

***New Raymer - Stoneham Fire Protection District
New Raymer, Colorado***

Financial Statements

For the Year Ended December 31, 2020

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Independent Auditors' Report

Board of Directors
New Raymer - Stoneham Fire Protection District
New Raymer, Colorado

We have audited the accompanying financial statements of the governmental activities and the major fund of New Raymer - Stoneham Fire Protection District (the District) as of and for the year ended December 31, 2020, 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.

Auditors' 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 auditors' 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 the District as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and historical pension information listed in the table of contents 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.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
July 8, 2021

**NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

This section of the New Raymer - Stoneham Fire Protection District's annual financial report presents our discussion and analysis of the New Raymer - Stoneham Fire Protection District's financial performance during the year ended December 31, 2020.

FINANCIAL HIGHLIGHTS

- The New Raymer - Stoneham Fire Protection District is in very sound financial condition.
- The total net position of the New Raymer - Stoneham Fire Protection District increased \$1,439,855.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the New Raymer - Stoneham Fire Protection District's basic financial statements.

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 8 and 9) provide information about the activities of the New Raymer - Stoneham Fire Protection District as a whole and present a longer-term view of the New Raymer - Stoneham Fire Protection District's finances. Fund financial statements start on page 10. These statements tell how these services were financed in the short term as well as what remains for future spending. The New Raymer - Stoneham Fire Protection District's basic financial statements are comprised of three components:

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The government-wide financial statements are designed to provide interested readers with information about the New Raymer - Stoneham Fire Protection District as a whole using accounting methods similar to those used by private-sector businesses.

The statement of net position includes all of the New Raymer - Stoneham Fire Protection District's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the New Raymer - Stoneham Fire Protection District is improving or deteriorating.

The statement of activities presents information showing how the New Raymer - Stoneham Fire Protection 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 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 years.

Net Position

Net position of the New Raymer - Stoneham Fire Protection District as of December 31, 2020 and 2019 are shown in Table 1 below.

Table 1
NET POSITION

	<u>2020</u>	<u>2019</u>
Current assets	\$ 3,301,368	\$ 3,039,870
Other assets	1,873,815	1,446,543
Capital assets	<u>2,516,571</u>	<u>2,497,645</u>
Total assets	7,691,754	6,984,058
Deferred outflows of resources	<u>308,381</u>	<u>299,893</u>
Total assets and deferred outflows of resources	<u>\$ 8,000,135</u>	<u>\$ 7,283,951</u>
Current liabilities	\$ 1,878	\$ 1,073
Long-term liabilities	<u>-</u>	<u>-</u>
Total liabilities	1,878	1,073
Deferred inflows of resources	844,621	1,569,097
Net investment in capital assets	2,516,571	2,497,645
Restricted for emergencies	49,000	35,000
Restricted for pensions	1,873,815	1,446,543
Unrestricted	<u>2,714,250</u>	<u>1,734,593</u>
Total net position	<u>7,153,636</u>	<u>5,713,781</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 8,000,135</u>	<u>\$ 7,283,951</u>

The second largest portion of the New Raymer - Stoneham Fire Protection District's net position, 35%, reflects its investment in capital assets (buildings and improvements, and equipment). The New Raymer - Stoneham Fire Protection District used these capital assets to provide services to area residents; consequently these assets are not available for future spending. In addition, a portion of the New Raymer - Stoneham Fire Protection District's net position, 27%, represents sources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, 38% may be used to meet the government's ongoing obligations to citizens and creditors. At the end of 2020, the New Raymer - Stoneham Fire Protection District is able to report positive balances in all three categories of net position.

Changes in Net Position

Changes in net position of the New Raymer - Stoneham Fire Protection District as of December 31, 2020 and 2019 are shown in Table 2 below.

Table 2
CHANGES IN NET POSITION

	<u>2020</u>	<u>2019</u>
Program revenues		
Operating grants and contributions	\$ 5,050	\$ 5,000
Capital grants and contributions	-	-
General revenues		
Property taxes	1,542,766	1,071,718
Specific ownership taxes	73,946	72,630
Delinquent taxes and interest	5	3,847
Investment earnings	7,363	4,323
Pension income		278,248
Miscellaneous	620	18,973
Total revenues	<u>1,629,750</u>	<u>1,454,739</u>
Program expenses		
Fire protection	156,893	131,412
Depreciation	136,822	113,133
Pension expense	(103,820)	
Total expenses	<u>189,895</u>	<u>244,545</u>
Change in net position	1,439,855	1,210,194
Net position at beginning of year	<u>5,713,781</u>	<u>4,503,587</u>
Net position at end of year	<u>\$ 7,153,636</u>	<u>\$ 5,713,781</u>

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 has only one governmental fund.

Governmental funds. Most of the District's basic services are reported in governmental fund, which focus on how money flows into and out of those funds and the balances left at year-end are available for spending. The fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statement provides a detailed, short-term view to cash, the governmental fund operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statement is provided, or on the subsequent page, that explains the relationship (or differences) between them.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information this is essential to a full understanding of the data provided in the basic financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and notes, this report also presents other supplementary information concerning the New Raymer - Stoneham Fire Protection District's annual budget and comparison to actual revenues and expenditures.

BUDGETARY HIGHLIGHTS

The District experienced a significant increase in property tax collections during 2020 resulting from a higher assessed valuation than in the previous year. To maximize the benefits of these funds, the District developed a capital asset replacement/improvement plan. Upgrades to various trucks, equipment and facilities were completed in 2020 while upgrades to various trucks and facilities and equipment additions are anticipated in subsequent years as well.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At the end of the year, the District had \$2,516,571 invested in capital assets, ranging from fire trucks and related accessories to other types of firefighting equipment, along with various buildings. The following table reports the District's capital asset activity for the year. Major asset purchases during the year included various equipment items and the completion of the fire station at Stoneham.

The District remains committed to the upkeep and maintenance of its assets. More detailed information about the District's capital assets is presented in Table 3 and Note C to the financial statements.

Table 3
CAPITAL ASSETS

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deletions / Transfers</u>	<u>Ending Balances</u>
Buildings and improvements	\$ 853,247	\$ -	\$ (15,000)	\$ 838,247
Equipment	2,132,526	164,748	-	2,297,274
Less accumulated depreciation	<u>(488,128)</u>	<u>(136,822)</u>	<u>6,000</u>	<u>(618,950)</u>
Capital assets, net	<u>\$ 2,497,645</u>	<u>\$ 27,926</u>	<u>\$ (9,000)</u>	<u>\$ 2,516,571</u>

DEBT ADMINISTRATION

The District has no long-term debt obligations.

ECONOMIC FACTORS

The New Raymer - Stoneham Fire Protection District is in a good financial position. The largest source of operating funds for the District is the local property and related taxes.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview to taxpayers, citizens, residents, funders and any others interested in the New Raymer - Stoneham Fire Protection District's finances. Accountability for the funds received and expended by the New Raymer - Stoneham Fire Protection District is taken very seriously. Questions or concerns regarding any of the information provided in this report or requests for additional financial information should be addressed to the New Raymer - Stoneham Fire Protection District, P.O. Box 92, New Raymer, CO 80742.

Basic Financial Statements

The basic financial statements of the District include the following:

Government-wide financial statements. The government-wide statements display information about the reporting government as a whole.

Fund financial statements. The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental funds, as applicable.

Notes to the financial statements. The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Statement of Net Position
December 31, 2020

	Governmental Activities
Assets	
Cash	\$ 266,289
Cash with county treasurer	5,684
Investments	2,192,121
Property taxes receivable	784,994
Net pension asset	1,873,815
Deposit on equipment	52,280
Capital assets, net of accumulated depreciation	<u>2,516,571</u>
Total assets	7,691,754
Deferred outflows of resources	
Pension deferrals	<u>308,381</u>
Total assets and deferred outflows of resources	<u>\$ 8,000,135</u>
Liabilities	
Accounts payable	\$ 1,391
Payroll taxes payable	<u>487</u>
Total liabilities	1,878
Deferred inflows of resources	
Deferred property tax revenues	784,994
Pension deferrals	<u>59,627</u>
Total deferred inflows of resources	844,621
Net position	
Net investment in capital assets	2,516,571
Restricted for emergencies	49,000
Restricted for pensions	1,873,815
Unrestricted	<u>2,714,250</u>
Total net position	<u>7,153,636</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 8,000,135</u>

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

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Statement of Activities
For the Year Ended December 31, 2020

	<u>Governmental Activities</u>
Expenses	
Fire protection	\$ 156,893
Depreciation	136,822
Pension expense	<u>(103,820)</u>
Total expenses	189,895
Program revenues	
Operating grants and contributions	<u>5,050</u>
Total program revenues	<u>5,050</u>
Net program expense	184,845
General revenues	
Property taxes, levied for general purposes	1,542,766
Specific ownership taxes	73,946
Delinquent taxes and interest	5
Earnings on investments	7,363
Miscellaneous	<u>620</u>
Total general revenues	<u>1,624,700</u>
Change in net position	1,439,855
Net position at beginning of year	<u>5,713,781</u>
Net position at end of year	<u>\$ 7,153,636</u>

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

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Balance Sheet
Governmental Funds
December 31, 2020

	<u>General Fund</u>
Assets	
Cash	\$ 266,289
Cash with county treasurer	5,684
Investments	2,192,121
Property taxes receivable	<u>784,994</u>
Total assets	<u>\$ 3,249,088</u>
Liabilities	
Accounts payable	\$ 1,391
Payroll taxes payable	<u>487</u>
Total liabilities	1,878
Deferred inflows of resources	
Deferred property tax revenues	<u>784,994</u>
Total deferred inflows of resources	784,994
Fund balance	
Restricted for emergencies	49,000
Unassigned	<u>2,413,216</u>
Total fund balance	<u>2,462,216</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 3,249,088</u>

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

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Position
December 31, 2020

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

Total fund balance - governmental funds	\$ 2,462,216
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	2,568,851
Net pension assets and deferrals used in governmental activities are not financial resources and therefore are not reported as assets or liabilities in governmental funds.	<u>2,122,569</u>
Net position of the governmental activities	<u>\$ 7,153,636</u>

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

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2020

	<u>General Fund</u>
Revenues	
Taxes	\$ 1,616,717
Earnings on investments	12,413
Miscellaneous	620
Total revenues	<u>1,629,750</u>
Expenditures	
Fire protection	479,710
Capital outlay	187,367
Total expenditures	<u>667,077</u>
Excess of revenues over (under) expenditures	962,673
Other financing sources	
Proceeds from the sale of assets	4,000
Net change in fund balance	966,673
Fund balance at beginning of year	<u>1,495,543</u>
Fund balance at end of year	<u><u>\$ 2,462,216</u></u>

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

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2020

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

Net change in fund balance	\$ 966,673
Capital outlays to purchase capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation in the current period.	80,206
Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.	401,976
In the statement of activities, the net loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the disposal increases financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets disposed of.	<u>(9,000)</u>
Change in net position of governmental activities	<u>\$ 1,439,855</u>

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

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note A – Summary of significant accounting policies

This summary of the New Raymer - Stoneham Fire Protection District's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

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

A.1 – Reporting entity

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The reporting entity's financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The District has examined other entities that could be included as defined in numbers 2 and 3 above. Based on these criteria, the District has no component units.

A.2 – Fund accounting

The District uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), and the servicing of general long-term debt (debt service fund). The following is the District's major governmental fund:

General Fund – The General Fund is the operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include local property taxes, specific ownership taxes and intergovernmental grants.

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note A – Summary of significant accounting policies (continued)

Expenditures include all costs associated with the daily operation of the District.

A.3 – Basis of presentation

Government-wide financial statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government except for fiduciary funds, if applicable.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements (where applicable) but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each program of the District's governmental activities (the fire protection program is the only program maintained by the District). Direct expenses are those that are specifically associated with the program and therefore are clearly identifiable to the particular program. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of the program. Revenues, which are not classified as program revenues, are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which the program is self-financing or draws from the general revenues of the District.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balance, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note A - Summary of significant accounting policies (continued)

A.4 - Basis of accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Revenues - exchange and nonexchange transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants and other miscellaneous sources. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Deferred outflows/inflows of resources - In addition to assets, the statement of financial 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 then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note A – Summary of significant accounting policies (continued)

Unearned revenue – Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

Expenses/expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

A.5 – Encumbrances

The encumbrance system is not utilized by the District.

A.6 – Receivables

No allowance for doubtful accounts has been provided in the accompanying financial statements since substantially all accounts are deemed by management to be collectible.

A.7 – Capital assets

Capital assets are reported in the government-wide statement of net position, but are not reported in the fund financial statements. All capital assets with a unit cost greater than \$1,000 are capitalized at cost (or estimated historical cost, if actual cost is not available) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value on the date received. Improvements to assets are capitalized; the cost 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. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) will be capitalized on a prospective basis, from 2004. Infrastructure prior to 2004 will not be capitalized.

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note A - Summary of significant accounting policies (continued)

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Useful Lives</u>
Buildings and improvements	15-50 years
Equipment	10-25 years

A.8 - Accrued liabilities and long-term obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources.

A.9 - Net position

Net position represents the difference between assets and liabilities. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

A.10 - Extraordinary and special items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the board of directors and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the year.

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note A – Summary of significant accounting policies (continued)

A.11 – Fund balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different type of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires fund balance amounts to be properly reported within one of the fund balance categories listed below:

- *Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),
- *Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,
- *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the board of directors (the District's highest level of decision-making authority),
- *Assigned* fund balance classification is intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and
- *Unassigned* fund balance is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the 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 the board of directors through adoption or amendment of the budget as intended for a specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

When both restricted and unrestricted resources are available in governmental funds, the District applies expenditures against restricted fund balance first, followed by committed fund balance, assigned fund balance and unassigned fund balance.

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note B – Cash and investments

Cash and deposits – Colorado State Statutes govern the District's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Custodial credit risk – deposits – Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of year-end, the District had total deposits of \$267,144, of which \$250,000 were insured and \$17,144 were collateralized with securities held by the pledging institution's trust department or agent in the District's name.

Investments

Authorized investments – Investment policies are governed by Colorado State Statutes and the District's own investment policies and procedures. Investments of the District may include:

- Obligations of the United States Government such as treasury bills, notes and bonds
- Certain international agency securities
- General obligation and revenue bonds of United States local government entities
- Bankers acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

During the year, the District invested in Colotrust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. As of

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note B – Cash and investments (Continued)

December 31, 2020, the District had invested \$2,192,121 in COLOTRUST PLUS+, an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments.

At year-end, the District had the following investments:

Investment type	Fair value	Investment maturities (in years)		
		Less than 1	1-5	6-10
State investment pool	\$ 2,192,121	\$ 2,192,121	\$ -	\$ -

Credit risk – State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least one nationally recognized rating agency at the time of purchase. The District has no investment policy that would further limit its investment choices. At year-end, the District’s investment in ColoTrust was rated AAA by Standard and Poor’s.

Note C – Capital assets

Capital asset activity for the year was as follows:

	Beginning Balances	Additions	Deletions/ Transfers	Ending Balance
Capital assets, being depreciated				
Buildings and improvements	\$ 853,247	\$ -	\$ (15,000)	\$ 838,247
Equipment	<u>2,132,526</u>	<u>164,748</u>	<u>-</u>	<u>2,297,274</u>
Total capital assets, being depreciated	<u>2,985,773</u>	<u>164,748</u>	<u>(15,000)</u>	<u>3,135,521</u>
Total capital assets	2,985,773	164,748	(15,000)	3,135,521
Accumulated depreciation	<u>(488,128)</u>	<u>(136,822)</u>	<u>6,000</u>	<u>(618,950)</u>
Capital assets, net	\$ <u>2,497,645</u>	\$ <u>27,926</u>	\$ <u>(9,000)</u>	\$ <u>2,516,571</u>

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note D – Risk management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss, including workers' compensation insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three fiscal years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

Note E – Pension Plan

New Raymer - Stoneham Fire Protection District Volunteer Pension Fund

Summary of significant accounting policies

Pensions. For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (income), information about the fiduciary net position of the New Raymer - Stoneham Fire Protection District Volunteer Pension Fund and additions to/deductions from New Raymer - Stoneham Fire Protection District Volunteer Pension Fund's net position 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.

General information about the pension plan

Plan administration. The District's defined benefit pension plan for volunteers provides retirement and funeral benefits to plan members and beneficiaries. The plan is affiliated with the Fire and Police Member's Benefit Fund, an agent multiple-employer pension plan administered by the Fire and Police Pension Association (FPPA) of Colorado. Title 31, Article 30 of the Colorado Revised Statutes assigns the authority to establish and amend the benefit provisions of the plans that participate in FPPA to the respective member entities. The FPPA issues a publicly available financial report that includes financial statements and required supplementary information for Public Employee Retirement System (PERS) Affiliated Local Plans that can be obtained at www.fppaco.org.

Management of the New Raymer - Stoneham Fire Protection District Volunteer Pension Fund is vested in the local Pension Board, which consists of the governing board of the District, three community members, the fire chief and one representative of the local fire department serving the District.

Plan membership. At year-end, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	6
Inactive plan members entitled to but not yet receiving benefits	5
Active plan members	<u>16</u>
Total	<u>27</u>

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note E – Pension Plan (Continued)

Benefits provided. The plan provides retirement and death benefits. Any firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a monthly pension (currently \$200 per month). Vesting for reduced monthly pension benefits begins at 10 years of service, with full pension after 20 years. The plan also provides for a lump-sum burial benefit of \$100 upon the death of an active or retired firefighter. The plan does not provide for disability or survivor benefits.

Contributions. Contribution requirements of the plan are established under Title 31, Article 30 of the Colorado Revised Statutes. The plan is noncontributory regarding participants. Contributions to the plan for the year ended December 31, 2020 included \$114,573 from the State of Colorado matching funds and \$298,155 from the District.

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

At December 31, 2020, the District reported a net pension asset of \$1,873,815. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2019.

For the year ended December 31, 2020, the District recognized pension expense of (\$103,820). At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 16,777
Changes in assumptions and other inputs	10,226	-
Net difference between projected and actual earnings on pension plan investments		42,850
Contributions subsequent to the measurement date	<u>298,155</u>	<u>-</u>
Total	<u>\$ 308,381</u>	<u>\$ 59,627</u>

\$298,155 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note E - Pension Plan (Continued)

Year Ended December 31, _____	Amount
2021	\$ (10,344)
2022	(13,011)
2023	(1,321)
2024	<u>(24,725)</u>
Totals	<u>\$ 49,401</u>

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

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

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note E - Pension Plan (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Cash	2.00%	2.52%
Fixed Income	15.00%	5.20%
Managed Futures	4.00%	5.00%
Absolute Return	8.00%	5.50%
Equity Long/Short	8.00%	6.00%
Global Equity	38.00%	7.00%
Private Markets	<u>25.00%</u>	9.20%
Totals	<u>100.00%</u>	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made based on the actuarially determined rates based on the Fire & Police Pension Association Board of Directors' funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the Plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note E - Pension Plan (Continued)

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 2.75% (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/(asset)

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Position (b)</u>	<u>Net Pension Liability (a)-(b)</u>
Balances at beginning of year	\$ 282,423	\$ 1,728,966	\$ (1,446,543)
Changes for the year			
Service cost	3,325	-	3,325
Interest on total pension liability	19,341	-	19,341
Benefit changes	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	207,085	(207,085)
Contributions - state of Colorado	-	-	-
Net investment income	-	250,961	(250,961)
Benefit and refund payments	(15,774)	(15,774)	-
Administrative expenses	-	(8,108)	8,108
Net changes	<u>6,892</u>	<u>434,164</u>	<u>(427,272)</u>
Balances at end of year	<u>\$ 289,315</u>	<u>\$ 2,163,130</u>	<u>\$ (1,873,815)</u>

Sensitivity of the District's net pension liability/(asset) to changes in the discount rate. Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the District's net pension liability/(asset), calculated using a Single Discount Rate of 7.00%, as well as what the District's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount (7.00%)</u>	<u>1% Increase (8.00%)</u>
Net pension liability (asset)	<u>\$ (1,840,847)</u>	<u>\$ (1,873,815)</u>	<u>\$ (1,901,140)</u>

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to Financial Statements

Note E - Pension Plan (Continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued New Raymer - Stoneham Fire Protection District Volunteer Pension Fund financial report.

Payables to the pension plan

The District did not report any payables to the pension plan at year-end.

Note F - Commitments and contingencies

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate. On November 5, 1996, the voters of the District approved a ballot initiative permitting the District to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. However, the District has made certain interpretations of TABOR's language in order to determine its compliance. The District has reserved funds in the amount of \$49,000 for the emergency reserve.

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Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Changes in the District's Net Pension Liability/(Asset) and Related Ratios – New Raymer - Stoneham Fire Protection District Volunteer Pension Fund
- Schedule of District Contributions – New Raymer - Stoneham Fire Protection District Volunteer Pension Fund
- Budgetary Comparison Schedule – General Fund

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Schedule of Changes in the District's Net Pension Liability/(Asset) and Related Ratios †
New Raymer - Stoneham Fire Protection District Volunteer Pension Fund
Last 10 Fiscal Years

	2020	2019	2018
Total pension liability			
Service cost	\$ 3,325	\$ 2,200	\$ 2,200
Interest on the total pension liability	19,341	19,701	19,177
Benefit changes	-	-	-
Differences between expected and actual experience	-	(6,067)	-
Changes of assumptions	-	12,324	-
Benefit payments	(15,774)	(14,400)	(14,400)
Net change in total pension liability	6,892	13,758	6,977
Total pension liability - beginning	282,423	268,665	261,688
Total pension liability - ending (a)	<u>\$ 289,315</u>	<u>\$ 282,423</u>	<u>\$ 268,665</u>
Plan fiduciary net position			
Employer contributions	\$ 207,085	\$ 127,303	\$ 229,220
Pension plan net investment income	250,961	(3,754)	132,229
Benefit payments	(15,774)	(14,400)	(14,400)
Pension plan administrative expenses	(8,108)	(5,808)	(4,961)
State of Colorado supplemental discretionary payment	-	206,298	219,964
Net change in plan fiduciary net position	434,164	309,639	562,052
Plan fiduciary net position - beginning	1,728,966	1,419,327	857,275
Plan fiduciary net position - ending (b)	<u>\$ 2,163,130</u>	<u>\$ 1,728,966</u>	<u>\$ 1,419,327</u>
District's net pension liability/(asset) - ending (a) - (b)	<u>\$ (1,873,815)</u>	<u>\$ (1,446,543)</u>	<u>\$ (1,150,662)</u>
Plan fiduciary net position as a percentage of the total pension liability	747.67%	612.19%	528.29%
Covered payroll	N/A	N/A	N/A
District's net pension liability as a percentage of covered payroll	N/A	N/A	N/A

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

† Until a full-year trend is compiled, the District will present information for those years for which information is available.

2017	2016	2015
\$ 2,945	\$ 2,945	\$ 3,432
15,513	15,102	15,918
68,308	-	-
(31,211)	-	(19,189)
8,073	-	-
<u>(14,400)</u>	<u>(10,800)</u>	<u>(10,800)</u>
49,228	7,247	(10,639)
<u>212,460</u>	<u>205,213</u>	<u>215,852</u>
<u>\$ 261,688</u>	<u>\$ 212,460</u>	<u>\$ 205,213</u>
\$ 244,404	\$ 136,057	\$ 51,161
29,422	4,474	15,100
(14,400)	(10,800)	(10,800)
(1,097)	(2,918)	(756)
<u>122,451</u>	<u>46,045</u>	<u>18,161</u>
380,780	172,858	72,866
<u>476,495</u>	<u>303,637</u>	<u>230,771</u>
<u>\$ 857,275</u>	<u>\$ 476,495</u>	<u>\$ 303,637</u>
<u>\$ (595,587)</u>	<u>\$ (264,035)</u>	<u>\$ (98,424)</u>
327.59%	224.28%	147.96%
N/A	N/A	N/A
N/A	N/A	N/A

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Schedule of District Contributions ¹
New Raymer - Stoneham Fire Protection District Volunteer Pension Fund
Last 10 Fiscal Years

Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution *	Contribution Deficiency [Excess]	Covered Payroll	Actuarial Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2020	\$ -	\$ 412,728	\$ (412,728)	N/A	N/A
2019	-	207,085	(207,085)	N/A	N/A
2018	-	333,601	(333,601)	N/A	N/A
2017	-	449,184	(449,184)	N/A	N/A
2016	-	366,855	(366,855)	N/A	N/A
2015	3,405	182,102	(178,697)	N/A	N/A
2014	3,405	69,322	(65,917)	N/A	N/A

* Includes both employer and State of Colorado Supplemental Discretionary Payment.

¹ Until a full-year trend is compiled, the District will present information for those years for which information is available.

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
General property taxes	\$ 1,245,096	\$ 1,245,096	\$ 1,542,766	\$ 297,670
Specific ownership taxes	298,156	298,156	73,946	(224,210)
Delinquent taxes and interest			5	5
Earnings on investments	2,000	2,000	7,363	5,363
Miscellaneous	750	750	620	(130)
Donations	1,000	1,000	5,050	4,050
Proceeds from the sale of assets			4,000	4,000
Total revenues	1,547,002	1,547,002	1,633,750	86,748
Expenditures				
Fire protection				
Dues and memberships	4,500	4,500	3,093	1,407
Fuel	11,500	11,500	5,935	5,565
Insurance	25,000	25,000	18,111	6,889
Meals and entertainment	2,000	2,000	2,074	(74)
Miscellaneous	1,000	1,000	3,743	(2,743)
Office supplies	500	500	392	108
Pension contribution			298,155	(298,155)
Payroll tax			828	(828)
Professional fees	7,000	7,000	12,840	(5,840)
Promotion	1,000	1,000	3,166	(2,166)
Radios and pagers	20,000	20,000	15,887	4,113
Reconciliation discrepancies			399	(399)
Repairs and maintenance	26,000	26,000	21,728	4,272
Station supplies and operations	4,000	4,000	8,648	(4,648)
Supplies and equipment	20,000	20,000	45,472	(25,472)
Telephone	2,000	2,000	1,885	115
Training	4,500	4,500	200	4,300
Travel			237	(237)
Treasurer's fees	20,000	20,000	23,148	(3,148)
Utilities	3,500	3,500	2,949	551
Wage expense			10,820	(10,820)
Capital outlay	650,000	650,000	187,367	462,633
Total expenditures	802,500	802,500	667,077	135,423
Net change in fund balance	\$ 744,502	\$ 744,502	966,673	\$ 222,171
Fund balance at beginning of year			1,495,543	
Fund balance at end of year			\$ 2,462,216	

NEW RAYMER - STONEHAM FIRE PROTECTION DISTRICT
Notes to the Required Supplementary Information

Note A – Budgets and budgetary accounting

Annual budgets are adopted as required by Colorado Statutes. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Expenditures may not legally exceed appropriations at the fund level. Budget amounts included in the financial statements are based on the final amended budget. After budget approval, the District board of directors may approve supplemental appropriations if an occurrence, condition, or need exists which was not known at the time the budget was adopted. A supplemental appropriation was made during the year.

The following is a summary of the significant dates and procedures used in establishing budgetary data reflected in the financial statements:

- On or before October 15th, the finance committee submits to the board of directors, a proposed budget for the following calendar year.
- A proposed budget is made available for public inspection, and public hearings are conducted to obtain taxpayer comments.
- Prior to December 15th, the District must adopt the budget by formal resolution and certify the mill levy to the County Commissioners.
- On or before December 31st, the District must enact a resolution making appropriations for the following calendar year.

Note B – Factors affecting trends in amounts reported in the pension schedules

Information about factors that significantly affect trends in the amounts reported in the pension schedules is available in FPPA's comprehensive annual financial report which can be obtained at www.fppaco.org/annual-reports.html.