

**ELIZABETH FIRE PROTECTION DISTRICT**  
**Elbert County, Colorado**

**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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# SCHILLING & COMPANY, INC.

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086  
FAX: 720.348.2920

## **Independent Auditor's Report**

Board of Directors  
Elizabeth Fire Protection District  
Elbert County, Colorado

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and the major fund of Elizabeth Fire Protection District (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Elizabeth Fire Protection District, as of December 31, 2019, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages III through VIII, the schedule of changes in the net pension liability – volunteer firefighter pension on page 23, the schedule of District contributions – volunteer firefighter pension on page 24, and the schedule of the net pension liability on page 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the financial statements.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The other information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the financial statements.

The other information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*SCHILLING & COMPANY, INC.*

Highlands Ranch, Colorado  
July 14, 2020

**ELIZABETH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2019**

Our discussion and analysis of Elizabeth Fire Protection District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2019. Please read it in conjunction with the District's basic financial statements which begin on page 1.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

The Statement of Net Position presents information on all the District's assets, deferred outflows of resources, liabilities 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.

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 flows in future fiscal periods (i.e. uncollected taxes and earned but unused vacation leave.)

The government-wide financial statements detail functions of the District that are principally supported by tax revenues (governmental activities) and charges for services. The governmental activity of the District is public safety - fire.

The government-wide financial statements can be found on pages 1 and 2 of this report.

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

**Governmental funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

**ELIZABETH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2019**

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

The governmental funds financial statements can be found on pages 3 through 5 of this report.

The District adopted an annual appropriated budget for the General Fund. A budgetary comparison statement for the General Fund is located on page 6 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 7-22 of this report.

**Other Information:** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information consisting of the schedule of changes in the net pension liability – volunteer firefighter pension which can be found on page 23, the schedule of District contributions – volunteer firefighter pension which can be found on page 24 and the schedule of the net pension liability on page 25 of this report. Supplemental information consisting of budgetary comparison schedules for the Capital Mill Levy Capital Projects Fund, Zone 1 Impact Fee Capital Projects Fund, Zone 2 Impact Fee Capital Projects Fund, Zone 3 Impact Fee Capital Projects Fund, and Infrastructure Fee Capital Projects Fund are located on pages 26-30 of this report. Other information also accompanies these financial statements consisting of the summary of assessed valuation, mill levy and property taxes collected, which can be found on page 31.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,652,146 at the close of the most recent fiscal year. By far the largest portion of the District's net position reflects its investment in capital assets (e.g. land, buildings and improvements, cisterns, equipment and vehicles) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

As noted in the table below, for 2019, the District's total assets increased by \$654,410. Current assets increased by \$450,281 due primarily to an increase in the property taxes receivable as a result of a 15.5% increase in the assessed valuation and a .7% increase in the mill levy for taxes levied for the ensuing year. This increase was also noted in the District's deferred inflows of resources. Capital assets increased by \$204,129 as the capital asset additions exceeding depreciation on capital assets. Capital asset activity is described below in the Capital Asset and Debt Administration section of the management's discussion and analysis. The District's current

**ELIZABETH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2019**

liabilities increased by \$22,676. Although accounts payable and accrued payroll liabilities decreased by \$111,602 due to \$31,970 lower accrued vacation and sick leave balances and lower accounts payable due to a \$90,745 capital purchase at the end of 2018, there was an increase in the net volunteer pension plan liability of \$158,127. Long-term liabilities increased because the District entered into a capital lease for the purchase of a new administration building. Long-term liability activity is described below in the Capital Asset and Debt Administration section of the management's discussion and analysis.

**NET POSITION**

	<b>December 31,</b>	
	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Current assets	\$ 3,885,431	\$ 3,435,150
Capital assets	2,901,996	2,697,867
Total assets	<u>6,787,427</u>	<u>6,133,017</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
	<u>137,231</u>	<u>95,644</u>
<b>LIABILITIES</b>		
Current liabilities	1,069,137	1,046,461
Long-term liabilities	<u>1,398,005</u>	<u>1,087,120</u>
Total liabilities	<u>2,467,142</u>	<u>2,133,581</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
	<u>2,805,370</u>	<u>2,431,049</u>
<b>NET POSITION</b>		
Net investment in capital assets	1,503,991	1,610,747
Restricted for emergencies	97,400	98,700
Restricted for capital improvements	219,397	76,090
Unrestricted	<u>(168,642)</u>	<u>(121,506)</u>
Total net position	<u>\$ 1,652,146</u>	<u>\$ 1,664,031</u>

As noted in the table below, the District's overall financial position, as measured by net position, decreased \$11,885. Charges for services decreased by \$78,259 because the District did not deploy any staff on wildland fires in 2019 but did in 2018. Operating grants and contributions increased during 2019 by a total of \$11,250 due the receipt of more grant revenue for the purchase of firefighting supplies and equipment. Capital grants and contributions decreased by \$523,016 for 2019 as a result of receiving less contributions that were used or will be used for capital improvements. Property tax revenue increased minimally by \$23,107 due to an increase in the District's assessed valuation for taxes levied for 2019's collection. Specific ownership taxes increased by \$38,258 due to higher automobile ownership taxes collected by the county and allocated to the District. Public safety expenses decreased by \$73,361. This decrease was due primarily to the District incurring a loss of \$101,185 on the disposal/sale of capital assets in 2018 and not incurring such a loss in 2019. Interest and fiscal charges increased by \$10,009 due to the addition of the new capital lease in 2019.

**ELIZABETH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2019**

**CHANGES IN NET POSITION**

	<b>Years Ended December 31,</b>	
	<b>2019</b>	<b>2018</b>
<b>REVENUES</b>		
Program revenues:		
Charges for services	\$ 309,691	\$ 387,950
Operating grants and contributions	25,250	14,000
Capital grants and contributions	33,789	56,805
General revenues:		
Property taxes	2,369,614	2,346,507
Specific ownership taxes	469,391	431,133
Investment earnings	28,591	21,308
Other	11,827	28,645
Total revenues	3,248,153	3,286,348
<b>EXPENSES</b>		
Public safety - fire	3,220,250	3,293,611
Interest and fiscal charges	39,788	29,779
Total operating and debt service	3,260,038	3,323,390
<b>CHANGE IN NET POSITION</b>	(11,885)	(37,042)
<b>NET POSITION - BEGINNING OF YEAR</b>	1,664,031	1,701,073
<b>NET POSITION - END OF YEAR</b>	<b>\$ 1,652,146</b>	<b>\$ 1,664,031</b>

**FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS**

As mentioned previously, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A discussion of the District's governmental fund follows.

**Governmental funds:** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the District's Governmental Funds reported an ending fund balance of \$1,073,787. Of this fund balance, \$424,533 is nonspendable, restricted or assigned. Additional information on these amounts can be found in Note 2 and Note 6 to the financial statements. The remaining fund balance of \$649,254 is unassigned.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

**Budget Variances.** For the year ended December 31, 2019, the District's General Fund budget was not amended.

**ELIZABETH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2019**

The budget to actual comparison details for the General Fund can be seen on page 6 of the financial statements. District revenues were under the budget by \$423,202. This was primarily due to the creation of the Capital Mill Levy Capital Projects Fund for 2018 occurred after the 2019 budget was adopted, and therefore property taxes that were budgeted for \$341,057 in the General Fund are now reported in this Capital Mill Levy Capital Projects Fund. Actual expenditures were under the budget by \$27,214. This was primarily due to debt service expenditures that were budgeted in the General Fund were also moved to this new Capital Mill Levy Capital Projects Fund for 2019. Additionally administration and apparatus expenditures were less than budgeted. However, the capital outlay was over budget due to the lease purchase of the new administration building.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** The District's investment in capital assets at December 31, 2019 amounted to \$2,901,996 (net of accumulated depreciation/amortization). The analysis of changes in capital assets is as follows:

	<b>CAPITAL ASSETS (net of depreciation)</b>		
	<u>2018</u>	<u>Change</u>	<u>2019</u>
Land and water rights	\$ 250,200	\$ -	\$ 250,200
Capital asset in process	-	20,658	20,658
Buildings and improvements	640,121	398,218	1,038,339
Cisterns	78,495	(7,574)	70,921
Equipment	241,291	(39,902)	201,389
Vehicles	1,487,760	(167,271)	1,320,489
Total	<u>\$ 2,697,867</u>	<u>\$ 204,129</u>	<u>\$ 2,901,996</u>

During 2019 the District purchased three thermal imaging cameras for \$19,931, entered into a capital lease for the purchase of a new administration building for \$440,677, and incurred \$20,658 for the remodeling of Station #271, a project which was still ongoing as of yearend.

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

**Long-Term Obligations.** At the end of the current fiscal year, the District had total outstanding long-term obligations of \$1,518,522 comprised of capital leases for the acquisition of capital assets and compensated absences. The analysis of changes in capital leases and other long-term obligations is as follows:

**ELIZABETH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2019**

**LONG-TERM OBLIGATIONS**

	<u>2018</u>	<u>Change</u>	<u>2019</u>
Capital Leases:			
Vehicles	\$ 18,670	\$ (18,670)	\$ -
Vehicles	1,068,450	(120,445)	948,005
Building	-	450,000	450,000
Compensated absences	152,487	(31,970)	120,517
	<u>\$ 1,239,607</u>	<u>\$ 278,915</u>	<u>\$ 1,518,522</u>

During 2019 the District made the scheduled payments on the existing capital leases. Additionally, the District entered into a \$450,000 capital lease for the purchase of an administration building and provide some funding for the remodeling of Station #271.

Additional information on the District's long-term obligations can be found in Note 5 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

For 2020's levied property tax, the District's assessed valuation increased by 15.5% and the mill levy increased .100 mills, resulting in levied taxes of \$394,320 more than were collected for 2019.

The Gallagher Amendment in the Colorado Constitution requires adjustment to the Residential Assessment Rate in order to maintain a constant relationship between the statewide share of the residential taxable value and the statewide share of non-residential taxable value. The Gallagher Amendment prevents the share of the residential property tax from increasing relative to the other classes of property due to an increase in home sales. The voters of the District approved a ballot measure on November 6, 2018 to allow the District to adjust the District's mill levy to offset revenue reductions as a result of the Gallagher Amendment.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Elizabeth Fire Protection District, 155 W. Kiowa Avenue, P.O. Box 441 Elizabeth, Colorado 80107.

## **BASIC FINANCIAL STATEMENTS**

**ELIZABETH FIRE PROTECTION DISTRICT**  
**STATEMENT OF NET POSITION**  
**GOVERNMENTAL ACTIVITIES**  
**December 31, 2019**

**ASSETS**

Cash and investments (Note 3)	\$ 963,077
Due from County Treasurer	38,180
EMS (Net of \$185,082 allowance for uncollectible)	78,287
Other receivable	7,445
Prepaid expenses	34,508
Property taxes receivable	2,763,934
Capital assets (Note 4):	
Not being depreciated	270,858
Being depreciated, net of accumulated depreciation	2,631,138
Total assets	6,787,427

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflows related to volunteer pension plan (Note 10)	137,231
Total deferred outflows of resources	137,231

**LIABILITIES**

Accounts payable and accrued payroll liabilities	41,210
Accrued interest payable	29,505
Net volunteer pension plan liability (Note 10)	877,905
Noncurrent liabilities (Note 5):	
Due within one year:	
Compensated absences	120,517
Capital leases	178,109
Due in more than one year - capital leases	1,219,896
Total liabilities	2,467,142

**DEFERRED INFLOWS OF RESOURCES**

Deferred property taxes	2,763,934
Deferred inflows related to volunteer pension plan (Note 10)	41,436
Total deferred inflows of resources	2,805,370

**NET POSITION (Note 7)**

Net investment in capital assets	1,503,991
Restricted for emergencies	97,400
Restricted for capital improvements	219,397
Unrestricted	(168,642)
Total net position	\$ 1,652,146

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

**ELIZABETH FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES  
Year Ended December 31, 2019**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Public safety - fire	\$ 3,220,250	\$ 309,691	\$ 25,250	\$ 33,789	\$ (2,851,520)
Interest and fiscal charges	39,788	-	-	-	(39,788)
	<u>\$ 3,260,038</u>	<u>\$ 309,691</u>	<u>\$ 25,250</u>	<u>\$ 33,789</u>	<u>(2,891,308)</u>
<b>General revenues:</b>					
Taxes:					
					2,029,675
					339,939
					469,391
					28,591
					11,827
					<u>2,879,423</u>
					(11,885)
					1,664,031
					<u>\$ 1,652,146</u>

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

**ELIZABETH FIRE PROTECTION DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2019**

	General Fund	Capital Mill Levy Capital Projects Fund	Zone 1 Impact Fee Capital Projects Fund	Zone 2 Impact Fee Capital Projects Fund	Zone 3 Impact Fee Capital Projects Fund	Infrastructure Fee Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>							
Cash and investments (Note 3)	\$ 743,680	\$ 181,642	\$ 8,103	\$ 1,232	\$ 12,383	\$ 16,037	\$ 963,077
Due from County Treasurer	38,180	-	-	-	-	-	38,180
Accounts receivable:							
EMS (Net of \$185,082 allowance for uncollectible)	78,287	-	-	-	-	-	78,287
Other	7,445	-	-	-	-	-	7,445
Prepaid expenditures	34,508	-	-	-	-	-	34,508
Property tax receivable	2,367,430	396,504	-	-	-	-	2,763,934
<b>TOTAL ASSETS</b>	<b>\$ 3,269,530</b>	<b>\$ 578,146</b>	<b>\$ 8,103</b>	<b>\$ 1,232</b>	<b>\$ 12,383</b>	<b>\$ 16,037</b>	<b>\$ 3,885,431</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable and accrued payroll liabilities	\$ 41,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,210
<b>TOTAL LIABILITIES</b>	<b>41,210</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,210</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred tax revenues	2,367,430	396,504	-	-	-	-	2,763,934
Deferred grant revenue	6,500	-	-	-	-	-	6,500
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>2,373,930</b>	<b>396,504</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,770,434</b>
<b>FUND BALANCES (Note 6)</b>							
Nonspendable:							
Prepaid expenditures	34,508	-	-	-	-	-	34,508
Spendable:							
Restricted for emergencies	97,400	-	-	-	-	-	97,400
Restricted for capital improvements	-	181,642	8,103	1,232	12,383	16,037	219,397
Assigned to subsequent year's expenditures	73,228	-	-	-	-	-	73,228
Unassigned	649,254	-	-	-	-	-	649,254
<b>TOTAL FUND BALANCES</b>	<b>854,390</b>	<b>181,642</b>	<b>8,103</b>	<b>1,232</b>	<b>12,383</b>	<b>16,037</b>	<b>1,073,787</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 3,269,530</b>	<b>\$ 578,146</b>	<b>\$ 8,103</b>	<b>\$ 1,232</b>	<b>\$ 12,383</b>	<b>\$ 16,037</b>	

Amounts to reconcile the governmental fund balance sheet to the statement of net position are as follows:

Some assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds balance sheet.	2,901,996
Capital assets	
Certain amounts deferred in the governmental funds balance sheet are not deferred in the governmental activities statement of net position.	
Deferred grant revenue	6,500
Certain amounts related to the District's pension plans reported on the statement of net position are not reported in the governmental funds balance sheet.	
Deferred outflows related to volunteer pension plan	137,231
Net volunteer pension plan liability	(877,905)
Deferred inflows related to volunteer pension plan	(41,436)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the fund statements.	
Capital lease obligations	(1,398,005)
Accrued interest on capital leases	(29,505)
Compensated absences	(120,517)
Net position of governmental activities	<u>\$ 1,652,146</u>

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

**ELIZABETH FIRE PROTECTION DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
Year Ended December 31, 2019

	General Fund	Capital Mill Levy Capital Projects Fund	Zone 1 Impact Fee Capital Projects Fund	Zone 2 Impact Fee Capital Projects Fund	Zone 3 Impact Fee Capital Projects Fund	Infrastructure Fee Capital Projects Fund	Total Governmental Funds
<b>REVENUES</b>							
Property taxes:							
General operations	\$ 2,029,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,029,675
Capital improvements	-	339,939	-	-	-	-	339,939
Specific ownership taxes	469,391	-	-	-	-	-	469,391
Ambulance transports (net of \$252,354 uncollectible)	281,180	-	-	-	-	-	281,180
Impact fees	-	-	12,997	1,226	12,286	-	26,509
Infrastructure fees	-	-	-	-	-	7,280	7,280
Permit fees and fines	26,806	-	-	-	-	-	26,806
Net investment income	23,529	4,545	106	6	97	308	28,591
Grants	5,655	-	-	-	-	-	5,655
Developer contributions	17,250	-	-	-	-	-	17,250
CPR income	1,705	-	-	-	-	-	1,705
Other	11,827	-	-	-	-	-	11,827
Total revenues	<u>2,867,018</u>	<u>344,484</u>	<u>13,103</u>	<u>1,232</u>	<u>12,383</u>	<u>7,588</u>	<u>3,245,808</u>
<b>EXPENDITURES</b>							
Administration	2,333,683	-	-	-	-	-	2,333,683
Professional services	120,974	-	-	-	-	-	120,974
Apparatus	59,597	-	-	-	-	-	59,597
Facilities	84,847	-	-	-	-	-	84,847
Equipment maintenance and testing	15,542	-	-	-	-	-	15,542
Fire prevention/investigations	12,221	-	-	-	-	-	12,221
Communications	23,130	-	-	-	-	-	23,130
Technology	27,355	-	-	-	-	-	27,355
Operations	101,434	9,931	-	-	-	-	111,365
Contribution to volunteer pension plan	55,086	-	-	-	-	-	55,086
Debt service:							
Principal	18,670	120,445	-	-	-	-	139,115
Interest and other fiscal charges	704	30,963	-	-	-	-	31,667
Capital outlay:							
Buildings - capitalized	435,677	20,658	5,000	-	-	-	461,335
Buildings - not capitalized	-	4,727	-	-	-	-	4,727
Vehicles - not capitalized	-	3,000	-	-	-	-	3,000
Equipment - capitalized	-	19,931	-	-	-	-	19,931
Equipment - not capitalized	-	20,828	-	-	-	-	20,828
Total expenditures	<u>3,288,920</u>	<u>230,483</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,524,403</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(421,902)</u>	<u>114,001</u>	<u>8,103</u>	<u>1,232</u>	<u>12,383</u>	<u>7,588</u>	<u>(278,595)</u>
<b>OTHER FINANCING SOURCES</b>							
Capital lease proceeds	450,000	-	-	-	-	-	450,000
Total other financing sources	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>450,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	28,098	114,001	8,103	1,232	12,383	7,588	171,405
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>826,292</u>	<u>67,641</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,449</u>	<u>902,382</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 854,390</u>	<u>\$ 181,642</u>	<u>\$ 8,103</u>	<u>\$ 1,232</u>	<u>\$ 12,383</u>	<u>\$ 16,037</u>	<u>\$ 1,073,787</u>

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

**ELIZABETH FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2019**

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities is as follows:

Net change in fund balances - Total governmental funds	\$ 171,405
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay	481,266
Depreciation	(277,137)
<p>Some revenues are deferred in the governmental funds because they are measurable but not available within 60 days of year end. These revenues are recognized in the Statement of Activities.</p>	
Change in unearned grant revenue	2,345
<p>Some expenses reported in the governmental fund statements were made subsequent to the measurement date for the net pension asset calculation and will therefore be reported as expenses in a future period.</p>	
Deferred outflows of resources:	
District volunteer firefighters' pension plan contributions subsequent to the measurement date	55,086
<p>Issuance of long-term debt (e.g. capital leases) provides current financial resources to the governmental fund, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental fund. Neither transaction, however, has any effect on net position. This amount is the net effect of differences in the treatment of long-term debt and related items.</p>	
Capital lease proceeds	(450,000)
Principal payments on capital leases	139,115
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.</p>	
Change in accrued interest on capital leases	(8,121)
Net volunteer pension income (expense)	(157,814)
Change in compensated absences	31,970
Change in net position - Governmental activities	\$ (11,885)

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

**ELIZABETH FIRE PROTECTION DISTRICT**  
**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**Year Ended December 31, 2019**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Property taxes:			
General operations	\$ 2,034,744	\$ 2,029,675	\$ (5,069)
Capital improvements	341,057	-	(341,057)
Specific ownership taxes	380,000	469,391	89,391
Ambulance transports, net of uncollectible	295,000	281,180	(13,820)
Impact fees	50,000	-	(50,000)
Infrastructure fees	5,000	-	(5,000)
Permit fees and fines	20,000	26,806	6,806
Net investment income	15,000	23,529	8,529
Grants	49,874	5,655	(44,219)
Developer contributions	30,000	17,250	(12,750)
Deployment income	57,000	-	(57,000)
CPR income	1,920	1,705	(215)
Other	10,625	11,827	1,202
Total revenues	<u>3,290,220</u>	<u>2,867,018</u>	<u>(423,202)</u>
<b>EXPENDITURES</b>			
Administration	2,397,850	2,333,683	64,167
Professional services	111,530	120,974	(9,444)
Apparatus	111,650	59,597	52,053
Facilities	77,800	84,847	(7,047)
Equipment maintenance and testing	10,700	15,542	(4,842)
Fire prevention/investigations	15,000	12,221	2,779
Communications	19,700	23,130	(3,430)
Technology	31,860	27,355	4,505
Operations	103,020	101,434	1,586
Contribution to volunteer pension plan	55,086	55,086	-
Debt service:			
Principal	139,115	18,670	120,445
Interest and other fiscal charges	32,075	704	31,371
Capital outlay:			
Buildings, vehicles and equipment	200,748	435,677	(234,929)
Contingency	10,000	-	10,000
Total expenditures	<u>3,316,134</u>	<u>3,288,920</u>	<u>27,214</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(25,914)</u>	<u>(421,902)</u>	<u>(395,988)</u>
<b>OTHER FINANCING SOURCES</b>			
Capital lease proceeds	-	450,000	450,000
Total other financing sources	<u>-</u>	<u>450,000</u>	<u>450,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	(25,914)	28,098	54,012
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>908,639</u>	<u>826,292</u>	<u>(82,347)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 882,725</u>	<u>\$ 854,390</u>	<u>\$ (28,335)</u>

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

**ELIZABETH FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**NOTE 1 – DEFINITION OF REPORTING ENTITY**

Elizabeth Fire Protection District (District), a quasi-municipal corporation and political subdivision of the State, is organized pursuant to the provisions of the Colorado Special District Act. The District's service area is located in Elbert County, Colorado. The District was established to provide fire protection services, including emergency medical services, to the Town of Elizabeth and surrounding geographic areas in Elbert County.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District except for the fiduciary activities. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District, with the difference between the assets, and liabilities and deferred inflows of resources, of the District being reported as net position.

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

Separate financial statements are provided for the governmental fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

**ELIZABETH FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**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 revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes and emergency medical services fees. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

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

The Capital Mill Levy Capital Projects Fund is used to account for the revenue generated and the related expenditures of the voter approved 1.970 mill levy which is restricted for use for capital improvements.

The Zone 1 Impact Fee Capital Projects Fund is used to account for the revenue generated and the related expenditures of the impact fees imposed by the District in accordance with Colorado Revised Statutes Section 29-20-104, which are restricted for certain capital improvements.

The Zone 2 Impact Fee Capital Projects Fund is used to account for the revenue generated and the related expenditures of the impact fees imposed by the District in accordance with Colorado Revised Statutes Section 29-20-104, which are restricted for certain capital improvements.

The Zone 3 Impact Fee Capital Projects Fund is used to account for the revenue generated and the related expenditures of the impact fees imposed by the District in accordance with Colorado Revised Statutes Section 29-20-104, which are restricted for certain capital improvements.

The Infrastructure Fee Capital Projects Fund is used to account for the revenue generated and the related expenditures of the infrastructure fees imposed by the District which are restricted for capital improvements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are

**ELIZABETH FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds a public hearing in the fall each year to receive and consider comments and objections to the proposed budget, after which the District Board approves the budget and appropriates the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The total appropriation can only be modified upon completion of notification and publication requirements in compliance with the State Budget Law. The budget includes each fund on its basis of accounting unless otherwise indicated.

For the year ended December 31, 2019, the District amended the budgets of the Capital Mill Levy Capital Projects Fund (increased appropriation from \$0 to \$230,484) and the Zone 1 Impact Fee Capital Projects Fund (increased appropriation from \$0 to \$5,000).

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 of the preceding year by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

**Accounts Receivable**

Accounts receivable consist of uncollected emergency services fees and are shown net of an allowance for uncollectible accounts receivable. The allowance for uncollectible accounts receivable is estimated based on historical collections by the District. Actual collections may be different than the amounts estimated.

**Capital Assets**

Capital assets, which include buildings, improvements, equipment and vehicles are reported in the governmental activities column 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. Such

**ELIZABETH FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Buildings	15-50 years
Cisterns	30 years
Equipment	6-20 years
Vehicles	5-25 years

Depreciation expense is charged to the public safety – fire function in the statement of activities.

**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, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until that time. The District has recognized deferred outflows of resources in the government-wide financial statements in accordance with presentation requirements for GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* (GASB 68) and GASB Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – An Amendment of GASB 68* (GASB 71).

In addition to liabilities, the statement of net position and fund balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Property tax revenue that is related to a future period is recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available. Additionally, the District has recognized deferred inflows of resources in the government-wide financial statements in accordance with presentation requirements for GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* (GASB 68) and GASB Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – An Amendment of GASB 68* (GASB 71).

**Compensated Absences**

The District has a policy that allows employees to accumulate unused vacation benefits up to certain maximum hours. Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The District's General Fund is used to liquidate compensated absences of the governmental activities.

**ELIZABETH FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**Fund Balances – Governmental Funds**

The District’s governmental fund balance may consist of five classifications based on the relative strength of the spending constraints as follows:

Nonspendable fund balance—the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance—the amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned fund balance—amounts the District intends to use for a specific purpose. Intent can be expressed by the District Board of Directors or by an official or body to which the District Board of Directors delegates the authority.

Unassigned fund balance—amounts that are available for any purpose.

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

**NOTE 3 - CASH DEPOSITS AND INVESTMENTS**

Cash and investments as of December 31, 2019 consist of the following:

Cash on hand	\$ 100
Deposits with financial institutions	28,455
Investments	934,522
Total cash and investments	\$ 963,077

**Cash Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

**ELIZABETH FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

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

At December 31, 2019 the District's cash deposits had a bank balance of \$76,920 and a carrying balance of \$28,455.

**Investments**

**Credit Risk**

The District has not adopted a formal investment policy, however, the District follows Colorado State Statutes which specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

**Interest Rate Risk**

Colorado Revised Statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirement.

As of December 31, 2019, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Carrying Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted average under 60 days	\$ 927,481
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted average under 60 days	7,041
		<u>\$ 934,522</u>

**COLOTRUST**

The District has invested in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund. The Trust offers shares in two

**ELIZABETH FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and instrumentalities, and repurchase agreements collateralized with certain U.S. government agencies or instrumentalities. COLOTRUST PLUS+ may also invest in the highest rated commercial paper. Both the COLOTRUST PRIME and COLOTRUST PLUS+ portfolios are rated AAAM by Standard and Poor's.

**CSAFE**

The District has invested in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the CSAFE. CSAFE operates similarly to a money market fund. CSAFE primarily invests in U.S. Treasury securities, agencies, repurchase agreements, bank deposits, AAAM rated SEC registered money-market funds and highly-rated commercial paper. CSAFE is rated AAAM by Standard and Poor's.

**Investment Valuation**

The District's investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The District held investments in COLOTRUST and CSAFE at year end for which the investment valuations were determined as follows.

**COLOTRUST**

COLOTRUST determines the NAV of the shares of each portfolio as of the close of business of each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of COLOTRUST, are accrued daily. The NAV is calculated at fair value using various inputs in determine value in accordance with FASB guidance. It is the goal of the Trust to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by COLOTRUST and there can be no assurance that the NAV will not vary from \$1.00 per share.

**CSAFE**

The CSAFE calculates the NAV as of the conclusion of each business day. The NAV is calculated by determining total assets, subtracting total liabilities from total assets, then dividing the result by the number of outstanding shares. Liabilities include all accrued expenses and fees, which are accrued daily. CSAFE does not place any known limitations or restrictions such as notice periods or maximum transaction amounts on withdrawals. It is the goal of CSAFE to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by CSAFE and there can be no assurance that the NAV will not vary from \$1.00 per share.

**ELIZABETH FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**NOTE 4 - CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2019 follows:

	<b>Balance at December 31, 2018</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance at December 31, 2019</b>
Capital assets, not being depreciated:				
Land and water rights	\$ 250,200	\$ -	\$ -	\$ 250,200
Capital asset in process	-	20,658	-	20,658
Total capital assets, not being depreciated	250,200	20,658	-	270,858
Capital assets, being depreciated:				
Buildings and improvements	2,021,823	440,677	-	2,462,500
Cisterns	235,205	-	-	235,205
Equipment	700,131	19,931	-	720,062
Vehicles	2,772,042	-	-	2,772,042
Total capital assets, being depreciated	5,729,201	460,608	-	6,189,809
Less accumulated depreciation for:				
Buildings and improvements	(1,381,702)	(42,459)	-	(1,424,161)
Cisterns	(156,710)	(7,574)	-	(164,284)
Equipment	(458,840)	(59,833)	-	(518,673)
Vehicles	(1,284,282)	(167,271)	-	(1,451,553)
Total accumulated depreciation	(3,281,534)	(277,137)	-	(3,558,671)
Total capital assets, being depreciated depreciated, net	2,447,667	183,471	-	2,631,138
Capital assets, net	<u>\$ 2,697,867</u>	<u>\$ 204,129</u>	<u>\$ -</u>	<u>\$ 2,901,996</u>

**NOTE 5 – LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2019:

	<b>Balance at December 31, 2018</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance at December 31, 2019</b>	<b>Due Within One Year</b>
Capital Leases:					
Capital lease - Fort Motor Credit LLC	\$ 18,670	\$ -	\$ (18,670)	\$ -	\$ -
PNC Equipment Finance, LLC	1,068,450	-	(120,445)	948,005	123,935
Community First National Bank	-	450,000	-	450,000	54,174
Compensated absences	152,487	122,531	(154,501)	120,517	120,517
	<u>\$ 1,239,607</u>	<u>\$ 572,531</u>	<u>\$ (293,616)</u>	<u>\$ 1,518,522</u>	<u>\$ 298,626</u>

The detail of the District's long-term obligations, excluding the accrual for compensated absences, is as follows:

**Capital Leases**

Lease – Vehicles – On October 6, 2015 the District entered into a Master Equipment Lease-Purchase Agreement with Ford Motor Credit LLC for the purchase of a 2015 Ford Expedition

**ELIZABETH FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

and a 2016 Ford F-150 for a combined total of \$88,404, including added equipment. The lease-purchase agreement was secured by the purchased vehicles. The final lease payment was made during 2019.

Lease – Vehicles – On March 30, 2017 the District entered into a Master Lease – Purchase Agreement with PNC Equipment Finance, LLC for the purchase of two Pierce firetrucks and one Ford F-250 command vehicle and the refurbishment of one brush truck for a total lease-purchase agreement amount of \$1,185,502. The lease-purchase agreement is secured by the purchased vehicles and improvements. Along with other available funds of the District, the total capitalized costs of the leased assets was \$1,223,214. As of December 31, 2019 the accumulated depreciation on these was \$131,210. The lease-purchase agreement requires annual principal and interest payments of \$151,408 on March 30, 2018 through 2020, \$140,066 on March 30, 2021 and 2022, and \$128,092 on March 30, 2023 through 2027. The lease-purchase agreement bears interest at 2.898%. The lease-purchase agreement is subject to annual appropriation.

Lease – Administration Building – On June 11, 2019, the District entered into Lease with Option to Purchase Agreement with Community First National Bank for the purchase of an Administration Building and provide some funds for remodeling the Administration Building and Station #271. The lease is secured by the Administration Building, which was capitalized in the amount of \$440,677. As of December 31, 2019 the accumulated depreciation on the Administration Building was \$8,569. The lease-purchase agreement requires annual principal and interest payments of \$76,124 beginning on August 1, 2020 and ending on August 1, 2026. The lease-purchase agreement is subject to annual appropriation.

Future minimum lease obligations and the net present value of these lease payments as of December 31, 2019 are as follows:

<u>December 31,</u>	
2020	\$ 227,532
2021	216,190
2022	216,190
2023	204,216
2024	204,216
2025-2027	<u>536,523</u>
	1,604,867
Amount representing interest	<u>(206,862)</u>
Present Value of minimum lease payments	<u><u>\$ 1,398,005</u></u>

**NOTE 6 - FUND EQUITY**

At December 31, 2019, the District reported the following classifications of fund equity.

**Nonspendable Fund Balance**

The nonspendable fund balance in the General Fund in the amount of \$34,508 is comprised of prepaid amounts which are not in spendable form.

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**Restricted Fund Balance**

The restricted fund balance in the General Fund in the amount of \$97,400 is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 12).

The restricted fund balances of the Capital Mill Levy Capital Projects Fund, Zone 1 Impact Fee Capital Projects Fund, Zone 2 Impact Fee Capital Projects Fund, Zone 3 Impact Fee Capital Projects Fund and the Infrastructure Fee Capital Projects Fund in the amounts of \$181,642, \$8,103, \$1,232, \$12,383 and \$16,037, respectively, are restricted for capital improvements.

**NOTE 7 - NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2019, the net investment in capital assets was \$1,503,991.

Restricted position includes net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position of \$97,400 as of December 31, 2019 as required by Article X, Section 20 of the Constitution of the State of Colorado (See Note 12). Additionally, the District had net position of \$219,397 restricted for capital improvements.

As of December 31, 2019, the District had a deficit unrestricted net position of \$168,642. It is anticipated that future revenues will eliminate this deficit.

**NOTE 8 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God. The District maintains commercial insurance for risks of loss. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**NOTE 9 – STATEWIDE MONEY PURCHASE PENSION PLAN**

The District contributes to the Statewide Money Purchase Pension Plan, a defined contribution pension plan administered by the Colorado Fire and Police Pension Association (FPPA). Death and disability coverage is provided for eligible members through the Statewide Death and Disability Plan, which is also administered by FPPA. All full-time, paid firefighters of the District are members of the Statewide Money Purchase Pension Plan and the Statewide Death and Disability Plan. Colorado Statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Money Purchase Pension Plan and the Statewide Death and Disability Plan. That report may be obtained by

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calling FPPA at 303-770-3772 in the Denver Metro area and 1-800-332-FPPA (3772) from outside the metro area.

The contribution requirements of plan members and the District are established by FPPA. The contribution rate to the Statewide Money Purchase Pension Plan for plan members is 8.0% of covered salary and for the District is 8.0% of covered salary. The plan members are 100% vested in their contributions to the plan from the first day of membership. The plan members vest in the employer contributions as follows:

Upon death or disability retirement	100%
Upon attaining normal retirement age	100%
Otherwise based on years of service:	
Less than 1 year	0%
1 but less than 2 years	20%
2 but less than 3 years	40%
3 but less than 4 years	60%
4 but less than 5 years	80%
5 or more years	100%

The District contributed \$132,677 to the Statewide Money Purchase Pension Plan for the year ending December 31, 2019, equal to the District's required contributions for the year.

**NOTE 10 – VOLUNTEER FIREFIGHTER PENSION**

**Volunteer Firefighter Pension**

**General Information about the Pension Plan**

*Plan description.* The District, on behalf of its volunteer firefighters, contributes to the Volunteer Firefighter Pension (VPP), a defined benefit pension plan which is affiliated with the FPPA. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the VPP have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Assets of the plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension plan administered by FPPA. The Volunteer Firefighter Pension Board of Trustees is comprised of the five Directors of the District and two eligible District volunteer firefighters, which may include current District volunteer firefighters, retired District volunteer firefighters, or retired District firefighters who have returned to active service. The Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the plan. FPPA issues a publicly available comprehensive annual financial report that includes the assets of the volunteer plan. That report may be obtained at [www.fppaco.org](http://www.fppaco.org).

*Volunteers covered and benefits provided.* The retirement benefit provisions and plan requirements were established by the District under the Colorado Revised Statutes. The District closed the Volunteer Firefighter Pension to new members effective December 31, 2004. Volunteer firefighters who complete the minimum annual training required by the District and who at the discretion of the Fire Chief are considered to have maintained "active service", are

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eligible to participate in the VPP for that year. Volunteers' rights to a benefit vest after ten years of service. Volunteers, who retire at or after the age of 50 with ten years of credited service, are entitled to a benefit. The maximum monthly benefit is \$750. In addition, the VPP provides death and disability benefits, funded by insurance policies. At December 31, 2019, there are 24 retirees and 2 beneficiaries receiving benefits and 1 inactive vested member.

*Contributions.* The District makes contributions based upon District established benefits and funding requirements based upon an actuarial study. VPP members do not make contributions. The State of Colorado also contributes to the VPP in an amount set by statute. The District's contributions were \$55,086 and the State of Colorado's contributions were \$18,220 for the year ended December 31, 2019.

**Net Pension Liability**

*Actuarial assumptions.* The District's net pension liability was based on an actuarial valuation performed as of January 1, 2019 and a measurement date of December 31, 2018. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, open *
Remaining amortization period	20 years *
Asset valuation method	5 - year smoothed fair value
Investment rate of return	7.0%
Projected salary increases	Not applicable
Inflation	2.5%
Cost-of-living adjustments	None
Retirement age	50% per year of eligibility until 100% at age 65

Mortality: Pre-retirement mortality was based on the 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales for all years, 50% multiplier for off-duty mortality. Post retirement mortality was based on the 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. Disabled mortality based on 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the ultimate rates of the scale for all years.

\* - Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

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 return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
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 Markets	24%	10.00%
Total	100%	

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; 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%.

**Changes in the Net Pension Liability**

Changes in the District's net pension liability for the year ended December 31, 2019 were as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability(Asset) (a) - (b)</u>
<b>Balances at 12/31/18</b>	<u>\$ 1,785,350</u>	<u>\$ 1,065,572</u>	<u>\$ 719,778</u>
<b>Changes for the year:</b>			
Interest on the total pension liability	127,663	-	127,663
Difference between expected and actual experience	30,717	-	30,717
Changes in assumptions or other inputs	67,703	-	67,703
Benefit payments	(169,425)	(169,425)	-
District contributions	-	55,086	(55,086)
State of Colorado contributions	-	18,220	(18,220)
Pension plan net investment income	-	888	(888)
Administrative expense	-	(6,238)	6,238
<b>Net Changes</b>	<u>56,658</u>	<u>(101,469)</u>	<u>158,127</u>
<b>Balances at 12/31/19</b>	<u><u>\$ 1,842,008</u></u>	<u><u>\$ 964,103</u></u>	<u><u>\$ 877,905</u></u>

*Sensitivity of the District's Net Pension (Asset) Liability to Changes in the Discount Rate.* The following presents the net pension liability calculated using the discount rate of 7.00 percent, as

**ELIZABETH FIRE PROTECTION DISTRICT  
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DECEMBER 31, 2019**

well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	6.00%	7.00%	8.00%
Proportionate share of the net pension (asset) liability	\$ 1,045,706	\$ 877,905	\$ 734,192

**Pension Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2019, the District recognized pension expense (income) of \$157,814.

At December 31, 2019, the District reported deferred outflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual earnings on pension plan investments	\$ 82,145	\$ 41,436
Contributions subsequent to the measurement date	55,086	-
Total	\$ 137,231	\$ 41,436

The \$55,086 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a decrease of the net pension liability in the year ending 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:

<u>Year Ending December 31</u>		
2020	\$	18,530
2021		5,886
2022		1,240
2023		15,053
	\$	40,709

**NOTE 11 – DEFERRED COMPENSATION PLAN**

The District has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by FPPA. Participation in the plan is optional for all employees. The plan allows the employees to defer a portion of their salary until future years.

**ELIZABETH FIRE PROTECTION DISTRICT  
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**NOTE 12 - TAX, SPENDING AND DEBT LIMITATIONS**

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

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

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

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

On May 7, 1996, a majority of the District's electors voting in the election authorized the District to collect, retain, and spend all revenue from all sources in 1996 and subsequent years without regard to any limitation under TABOR or the 5.5% limit of Section 29-1-301.

On May 2, 2000, voters within the District approved a ballot issue imposing an additional ad valorem property tax rate of 2.000 mills, increasing District taxes by \$155,438 annually. This rate increase, which commenced January 1, 2000 resulted in a total District mill levy rate, exclusive of refunds or abatements, of 11.740 mills providing fire protection, rescue, emergency medical and ambulance services, acquisition of capital equipment, construction of facilities, and hiring of additional personnel. The District was authorized to collect, retain, and spend all revenue generated from its 11.740 mill levy imposed.

On November 3, 2009, voters within the District approved the following ballot issue:

Shall Elizabeth Fire Protection District taxes be increased \$272,500 (first full fiscal year dollar increase) annually beginning in levy year 2009 (collected in 2010) and ending after the levy in year 2016 (collected in 2017) by increasing the District's existing tax by 1.970 mills to be used for: necessary upgrades to fire stations 1, 2, & 3; purchase of two structural fire engines; purchase of two wild land fire trucks; purchase of two emergency medical ambulances; purchase of two incident command vehicles; update apparatus & firefighter safety equipment; provided, that for the 8 years this capital improvement tax is in place, the revenue from the 1.970 mills and any earnings on this tax shall constitute a voter-approved revenue change within the meaning of Article X, Section 20 of the Colorado constitution and an exception to the limitations set forth in Section 29-1-301 of the Colorado Revised Statutes, and any other law?

On November 8, 2016, voters within the District approved the following ballot issue:

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Without raising additional taxes, shall the existing Elizabeth Fire Protection District 1.970 mill property taxes designated for capital projects be extended indefinitely from its current expiration of December 31, 2017, and to be used only for capital improvements, all revenue and earnings from this tax constituting a permanent voter-approved revenue change within the meaning of Article X, Section 20 of the Colorado Constitution and an exception to the limitations set forth in Section 29-1-301 of the Colorado Revised Statutes and any other law.

On November 6, 2018, voters within the District approved the following ballot issue:

Shall Elizabeth Fire Protection District be authorized to increase or decrease its current and all future mill levies only if, on or after November 6, 2018, there are changes in the method of calculating assessed valuation, including but not limited to a change in the percentage of actual valuation used to determine residential assessed valuation due to Article X Section 3 of the Colorado Constitution (commonly known as the Gallagher Amendment), so that, to the extent possible, the actual tax revenues generated by such mill levies are the same as the actual tax revenues that would have been generated had such changes not occurred?

This information is an integral part of the accompanying financial statements.

**REQUIRED SUPPLEMENTAL INFORMATION**

**ELIZABETH FIRE PROTECTION DISTRICT  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY  
VOLUNTEER FIREFIGHTER PENSION PLAN  
LAST FIVE FISCAL YEARS**

Measurement period ending December 31,	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ 1,456
Interest on the total pension liability	127,663	130,576	127,754	130,662	137,548
Difference between expected and actual experience	30,717	-	26,080	-	(64,229)
Changes in assumptions or other inputs	67,703	-	53,218	-	-
Benefit payments	(169,425)	(169,425)	(169,425)	(169,425)	(162,473)
<b>Net Change in Total Pension Liability</b>	<u>56,658</u>	<u>(38,849)</u>	<u>37,627</u>	<u>(38,763)</u>	<u>(87,698)</u>
<b>Total Pension Liability - Beginning</b>	<u>1,785,350</u>	<u>1,824,199</u>	<u>1,786,572</u>	<u>1,825,335</u>	<u>1,913,033</u>
<b>Total Pension Liability - Ending (a)</b>	<u><u>\$ 1,842,008</u></u>	<u><u>\$ 1,785,350</u></u>	<u><u>\$ 1,824,199</u></u>	<u><u>\$ 1,786,572</u></u>	<u><u>\$ 1,825,335</u></u>
<b>Plan Fiduciary Net Position</b>					
District contributions	\$ 55,086	\$ 44,811	\$ 44,811	\$ 58,548	\$ 58,548
State of Colorado contributions	18,220	18,220	18,220	18,220	18,220
Pension plan net investment income	888	142,579	54,472	20,583	78,152
Benefit payments	(169,425)	(169,425)	(169,425)	(169,425)	(162,473)
Administrative expense	(6,238)	(6,088)	(1,910)	(2,747)	(2,164)
Net Change in Plan Fiduciary Net Position	<u>(101,469)</u>	<u>30,097</u>	<u>(53,832)</u>	<u>(74,821)</u>	<u>(9,717)</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>1,065,572</u>	<u>1,035,475</u>	<u>1,089,307</u>	<u>1,164,128</u>	<u>1,173,845</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u><u>\$ 964,103</u></u>	<u><u>\$ 1,065,572</u></u>	<u><u>\$ 1,035,475</u></u>	<u><u>\$ 1,089,307</u></u>	<u><u>\$ 1,164,128</u></u>
<b>Net Pension Liability/(Asset) - Ending (a)-(b)</b>	<u><u>\$ 877,905</u></u>	<u><u>\$ 719,778</u></u>	<u><u>\$ 788,724</u></u>	<u><u>\$ 697,265</u></u>	<u><u>\$ 661,207</u></u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<u>52.34%</u>	<u>59.68%</u>	<u>56.76%</u>	<u>60.97%</u>	<u>63.78%</u>
<b>Covered Payroll</b>	N/A	N/A	N/A	N/A	N/A
<b>Contributions as a Percentage of Covered Payroll</b>	N/A	N/A	N/A	N/A	N/A

**NOTE:** Information for the prior five years was not available to report.

**ELIZABETH FIRE PROTECTION DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
VOLUNTEER FIREFIGHTER PENSION PLAN  
LAST SIX YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 73,306	\$ 73,306	\$ 63,031	\$ 63,031	\$ 76,768	\$ 76,768
Contributions in relation to the actuarially required contribution:						
District contribution	(55,086)	(55,086)	(44,811)	(44,811)	(58,548)	(58,548)
State of Colorado contribution	(18,220)	(18,220)	(18,220)	(18,220)	(18,220)	(18,220)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule**

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar - open *
Remaining amortization period	20 years *
Asset valuation method	5 - year smoothed fair value
Investment rate of return	7.0%
Projected salary increases	N/A
Inflation	2.5%
Retirement age	50% per year of eligibility until 100% at age 65
Mortality	

Pre-retirement mortality was based on the 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales for all years, 50% multiplier for off-duty mortality. Post retirement mortality was based on the 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. Disabled mortality based on 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the ultimate rates of the scale for all years.

\* -Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

**NOTE:** Information for the prior four years was not available to report.

**ELIZABETH FIRE PROTECTION DISTRICT  
SCHEDULE OF THE NET PENSION LIABILITY  
VOLUNTEER FIREFIGHTER PENSION PLAN  
LAST FIVE FISCAL YEARS(1)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability	\$ 1,842,008	\$ 1,785,350	\$ 1,824,199	\$ 1,786,572	\$ 1,825,335
Plan Fiduciary Net Position	(964,103)	(1,065,572)	(1,035,475)	(1,089,307)	(1,164,128)
Net Pension Liability	<u>\$ 877,905</u>	<u>\$ 719,778</u>	<u>\$ 788,724</u>	<u>\$ 697,265</u>	<u>\$ 661,207</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	<u>52.34%</u>	<u>59.68%</u>	<u>56.76%</u>	<u>60.97%</u>	<u>63.78%</u>
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a % of Covered Payroll	N/A	N/A	N/A	N/A	N/A

(1) - The amounts presented for each fiscal year were determined as of 12/31.

**NOTE:** Information for the prior five years was not available to report.

## **SUPPLEMENTAL INFORMATION**

**ELIZABETH FIRE PROTECTION DISTRICT**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - CAPITAL MILL LEVY CAPITAL PROJECTS FUND**  
**Year Ended December 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Property taxes:				
Capital improvements	\$ -	\$ 339,939	\$ 339,939	\$ -
Net investment income	-	4,545	4,545	-
Total revenues	<u>-</u>	<u>344,484</u>	<u>344,484</u>	<u>-</u>
<b>EXPENDITURES</b>				
County Treasurer's fees	-	9,931	9,931	-
Debt service:				
Principal	-	120,445	120,445	-
Interest and other fiscal charges	-	30,963	30,963	-
Capital outlay:				
Buildings - capitalized		43,588	20,658	22,930
Buildings - not capitalized	-	4,728	4,727	1
Vehicles - not capitalized	-	3,000	3,000	-
Equipment - capitalized	-	-	19,931	(19,931)
Equipment - not capitalized		17,829	20,828	(2,999)
Total expenditures	<u>-</u>	<u>230,484</u>	<u>230,483</u>	<u>1</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	114,000	114,001	1
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>67,643</u>	<u>67,641</u>	<u>(2)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 181,643</u>	<u>\$ 181,642</u>	<u>\$ (1)</u>

**ELIZABETH FIRE PROTECTION DISTRICT**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ZONE 1 IMPACT FEE CAPITAL PROJECTS FUND**  
**Year Ended December 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Impact fees	\$ -	\$ 11,997	\$ 12,997	\$ 1,000
Net investment income	-	106	106	-
Total revenues	<u>-</u>	<u>12,103</u>	<u>13,103</u>	<u>1,000</u>
<b>EXPENDITURES</b>				
Capital outlay:				
Buildings - capitalized	-	5,000	5,000	-
Total expenditures	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	7,103	8,103	1,000
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 7,103</u>	<u>\$ 8,103</u>	<u>\$ 1,000</u>

**ELIZABETH FIRE PROTECTION DISTRICT**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ZONE 2 IMPACT FEE CAPITAL PROJECTS FUND**  
**Year Ended December 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Impact fees	\$ -	\$ 1,226	\$ 1,226	\$ -
Net investment income	-	6	6	-
Total revenues	<u>-</u>	<u>1,232</u>	<u>1,232</u>	<u>-</u>
<b>EXPENDITURES</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	1,232	1,232	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ 1,232</u></u>	<u><u>\$ 1,232</u></u>	<u><u>\$ -</u></u>

**ELIZABETH FIRE PROTECTION DISTRICT**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ZONE 3 IMPACT FEE CAPITAL PROJECTS FUND**  
**Year Ended December 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Impact fees	\$ -	\$ 12,286	\$ 12,286	\$ -
Net investment income	-	97	97	-
Total revenues	<u>-</u>	<u>12,383</u>	<u>12,383</u>	<u>-</u>
<b>EXPENDITURES</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	12,383	12,383	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 12,383</u>	<u>\$ 12,383</u>	<u>\$ -</u>

**ELIZABETH FIRE PROTECTION DISTRICT**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - INFRASTRUCTURE FEE CAPITAL PROJECTS FUND**  
**Year Ended December 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Infrastructure fees	\$ -	\$ 7,280	\$ 7,280	\$ -
Net investment income	-	307	308	1
Total revenues	<u>-</u>	<u>7,587</u>	<u>7,588</u>	<u>1</u>
<b>EXPENDITURES</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	7,587	7,588	1
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>8,449</u>	<u>8,449</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 16,036</u>	<u>\$ 16,037</u>	<u>\$ 1</u>

## **OTHER INFORMATION**

**ELIZABETH FIRE PROTECTION DISTRICT  
SUMMARY OF ASSESSED VALUATION , MILL LEVY  
AND PROPERTY TAXES COLLECTED  
Year Ended December 31, 2019**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied			Property Taxes		Percentage Collected to Levied
		General Fund	Capital Mill Levy Capital Projects Fund	Total	Levied	Collected	
2007	\$ 126,405,935	11.778 *	0.000	11.778	\$ 1,488,809	\$ 1,486,772	99.9%
2008	\$ 138,427,565	11.871 *	0.000	11.871	\$ 1,643,274	\$ 1,636,622	99.6%
2009	\$ 140,945,510	11.828 *	0.000	11.828	\$ 1,667,103	\$ 1,657,594	99.4%
2010	\$ 135,877,326	13.769 *	0.000	13.769	\$ 1,870,895	\$ 1,876,578	100.3%
2011	\$ 139,596,664	13.791 *	0.000	13.791	\$ 1,925,177	\$ 1,925,271	100.0%
2012	\$ 129,293,842	13.758 *	0.000	13.758	\$ 1,778,825	\$ 1,772,124	99.6%
2013	\$ 129,285,770	13.767 *	0.000	13.767	\$ 1,779,877	\$ 1,771,976	99.6%
2014	\$ 127,129,393	13.805 *	0.000	13.805	\$ 1,755,021	\$ 1,754,367	100.0%
2015	\$ 127,522,779	13.752 *	0.000	13.752	\$ 1,753,693	\$ 1,750,685	99.8%
2016	\$ 143,609,333	13.734 *	0.000	13.734	\$ 1,972,331	\$ 1,980,830	100.4%
2017	\$ 145,940,068	13.742 *	0.000	13.742	\$ 2,005,508	\$ 2,006,493	100.0%
2018	\$ 171,381,242	11.743 *	1.971 *	13.714	\$ 2,350,322	\$ 2,346,507	99.8%
2019	\$ 173,125,514	11.751 *	1.972 *	13.723	\$ 2,375,801	\$ 2,369,614	99.7%
Estimated for year ending December 31, 2020	\$ 199,951,867	11.840 *	1.983 *	13.823	\$ 2,763,934		

**NOTE:** Property taxes collected in any one year may include collection of delinquent property taxes levied in prior years. Information

\* Includes tax refunds and abatement mill levy