

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
Commerce City, Colorado

BASIC FINANCIAL STATEMENTS and
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2019

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT

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South Adams County Fire Protection District Management's Discussion and Analysis

Introduction

The South Adams County Fire Protection District (the District) management's discussion and analysis is intended to provide the reader and user of our financial statements with (a) an understanding of the financial issues of the District; (b) an overview of the District's financial activities; (c) an explanation of the changes in the District's financial position; (d) an explanatory analysis of the variations of the annual, approved budgets, and, (e) an assessment of any future financial or operating issues of the District.

Overview of the Financial Statements of the District

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support 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*, prepared using the full accrual basis of accounting, provides information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, the comparison of changes in net position may provide a useful method of evaluating whether the financial position of the District is improving or deteriorating.

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

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. All of the funds of the District are governmental funds.

South Adams County Fire Protection District Management's Discussion and Analysis

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 assessing a government's near-term financing requirements.

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

The District maintains three funds, the general fund, capital fund, and impact fee fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balance.

The District adopts an annual appropriated budget for all funds. The general fund and a budgetary comparison statement has been provided to demonstrate compliance with the budget on page 30. The capital fund budgetary comparison is on page 36 as Other Supplementary Information. The impact fee fund budgetary comparison is on page 37.

The government-wide and governmental fund financial statements can be found on pages 2-5 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire 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 6-29 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, the report also presents required supplementary information concerning the District's pension benefits to its employees. Required supplementary information can be found starting on page 30 of this report.

**South Adams County Fire Protection District
Management's Discussion and Analysis**

Government – wide Financial Analysis

Statement of Net Position

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 approximately \$31.9 million at the close of 2019.

	<u>2019</u>	<u>2018</u>
Assets:		
Current and other assets	\$ 32,698,666	\$ 25,401,774
Capital assets, net	24,086,909	24,181,074
Total assets	<u>56,785,575</u>	<u>49,582,848</u>
Deferred outflows of resources	<u>3,613,235</u>	<u>1,674,123</u>
Liabilities:		
Current liabilities	275,128	352,691
Noncurrent liabilities	8,719,123	7,001,728
Total liabilities	<u>8,994,251</u>	<u>7,354,419</u>
Deferred inflows of resources	<u>19,496,307</u>	<u>16,957,844</u>
Net -position:		
Net investment in capital assets	18,155,299	17,590,849
Restricted	-	-
Unrestricted	13,752,953	9,353,859
Total net position	<u>\$ 31,908,252</u>	<u>\$ 26,944,708</u>

The District's net position is comprised primarily of its \$18,155,299 (57%) investment in capital assets which include land, buildings, trucks, and equipment, less any related outstanding debt that was used to acquire those assets. The District uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. The second largest component of net position is unrestricted funds of \$13,752,953 (43%) which may be used to meet the District's ongoing obligations. Unrestricted funds increased \$4,399,094 in 2019 primarily because revenues of the District exceeded expenses.

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position. The same situation held true for the prior year. Overall, the District's net position increased \$4,963,544.

South Adams County Fire Protection District Management's Discussion and Analysis

At December 31, 2019, the District's cash and investments totaled \$13,914,581 which is approximately 25% of total assets. This represents an increase of \$4,365,708 from the prior year and results mainly from revenues in excess of expenditures.

Net capital assets for 2019 were \$24,086,909 or 42% of total assets. This was a decrease of \$94,165 from the prior year and is primarily the result of depreciation expense.

Current liabilities decreased in 2019 due to the timing of cash flows.

Statement of Activities

	<u>2019</u>	<u>2018</u>
Revenues:		
Program revenues:		
Charges for service	\$ 227,604	\$ 208,651
Impact fees	619,634	566,399
Grants	20,000	-
General revenues:		
Property taxes	15,623,692	10,266,924
Specific ownership	1,239,072	898,229
Other	421,261	305,708
Total revenues	<u>18,151,263</u>	<u>12,245,911</u>
Expenditures:		
Public safety – fire protection	<u>13,053,465</u>	<u>9,211,047</u>
Total expenditures	13,053,465	9,211,047
Loss on sale of assets	<u>(134,254)</u>	<u>-</u>
Change in net position	<u>4,963,544</u>	<u>3,034,864</u>
Net position beginning of year	26,944,708	23,909,844
Net position end of year	<u>\$ 31,908,252</u>	<u>\$ 26,944,708</u>

Governmental activities increased the District's net position by \$4,963,544 for 2019 which is a substantial increase from the prior year. The increase is mainly attributable to an increase in revenues, most of which is attributable to the increase in property tax revenues.

Financial Analysis of Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

South Adams County Fire Protection District Management's Discussion and Analysis

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, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual delegated authority to assign resources for use for particular purposes by the District's Board of Directors.

At December 31, 2019, the District's governmental funds balance was \$13,776,060, an increase of \$4,343,951 from the prior year. The increase is the result of increases in revenues. Approximately 73% of this amount constitutes an amount assigned for future capital expenditures and compliance of the TABOR emergency reserve requirement. The remaining 27% is unassigned and available for future expenditures.

General Fund Budgetary Highlights

General Fund revenue exceeded budget by \$396,179, approximately 2.3%. The primary contributing factors to this variance was a greater than expected collection of property taxes and investment earnings.

General fund expenditures were approximately \$1,577,499, or 9.4% less than the budget mainly because of less than budgeted salaries and benefits.

See page 30 of this report for details of General Fund revenue and expenditures compared to budget.

Capital Fund revenue was greater than budgeted because of grant revenues not budgeted.

Capital expenditures were less than the budget amount mainly because of lower than expected expenditures for station and equipment improvements.

See page 36 of this report for details of Capital Fund revenue and expenditures compared to budget.

Capital Assets and Debt Administration

Capital assets decreased in 2019 by \$94,165 because of depreciation in excess of new capital purchases.

Additional information on the District's capital assets can be found in Note 4 on page 17 of this report.

South Adams County Fire Protection District Management's Discussion and Analysis

Requests for Information

This financial report is designed to provide a general overview of the finances for the District. Questions concerning any of the information in this report or requests for additional financial information should be addressed to: South Adams County Fire District No.4, 6050 Syracuse St, Commerce City, Colorado 80022.

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ROBERT R. FEIS, CPA

INDEPENDENT AUDITORS' REPORT

**Board of Directors
South Adams County Fire Protection District
Commerce City, Colorado**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South Adams County 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 of material misstatement.

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

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

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the South Adams County Fire Protection District as of December 31, 2019, and the respective changes in financial position, thereof, 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, General Fund budgetary comparison information, and pension plan historical information on pages i through vi and 30 through 35 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, which 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 Supplementary 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 supplementary information on pages 36-37 are presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information 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.

Heis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS
Brighton, CO

March 15, 2020

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2019

	General Fund	Capital Fund	Impact Fee Fund	Total	Adjustments (Page 3)	Statement of Net Position
<u>Assets and deferred outflows of resources</u>						
Assets:						
Cash (Note 2)	\$ 294,913	\$ -	\$ -	\$ 294,913	\$ -	\$ 294,913
Investments (Note 2)	13,619,668	-	-	13,619,668	-	13,619,668
Accounts receivable	9,212	-	-	9,212	-	9,212
Due from County	100,252	-	-	100,252	-	100,252
Accrued property taxes	18,674,621	-	-	18,674,621	-	18,674,621
Prepaid expenses	-	-	-	-	-	-
Land	-	-	-	-	478,247	478,247
Other capital assets, net of accumulated depreciation	-	-	-	-	23,608,662	23,608,662
Due from other funds	-	8,886,905	686,033	9,572,938	(9,572,938)	-
Total assets	<u>32,698,666</u>	<u>8,886,905</u>	<u>686,033</u>	<u>42,271,604</u>	<u>14,513,971</u>	<u>56,785,575</u>
Deferred outflows of resources:						
Deferred outflow - pensions	-	-	-	-	3,613,235	3,613,235
Total deferred outflows of resources	-	-	-	-	3,613,235	3,613,235
Total Assets and deferred outflows of resources	<u>\$ 32,698,666</u>	<u>\$ 8,886,905</u>	<u>\$ 686,033</u>	<u>\$ 42,271,604</u>	<u>\$ 18,127,206</u>	<u>\$ 60,398,810</u>
<u>Liabilities and deferred inflows of resources</u>						
Liabilities:						
Accounts payable	\$ 174,031	\$ -	\$ -	\$ 174,031	\$ -	\$ 174,031
Accrued liabilities	73,954	-	-	73,954	-	73,954
Accrued interest	-	-	-	-	10,525	10,525
Due to other funds	9,572,938	-	-	9,572,938	(9,572,938)	-
Unearned revenue	-	-	-	-	-	-
Accrued absences	-	-	-	-	16,618	16,618
Long-term liabilities:						
Due within one year	-	-	-	-	672,453	672,453
Due after one year	-	-	-	-	5,259,157	5,259,157
Net Pension Liability	-	-	-	-	2,787,513	2,787,513
Total liabilities	<u>9,820,923</u>	<u>-</u>	<u>-</u>	<u>9,820,923</u>	<u>(826,672)</u>	<u>8,994,251</u>
Deferred inflows of resources:						
Deferred inflow - pensions	-	-	-	-	821,686	821,686
Deferred property taxes	18,674,621	-	-	18,674,621	-	18,674,621
Total deferred inflows of resources	<u>18,674,621</u>	<u>-</u>	<u>-</u>	<u>18,674,621</u>	<u>821,686</u>	<u>19,496,307</u>
Total liabilities and deferred inflows of resources	<u>28,495,544</u>	<u>-</u>	<u>-</u>	<u>28,495,544</u>	<u>(4,986)</u>	<u>28,490,558</u>
<u>Fund Balances/Net Position</u>						
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted (TABOR)	504,831	-	-	504,831	(504,831)	-
Committed	-	-	-	-	-	-
Assigned	-	8,886,905	686,033	9,572,938	(9,572,938)	-
Unassigned	3,698,291	-	-	3,698,291	(3,698,291)	-
Total fund balance/net position	<u>4,203,122</u>	<u>8,886,905</u>	<u>686,033</u>	<u>13,776,060</u>	<u>(13,776,060)</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 32,698,666</u>	<u>\$ 8,886,905</u>	<u>\$ 686,033</u>	<u>\$ 42,271,604</u>		
Net position:						
Invested in capital assets, net of related debt					18,155,299	18,155,299
Unrestricted					13,752,953	13,752,953
Total net position					<u>\$ 31,908,252</u>	<u>\$ 31,908,252</u>

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019**

Fund balance per Statement of Net Position	\$ 13,776,060
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund balance sheet	24,086,909
Net pension asset or liability and related deferred inflows and outflows are not due and payable in the current period and therefore are not reported in the balance sheet	4,036
Some liabilities, including compensated absences and capital leases, are not due and payable in the current period and therefore are not reported in the balance sheet	<u>(5,958,753)</u>
Net position per Statement of Net Position	<u><u>\$ 31,908,252</u></u>

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUE,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2019

	General Fund	Capital Fund	Impact Fee Fund	Total	Adjustments (Page 5)	Statement of Activities
Revenues:						
General property taxes	\$ 15,623,692	\$ -	\$ -	\$ 15,623,692	\$ -	\$ 15,623,692
Specific ownership taxes	1,239,072	-	-	1,239,072	-	1,239,072
Investment earnings	352,965	-	-	352,965	-	352,965
Fire protection	122,961	-	-	122,961	-	122,961
Grant revenue	-	20,000	-	20,000	-	20,000
Ambulance	104,643	-	-	104,643	-	104,643
Impact fees	-	-	619,634	619,634	-	619,634
Other	68,296	-	-	68,296	-	68,296
Total revenues	<u>17,511,629</u>	<u>20,000</u>	<u>619,634</u>	<u>18,151,263</u>	<u>-</u>	<u>18,151,263</u>
Expenditures/expenses:						
Fire protection:						
Salaries & benefits	8,304,406	-	-	8,304,406	(33,930)	8,270,476
General expenses	1,357,628	-	-	1,357,628	(20,150)	1,337,478
Fire prevention	22,671	-	-	22,671	-	22,671
Contribution - volunteer pension	78,340	-	-	78,340	-	78,340
Contribution - old hire pension	50,000	-	-	50,000	-	50,000
Radio maintenance	12,841	-	-	12,841	-	12,841
Vehicle maintenance	176,650	-	-	176,650	-	176,650
Equipment maintenance	6,476	-	-	6,476	-	6,476
Equipment & supplies	354,472	-	-	354,472	-	354,472
Building maintenance	212,659	-	-	212,659	-	212,659
Insurance	361,404	-	-	361,404	-	361,404
Training	213,796	-	-	213,796	-	213,796
Depreciation	-	-	-	-	1,196,317	1,196,317
Capital outlay	-	1,858,054	-	1,858,054	(1,246,547)	611,507
Debt service:						
Principal	658,615	-	-	658,615	(658,615)	-
Interest	149,441	-	-	149,441	(1,063)	148,378
Total expenditures/ expenses	<u>11,959,399</u>	<u>1,858,054</u>	<u>-</u>	<u>13,817,453</u>	<u>(763,988)</u>	<u>13,053,465</u>
Excess (deficiency) of revenues over expenditures	<u>5,552,230</u>	<u>(1,838,054)</u>	<u>619,634</u>	<u>4,333,810</u>	<u>763,988</u>	<u>5,097,798</u>
Other financing sources/uses:						
Sale of assets	1,000	9,141	-	10,141	(144,395)	(134,254)
Transfers-internal activities	(3,278,552)	3,778,552	(500,000)	-	-	-
Total other financing sources/ uses	<u>(3,277,552)</u>	<u>3,787,693</u>	<u>(500,000)</u>	<u>10,141</u>	<u>(144,395)</u>	<u>(134,254)</u>
Excess (deficiency) of revenues and transfers in over expenditures and transfers out	<u>2,274,678</u>	<u>1,949,639</u>	<u>119,634</u>	<u>4,343,951</u>	<u>(4,343,951)</u>	<u>-</u>
Change in net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,963,544</u>	<u>4,963,544</u>
Fund balance/net position, beginning of year	<u>1,928,444</u>	<u>6,937,266</u>	<u>566,399</u>	<u>9,432,109</u>	<u>17,512,599</u>	<u>26,944,708</u>
Fund balance/net position, end of year	<u>\$ 4,203,122</u>	<u>\$ 8,886,905</u>	<u>\$ 686,033</u>	<u>\$ 13,776,060</u>	<u>\$ 18,132,192</u>	<u>\$ 31,908,252</u>

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE,
EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Excess of revenues and transfers in over expenditures and transfers
out - governmental funds and other funds \$ 4,343,951

Governmental funds report capital outlay as expenditures. However, in the
statement of activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense:

Capital outlay	1,246,547
Depreciation	(1,196,317)
Loss on disposal of assets	(144,395)

Repayment of lease principal is reported as an expenditure in governmental
funds and, thus, has the effect of reducing fund balance because current
financial resources have been used. The principal payments reduce the
liabilities in the statement of net position and do not result in an expense
in the statement of activities.

Principal payments made	658,615
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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 governmental funds:

Adjustment for increase in compensated absences	33,930
Adjustment for changes in pension assets and liabilities	20,150

Interest expense in the statement of activities differs from the amount
reported in governmental funds. Additional accrued interest was
calculated for bonds payable and capital lease obligations

Change in accrued interest	<u>1,063</u>
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Change in Net Position	<u><u>\$ 4,963,544</u></u>
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See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. Summary of Significant Accounting Policies

The South Adams County Fire Protection District was originally established as a special district to provide fire protection and emergency services in Adams County, Colorado. The District operates under a governing Board of Directors and is a quasi-municipal corporation governed by the Colorado Special District Act of the State of Colorado.

The District's basic financial statements include the accounts and funds of all District operations. The accounting policies of the District conform to accounting principles generally accepted in the United States of America. The following is a summary of such significant policies:

A. Principles Determining Scope of Reporting Entity

The financial statements of the District consist only of the funds and account groups of the District. The District has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and election of the respective governing board.

B. Government-Wide and Fund Financial Statements

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

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

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. Summary of Significant Accounting Policies (continued)

B. Government-Wide and Fund Financial Statements (continued)

Fund Financial Statements

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

The following funds were used by the District during 2019:

GOVERNMENTAL FUNDS

General Fund - To account for all financial resources except those required to be accounted for in another fund.

Capital Fund - To account for resources used for the acquisition and/or construction of capital facilities.

Impact Fee Fund - To account for impact fees charged on new development within the district and use of those funds for related capital projects.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting

Measurement Focus

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

Basis of Accounting

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

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

The accrual basis of accounting is used for reporting purposes of the Pension Trust Fund. Revenues are taken into account when they are earned, regardless of when they are collected; expenditures are reflected as soon as the liabilities are incurred, regardless of when they are paid.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. Summary of Significant Accounting Policies (continued)

D. Budgets and Budgetary Accounting

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

1. Prior to October 15, the Fire Chief, or other Board-designated individual, submits to the Board of Directors a proposed operating budget for each fund for the fiscal year commencing the following January 1. The operating budget for each fund includes proposed expenditures and the means of financing them.
2. A public hearing is conducted by the District Board of Directors to obtain taxpayer comments.
3. Prior to December 15, the budget is legally enacted through adoption of a resolution addressing each fund. The budget can be adjusted by the Board for unforeseen circumstances. Each fund is separately accounted for within the budget.
4. The Fire Chief is authorized to transfer amounts from contingency accounts, if any, to other accounts within the same fund.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. The District Board of Directors approves expenditures consistent with the District's fiscal policies, including any revisions that alter the total expenditures of any fund.
8. All appropriations for all funds lapse at year-end.
9. The District's Board of Directors can subsequently modify budgeted line item amounts so long as such modifications do not affect the total appropriation of expenditures.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. Summary of Significant Accounting Policies (continued)

E. Encumbrances

Encumbrance accounting is not used.

F. Accrued Absences

The District permits employees to accumulate earned but unused vacation time, subject to certain limits in amount. In the event of termination, an employee is paid for accumulated vacation and compensatory time. Accumulated, unpaid time is 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 or retirements.

G. Interfund Transfers

Transactions between funds that would be treated as revenues, expenditures or expenses if they involved external organizations are accounted for as revenues, expenditures or expenses in the funds involved. All other legally authorized fund transfers are treated as operating transfers and are included in the results of operations of governmental and trust type funds.

H. Fund Equity

The District has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- **Nonspendable fund balance**—amounts that are in nonspendable form (such as inventory) or are required to be maintained intact.
- **Restricted fund balance**—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. Summary of Significant Accounting Policies (continued)

H. Fund Equity (continued)

- **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 Board of Directors or by an official or body to which the Board delegates the authority.
- **Unassigned fund balance**—amounts that are available for any purpose. Positive amounts are reported only in the general fund.

District's Board establishes (and modifies or rescinds) fund balance commitments by adoption of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by District's Board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

The District considers funds as expended from restricted funds before unrestricted funds are reduced, when an expenditure can come from either category. Within unrestricted funds, the District reduces committed amounts first, followed by assigned, and unassigned last, when an expenditure can come from any of those categories.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. Summary of Significant Accounting Policies (continued)

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The District believes the techniques and assumptions used in establishing these estimates are appropriate.

2. Cash Deposits and Investments

A. 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 regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits would not be returned to it. The District does not have a deposit policy for custodial credit risk. As of year-end the District's bank balance was either insured or collateralized with securities held by the pledging financial institution through PDPA.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

2. Cash Deposits and Investments (continued)

A. Cash Deposits (continued)

At December 31, 2019, the District had cash balances with maturities less than one year stated at cost as follows:

Insured	\$ 250,000
Deposits Collateralized in single institution pool(s)	42,976
Uninsured: Required to be collateralized	---
Total Cash Deposits	292,976
 Cash on hand	 1,937
 Total Cash	 \$ 294,913

The bank balance of the deposits listed above are classified in three categories of credit risk as follows: a) Uncollateralized; b) Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name; c) Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

B. Investments

The District's investments are categorized as either (1) insured or registered for which the securities are held by the District or its agent in the District's name, (2) uninsured and unregistered for which the securities are held by the counterpart's trust department or agent in the District's name or (3) uninsured and unregistered for which the securities are held by the counterpart or by its trust department or agent but not in the District's name. As of December 31, 2019, all investments are considered category 1.

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

2. Cash Deposits and Investments (continued)

B. Investments (continued)

As of December 31, 2019, the District has \$13,619,668 invested in Colorado Local Government Liquid Asset Trust (COLOTRUST). COLOTRUST is an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes. COLOTRUST is routinely monitored by the Colorado Division of Securities with regard to its operations and investments, which are also subject to provisions of C.R.S Title 24, Article 75, Section 6. The fair value of the investments in COLOTRUST is the same as the value of the pool shares. None of these types of investments are categorized because they are not evidenced by securities that exist in physical or book entry form. COLOTRUST is rated AAAM from Standard and Poor's Corporation.

<u>Investments</u>	<u>Maturity Year</u>	<u>Fair Value</u>	<u>Credit Ratings</u>
COLOTRUST	Variable	<u>\$ 13,619,668</u>	AAAM
 Total investments		 <u>\$ 13,619,668</u>	

The District's Volunteer Firefighter Pension Fund and Old Hire Pension Fund assets are held for investment by the plan administrator, but not in the District's name.

Colorado statutes specify in which instruments units of local government may invest, which include:

Repurchase Agreements,

Obligations of the United States or obligations unconditionally guaranteed by the United States, federally insured mortgages and student loans. Participation with other local governments in pooled investment funds (trusts), these trusts are supervised by participating governments, and must comply with the same restrictions on cash deposits and investments.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

2. Cash Deposits and Investments (continued)

B. Investments (continued)

Credit Risk – State law limits the manner in which fire districts may invest their funds, which includes, but is not limited to, U.S. treasury issues, other federally backed notes and credits, and other agency offerings (not based on derivatives) without limitation. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds that are organized according to Federal Investment Company Act of 1940, as specified in rule 2a-7, as amended, as long as such rule does not increase remaining maturities beyond a maximum of three years. Investments in these funds require that the institution have assets in excess of \$1 billion or the highest credit rating from one or more nationally recognized rating agency.

Interest Rate Risk – The District currently limits its investments to savings accounts, certificates of deposit, and investment pools where each share is equal to one dollar thus limiting interest rate risk. The Colorado revised statute 24-75-601, et seq. limits investment maturities to five years or less without governing board approval.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

3. Cash Deposits and Investments (continued)

C. Reconciliation of Cash, Cash Equivalents, and Investments

The following is a reconciliation between the cash and investments recorded in the financial statements and the amounts reported in this footnote:

Financial Statements	
Total Cash	\$ 294,913
Total Investments	<u>13,619,668</u>
Total Cash Deposits and Investments (Book Balance)	\$ <u>13,914,581</u>
Footnote	
Cash	\$ 294,913
Investments	<u>13,619,668</u>
Total Cash Deposits and Investments (Footnote)	\$ <u>13,914,581</u>

3. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1 and are due and payable at that time. All unpaid taxes levied January 1 become delinquent April 30 or June 15 of the current year. The District is permitted to levy taxes for general emergency services, bond retirement and pension payments. The combined tax rate to finance these services for the year ended December 31, 2019 was 14.750 mills. This raised \$15,623,692 on an assessed valuation of \$1,053,226,370. Tax revenues for the District are recognized as they become available and are collected the following month.

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

4. Capital Assets

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

	<u>Balance</u> <u>12/31/18</u>	<u>Additions</u>	<u>Deletions &</u> <u>Adjustments</u>	<u>Balance</u> <u>12/31/19</u>
Governmental activities:				
Land	\$ 478,247	\$ ---	\$ ---	\$ 478,247
Buildings/Improvements	19,775,365	118,490	---	19,893,855
Vehicles & accessories	7,204,282	1,019,789	(196,902)	8,027,169
Equipment	2,759,633	65,800	---	2,825,433
Construction in progress	<u>9,940</u>	<u>42,468</u>	<u>---</u>	<u>52,408</u>
Totals at Historical				
Cost	<u>30,227,467</u>	<u>1,246,547</u>	<u>(196,902)</u>	<u>31,277,112</u>
Less Accumulated				
Depreciation for:				
Buildings/Improvements	(2,684,671)	(638,998)	---	(3,323,669)
Vehicles & accessories	(2,374,213)	(312,192)	52,507	(2,633,898)
Equipment	<u>(987,509)</u>	<u>(245,127)</u>	<u>---</u>	<u>(1,232,636)</u>
Total Accumulated				
Depreciation	<u>(6,046,393)</u>	<u>(1,196,317)</u>	<u>52,507</u>	<u>(7,190,203)</u>
Governmental Activities				
Capital Assets, Net of				
Accum. Depreciation	<u>\$24,181,074</u>	<u>\$ 50,230</u>	<u>\$ (144,395)</u>	<u>\$24,086,909</u>

Depreciation expense for the year ended December 31, 2019 was \$1,196,317.

5. Long-Term Debt

Obligations under Capital Lease

The District has entered into five capital lease obligations, two with BOK Financial, one with PNC Equipment Finance, LLC, and two with Community First National Bank. The terms of the lease agreements are as follows:

On June 29, 2016, the District entered into a capital lease obligation with BOK Financial for the construction costs of a new headquarters building totaling \$5,830,000. The agreement calls for semi-annual payments of interest and annual payments of principal commencing December 1, 2016 through December 1, 2030. Interest accrues at a rate of 2.30%.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

5. Long-Term Debt (continued)

Obligations under Capital Lease (continued)

On June 29, 2016, the District entered into a capital lease obligation with BOK Financial for the purchase of two new fire engines totaling \$1,359,000. The agreement calls for semi-annual payments of principal and interest commencing December 1, 2016 through December 1, 2023. Interest accrues at a rate of 1.93%

On December 23, 2016, the District entered into a capital lease obligation with PNC Equipment Finance, LLC for the purchase of a new fire engine totaling \$760,238. The agreement calls for annual principal and interest payments of \$120,586 commencing December 23, 2017 through December 23, 2023. Interest accrues at a rate of 2.687%.

On December 20, 2019, the District entered into a capital lease obligation with Community First National Bank for the purchase of SCBA equipment totaling \$559,520. The agreement calls for annual principal and interest payments of \$89,956 commencing December 20, 2020 through December 20, 2026. Interest accrues at a rate of 3.044%. As of December 31, 2019, no funds have been drawn on this lease.

On December 20, 2019, the District entered into a capital lease obligation with Community First National Bank for the purchase of turnout gear totaling \$126,760. The agreement calls for annual principal and interest payments of \$27,903 commencing December 20, 2020 through December 20, 2024. Interest accrues at a rate of 3.284%. As of December 31, 2019, no funds have been drawn on this lease.

As of December 31, 2019, assets under capital leases totaled \$7,871,714 and accumulated depreciation on those assets totaled \$832,154.

Long-term liability activity for the year ended December 31, 2019, was as follows:

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

5. Long-Term Debt (continued)

	<u>Balance</u> <u>12/31/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
Governmental Activities:					
Capital Leases	\$ 6,590,225	\$ ---	\$ 658,615	\$ 5,931,610	\$ 672,453
Compensated Absences	<u>50,548</u>	<u>---</u>	<u>33,930</u>	<u>16,618</u>	<u>---</u>
Totals	\$ <u>6,640,773</u>	\$ <u>---</u>	\$ <u>692,545</u>	\$ <u>5,948,228</u>	\$ <u>672,453</u>

Debt Service Requirements

The annual requirements to amortize long-term debt for Capital Lease Obligations outstanding as of December 31, 2019, including interest payments to maturity, are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 672,453	\$ 134,537	\$ 808,990
2021	688,367	119,302	807,669
2022	704,359	103,704	808,063
2023	720,431	87,741	808,172
2024	419,000	72,358	491,358
2025-29	2,246,000	212,635	2,458,635
2030	<u>481,000</u>	<u>11,063</u>	<u>492,063</u>
Total	\$ <u>5,931,610</u>	\$ <u>741,340</u>	\$ <u>6,672,950</u>

Payments on the capital lease obligations are made by the general fund.

6. Due to/from Other Funds

As of December 31, 2019, the Capital Reserve Fund has an assigned fund balance of \$8,886,905, with assets that include \$8,886,905 due from the General Fund. As of December 31, 2019, the Impact Fee Fund has an assigned balance of \$686,033, with assets that include \$686,033 due from the General Fund.

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

7. Risk Management

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

The District carries commercial insurance for all 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.

8. Retirement Plans and Commitments

The District currently maintains three (3) separate pension and retirement plans. The plans cover paid participating firefighters hired prior to associating with Fire and Police Pension Association (FPPA) ("Old Hires" prior to January 1, 1978), new hires, full-time paid administrative personnel and all volunteer firefighters. On January 1, 1978, the District's local volunteer and "old hire" Pension Fund affiliated with the Fire and Police Pension Associations' (FPPA) Fire and Police Members' Benefit Fund pursuant to the Colorado Revised Statutes, at which time all plan assets were transferred to FPPA for administrative purposes. Under the FPPA affiliation agreement, the District is responsible for the collection and transmission of all contributions to the local Pension Fund. The FPPA is responsible for the physical safekeeping and investing of such contributions as well as for making the appropriate and legally authorized payments of pension benefits and other expenses of the plan.

As of December 31, 2019, the assets and liabilities from pension plans are as follows:

	<u>Net Pension Liability/(Asset)</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Volunteer Plan	\$ 1,607,456	\$ 583,299	\$ 301,384
Old Hire Plan	340,265	91,754	21,034
FPPA Plan	<u>839,792</u>	<u>2,938,182</u>	<u>499,268</u>
Total	<u>\$ 2,787,513</u>	<u>\$ 3,613,235</u>	<u>\$ 821,686</u>

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

8. Retirement Plans and Commitments (continued)

As of December 31, 2019, the deferred inflows and outflows of resources resulting from all pension plans are comprised as follows:

Deferred outflows of resources:

Difference between actual and projected investment earnings	\$ 1,332,416
Difference between actual and expected experience	940,971
Changes in assumptions	726,367
Changes in allocation	9,987
Contributions received after measurement date	<u>603,494</u>
Total deferred outflows of resources	<u>\$3,613,235</u>

Deferred inflows of resources:

Difference between actual and expected experience	\$ 57,000
Difference between actual and expected earnings	657,020
Changes in allocation percentages	<u>107,666</u>
Total deferred inflows of resources	<u>\$ 821,686</u>

The balance of deferred inflows that will be recognized as a reduction of the net pension liability is \$603,494. Deferred inflows and outflows of resources will be recognized in pension expense in future years as follows:

December 31, 2020	\$ 379,566
2021	314,998
2022	476,992
2023	315,387
2024	237,193
Thereafter	<u>463,919</u>
Total	<u>\$ 2,791,549</u>

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

8. Retirement Plans and Commitments (continued)

Volunteer Plan - The District's active volunteer firefighters participate in a non-contributing pension plan administered by a Board of Trustees, which includes District Board members and eligible volunteer firefighters, which may include active District volunteer firefighters, retired District volunteer firefighters, or retired District volunteer firefighters who have returned to active service.

The benefit provisions and plan requirements were established by Colorado Revised Statutes and the Board of Trustees has adopted the following schedule of monthly benefits which was in effect at December 31, 2019:

Normal retirement benefit at age 50 with 20 years of service	\$1,000
Vested retirement benefit with 10 to 20 years of service (per year of service)	\$50
Funeral benefit (one time only)	\$2,000

Survivor benefits are 50% of the retiree's normal benefit.

Total covered payroll for this plan for 2019 was \$0. In 2019, the District contributions were \$78,340 towards meeting the unfunded liability. In addition, the State of Colorado contributed \$70,506. The plan is closed to new members.

An actuarial valuation is performed every two years to determine the pension benefit obligation. The latest available actuarial valuation was performed as of January 1, 2019. The measurement date was December 31, 2018. The following assumptions were used in computing the pension benefit obligation for this plan:

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

8. Retirement Plans and Commitments (continued)

- (1) Rate of return on investments and discount rate 7.0%
- (2) Actuarial Method - Entry Age Normal.
- (3) Amortization Method - Level dollar open.
 Remaining period: 20 years.
- (4) Mortality: RP-2014 Mortality Table for Blue Collar Employees.
- (5) Projected earnings increases for all ages due to inflation: 2.50%

Plan membership as of December 31, 2019 was as follows:

Active Members	4
Inactive Members receiving benefits	64
Inactive Members not yet receiving benefits	<u>9</u>
Total	<u>77</u>

The pension plan expense for 2019 was \$15,285 and the money-weighted rate of return on investments was 0.13%. The net pension liability is impacted by a change in the discount rate as follows:

	1% Decrease (6.00%)	Current Rate (7.00%)	1% Increase (8.00%)
Net pension liability	\$ 2,364,606	\$ 1,607,459	\$ 969,344

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

8. Retirement Plans and Commitments (continued)

Changes in Net Pension Liability for the year ended December 31, 2018:

Total Pension Liability:

Service cost	\$ 12,967
Interest	546,996
Change in benefit terms	---
Difference between actual and expected experience	(181,986)
Changes in assumptions	284,763
Benefit payments	<u>(656,113)</u>
Net change in total pension liability	6,627
Total pension liability – beginning	<u>7,609,035</u>
Total pension liability – ending (a)	\$ <u>7,615,662</u>

Plan Fiduciary Net Position:

Contributions – employer	\$ 78,340
Net investment income	8,342
Benefit payments	(656,113)
Administrative expense	(17,423)
State of Colorado supplemental discretionary payment	<u>70,506</u>
Net change in plan fiduciary net position	(516,348)
Plan fiduciary net position – beginning	<u>6,524,551</u>
Plan fiduciary net position – ending (b)	\$ <u>6,008,203</u>
Net pension liability – ending (a)-(b)	\$ <u>1,607,459</u>

Plan fiduciary net position as a percentage of total pension liability 78.89%

"Old Hire" Employee Plan - The District's paid employees, hired prior to associating with FPPA, participate in a contributing pension plan administered by the Board of Trustees. This plan is closed to new participants.

Participants are eligible for retirement benefits upon reaching age 50 with 20 or more years of credit service, including partial credit for volunteer service. Retirement benefits are equal to 50% of the amount of the retiree's monthly regular salary as of the date of retirement. These benefits are established by State statute.

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

8. Retirement Plans and Commitments (continued)

Total covered payroll for this plan for 2019 was \$0. In 2019, the District made a contribution of \$50,000 towards meeting the unfunded liability.

An actuarial valuation is performed every two years to determine the pension benefit obligation. The latest available actuarial valuation was performed as of January 1, 2018. The measurement date was December 31, 2018. The following assumptions were used in computing the pension benefit obligation for this plan:

- (1) Rate of return on investments and discount rate 7.5%
- (2) Actuarial Method - Entry Age Normal.
- (3) Amortization Method - Level dollar, open.
 Remaining period: 20 years.
- (4) Mortality: RP-2000 Combined Mortality Table with Blue Collar Adjustment.
- (5) Projected earnings increases for all ages due to inflation: 2.50%

Plan membership as of December 31, 2019 was as follows:

Active Members	---
Inactive Members receiving benefits	2
Inactive Members not yet receiving benefits	<u>---</u>
Total	<u><u>2</u></u>

The pension plan expense for 2019 was \$182,914 and the money-weighted rate of return on investments was 0.17%. The net pension liability is impacted by a change in the discount rate as follows:

	1% Decrease (6.50%)	Current Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 395,149	\$ 340,265	\$ 292,560

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**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

8. Retirement Plans and Commitments (continued)

Changes in Net Pension Liability for the year ended December 31, 2018:

Total Pension Liability:

Service cost	\$	---
Interest		64,003
Change in benefit terms		146,390
Difference between actual and expected experience		---
Changes in assumptions		---
Benefit payments		<u>(78,197)</u>
Net change in total pension liability		132,196
Total pension liability – beginning		<u>745,380</u>
Total pension liability – ending (a)	\$	<u><u>877,576</u></u>

Plan Fiduciary Net Position:

Contributions – employer	\$	50,000
Net investment income		915
Benefit payments		(78,197)
Administrative expense		(5,786)
State of Colorado supplemental discretionary payment		<u>---</u>
Net change in plan fiduciary net position		<u>(33,068)</u>
Plan fiduciary net position – beginning		<u>570,379</u>
Plan fiduciary net position – ending (b)	\$	<u><u>537,311</u></u>
Net pension liability – ending (a)-(b)	\$	<u><u>340,265</u></u>

Plan fiduciary net position as a percentage of total pension liability 61.23%

Paid Fire Personnel Plan - The District contributes to the Statewide Defined Benefit Plan, cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. 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 the Plan, which is available, by directly contacting the FPPA.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

8. Retirement Plans and Commitments (continued)

The financial statements of the Statewide Defined Benefit Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

Disability and survivor benefits with respect to death and disability are funded by the State and are disbursed by FPPA according to State statute. Participants' contributions are fully refundable with simple interest of 5% upon request or termination of employment. Employer contributions remain with the plan to help provide benefits to remaining participants.

Covered employees are required by State statute to contribute 10.5% of their salary (excluding paid overtime and comp time) to the plan. The District is required to contribute an additional or matching 8.0% of covered salary. For the year ended December 31, 2019, covered employees contributed \$623,098 on a base salary of \$5,934,267. The District contributed an additional \$475,154 to the plan on covered employees' behalf.

The following is based on an actuarial study completed as of January 1, 2019. The measurement date is December 31, 2018. The following assumptions were used in computing the pension benefit obligation for this plan:

- (1) Rate of return on investments and discount rate 7.0%
- (2) Actuarial Method - Entry Age Normal.
- (3) Amortization Method - Level % of payroll, open.
 Remaining period: 5 years, up to a maximum of 30 years.
- (4) Mortality: RP-2014 Combined Mortality Table with Blue Collar Adjustment.
- (5) Projected earnings increases for all ages due to
 inflation and merit or seniority: 4.25%-11.25%

The employer share of net pension liability/(asset) as of December 31, 2018 was \$839,792. The employer portion was 0.66% based on Employer Contributions. The employer portion increased from 2017, when it was 0.59%. The pension expense for 2018 was \$91,985.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

8. Retirement Plans and Commitments (continued)

The net pension liability is impacted by a change in the discount rate as follows:

	1% Decrease (6.00%)	Current Rate (7.00%)	1% Increase (8.00%)
Net pension liability	\$ 490,270,474	\$ 126,427,453	\$ (175,373,752)

9. Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The District's financial activity provides the basis for calculation of limitations adjusted for allowable increases tied to inflation and local growth. Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. In effect, it has been generally interpreted that fiscal year spending approximates nonexempt revenue or receipts.

Spending excludes spending from certain revenue and financial sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves. The District considers \$504,831 as designated for the TABOR's three percent reserved for emergency for 2019.

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rates, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

On November 5, 2002, 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 2002 and subsequent years without regard to any limitation under TABOR or the 5.5% limit of section 29-1-301, C.R.S.

The District levied 14.750 mills for property taxes to be collected in 2019.

See independent auditors' report.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

9. Tax, Spending and Debt Limitations (continued)

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, the Amendment specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or irrevocably pledging present cash reserves for all future payments.

The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the Amendment. However, the District has made certain interpretations in the Amendment's language in order to determine its compliance.

10. Gallagher Amendment

The Gallagher Amendment in the Colorado Constitution requires adjustment to the Residential Adjustment Rate in order to maintain a constant relationship between the statewide share of residential taxable value and the statewide share of non-residential taxable value. The Gallagher Amendment prevents the share of residential property tax from increasing relative to the other classes of property due to an increase in home sales. The effects of the Gallagher Amendment may result in a reduction of property tax revenue collections to the District in 2019 and beyond.

11. Subsequent Events

In accordance with Governmental Accounting Standards Board Statement 62, management has evaluated, through the date the financial statements are issued or are available to be issued, events or transactions that may require recognition or disclosure in the financial statements. The District's financial statements were available to be issued on the date of the Independent Auditors' Report, and this is the date through which subsequent events were evaluated. The District did not identify any subsequent events requiring disclosure.

See independent auditors' report.

**REQUIRED
SUPPLEMENTAL INFORMATION**

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019				Actual 2018 Memorandum only
	Budget		Actual	Variance favorable (unfavorable)	
	Original	Final			
Revenues:					
General property taxes	\$ 15,523,670	\$ 15,523,670	\$ 15,623,692	\$ 100,022	\$ 10,266,924
Specific ownership taxes	1,248,000	1,248,000	1,239,072	(8,928)	898,229
Investment earnings	162,000	162,000	352,965	190,965	220,778
Fire protection	76,100	76,100	122,961	46,861	120,338
Ambulance	80,680	80,680	104,643	23,963	88,313
Other	25,000	25,000	68,296	43,296	65,162
Total revenues	<u>17,115,450</u>	<u>17,115,450</u>	<u>17,511,629</u>	<u>396,179</u>	<u>11,659,744</u>
Expenditures:					
Salaries & benefits	10,307,709	10,307,709	8,304,406	2,003,303	6,213,182
General expenses	1,569,287	1,569,287	1,357,628	211,659	1,342,078
Fire prevention	33,500	33,500	22,671	10,829	29,219
Contribution - volunteer pension	78,340	78,340	78,340	-	78,340
Contribution - old hire pension	50,000	50,000	50,000	-	50,000
Radio maintenance	40,000	40,000	12,841	27,159	12,611
Vehicle maintenance	228,250	228,250	176,650	51,600	207,468
Equipment maintenance	28,500	28,500	6,476	22,024	12,569
Equipment & supplies	538,500	538,500	354,472	184,028	267,668
Building maintenance	290,600	290,600	212,659	77,941	213,766
Insurance	634,000	634,000	361,404	272,596	412,382
Training	278,000	278,000	213,796	64,204	211,078
Capital outlay	-	-	-	-	-
Debt service	808,056	808,056	808,056	-	807,871
Total expenditures/expenses	<u>14,884,742</u>	<u>14,884,742</u>	<u>11,959,399</u>	<u>2,925,343</u>	<u>9,858,232</u>
Excess (deficiency) of revenues over expenditures	<u>2,230,708</u>	<u>2,230,708</u>	<u>5,552,230</u>	<u>3,321,522</u>	<u>1,801,512</u>
Other financing sources/uses:					
Sale of assets	-	-	1,000	(1,000)	-
Transfers-internal activities	(1,930,708)	(1,930,708)	(3,278,552)	(1,347,844)	(1,750,000)
Total other sources (uses):	<u>(1,930,708)</u>	<u>(1,930,708)</u>	<u>(3,277,552)</u>	<u>(1,348,844)</u>	<u>(1,750,000)</u>
Excess (deficiency) of revenues and and other financing sources over expenditures	<u>300,000</u>	<u>300,000</u>	<u>2,274,678</u>	<u>1,972,678</u>	<u>51,512</u>
Fund balance, beginning of year	<u>1,928,444</u>	<u>1,928,444</u>	<u>1,928,444</u>	<u>-</u>	<u>1,876,932</u>
Fund balance, end of year	<u>\$ 2,228,444</u>	<u>\$ 2,228,444</u>	<u>\$ 4,203,122</u>	<u>\$ 1,972,678</u>	<u>\$ 1,928,444</u>

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
HISTORICAL INFORMATION
VOLUNTEER FIREFIGHTERS PENSION PLAN
DECEMBER 31, 2019
(Unaudited)**

Measurement Date December 31,	Total Pension Liability	Plan Net Position	Net Pension Liability	Net Position as a % of Total Liability	Money- weighted Rate of Return
2013	\$ 6,092,977	\$ 5,572,906	\$ 520,071	91.46%	
2014	8,316,020	6,046,081	2,269,939	72.70%	
2015	8,332,943	6,222,468	2,110,475	74.67%	6.84%
2016	7,701,927	6,187,588	1,514,339	80.34%	2.90%
2017	7,609,035	6,524,551	1,084,484	85.75%	13.40%
2018	7,615,662	6,008,203	1,607,459	78.89%	0.13%

Reporting Date December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Shortfall/(Excess)
2014	\$ 162,943	\$ 757,506	\$ (594,563)
2015	162,943	730,806	(567,863)
2016	267,024	337,506	(70,482)
2017	267,024	148,846	118,178
2018	125,749	148,846	(23,097)
2019	125,749	148,846	(23,097)

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
HISTORICAL INFORMATION
VOLUNTEER FIREFIGHTERS PENSION PLAN
DECEMBER 31, 2019
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Change in Net Pension Liability:					
Total Pension Liability:					
Service Cost	\$ 12,967	\$ 12,967	\$ 80,536	\$ 80,536	\$ 86,605
Interest	546,996	553,831	603,035	602,152	436,518
Change in Benefit Terms	-	-	-	-	2,593,866
Difference Between Actual and Expected Experience	(181,986)	-	(865,756)	-	(251,821)
Change in Assumptions	284,763	-	227,419	-	-
Benefit Payments	<u>(656,113)</u>	<u>(659,690)</u>	<u>(676,250)</u>	<u>(665,765)</u>	<u>(642,125)</u>
Net Change in Total Pension Liability	6,627	(92,892)	(631,016)	16,923	2,223,043
Total Pension Liability - Beginning	<u>7,609,035</u>	<u>7,701,927</u>	<u>8,332,943</u>	<u>8,316,020</u>	<u>6,092,977</u>
Total Pension Liability - Ending	<u>\$ 7,615,662</u>	<u>\$ 7,609,035</u>	<u>\$ 7,701,927</u>	<u>\$ 8,332,943</u>	<u>\$ 8,316,020</u>
Plan Fiduciary Net Position:					
Contributions - Employer	\$ 78,340	\$ 78,340	\$ 267,000	\$ 660,300	\$ 657,000
Net Investment Income	8,342	864,216	313,633	122,986	397,240
Benefit Payments	(656,113)	(659,690)	(676,250)	(665,765)	(642,125)
Administrative Expenses	(17,423)	(16,409)	(9,769)	(11,640)	(9,446)
State of Colorado supplemental discretionary payment	70,506	70,506	70,506	70,506	70,506
Net Change in Plan Fiduciary Net Position	<u>(516,348)</u>	<u>336,963</u>	<u>(34,880)</u>	<u>176,387</u>	<u>473,175</u>
Plan Fiduciary Net Position - Beginning	<u>6,524,551</u>	<u>6,187,588</u>	<u>6,222,468</u>	<u>6,046,081</u>	<u>5,572,906</u>
Plan Fiduciary Net Position - Ending	<u>6,008,203</u>	<u>6,524,551</u>	<u>6,187,588</u>	<u>6,222,468</u>	<u>6,046,081</u>
Net Pension Liability - Ending	<u>\$ 1,607,459</u>	<u>\$ 1,084,484</u>	<u>\$ 1,514,339</u>	<u>\$ 2,110,475</u>	<u>\$ 2,269,939</u>
 Plan Fiduciary Net Position as a % of Total Pension Liability	 78.89%	 85.75%	 80.34%	 74.67%	 72.70%

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
HISTORICAL INFORMATION
"OLD HIRE" PENSION PLAN
DECEMBER 31, 2019
(Unaudited)

Measurement Date December 31,	Total Pension Liability	Plan Net Position	Net Pension Liability	Net Position as a % of Total Liability	Money-weighted Rate of Return
2013	\$ 601,268	\$ 393,249	\$ 208,019	65.40%	
2014	587,081	366,200	220,881	62.38%	
2015	603,704	334,098	269,606	55.34%	6.53%
2016	750,851	525,827	225,024	70.03%	4.94%
2017	745,380	570,379	175,001	76.52%	13.40%
2018	877,576	537,311	340,265	61.23%	0.17%

Reporting Date December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Shortfall/(Excess)
2014	\$ 17,594	\$ 10,000	\$ 7,594
2015	19,461	19,461	-
2016	19,461	290,000	(270,539)
2017	48,096	50,000	(1,904)
2018	48,096	50,000	(1,904)
2019	48,096	50,000	(1,904)

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
HISTORICAL INFORMATION
"OLD HIRE" PENSION PLAN
DECEMBER 31, 2019
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Change in Net Pension Liability:					
Total Pension Liability:					
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	64,003	53,442	56,383	41,926	42,990
Change in Benefit Terms	146,390	-	203,330	-	-
Difference Between Actual and Expected Experience	-	19,089	-	8,488	-
Change in Assumptions	-	-	-	23,386	-
Benefit Payments	<u>(78,197)</u>	<u>(78,002)</u>	<u>(112,566)</u>	<u>(57,177)</u>	<u>(57,177)</u>
Net Change in Total Pension Liability	132,196	(5,471)	147,147	16,623	(14,187)
Total Pension Liability - Beginning	<u>745,380</u>	<u>750,851</u>	<u>603,704</u>	<u>587,081</u>	<u>601,268</u>
Total Pension Liability - Ending	<u>\$ 877,576</u>	<u>\$ 745,380</u>	<u>\$ 750,851</u>	<u>\$ 603,704</u>	<u>\$ 587,081</u>
Plan Fiduciary Net Position:					
Contributions - Employer	\$ 50,000	\$ 50,000	\$ 290,000	\$ 19,461	\$ 10,000
Net Investment Income	915	73,431	18,077	6,476	24,779
Benefit Payments	(78,197)	(78,002)	(112,566)	(57,177)	(57,177)
Administrative Expenses	<u>(5,786)</u>	<u>(877)</u>	<u>(3,782)</u>	<u>(862)</u>	<u>(4,651)</u>
Net Change in Plan Fiduciary Net Position	(33,068)	44,552	191,729	(32,102)	(27,049)
Plan Fiduciary Net Position - Beginning	<u>570,379</u>	<u>525,827</u>	<u>334,098</u>	<u>366,200</u>	<u>393,249</u>
Plan Fiduciary Net Position - Ending	<u>537,311</u>	<u>570,379</u>	<u>525,827</u>	<u>334,098</u>	<u>366,200</u>
Net Pension Liability - Ending	<u>\$ 340,265</u>	<u>\$ 175,001</u>	<u>\$ 225,024</u>	<u>\$ 269,606</u>	<u>\$ 220,881</u>
 Plan Fiduciary Net Position as a % of Total Pension Liability	 61.23%	 76.52%	 70.03%	 55.34%	 62.38%

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

**SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
HISTORICAL INFORMATION
FPPA DEFINED BENEFIT PENSION PLAN
DECEMBER 31, 2019
(Unaudited)**

Year	Employer's Portion of Net Pension Liability (Asset)	Employer's Proportionate Share of Net Pension Liability (Asset)	Employer's Covered Payroll	Net Pension Liability as a % of Covered Payroll	Plan Fiduciary Net Position as a % of Total Pension Liability
2014	0.29%	\$ (322,790)	\$ 1,326,263	-24.34%	106.80%
2015	0.38%	(6,633)	2,674,100	-0.25%	100.10%
2016	0.54%	196,336	3,592,436	5.47%	98.21%
2017	0.59%	(847,982)	4,360,663	-19.45%	106.30%
2018	0.66%	839,792	4,449,513	18.87%	95.20%

Year	Required Employer Contribution	Contributions in Relation to Required	Contribution Shortfall	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2014	\$ 147,509	\$ 147,509	\$ -	\$ 1,843,863	8.00%
2015	213,928	213,928	-	2,674,100	8.00%
2016	287,379	287,379	-	3,592,436	8.00%
2017	348,853	348,853	-	4,360,663	8.00%
2018	355,961	355,961	-	4,449,513	8.00%

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

**OTHER
SUPPLEMENTAL INFORMATION**

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
CAPITAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019				Actual 2018 Memorandum only
	Budget		Actual	Variance favorable (unfavorable)	
	Original	Final			
Revenues:					
Earnings on investments	\$ -	\$ -	\$ -	\$ -	\$ 3,668
Grant revenue	-	-	20,000	20,000	-
Miscellaneous revenues	-	-	-	-	16,100
Total revenues	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>	<u>19,768</u>
Expenditures:					
Administrative	-	-	-	-	-
Capital outlay	5,700,000	5,700,000	1,858,054	3,841,946	563,506
Debt issuance cost	-	-	-	-	-
Total expenditures/expenses	<u>5,700,000</u>	<u>5,700,000</u>	<u>1,858,054</u>	<u>3,841,946</u>	<u>563,506</u>
Excess (deficiency) of revenues over expenditures	<u>(5,700,000)</u>	<u>(5,700,000)</u>	<u>(1,838,054)</u>	<u>3,861,946</u>	<u>(543,738)</u>
Other financing sources/uses:					
Sale of assets	-	-	9,141	9,141	-
Transfers-internal activities	2,458,799	2,458,799	3,778,552	1,319,753	1,750,000
Total other sources:	<u>2,458,799</u>	<u>2,458,799</u>	<u>3,787,693</u>	<u>1,328,894</u>	<u>1,750,000</u>
Excess (deficiency) of revenues and and other financing sources over expenditures	<u>(3,241,201)</u>	<u>(3,241,201)</u>	<u>1,949,639</u>	<u>5,190,840</u>	<u>1,206,262</u>
Fund balance, beginning of year	<u>6,937,266</u>	<u>6,937,266</u>	<u>6,937,266</u>	<u>-</u>	<u>5,731,004</u>
Fund balance, end of year	<u>\$ 3,696,065</u>	<u>\$ 3,696,065</u>	<u>\$ 8,886,905</u>	<u>\$ 5,190,840</u>	<u>\$ 6,937,266</u>

See independent auditors' report.
The accompanying notes on pages 6 to 29 are an
integral part of the financial statements.

SOUTH ADAMS COUNTY FIRE PROTECTION DISTRICT
IMPACT FEES FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019				Actual 2018 Memorandum only
	Budget		Actual	Variance favorable (unfavorable)	
	Original	Final			
Revenues:					
Impact fees	\$ 300,000	\$ 300,000	\$ 619,634	\$ 319,634	\$ 566,399
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>619,634</u>	<u>319,634</u>	<u>566,399</u>
Expenditures:					
Apparatus	-	-	-	-	-
Apparatus Equipment	-	-	-	-	-
Breathing equipment	-	-	-	-	-
Miscellaneous equipment	-	-	-	-	-
Radio/Communications	-	-	-	-	-
General station improvements	-	-	-	-	-
Total expenditures/expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>300,000</u>	<u>300,000</u>	<u>619,634</u>	<u>319,634</u>	<u>566,399</u>
Other financing sources/uses:					
Transfers-internal activities	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>
Total other sources:	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and and other financing sources over expenditures	<u>(200,000)</u>	<u>(200,000)</u>	<u>119,634</u>	<u>319,634</u>	<u>566,399</u>
Fund balance, beginning of year	<u>566,399</u>	<u>566,399</u>	<u>566,399</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 366,399</u>	<u>\$ 366,399</u>	<u>\$ 686,033</u>	<u>\$ 319,634</u>	<u>\$ 566,399</u>

See independent auditors' report.
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integral part of the financial statements.