by FDIC. The remaining balance of \$1,274,822 was collateralized with securities held by the financial institutions’ agents, but not in the District’s name.

Investments:

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

- Certificates of deposit with an original maturity in excess of three months
- Certain obligations of the United States and U.S. Government agency securities

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- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker’s acceptance of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The District’s policy is to hold investments until maturity.

Custodial Credit Risk - Investments

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the District would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a specific policy for custodial credit risk. As of December 31, 2019, the District had no investments exposed to custodial credit risk.

Interest Rate Risk

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair value losses arising from increasing interest rates.

At December 31, 2019, the District had cash and cash equivalent balances as follows:

Cash with county treasurer	\$ 17,270
Bank deposits	1,724,338
<hr/>	
Total cash and cash equivalents	\$ 1,741,608

Eaton Fire Protection District
Notes to Financial Statements
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3. Capital Assets

Capital asset activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 100,000	\$ -	\$ -	\$ 100,000
Total capital assets, not being depreciated	100,000	-	-	100,000
Capital assets, being depreciated:				
Buildings and improvements	3,108,197	243,027	-	3,351,224
Vehicles and equipment	2,762,936	285,190	(16,559)	3,031,567
Total capital assets, being depreciated	5,871,133	528,217	(16,559)	6,382,791
Less accumulated depreciation for:				
Buildings and improvements	(806,602)	(81,024)	-	(887,626)
Vehicles and equipment	(1,482,696)	(189,146)	14,561	(1,657,281)
Total accumulated depreciation	(2,289,298)	(270,170)	14,561	(2,544,907)
Total capital assets, being depreciated, net	3,581,835	258,047	(1,998)	3,837,884
Total capital assets, net	\$ 3,681,835	\$ 258,047	\$ (1,998)	\$ 3,937,884

The above depreciation has allocated \$189,146 to the firefighting category and \$81,024 to the fire station and buildings category.

4. Long-Term Debt

Long-term debt consisted of the following at December 31, 2019:

Capital Lease Obligation

On October 25, 2013, the District entered into a capital lease with a financial institution. The lease term is for one year and may be extended at the option of the lessee, for nine additional terms of one year each, with the first payment due May 1, 2014. The lease matures on May 1, 2023 and requires an annual payment of

\$25,000 principal and interest through May 1, 2018 and annual payments of \$100,000 from May 1, 2019 to May 1, 2022 with a final principal and interest payment of \$193,963 due on May 1, 2023. Interest on this lease is at 3.95%. Proceeds were used to acquire and equip the District's administration building.

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The following is a summary of changes in long-term debt of the District for the year ended December 31, 2019:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
2013 capital lease	\$ 522,255	\$ -	\$ (79,077)	\$ 443,178	\$ 82,195
Accrued compensated absences	47,318	47,118	(45,824)	48,612	-
Total	\$ 569,573	\$ 47,118	\$ (124,901)	\$ 491,790	\$ 82,195

The annual requirements to amortize all capital leases outstanding as of December 31, 2019, are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	\$ 82,195	\$ 17,805	\$ 100,000
2021	85,535	14,465	100,000
2022	88,961	11,039	100,000
2023	186,487	7,476	193,963
Total	\$ 443,178	\$ 50,785	\$ 493,963

The book value of assets acquired through capital lease at December 31, 2019, is as follows:

Land	\$ 75,000
Buildings and improvements	2,137,939
Vehicles and equipment	52,781
Total cost	2,265,720
Less: accumulated depreciation	(818,522)
Book value	\$ 1,447,198

5. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District carries commercial insurance covering specific and general risks of loss, including workers compensation and employee health and accident insurance. 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.

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6. Defined Benefit Pension Plans

The following tables present combined information relating to the District's Defined Benefit Pension Plans as of and for the year ended December 31, 2019.

	Volunteer Firefighters' Pension Plan	Statewide Defined Benefit Plan	Combined
Deferred outflows of resources at December 31, 2019			
Differences between expected and actual experience	\$ 47,093	\$ 205,429	\$ 252,522
Changes of assumptions or other inputs	96,037	154,836	250,873
Net difference between projected and actual earnings on pension plan investments	58,955	125,768	184,723
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	4,441	4,441
District contributions subsequent to measurement date	148,383	87,805	236,188
Total deferred outflows of resources relating to pensions	\$ 350,468	\$ 578,279	\$ 928,747
Deferred outflows of resources at December 31, 2019			
Differences between expected and actual experience	\$ 28,252	\$ 1,708	\$ 29,960
Changes of assumptions or other inputs	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	-
Changes in proportion and differences between contributions	-	-	-
Total deferred inflows of resources relating to pensions	\$ 28,252	\$ 1,708	\$ 29,960
Net pension liability (asset) as of December 31, 2019	\$ 938,102	\$ 159,878	\$ 1,097,980
Total pension expense (income) for the year ended December 31, 2019	\$ 682,474	\$ (11,787)	\$ 670,687

Volunteer Firefighters' Pension Plan

Plan Description. The District has established the Volunteer Firefighters' Pension Plan (the "Plan"), an agent multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado ("FPPA"). As of December 31, 2019, the Plan had 24 retirees and beneficiaries, 2 inactive, nonretired members, and 15 active 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 www.fppaco.org.

Benefits Provided. The Plan provides for a monthly pension of \$1,200 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 \$2,400.

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

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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 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 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 District contributed \$148,383 and the State of Colorado contributed \$46,950 to the plan for the year ended December 31, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At December 31, 2019, the District reported a net pension liability of \$938,102. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. Standard update procedures were used to roll forward the total pension liability to December 31, 2019.

For the year ended December 31, 2019, the District recognized pension expense of \$682,474. At December 31, 2019, 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	\$ 47,093	\$ 28,252
Changes of assumptions or other inputs	96,037	-
Net difference between projected and actual earnings on pension plan investments	58,955	-
District contributions subsequent to the measurement date	148,383	-
	\$ 350,468	\$ 28,252

The \$148,383 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, 2018. 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
2020	\$ 43,870
2021	50,527
2022	27,562
2023	39,486
2024	12,388
Thereafter	-
	\$ 173,833

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Detailed information for the changes in total pension liability, plan fiduciary net position, and the net pension liability is presented in the following table:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of December 31, 2018	\$ 1,707,457	\$ 1,452,126	\$ 255,331
Changes for the year:			
Service cost	35,880	-	35,880
Interest on total pension liability	121,038	-	121,038
Benefit changes	576,341	-	576,341
Difference between expected and actual experience of the Total Pension Liability	22,256	-	22,256
Contributions - employer	-	163,312	(163,312)
Benefit payments	(226,560)	(226,560)	-
Changes of assumptions	83,052	-	83,052
Pension plan administrative expense	-	(9,250)	9,250
Net investment income	-	1,734	(1,734)
Balances as of December 31, 2019	\$ 2,319,464	\$ 1,381,362	\$ 938,102

Actuarial Assumptions. The total pension liability at the December 31, 2018 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 period	5-year smoothed fair value
Inflation	2.50%
Salary increases	N/A
Investment rate of return	7.00%
Retirement age	50% per year of eligibility until 100% at age 65
Mortality	<p>Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.</p> <p>Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p> <p>Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p>

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

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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 7.00%; the municipal bond rate is 3.71% (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate form Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

The resulting Single Discount Rate at the beginning of the measurement period was 7.50%. The increase in the Total Pension Liability due to the decrease from 7.50% at the beginning of the measurement period to 7.00% at the end of the measurement period is shown as a Change of Assumption in the Schedule of Changes in Net Pension Liability. The Change of Assumption includes both the change in discount rate as well as system-wide changes incorporated in the January 1, 2019 actuarial valuation, resulting from the experience study performed during 2018.

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, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Cash	2%	2.52%
Fixed income	15%	2.90%
Managed futures	4%	5.35%
Absolute return	9%	5.08%
Equity long/short	9%	6.45%
Global equity	37%	8.03%
Private market	24%	10.00%
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 7.00%, 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 percent) or 1-percentage point higher (8.00%) than the current rate:

	1.00% Decrease *	Current Discount Rate *	1.00% Increase *
District’s net pension liability	\$1,167,613	\$938,102	\$746,192

Statewide Defined Benefit Plan - Paid Employees

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 on or after April

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8, 1978 (New Hires), provided that they are not already covered by statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The plan became effective January 1, 1980. All full-time, paid firefighters of the District are members of the SWDBP Plan.

The Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan ("DROP") assets and Separate Retirement Account assets from eligible retired members).

Colorado Revised Statutes Title 31, Article 31 grants the authority to establish and amend the benefit terms to the Fire & Police Pension Association of Colorado Board of Directors. The Fire & Police Pension Association of Colorado issues a publicly available financial report that can be obtained at 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 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement 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 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. Contribution rates for the SWDBP plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDBP plan and their employers are contributing at the rate of 10 percent and 8 percent, respectively, of base salary for a total contribution rate of 18 percent in 2018. In 2014, the members elected to increase the member contribution rate to the SWDBP plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

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 22.0% of base salary in 2018. 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 also had their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

Eaton Fire Protection District
Notes to Financial Statements
December 31, 2019

The contribution rate for members and employers of affiliated social security employers is 5.0% and 4.0%, respectively, of base salary for a total contribution rate of 8 percent in 2018. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4.0% resulting in a combined contribution rate of 10 percent in 2022.

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 SWDBP from the District were \$87,805 for the year ended December 31, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At December 31, 2019, the District reported a net pension liability of \$159,878 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating Departments, actuarially determined. At December 31, 2018, the District's proportion was 0.12646 percent, which was a decrease of 0.00226 from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the District recognized pension income of \$11,787. At December 31, 2019, 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	\$ 125,768	\$ -
Differences between expected and actual experience	205,429	1,708
Assumption changes	154,836	-
Changes in proportion and differences between contributions	4,441	-
District contributions subsequent to measurement date	87,805	-
	\$ 578,279	\$ 1,708

The \$87,805 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Eaton Fire Protection District
Notes to Financial Statements
December 31, 2019

Year Ended December 31,	Amortization
2020	\$ 73,577
2021	73,577
2022	73,577
2023	73,577
2024	42,135
Thereafter	152,323
	\$ 488,766

Actuarial Assumptions. The actuarial valuations for the plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2019. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability
Actuarial valuation date	January 1, 2019
Actuarial method	Entry Age Normal
Amortization method	N/A
Amortization Period	N/A
Long-term investment rate of return *	7.0%
Projected salary increases *	4.25% - 11.25%
Cost of living adjustment	0%
* Includes inflation at	2.5%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

For determining the actuarial determined contributions, the post-retirement mortality tables for nondisabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. 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.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019 and were used in the rollforward calculation of total pension liability as of December 31, 2018. Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

Eaton Fire Protection District
Notes to Financial Statements
December 31, 2019

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 (assumed at 2.5 percent). 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, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global public equity	37%	8.03%
Equity long/short	9%	6.45%
Private markets	24%	10.00%
Fixed income	15%	2.90%
Absolute return	9%	5.08%
Managed futures	4%	5.35%
Cash	2%	2.52%*
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. 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 plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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) taxexempt 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 7.00%; the municipal bond rate is 3.71% (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 7.00%

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 7.00%, 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 (6.00%) or 1-percentage point higher (8.00%) than the current rate:

Eaton Fire Protection District
Notes to Financial Statements
December 31, 2019

	1.00% Decrease	Current Discount Rate	1.00% Increase
District's proportionate share of the net pension liability/(asset)	\$619,986	\$159,878	\$(221,774)

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.

7. Voluntary Investment Program

Description - Effective May 1, 2010, employees of the District who are members of the SWDBP (see Note 6) may voluntarily contribute to the Voluntary Investment Program ("457 Plan"), an Internal Revenue Code Section 457 defined contribution plan administered by FPPA. Plan participation is optional, and contributions are separate from others made to FPPA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the 457 Plan provisions to the State Legislature.

Funding Policy - The 457 Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$19,000 for calendar year 2019 and \$18,500 for the calendar years 2018 and 2017). Catch-up contributions up to \$6,000 for calendar years 2019, 2018, and 2017 were allowed for participants who had attained age 50 before the close of the plan year, subject to the limitations of IRC §414(v). For the year ended December 31, 2019, , no member contributions were made to this 457 Plan.

8. Statewide Money Purchase Program

Description - The District participates in the Statewide Money Purchase Program. The Money Purchase Program plan is a multiple-employer defined contribution (money purchase) pension fund covering full-time employees of participating fire or police districts in Colorado (the "MPP"). As of August 1, 2003, the Plan may include part-time police and fire employees. The MPP may also include clerical or other personnel from fire districts whose services are auxiliary to fire protection.

The Fire & Police Members' Statewide Money Purchase Plan became effective on January 1, 1995. Participants can choose from various mutual funds selected by the Self-Directed Plans Committee pursuant to the fund structure approved by the Board of Directors. as well as mutual funds or other investments offered through a Self-Directed Brokerage Account. There were 40 contributing employer departments as of December 31, 2014. The Plan assets are included in the Fire & Police Members' Self-Directed Investment Fund.

Funding Policy - Contributions to the Statewide Money Purchase Program are calculated as a percentage of the member's base salary, which is specified by state statute. Current participants contribute 8 percent of salary, which is matched by the employer. Members are always fully vested in their own contributions, and the earnings on those contributions. Vesting in the employer's contributions and earnings on those contributions occurs according to the vesting schedule set by state statute at 20% per year after the first year of service to be 100 percent vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members. For the year ended December 31, 2019, District contributions to the Statewide Money Purchase Program to the contributions were \$6,789.

Eaton Fire Protection District
Notes to Financial Statements
December 31, 2019

9. TABOR Compliance

In November 1992, Colorado voters passed an amendment (the “Amendment” or “TABOR”) to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local districts. The limits on property taxes, revenue, and “fiscal year spending” include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending, as defined by the Amendment, excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The Amendment requires voter approval for anyEEa increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the “spending limit” must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate.

The Amendment also requires local districts to establish emergency reserves to be used for declared emergencies only. Emergencies as defined by the Amendment, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The District has restricted \$111,310 for this purpose.

On November 11, 2003, the voting citizens of the Eaton Fire Protection District authorized the District to collect, retain and spend all revenues collected from ad valorem property taxes of 6.48 mills effective fiscal year 2003, and continuing thereafter as provided by law; provided that the District’s general operating property tax rate shall not be increased without voter approval; and the revenues from all such revenue sources be spent for general operations purposes as a voter approved revenue change and an exception to the limits which would otherwise apply, including without limitation Article X, Section 20 of the Colorado Constitution, Section 29-1-301, CRS, as it may be amended, or any other law.

The District believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require judicial interpretation.

10. Subsequent Events

Management has evaluated the period from January 1, 2020 through September 28, 2020, the date the financial statements were available for issuance, for subsequent events requiring recognition or disclosure in the financial statements. During the period, the following non-recognizable subsequent even was identified.

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of the new strain of the coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District’s future operations. Management is actively monitoring the global situation, making all efforts to remain flexible in their activities and programs that support the District. Given the daily evolution of the COVID-19 outbreak and global responses to curb its spread, the District is not able to estimate at this time the permanent effects of the COVID-19 outbreak on its operations.

On Mach 27, 2020, as a result of the expected economic impact of COVID-19, the U.S. Federal government approved and enacted the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) to provide financial relief to individuals and organizations. The District is still in the process of assessing the impact the CARES Act will have on the District for the year ending December 31, 2020.

Required Supplementary Information

Eaton Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Budget and Actual) - General Fund
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 3,429,243	\$ 3,429,243	\$ 3,428,969	\$ (274)
Specific ownership taxes	180,000	180,000	228,260	48,260
Earnings on investments	-	-	34,717	34,717
Other	-	-	18,371	18,371
Total revenues	3,609,243	3,609,243	3,710,317	101,074
Expenditures				
Current:				
Firefighting	1,993,994	1,993,994	1,960,477	33,517
Administration	226,910	226,910	186,595	40,315
Fire training	74,500	74,500	87,856	(13,356)
Fire station and buildings	114,250	114,250	98,606	15,644
Equipment repair	122,576	122,576	115,905	6,671
Emergency medical services	15,600	15,600	15,030	570
Communications	13,900	13,900	11,919	1,981
Volunteer firefighters' pension contribution	148,383	148,383	148,383	-
Capital outlay	709,794	709,794	540,142	169,652
Debt service:				
Principal	79,077	79,077	79,077	-
Interest	26,923	26,923	20,923	6,000
Total expenditures	3,525,907	3,525,907	3,264,913	260,994
Change in fund balance	\$ 83,336	\$ 83,336	445,404	\$ 362,068
Fund balance at beginning of year			1,160,501	
Fund balance at end of year			\$ 1,605,905	

See accompanying Independent Auditor's Report.

Eaton Fire Protection District
Note to Schedule of Revenues, Expenditures and Changes in Fund Balance
(Budget and Actual) - General Fund
December 31, 2019

1. Budgetary Compliance

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- By October 15, the District staff submits to the Board of Directors a proposed operating budget for the fiscal year beginning the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Budgetary compliance is at the total expenditures level.
- Any budget revisions that alter the total expenditures of any fund must be approved by the Board of Directors through passage of a formal resolution.
- The District legally adopts the budget of the District on a basis consistent with GAAP.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Directors. All appropriations lapse at year end.

The total budget for the General Fund was \$3,525,907; there were no revisions to the budget during the year ended December 31, 2019.

Eaton Fire Protection District
Schedule of the District's Proportionate Share of the Net Pension Liability/(Asset)
FPPA - Cost-Sharing Defined Benefit Plan
Last Ten Fiscal Years

December 31,	2019	2018	2017	2016	2015	2014
Distict's proportion of the net pension liability / (asset)	0.12646%	0.12872%	0.13117%	0.11271%	0.10590%	0.08695%
District's proportionate share of the net pension liability / (asset)	\$ 159,878	\$ (185,188)	\$ 47,397	\$ (1,987)	\$ (119,519)	\$ (115,847)
District's covered payroll	\$ 860,489	\$ 754,967	\$ 683,260	\$ 554,862	\$ 479,320	\$ 381,056
District's proportionate share of the net pension liability / (asset) as a percentage of its covered payroll	18.58%	-24.53%	6.94%	-0.36%	-24.94%	-30.40%
Plan fiduciary net position as a percentage of the total pension liability	95.20%	106.30%	98.21%	100.10%	106.80%	105.80%

* The amounts presented for each fiscal year were determined as of 12/31 of the prior year.

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

See accompanying Independent Auditor's Report

Eaton Fire Protection District
Schedule of District Contributions
FPPA - Cost-Sharing Defined Benefit Plan
Last Ten Fiscal Years

December 31,	2019	2018	2017	2016	2015	2014	2013
Statutorily Required Contribution	\$ 87,805	\$ 68,839	\$ 60,398	\$ 54,661	\$ 44,390	\$ 38,099	\$ 30,213
Contributions in Relation to the Statutorily Required Contribution	87,805	68,839	60,398	54,661	44,390	38,099	30,213
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 1,097,565	\$ 860,489	\$ 754,967	\$ 683,260	\$ 554,862	\$ 479,320	\$ 381,056
Contributions as a Percentage of Covered Payroll	8.00%	8.00%	8.00%	8.00%	8.00%	7.95%	7.93%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

See accompanying Independent Auditor's Report.

Eaton Fire Protection District
Schedule of Changes in Net Pension Liability/Asset
and Related Ratios - Volunteer Firefighters' Pension Plan
Last Ten Fiscal Years

Measurement Period Ended December 31,	2018	2017	2016	2015	2014
Total pension liability					
Service Cost	\$ 35,880	\$ 35,880	\$ 26,151	\$ 26,151	\$ 39,895
Interest on the Total Pension Liability	121,038	123,692	76,963	79,067	89,369
Benefit Changes	576,341	-	543,010	-	-
Difference Between Expected and Actual Experience	22,256	-	68,173	-	(150,022)
Assumption Changes	83,052	-	65,510	-	-
Benefit Payments	(226,560)	(164,483)	(158,670)	(108,780)	(110,880)
Net Change in Total Pension Liability	612,007	(4,911)	621,137	(3,562)	(131,638)
Total Pension Liability - Beginning	1,707,457	1,712,368	1,091,231	1,094,793	1,226,431
Total Pension Liability - Ending	\$ 2,319,464	\$ 1,707,457	\$ 1,712,368	\$ 1,091,231	\$ 1,094,793
Plan Fiduciary Net Position					
Employer Contributions	\$ 163,312	\$ 125,960	\$ 143,421	\$ 103,603	\$ 88,572
Pension Plan Net Investment Income	1,734	180,502	62,597	21,208	72,595
Benefit Payments	(226,560)	(164,483)	(158,670)	(108,780)	(110,880)
Pension Plan Administrative Expenses	(9,250)	(13,112)	(2,141)	(4,187)	(2,077)
State of Colorado Supplemental Discretionary Payment	-	23,475	23,475	23,475	23,475
Net Change in Plan Fiduciary Net Position	(70,764)	152,342	68,682	35,319	71,685
Plan Fiduciary Net Position - Beginning	1,452,126	1,299,784	1,231,102	1,195,783	1,124,098
Plan Fiduciary Net Position - Ending	\$ 1,381,362	\$ 1,452,126	\$ 1,299,784	\$ 1,231,102	\$ 1,195,783
Net Pension Liability/(Asset) - Ending	\$ 938,102	\$ 255,331	\$ 412,584	\$ (139,871)	\$ (100,990)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	59.56%	85.05%	75.91%	112.82%	109.22%
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

See accompanying Independent Auditor's Report.

**Eaton Fire Protection District
Schedule of District Contributions
Volunteer Firefighters' Pension Plan
Last Ten Fiscal Years**

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2009	\$ 92,256	\$ 92,256	\$ -	N/A	N/A
2010	\$ 106,133	\$ 106,133	\$ -	N/A	N/A
2011	\$ 89,408	\$ 89,408	\$ -	N/A	N/A
2012	\$ 98,176	\$ 98,176	\$ -	N/A	N/A
2013	\$ 98,176	\$ 109,476	\$ (11,300)	N/A	N/A
2014	\$ 54,140	\$ 112,047	\$ (57,907)	N/A	N/A
2015	\$ 54,140	\$ 127,078	\$ (72,938)	N/A	N/A
2016	\$ 6,618	\$ 166,896	\$ (160,278)	N/A	N/A
2017	\$ 6,618	\$ 149,435	\$ (142,817)	N/A	N/A
2018	\$ 64,459	\$ 163,312	\$ (98,853)	N/A	N/A
2019	\$ 64,459	\$ 195,333	\$ (130,874)	N/A	N/A

See accompanying Independent Auditor's Report.

Notes to Schedule of Contributions:

Actual Contribution includes both employer and State of Colorado Supplemental Discretionary Payment.

Valuation Date:

Actuarially determined contributions rates are calculated as of January 1 of odd number years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2017, determines the contribution amounts for 2018 and 2019.