SABLE-ALTURA FIRE PROTECTION DISTRICT
Arapahoe and Adams Counties, Colorado

FINANCIAL STATEMENTS
DECEMBER 31, 2020

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JOHN CUTLER
& ASSOCIATES

Board of Directors
Sable – Altura Fire Protection District
Arapahoe and Adams Counties, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Sable – Altura Fire Protection District, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the District, 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 Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expression an opinion on ht effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluation 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 each major fund of the Sable – Altura Fire Protection District, as of December 31, 2020, and the respective changes in financial position, and the budgetary comparison for the general fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplemental information on pages 43-50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sable – Altura Fire Protection District's basic financial statements. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated in all material respects in relation to the financial statements as a whole.

John Cutler & Associates, LLC

July 22, 2021

SABLE-ALTURA FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2020

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

Overview of the Financial Statements

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

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

The Statement of Net Position presents information on all the District's assets and liabilities, 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 District is improving or deteriorating.

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

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

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

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

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

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

The governmental fund financial statements can be found on pages 3 through 6 of this report.

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

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 8-41 of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information which can be found on pages 42-49 of this report. Also included is supplementary information consisting of the schedules of revenues, expenditures and changes in fund balance – budget to actual – Debt Service Fund, Capital Projects Fund and Impact Fee Capital Projects Fund, summary of assessed valuation, mill levy and property taxes collected and a schedule of debt service requirements to maturity, which can be found on pages 50-54 of this report.

NET POSITION

	December 31, 2020	December 31, 2019
ASSETS		
Current assets	$ 4,300,610	$ 4,119,554
Capital assets	1,534,720	1,455,273
Other	120,922	126,562
Total assets	5,956,252	5,701,389
DEFERRED OUTFLOWS OF RESOURCES	516,977	407,802
LIABILITIES		
Current liabilities	389,357	383,193
Long-term liabilities	2,225,570	2,315,752
Total liabilities	2,614,927	2,698,945
DEFERRED INFLOWS OF RESOURCES	1,478,862	1,379,165
NET POSITION		
Net investment in capital assets	1,595,046	1,437,187
Restricted	447,915	443,396
Unrestricted	336,479	150,498
Total net position	$ 2,379,440	$ 2,031,081

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 $2,379,440 at the close of the most recent fiscal year.

The District's net position reflects its investment in capital assets (e.g. land, buildings and improvements, equipment and vehicles) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

From 2019 to 2020, the District's current assets increased $181,056 primarily as a result of the increase in property taxes receivable. The District's assessed valuation by $8,711,426 from 2020 to 2021 which results in an additional $62,030 in property taxes. Capital assets increased by $79,447 due to the purchase of two command vehicles in the amount of $92,806 and land of $167,610 offset with depreciation expense of $180,469. Deferred outflows of resources in 2019 and 2020 are the result of the implementation of Governmental Accounting Standards Board Statement No. 68. Total liabilities decreased by $84,018 primarily due to the District's $340,000 payment toward the outstanding principal on the General Obligation Bonds, 2006 and changes in the net pension liability for the FPPA Volunteer Firefighters' Pension Plan.

CHANGES IN NET POSITION

	Years Ended December 31,	
	2020	**2019**
REVENUES		
Program revenues:		
Charges for services	$ 53,453	$ 66,198
Operating grants and contributions	402,566	140,882
Capital grants and contributions	5,507	31,440
General revenues:		
Property taxes	1,106,121	1,065,418
Specific ownership taxes	80,486	85,203
Investment earnings	19,771	65,953
Service agreements	16,500	20,875
Other	12,929	8,897
Total revenues	1,697,333	1,484,866
EXPENSES		
Public safety - fire/EMS	1,262,626	1,197,604
Interest and fiscal charges	86,348	101,016
Total operating and debt service	1,348,974	1,298,620
CHANGE IN NET POSITION	348,359	186,246
NET POSITION - BEGINNING OF YEAR	2,031,081	1,844,835
NET POSITION - END OF YEAR	$ 2,379,440	$ 2,031,081

The District's overall financial position, as measured by net position, increased $348,359 during 2020. Total revenue increased by $212,467 or 14.3%. The majority of the increase is related to an increase in revenue from South Adams County Fire Protection District No. 4 of $161,388, reimbursement from Medicaid in the amount of $58,544 and COVID assistance in the amount of $26,732. Expenses remained relatively consistent in 2019 to 2020.

Financial Analysis of the District's Funds

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

Governmental funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balance of $3,098,870. Of this fund balance, $1,881,680 is restricted, meaning it is not available for new spending, because it has already been committed for emergencies under Taxpayers' Bill of Rights (TABOR), debt service and capital projects. $1,207,179 of fund balance is reported as unassigned.

General Fund Budgetary Highlights

Budget Variances. The budget to actual comparison details for the General Fund can be seen on page 7 of the financial statements. Actual District revenues were more than budgeted District revenues by $117,710 primarily as a result of reimbursement from Medicaid in the amount of $58,544 and COVID assistance in the amount of $26,732 which were not budgeted. Actual District expenditures were less than budgeted expenditures by $7,174.

Capital Asset and Debt Administration

Capital Assets. The District's investment in capital assets at December 31, 2020 amounted to $1,534,720 (net of accumulated depreciation/amortization). The analysis of changes in capital assets is as follows:

CAPITAL ASSETS
(net of depreciation)

	2019	Change	2020
Construction in progress	$ 61,591	$ -	$ 61,591
Land	-	167,610	167,610
Buildings and improvements	551,330	(26,274)	525,056
Vehicles and equipment	842,352	(61,889)	780,463
Total	$ 1,455,273	$ 79,447	$ 1,534,720

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

Long-Term Obligations. At the end of the current fiscal year, the District had total outstanding general obligation bonds of $1,375,000. The analysis of changes in bonds payable is as follows:

LONG-TERM OBLIGATIONS

	2019	Change	2020
2006 G.O. Bonds	$ 1,715,000	$ (340,000)	$ 1,375,000

During 2020, the District made the scheduled principal and interest payments on the bonds.

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

Economic Factors and Next Year's Budgets and Rates

The District is not anticipating any significant changes in revenues or expenditures in 2021.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Sable-Altura Fire Protection District, 26900 E. Colfax Avenue, Space 52, Aurora, Colorado 80018.

BASIC FINANCIAL STATEMENTS

SABLE-ALTURA FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
December 31, 2020

ASSETS	
Cash and investments - Unrestricted	$ 963,608
Cash and investments - Restricted	2,098,760
Cash with County Treasurer	6,149
Property taxes receivable	1,172,482
Accounts receivable - Emergency charges (net of allowance of $99,600)	49,600
Prepaid expenses	10,011
Prepaid bond insurance premiums	14,352
Net pension asset - FPPA Statewide Defined Benefit Plan	15,877
Net pension asset - FPPA Statewide Hybrid Plan	90,693
Capital assets, not being depreciated	61,591
Capital assets, being depreciated, net of accumulated depreciation	1,473,129
Total assets	5,956,252
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension - FPPA Statewide Defined Benefit Plan	107,121
Deferred outflows related to pension - FPPA Statewide Hybrid Plan	56,350
Deferred outflows related to pension - FPPA Volunteer Firefighters' Pension	329,299
Deferred outflows related to pension - PERA Local Government Division Trust	24,207
Total deferred outflows of resources	516,977
LIABILITIES	
Accounts payable and accrued payroll expenses	29,258
Accrued interest payable	5,099
Noncurrent liabilities:	
Bonds payable - due within one year	355,000
Bonds payable - due in more than one year	1,020,000
Net pension liability - FPPA Statewide Defined Benefit Plan	-
Net pension liability - FPPA Volunteer Firefighters' Pension	1,186,258
Net pension liability - PERA Local Government Division Trust	19,312
Total liabilities	2,614,927
DEFERRED INFLOWS OF RESOURCES	
Deferred property taxes	1,172,482
Deferred inflows related to pension - FPPA Statewide Defined Benefit Plan	61,991
Deferred inflows related to pension - FPPA Statewide Hybrid Plan	29,463
Deferred inflows related to pension - FPPA Volunteer Firefighters' Pension	199,905
Deferred inflows related to pension - PERA Local Government Division Trust	15,021
Total deferred property taxes	1,478,862
NET POSITION	
Net investment in capital assets	1,595,046
Restricted for:	
Debt service	411,915
Emergencies	36,000
Unrestricted	336,479
Total net position	$ 2,379,440

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES
Year Ended December 31, 2020

		Program Revenues			Net (Expense)
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Revenue and Changes in Net Position**
Public safety - Fire/EMS	$ 1,262,626	$ 53,453	$ 402,566	$ 5,507	$ (801,100)
Interest on long-term debt	86,348	-	-	-	(86,348)
	$ 1,348,974	$ 53,453	$ 402,566	$ 5,507	(887,448)

General revenues:	
Taxes:	
Property taxes	1,106,121
Specific ownership taxes	80,486
Investment earnings	19,771
Service agreements	16,500
Other	12,929
Total general revenues	1,235,807
Change in net position	348,359
Net position - Beginning of year	2,031,081
Net position - End of year	$ 2,379,440

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2020

	General	Debt Service	Capital Projects	Impact Fee Capital Projects	Total
ASSETS					
Current assets					
Cash and investments - unrestricted	$ 963,608	$ -	$ -	$ -	$ 963,608
Cash and investments - restricted	-	416,916	1,674,152	7,692	2,098,760
Cash with County Treasurer	6,051	98	-	-	6,149
Property taxes receivable	707,250	465,232	-	-	1,172,482
Accounts receivable - service fees	49,600	-	-	-	49,600
Accounts receivable - other	-	-	-	-	-
Prepaid expenditures	10,011	-	-	-	10,011
Due from other funds	253,178	-	-	-	253,178
		-			
TOTAL ASSETS	$ 1,989,698	$ 882,246	$ 1,674,152	$ 7,692	$ 4,553,788
LIABILITIES AND FUND BALANCE					
Current liabilities					
Accounts payable	$ 16,848	$ -	$ -	$ -	$ 16,848
Due to other funds	-	-	253,178	-	253,178
Accrued payroll and expenses	12,410	-	-	-	12,410
Total liabilities	29,258	-	253,178	-	282,436
DEFERRED INFLOWS OF RESOURCES					
Deferred property taxes	707,250	465,232	-	-	1,172,482
Total deferred inflows of resources	707,250	465,232	-	-	1,172,482
FUND BALANCES					
Fund balances					
Nonspendable	10,011	-	-	-	10,011
Restricted for capital projects	-	-	1,420,974	7,692	1,428,666
Restricted for debt service	-	417,014	-	-	417,014
Restricted for emergencies	36,000	-	-	-	36,000
Unassigned	1,207,179	-	-	-	1,207,179
Total fund balances	1,253,190	417,014	1,420,974	7,692	3,098,870
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,989,698	$ 882,246	$ 1,674,152	$ 7,692	$ 4,553,788

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2020

Total Governmental Fund Balances		$ 3,098,870
Prepaid bond insurance premiums are not financial resources and therefore are not reported as assets in the governmental funds but are capitalized and amortized on the government-wide Statement of Net Position		14,352
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements. However, in the Statement of Net Position, the cost of these items are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets		3,315,932
Less: accumulated depreciation		(1,781,212)
		1,534,720
Pension-related assets are not financial resources and, therefore, are not reported in the Balance Sheet - Governmental Funds.		
Net pension asset - FPPA Statewide Hybrid Plan		90,693
Net pension asset - FPPA Statewide Defined Benefit Plan		15,877
Deferred outflows related to pension - FPPA Statewide Defined Benefit Plan		107,121
Deferred outflows related to pension - FPPA Statewide Hybrid Plan		56,350
Deferred outflows related to pension - FPPA Volunteer Firefighters' Pension		329,299
Deferred outflows related to pension - PERA Local Government Division Trust		24,207
		623,547
Liabilities, including bonds and a net pension obligation are not due in the current period and therefore are not reported in the governmental funds		
Bonds payable - due in one year		(355,000)
Bonds payable - due in more than one year		(1,020,000)
Accrued interest payable		(5,099)
Net pension liability - FPPA Statewide Defined Benefit Plan		-
Net pension liability - FPPA Volunteer Firefighters' Pension		(1,186,258)
Net pension liability - PERA Local Government Division Trust Fund		(19,312)
		(2,585,669)
Pension-related deferred inflows of resources are not financial resources and, therefore, are not reported in the Balance Sheet - Governmental Funds.		
Deferred inflows related to pension - FPPA Statewide Defined Benefit Plan		(61,991)
Deferred inflows related to pension - FPPA Statewide Hybrid Plan		(29,463)
Deferred inflows related to pension - FPPA Volunteer Firefighters' Pension		(199,905)
Deferred inflows related to pension - PERA Local Government Division Trust		(15,021)
		(306,380)
Net position - governmental activities		$ 2,379,440

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2020

	General	Debt Service	Capital Projects	Impact Fees Capital Projects	Total
REVENUES					
Property taxes	$ 688,703	$ 417,418	$ -	$ -	$ 1,106,121
Specific ownership taxes	80,486	-	-	-	80,486
SACFPD Agreement	302,270	-	-	-	302,270
Charges for services - EMS	142,361	-	-	-	142,361
Allowance for write offs	(90,908)	-	-	-	(90,908)
Dispatch reimbursements	15,020				15,020
Medicaid reimbursements	58,544				58,544
Service agreements	16,500	-	-	-	16,500
Net investment income	5,840	4,023	9,852	56	19,771
Exclusion fees	2,000	-	-	-	2,000
Insurance proceeds	7,085	-	-	-	7,085
Wildland response	3,104				3,104
Grants/ Other	5,507	-	-	-	5,507
COVID financial assistance	26,732				26,732
Proceeds from sale of assets	2,000	-	-	-	2,000
Fuel tax refunds	1,240	-	-	-	1,240
Total revenues	1,266,484	421,441	9,852	56	1,697,833
EXPENDITURES					
Governmental activities					
Fire administration	193,058	-	-	-	193,058
Fire operations	138,378	-	6,498	-	144,876
Paid personnel	572,801	-	-	-	572,801
Building	28,907	-	-	-	28,907
Debt service					
Principal	-	340,000	-	-	340,000
Interest and other fiscal charges	-	83,083	-	-	83,083
Capital outlay	-	-	260,416	-	260,416
Contingency/Emergency reserves	9,682	-	-	-	9,682
Total expenditures	942,826	423,083	266,914	-	1,632,823
CHANGE IN FUND BALANCES	323,658	(1,642)	(257,062)	56	65,010
FUND BALANCES - BEGINNING OF YEAR	929,532	418,656	1,678,036	7,636	3,033,860
FUND BALANCES - END OF YEAR	$ 1,253,190	$ 417,014	$ 1,420,974	$ 7,692	$ 3,098,870
	-	-	-	-	-

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

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

Net change in fund balances - Total governmental funds	$ 65,010
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Depreciation	(180,469)
Capital outlay	260,416
Proceeds from the sale of capital assets	(2,000)
Gain sale of assets	1,500
	79,447
Long-term debt (e.g. bonds, capital leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of differences in the treatment of long-term debt and related items.	
Principal payments on long-term debt	340,000
Amortization of prepaid bond insurance premiums	(4,526)
	335,474
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Change in accrued interest on long-term obligations	1,261
Pension expense - FPPA Statewide Defined Benefit Plan	(19,532)
Pension income - FPPA Statewide Hybrid Plan	21,557
Pension expense - FPPA Volunteer Firefighters' Pension	(133,675)
Pension expense - PERA Local Government Division Trust	(1,183)
	(131,572)
Change in net position - Governmental activities	$ 348,359

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - GENERAL FUND
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actuals	Variance with Final Budget Positive (Negative)
REVENUE				
Property taxes	$ 690,519	$ 690,519	$ 688,703	$ (1,816)
Specific ownership taxes	67,000	67,000	80,486	13,486
SACFPD Agreement	305,105	305,105	302,270	(2,835)
Charges for services - EMS	150,000	150,000	142,361	(7,639)
Allowance for write offs	(90,000)	(90,000)	(90,908)	(908)
Plan review fees	500	500	-	(500)
Reimbursed expenses	500	500	-	(500)
Dispatch reimbursements	-	-	15,020	15,020
Medicaid reimbursements	-	-	58,544	58,544
Service agreements	5,000	5,000	16,500	11,500
Facility use fees	150	150	-	(150)
Net investment income	15,000	15,000	5,840	(9,160)
Exclusion fees	4,000	4,000	2,000	(2,000)
Insurance proceeds	-	-	7,085	7,085
Wildland response	-	-	3,104	3,104
Grants/other	-	-	5,507	5,507
COVID financial assistance	-	-	26,732	26,732
Sale of assets	-	-	2,000	2,000
Fuel tax refunds	1,000	1,000	1,240	240
TOTAL REVENUE	1,148,774	1,148,774	1,266,484	117,710
EXPENDITURES				
Governmental activities				
Fire administration	176,600	176,600	193,058	(16,458)
Fire operations	153,200	153,200	138,378	14,822
Paid personnel	525,000	525,000	572,801	(47,801)
Buildings	32,200	32,200	28,907	3,293
Contingency/Emergency reserves	34,463	63,000	9,682	53,318
Total expenditures	921,463	950,000	942,826	7,174
CHANGE IN FUND BALANCE	227,311	198,774	323,658	124,884
FUND BALANCE - BEGINNING OF YEAR	908,784	929,532	929,532	-
FUND BALANCE - END OF YEAR	$ 1,136,095	$ 1,128,306	$ 1,253,190	$ 124,884

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

NOTE 1 – DEFINITION OF REPORTING ENTITY

Sable-Altura Fire Protection District (District), a quasi-municipal corporation, is governed pursuant to the provisions of the Colorado Special District Act. The District's service area is located in Arapahoe and Adams Counties, Colorado. The District was established to provide fire suppression, fire protection and education, rescue, hazardous materials, emergency medical, and ambulance services (collectively, "Emergency Services") to the citizens within its jurisdiction and to individuals passing through its jurisdiction.

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-wide and Fund Financial Statements

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

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

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

The District reports the following major governmental funds:

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

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term obligations of the governmental funds.

The Capital Projects Fund is used to account for the financial resources to be used for the acquisition of equipment, apparatus and the construction of stations and station additions.

The Impact Fee – Capital Projects Fund is used to account for the collection of impact fees to be used for the acquisition of equipment, apparatus and construction of stations and station additions.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Budgets

In accordance with the State Budget Law, the District’s Board of Directors holds a public hearing in the fall each year to obtain taxpayer comments regarding the proposed budget for the ensuing year. Prior to December 15, the District’s Board of Directors approves the budget and appropriates the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District’s Board of Directors can subsequently modify budgeted line item amounts so long as such modifications do not affect the total appropriation of expenditures within the fund. However, any modifications that affect the total appropriation of expenditures within a fund can only be made upon notice to the public and holding of a new public hearing. The budget includes each fund on its basis of accounting unless otherwise indicated. The District has not adopted a budget for the Impact Fee Fund as no expenditures were anticipated.

Supplementary appropriations were approved by the District for the General Fund.

Interfund Balances

Receivables and payables resulting from short-term interfund loans are classified as "due to/from other funds" In the fund financial statements. These amounts are eliminated in the governmental activities column of the Statement of Net Position.

Property Taxes

Property taxes are levied by the District's Board of Directors. The estimated revenue to be collected is based on the District's mill levy multiplied by the total assessed valuations determined by the County Assessors generally as of January 1 of each year. The District's Board of Directors certifies the mill levy by December 15 to the Boards of County Commissioners and the property taxes attach as an enforceable lien on property as of January 1 of that year. The County Treasurers collect the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurers remit the taxes collected monthly to the District.

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

Capital Assets

Capital assets, which include buildings, improvements, equipment and vehicles are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Buildings	40	years
Improvements	15-40	years
Equipment	5-7	years
Vehicles	5-15	years

Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Emergency Response Charges

The District provides emergency medical services within the District's boundaries and service area. Emergency response related receivables are shown net of an allowance for uncollectible accounts. The District's policy is to establish an allowance for uncollectible accounts based on historical collection trends.

Prepaid Bond Insurance/Bond Issuance Costs

In the government-wide financial statements, prepaid bond insurance premiums are reported as a deferred charge and are amortized over the term of the related debt using the effective interest method. In the fund financial statements, governmental fund types recognize bond insurance premiums and other bond issuance costs as expenditures in the period the debt is issued.

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position and fund balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Property tax revenue that is related to a future period is recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available. The District has also recognized deferred inflows of resources in the government-wide financial statements in accordance with presentation requirements for GASB 68 and GASB 71.

Fund Balances – Governmental Funds

Fund balance for governmental funds are reported in the categories listed below to make the nature and extent of the constraints placed on a government's fund balances more transparent. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

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

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

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

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

Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

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

NOTE 3 - CASH DEPOSITS AND INVESTMENTS

Cash and investments as of December 31, 2020 consist of the following:

Cash on hand	$ 1,300
Deposits with financial institutions	227,272
Investments	2,833,796
Total cash and investments	$ 3,062,368

Cash and Investments are reflected on the Statement of Net Position and the Balance Sheet – Governmental Funds at December 31, 2020 as follows:

Cash and investments - Unrestricted	$ 963,608
Cash and investments - Restricted	2,098,760
	$ 3,062,368

Restricted Cash and Investments

Cash and investments of $416,916 held by the Debt Service Fund represent taxes levied for payment of debt service and are restricted for such purposes. Cash and investments of $1,674,152 held by the Capital Projects Fund are unspent bond proceeds and are restricted for spending on construction and related costs. $7,692 of cash and investments held by the Impact Fee Fund are restricted for spending on capital facilities needed to serve new development pursuant to C.R.S. 29-20-104.5. Amounts have been reported as restricted at December 31, 2020.

Cash Deposits

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

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

At December 31, 2020 the District's cash deposits had a bank balance of $231,434 and a carrying balance of $227,272.

Investments

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

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

. Local government investment pools

Credit Risk

The District owns investments held by Wells Fargo Bank, N.A. in the form of money market mutual funds. The money market mutual fund is unrated.

Interest Rate Risk

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

As of December 31, 2020, the District had the following investments:

Investment	Maturity	Fair Value
Money Market Mutual Fund	20 days	$ 1,674,152
COLOTRUST	Weighted average under 60 days	1,159,644
		$ 2,833,796

Money Market Mutual Fund

The District has invested in the Cash Investment Money Market Fund – Administrator Class shares managed by Wells Fargo Asset Management. The Cash Investment Money Market Fund primarily invests in high quality, short-term, U.S. dollar-denominated money market instruments of domestic and foreign issuers. The net asset value (NAV) is the value of one share of the fund.

COLOTRUST

At December 31, 2020, the District has invested $1,159,644 in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and instrumentalities, and repurchase agreements collateralized with certain U.S. government agencies or instrumentalities. COLOTRUST PLUS+ may also invest in the highest rated commercial paper. Both the COLOTRUST PRIME and COLOTRUST PLUS+ portfolios are rated AAAm by Standard and Poor's.

Investment Valuation

Certain investments are measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

However, the investments held by the District are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments such as COLOTRUST.

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

The Cash Investment Money Market Fund determines the NAV of the shares of each portfolio as of the close of business of each day. The NAV is calculated at fair value using various inputs in determine value in accordance with FASB guidance. It is the goal of the Trust to maintain a NAV of $1.00 per share.

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NOTE 4 - CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2020 follows:

	Balance at January 1, 2020	Increases	Decreases	Balance at December 31, 2020
Capital assets, not being depreciated				
Work in process	$ 61,591	$ -	$ -	$ 61,591
Land	-	167,610	-	167,610
Total capital assets, not being depreciated	61,591	167,610	-	229,201
Capital assets, being depreciated:				
Buildings and improvements	903,392	-	-	903,392
Vehicles and equipment	2,100,533	92,806	(10,000)	2,183,339
Total capital assets, being depreciated	3,003,925	92,806	(10,000)	3,086,731
Less accumulated depreciation for:				
Buildings and improvements	(352,062)	(26,274)	-	(378,336)
Vehicles and equipment	(1,258,181)	(154,195)	9,500	(1,402,876)
Total accumulated depreciation	(1,610,243)	(180,469)	9,500	(1,781,212)
Total capital assets, being depreciated	1,393,682	(87,663)	(500)	1,305,519
Capital assets, net	$ 1,455,273	$ 79,947	$ (500)	$ 1,534,720

Depreciation expense has been reported in the Public Safety – Fire/EMS function on the Statement of Activities.

NOTE 5 – LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2020:

	Balance at January 1, 2020	Additions	Reductions	Balance at December 31, 2020	Due Within One Year
2006 G.O. Bonds	$ 1,715,000	$ -	$ 340,000	$ 1,375,000	$ 355,000

The detail of the District's long-term obligations is as follows:

2006 General Obligation Bonds

On August 23, 2006, the District issued $6,000,000 in General Obligation Bonds, Series 2006 at varying interest rates ranging from 4.00% to 4.45%. Interest is to be paid semiannually on June 1 and December 1. Annual principal payments are due on December 1 starting in 2007 with the final payment originally due on December 1, 2026. The bonds constitute general obligations of the District. On June 15, 2016, the District redeemed $1,000,000 in bond principal with excess accumulated debt service funds held. This shortened the maturity date on the District's bonds from 2026 to 2024 and also reduced the interest to be paid on the bonds over the remaining life of the bonds.

The bonds are subject to redemption prior to maturity, at any time after December 1, 2015, at a redemption price equal to par plus accrued interest. The bonds maturing on December 1, 2016 are subject to mandatory sinking fund requirements at par plus accrued interest on each December 1, years 2019 through 2024 in varying amounts.

Proceeds of the bonds are to be used for purposes of acquiring, constructing, installing, completing, equipping and otherwise providing, within or without the boundaries of the District, two fire stations, together with all necessary, incidental, and appurtenant facilities, equipment, land, and easements; purchasing or refinancing other fire and/or emergency medical vehicles and equipment and paying the cost of issuance of the bonds.

At December 31, 2020, the District had no authorized but unissued debt. The District's long-term obligations will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2021	$ 355,000	$ 61,188	$ 416,188
2022	370,000	45,390	415,390
2023	385,000	28,925	413,925
2024	265,000	11,792	276,792
	$ 1,375,000	$ 147,295	$ 1,522,295

NOTE 6 - FUND EQUITY

At December 31, 2020, the District reported the following classifications of fund equity.

Nonspendable Fund Balance

The nonspendable fund balance in the General Fund in the amount of $10,011 is comprised of prepaid amounts which are not in spendable form.

Restricted Fund Balance

The restricted fund balance in the General Fund in the amount of $36,000 is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 16).

The restricted fund balance in the Debt Service Fund in the amount of $417,014 is to be used exclusively for debt service requirements (see Note 5).

The restricted fund balance in the Capital Projects Fund in the amount of $1,420,974 is to be used exclusively for capital asset construction or acquisition in accordance with the General Obligation Bonds, Series 2006 bond documents (see Note 5). The restricted fund balance in the Impact Fee Fund of $7,692 is restricted for capital expenses.

NOTE 7 - NET POSITION

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

Net investment in capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2020, net investment in capital assets was $1,595,046.

Restricted net position includes items that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position of $36,000 as of December 31, 2020 as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 16) and $411,915 restricted for debt service as required by the 2006 General Obligation Bond documents.

NOTE 8 - RISK MANAGEMENT

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

NOTE 9 – FIRE AND POLICE PENSION ASSOCIATION OF COLORADO

<u>Statewide Defined Benefit Pension Plan</u>

Summary of Significant Accounting Policies

Pensions. The District participates in the Statewide Defined Benefit Plan (SWDBP), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire and Police Pension Association of Colorado ("FPPA"). The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the

SWDBP have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the SWDBP

Plan description. The SWDBP covers substantially all full-time firefighter and police officer employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. As of August 1, 2003, the SWDBP may include fire department clerical and other personnel whose services are auxiliary to fire protection. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth in the FPPA Rules and Regulations, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report that can be obtained at www.fppaco.org.

Benefits provided. FPPA provides retirement and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement.

The following types of retirement are available under the SWDBP:

- <u>Normal</u>: 25 years of service and age 55 with a 2% benefit for each year of service for the first ten years, then a 2.5% benefit for each year of service thereafter. Benefits are based on the average of the highest 3 years' base salary (as defined in FPPA Rule 101.05).

- <u>Early</u>: 30 years of service or age 50 with a 2% benefit for each year of service for the first ten years, then a 2.5% benefit for each year of service thereafter. Benefits are based on the average of the highest 3 years' base salary (as defined in FPPA Rule 101.05). The early retirement benefit that the member would have received at normal retirement (age 55) is reduced on an actuarial equivalent basis to reflect the receipt of the benefit.

- <u>Vested</u>: 5 years of service payable at age 55 with a 2% benefit for each year of service for the first ten years, then a 2.5% benefit for each year of service thereafter. Benefits are based on the average of the highest 3 years' base salary (as defined in FPPA Rule 101.05).

- <u>Deferred</u>: Members who quality for a normal or vested retirement, may defer the receipt of their benefit pension to as late as age 65 and receive the actuarial equivalent of the benefit. (as defined in FPPA Rule 101.05).

The SWDBP has a deferred retirement option plan (DROP) that allows members to enter the program if they meet one of the following criteria: 1) member is eligible for normal retirement or 2) member is vested or 3) member is eligible for early retirement. The DROP plan allows a member to choose to continue employment for a maximum of five years. During this period of continued employment, the member's retirement benefits as well as employee contributions are paid into a member's DROP account. At the end of the DROP period, the member ceases employment and receives the amount accumulated in the DROP account either in a periodic, lump sum or a monthly lifetime benefit.

Each member must elect a payment option for retirement benefits shortly before benefit payments are paid to ensure that the beneficiary and payment option factors are accurate. The member has six payment options. The payment options allow the member to receive full retirement benefits during the member's lifetime or receive reduced retirement benefits so that a designated beneficiary may receive a portion of the retirement benefit either during the member's lifetime or after the member's death depending on the option selected.

Vested members with more than 5 years of service and non-vested members with less than 5 years of service may elect to withdraw their member contribution accounts upon termination of employment with all FPPA employers; waiving rights to any lifetime retirement benefits earned. The member's contributions plus 5% interest may be refunded to the member with all other contributions being forfeited. If a refund is chosen, stabilization reserve account monies and all employer contributions are forfeited.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement benefit adjustments (formerly referred to as COLAs). Benefit adjustments are not guaranteed and are determined annually by the FPPA Board of Directors based on the most recent actuarial study. The amount of the benefit adjustment can be 0% to 3%, or the greater of the Consumer Price Index (CPI) per year. Benefit adjustments may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

Contributions. Eligible employees and the District are required to contribute to the SWDBP at a rate set by Colorado statute. Employer contribution rates can only be amended by state statute and are 8% of the employee's base salary. Member contribution rates can be amended by statute or by election of the membership. In 2020, eligible employees were required to contribute 11.0% of their FPPA base salary, and as a result of the 2014 Member Contributions Election, the plan member contribution rate will increase by 0.5% of covered salary each year through 2022. Contributions to the SWDBP from the District were $23,246 for the year ended December 31, 2020.

Annually, at the discretion of the Board of Directors of FPPA, the difference between the combined member/employer contributions and the actuarially determined contribution rate may be allocated to the stabilization reserve account (SRA). If the cost of the SWDBP exceeds the combined member/employer contribution rate, funds from the SRA may be used to make up the shortfall. Amounts set aside in the SRA are allocated to individual accounts for each member. A member may receive the amounts in this individual account upon election of Normal, Early or Vested retirement.

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 $15,877 for its proportionate share of the net pension liability. 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, 2020. The District's proportion of the net pension asset was based on District contributions to the SWDBP for the calendar year 2019 relative to the total contributions of participating employers to the SWDBP.

At December 31, 2019, the District's proportion was 0.0280720221 percent, which was a decrease of 0.0087455224 percent from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the District recognized pension expense of $19,532. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 53,729	$ 311
Net difference between projected and actual earnings on pension plan investments	30,146	24,958
Changes in assumptions or other inputs	-	-
Change in proportion and differences between contributions recognized and proportionate share of contributions	-	36,722
Contributions subsequent to the measurement date	23,246	-
Total	$ 107,121	$ 61,991

$23,246 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase of the net pension asset in the year ending December 31, 2021.

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

2021	$	762
2022		(1,398)
2023		6,720
2024		(3,810)
2025		6,989
2026		6,023
2027		4,356
2028		1,964
2029		278
	$	21,884

Actuarial assumptions. The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Method	Entry Age Normal
Amortization Method	N/A
Amortization Period	N/A
Long-term Investment Rate of Return *	7.0%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.0%
* Includes Inflation at	2.5%

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

The SWDBP's long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent).

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation are summarized in the following table:

Global Equity	38.00%	7.00%
Equity Long/Short	8.00%	6.00%
Private Markets	25.00%	9.20%
Fixed Income	15.00%	5.20%
Absolute Return	8.00%	5.50%
Managed Futures	4.00%	5.00%
Cash	2.00%	2.52%
Total	100.00%	

Discount rate. The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which established the contractually required rates under Colorado Statutes. Based on those assumptions, the SWDBP's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; 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 percent.

Sensitivity of the District's proportionate share of the net pension asset (liability) to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	6.00%	**7.00%**	**8.00%**
Proportionate share of the net pension (asset) liability	$ 96,263	$ (15,877)	$ (108,881)

Pension plan fiduciary net position. Detailed information about the SWDBP's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at www.fppaco.org.

Subsequent event – House Bill 20-1044 was signed into law on April 1, 2020. Included in the bill is a provision to increase the benefits of the Statewide Defined Benefit Plan through a Rule of 80 provision effective January 1, 2021. This provision provides for a normal retirement as early as age 50 if the member's age combined with years of service totals at least 80. The impact of the change was not include din the total pension liability or the collective pension expense as of the December 31, 2019 measurement period. The impact of the benefit adjustment is approximately $53 million.

NOTE 10 – STATEWIDE DEATH AND DISABILITY PLAN

Plan Description – The District contributes to the Statewide Death and Disability Plan (SWD&DP), a cost-sharing multiple-employer death and disability plan administered by FPPA. The SWD&DP covers full-time employees of substantially all fire and police departments in Colorado. As of August 1, 2003, the SWD&DP may include part-time policy and fire employees. Contributions to the SWD&DP are used solely for the payment of death and disability benefits. Employers who are covered by Social Security may elect supplementary coverage by the Plan. The Plan was established in 1998 pursuant to Colorado Revised Statutes. FPPA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the SWD&DP. That report can be obtained at www.fppaco.org.

Funding Policy – The District and/or employee is required to contribute at a rate of 2.8% of base salary for all members as set by statute. All contributions are made by members or on behalf of members. The 2.8% contribution may be paid entirely by the employer or the member, or it may be split between the employer and the member. Currently, the District is making the full 2.7% contribution on behalf of the members. For the year ending December 31, 2020, the District's contributions to the SWD&DP were $11,097, equal to their required contributions for that year.

NOTE 11 – DEFERRED COMPENSATION PLAN

All paid firefighters are eligible to participate in a deferred compensation plan created in accordance with Internal Revenue Code section 457 (Deferred Compensation Plan). The Deferred Compensation Plan, which is administered by FPPA, allows all paid firefighters the opportunity to defer a portion of their salary until future years. All compensation deferred under the Deferred Compensation Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefits of the participants and their beneficiaries. Amounts contributed to the Deferred Compensation Plan are not available to employees until termination, retirement, death, or unforeseeable emergency.

Participants may elect to defer any percentage of their annual compensation, provided that the total annual contribution does not exceed limitations established by the Internal Revenue Service. Employers may also contribute to this plan on behalf of its employees provided that the combined employee and employer contributions do not exceed the aforementioned limits.

Deferred Compensation Plan investment purchases are determined by the individual participants and therefore, the Deferred Compensation Plan's investment concentration varies between participants.

The District has no liability for losses under the Deferred Compensation Plan. Accordingly, the Deferred Compensation Plan is not part of the District's financial statements.

NOTE 12 – VOLUNTEER FIGHTERS' PENSION FUND - FPPA ADMINISTERED

Volunteer Firefighters' Pension Plan

General Information about the Volunteer Firefighters' Pension Plan

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

Volunteers covered and benefits provided. The retirement benefit provisions and plan requirements were established by the District under Colorado Revised Statutes.

The Board of Trustees has adopted the following schedule of monthly benefits, which was in effect at December 31, 2020:

Normal Retirement Benefit	$ 550
Extended Service (amount per year of service)	
5% of normal, for up to 10 additional years	$ 27.50
Vested Retirement Benefit	
With 10 to 20 years of service, amount	
per year of service per minimum vesting years	$ 27.50
Disability Retirement Benefit	$ 275
Survivor benefit	
Death after normal retirement	$ 275
Death after normal retirement with extended	
service (amount per year of service), subject to a maximum	$ 13.75
Funeral Benefits (lump sum)	$ 1,100

At December 31, 2020, there are 9 retired volunteers receiving benefits, 32 active volunteers and 5 inactive, nonretired volunteers.

Contributions. The District makes contributions based upon District established benefits; the needs and best interest of the District, the VFPP, and the VFPP beneficiaries; and the funding that would be required in order to maintain the actuarial soundness of the plan, based upon a biennial actuarial study. VFPP members do not make contributions. The State of Colorado also contributes to the plan in an amount set by statute. The District contributed $5,000 for the year ended December 31, 2020.

Net Pension Liability

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

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar - open
Remaining amortization period	20 years
Asset valuation method	5 - year smoothed fair value
Inflation	2.5%
Projected salary increases	N/A
Investment rate of return	7.5% per annum
Retirement age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement mortality was based on the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality. Post-retirement mortality for ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.

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

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

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 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 3.05%.

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Changes in the Net Pension Liability

Changes in the District's net pension liability for the year ended December 31, 2020 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability(Asset) (a) - (b)**
Balances at 12/31/19	$ 1,403,355	$ 522,759	$ 880,596
Changes for the year:			
Service cost	51,086	-	51,086
Interest on the total pension liability	55,939	-	55,939
Difference between expected and actual experience	-	-	-
Changes in assumptions or other inputs	266,402	-	266,402
Benefit payments	(39,600)	(39,600)	-
District contributions	-	5,000	(5,000)
Pension plan net investment income	-	72,166	(72,166)
Administrative expense	-	(9,401)	9,401
Net Changes	333,827	28,165	305,662
Balances at 12/31/20	$ 1,737,182	$ 550,924	$ 1,186,258

Sensitivity of the District's Net Pension (Asset) Liability to Changes in the Discount Rate. The following presents the net pension liability calculated using the discount rate of 3.05 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.05 percent) or 1-percentage-point higher (4.05 percent) than the current rate:

	2.05%	3.05%	4.05%
Proportionate share of the net pension (asset) liability	$ 1,610,460	$ 1,186,258	$ 898,551

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

For the year ended December 31, 2020, the District recognized pension expense of $133,675.

At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 302,866	$ 44,404
Changes of assumptions or other inputs	26,433	96,939
Net difference between projected and actual investment earnings	-	58,562
Total	$ 329,299	$ 199,905

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

Year Ending December 31	
2021	$ 51,094
2022	33,084
2023	37,078
2024	8,138
	$ 129,394

NOTE 13 – FIRE AND POLICE PENSION ASSOCIATION OF COLORADO

Statewide Hybrid Plan

Summary of Significant Accounting Policies

Pensions. The District participates in the Statewide Hybrid Plan – Defined Benefit Component (SWHP), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire and Police Pension Association of Colorado ("FPPA"). The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWHP have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the SWHP

Plan description. The SWHP covers full-time firefighters and police officers from departments that elect coverage. The SWHP may also cover clerical staff or other fire district personnel whose services are auxiliary to fire protection. The SWHP is comprised of two components: Defined Benefit and Money Purchase. With the later component, employees have the option of choosing among various mutual funds offered by an outside investment manager. SWHP benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth in the FPPA Rules and Regulations, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report that can be obtained at www.fppaco.org.

Benefits provided. SWHP provides retirement benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement.

The following types of retirement are available under the SWHP:

- Normal: 25 years of service and age 55 with a benefit of 1.5% of the member's Highest Average Salary times year of service credit which is paid for the life of the member, with no designated beneficiary benefits. Benefits are based on the average of the highest 3 years' base salary.

- Early: 30 years of service or age 50 and who is not receiving benefits pursuant to the Statewide Death and Disability Plan. The annual early retirement pension for the member shall be the benefit, as determined by the FPPA Board of Trustees, that the member would have received at normal retirement reduced on an Actuarially Equivalent basis to reflect the early receipt of the benefit.

- Vested: 5 years of service payable at age 55 with a benefit of 1.5% of the member's Highest Average Salary times year of service credit in the Hybrid Plan. Benefits are based on the average of the highest 3 years' base salary.

- Deferred: Members who quality for a normal or vested retirement, may defer the receipt of their benefit pension to as late as age 65 and receive the actuarial equivalent of the benefit.

The SWHP has a deferred retirement option plan (DROP) that allows members to enter the program if they meet one of the following criteria: 1) member is eligible for normal retirement or 2) member is vested or 3) member is eligible for early retirement. The DROP plan allows a member to choose to continue employment for a maximum of five years. During this period of continued employment, the member's retirement benefits as well as employee contributions are paid into a member's DROP account. At the end of the DROP period, the member ceases employment and receives the amount accumulated in the DROP account either in a periodic, lump sum or a monthly lifetime benefit.

Each member must elect a payment option for retirement benefits shortly before benefit payments are paid to ensure that the beneficiary and payment option factors are accurate. The member has five payment options. The payment options allow the member to receive full retirement benefits during the member's lifetime or receive reduced retirement benefits so that a designated beneficiary may receive a portion of the retirement benefit either during the member's lifetime or after the member's death depending on the option selected.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement benefit adjustments (formerly referred to as COLAs). Benefit adjustments are not guaranteed and are determined annually by the FPPA Board of Directors based on the most recent actuarial study. The amount of the benefit adjustment can be 0% to 3%, or the greater of the Consumer Price Index (CPI) per year. Benefit adjustments may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

Contributions. Members and the District contribute to the SWHP at a rate determined by the individual employer, however, both the employer and individual members each must contribute at least 8 percent of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the FPPA Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The District's contributions to the SWHP for the years ending December 31, 2020, 2019 and 2018, respectively, were $5,635, $4,549 and $3,685 equal to the District's required contributions for each year.

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

At December 31, 2020, the District reported an asset of $90,693 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020. The District's proportion of the net pension asset was based on District contributions to the SWHP for the calendar year 2019 relative to the total contributions of participating employers to the SWHP.

At December 31, 2019, the District's proportion was 0.4657143502 percent, which was an increase of 0.1317910145 percent from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the District recognized pension income of $21,557. At December 31, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 43,028	$ -
Net difference between projected and actual earnings on pension plan investments	-	11,129
Changes in assumptions or other inputs	7,687	-
Change in proportion and differences between contributions recognized and proportionate share of contributions	-	18,334
Contributions subsequent to the measurement date	5,635	-
Total	$ 56,350	$ 29,463

$5,635 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase of the net pension asset in the year ending December 31, 2021.
Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2021	$	5,812
2022		4,908
2023		8,463
2024		2,249
2025		574
2026		(754)
	$	21,252

Actuarial assumptions. The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Method	Entry Age Normal
Amortization Method	N/A
Amortization Period	N/A
Long-term Investment Rate of Return *	7.5%
Projected Salary Increases	4.0%-14.0%
Cost of Living Adjustments (COLA)	0.0%
* Includes Inflation at	2.5%

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

The SWHP's long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation (assumed at 2.5 percent).

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation are summarized in the following table:

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

Discount rate. The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which established the contractually required rates under Colorado Statutes. Based on those assumptions, the SWHP's fiduciary net position was projected to be available to make all 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.

Sensitivity of the District's proportionate share of the net pension asset (liability) to changes in the discount rate. The following presents the proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	6.00%	7.00%	8.00%
Proportionate share of the net pension (asset) liability	$ (55,161)	$ (90,693)	$ (120,419)

Pension plan fiduciary net position. Detailed information about the SWHP's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at www.fppaco.org.

NOTE 14 - PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

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

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Some, but not all of these changes were in effect as of December 31, 2020.

General Information about the Pension Plan

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

Benefits provided as of December 31, 2020. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. Section 24-51-602, 604, 1713, and 1714.

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit or

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

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

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

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, the annual increase for 2019 is 0.00 percent for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007, and all benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007 will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

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

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

Contributions as of December 31, 2020. Eligible employees and District are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. Section 24-51-401, *et seq*. and Section 24-51-413. Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	Rate
Employer Contribution Rate[1]	10.00%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. Section 24-51-208(1)(f)[1]	-1.02%
Amount apportioned to the LGDTF[1]	8.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. Section 24-51-411[1]	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. Section 24-51-411[1]	1.50%
Total Employer Contribution Rate to the LGDTF[1]	12.68%

[1]Rates are expressed as a percentage of salary as defined in C.R.S. Section 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from District were $4,973 for the year ended December 31, 2020.

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 liability of $19,312 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll forward the total pension liability to December 31, 2019.

The District's proportion of the net pension liability was based on District contributions to the LGDTF for the calendar year 2019 relative to the total contributions of participating employers to the LGDTF. At December 31, 2020, the District proportion was 0.0026404639 percent, which was an increase of 0.0015579716 percent from its proportion measured as of December 31, 2019.

For the year ended December 31, 2020, the District recognized pension expense of $1,183. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,264	$ -
Net difference between projected and actual earnings on pension plan investments	7,120	15,021
Changes in assumptions and other inputs	-	-
Change in proportion and differences between contributions recognized and proportionate share of contributions	10,850	-
Contributions subsequent to the measurement date	4,973	-
Total	$ 24,207	$ 15,021

$4,973 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2021.

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

Year Ending December 31		
2021	$	7,415
2022		(170)
2023		(336)
2024		(2,696)
	$	4,213

Actuarial assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 - 10.45 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	1.25 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

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

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

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

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

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

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

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

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return
U.S. Equity - Large Cap	21.20%	4.30%
U.S. Equite - Small Cap	7.42%	4.80%
Non U.S. Equity - Developed	18.55%	5.20%
Non U.S. Equity - Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income - Developed	1.84%	0.06%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

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

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2017 and the financial status of the Trust Fund as of the prior measurement date (December 31, 2017). In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the additional 0.50 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the additional 0.50 percent, resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020, Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial fiduciary net position, as per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.

- The projected benefit payments reflect the lowered annual increase cap, from 1.50 percent to 1.25 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020.

- Benefit payments and contributions were assumed to be made at the end of the month.

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

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	6.25%	7.25%	8.25%
Proportionate share of the net pension (asset) liability	$ 35,475	$ 19,312	$ 5,719

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

NOTE 15 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

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

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

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

PERA Benefit Structure

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were $400 for the year ended December 31, 2020.

The District’s calculated liability for its proportionate share of the net OPEB liability at December 31, 2020 was $2,273 which is not material and has therefore not been recorded on the government-wide financial statements.

NOTE 16 – INTERGOVERNMENTAL AGREEMENT

The District entered into an Intergovernmental Agreement Regarding Exclusion and Inclusion of Real Property (IGA) on May 16, 2017 with South Adams Fire Protection District No. 4 (SACFPD). The IGA provides for certain real property to be excluded from the District’s service area and included into SACFPD’s service area. SACFPD agrees to share a portion of it’s mill levy revenue on the District’s excluded property as follows:

- Years 1-3: Sable Altura will receive 100% of the mill levy revenue received by SACFPD,
- Years 4-5: Sable Altura will receive 80% of mill levy revenue received by SACFPD,

- Years 6-7: Sable Altura will receive 60% of mill levy revenue received by SACFPD,
- Years 8-9: Sable Altura will receive 40% of mill levy revenue received by SACFPD,
- Year 10: Sable Altura will receive 20% of mill levy revenue received by SACFPD,
- Years 11 and thereafter: Sable Altura will receive 0% of mill levy revenue received by SACFPD

SACPFD agrees to pay the District's share of mill levy revenue within sixty days following receipt by SACPFD of mill levy revenue attributable to the excluded property, along with documentary proof of the amount of such mill levy revenue collected. The IGA terminates at the end of the tenth year following the IGA date.

NOTE 17 - TAX, SPENDING AND DEBT LIMITATIONS

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

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

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

In the 1996 General Election, a majority of the District's electors exempted the District from TABOR's revenue and spending restrictions.

At an election conducted in November 2003, a majority of the District's electors exempted the District from the additional 5.5% annual revenue limitation imposed by section 29-1-301, C.R.S. and exempted any additional revenue collected as a result of TABOR's revenue and spending restrictions.

At an election conducted in November 2017, a majority of the District's electors approved the District's taxes to be increased $350,000 (first full fiscal year dollar increase) annually beginning in levy year 2017 (for collection in calendar year 2018) by increasing the District's existing property tax of 7.000 mills by 4.330 mills to be used for administration, operations, and capital improvements, all revenue and earnings from this tax constituting a permanent voter-approved revenue change within the meaning of Article X, Section 20 of the Colorado Constitution and an exception to the limitations set forth in Section 29-1-301 of the Colorado Revised Statues and any other law.

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

REQUIRED SUPPLEMENTAL INFORMATION

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION ASSET
FIRE AND POLICE PENSION ASSOCIATION - STATEWIDE DEFINED BENEFIT PLAN
LAST SEVEN FISCAL YEARS (1)

	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability (Asset)	2.8072022%	0.3681754%	0.0149163%	0.0169774%	0.0177454%	0.0179215%	0.0141153%
Disrict's Proportionate Share of the Net Pension Liability (Asset)	$ (15,877)	$ 46,547	$ (21,459)	$ 6,135	$ 313	$ 20,226	$ 12,622
District's Covered Payroll	$ 290,575	$ 246,624	$ 87,251	$ 86,885	$ 86,019	$ 80,593	$ 61,307
Proportionate Share of Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-5.46%	18.87%	-24.59%	7.06%	0.36%	25.10%	20.59%
Calculation of Collectvie Net Pension Liability (Asset):							
Total Pension Liability	$ 2,919,378,738	$ 2,653,120,261	$ 2,269,410,684	$ 2,021,526,883	$ 1,846,961,999	$ 1,652,901,084	$ 1,533,631,141
Plan Fiduciary Net Position	2,975,935,079	2,526,692,808	2,413,276,447	1,985,393,043	1,848,724,853	1,765,758,630	1,623,049,809
Net Pension Liability (Asset)	$ (56,556,341)	$ 126,427,453	$ (143,865,763)	$ 36,133,840	$ (1,762,854)	$ (112,857,546)	$ (89,418,668)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.94%	95.23%	106.34%	98.21%	100.10%	106.83%	105.83%

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

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
FIRE AND POLICE PENSION ASSOCIATION - STATEWIDE DEFINED BENEFIT PLAN
LAST EIGHT FISCAL YEARS

	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 23,246	$ 16,552	$ 19,730	$ 6,980	$ 6,951	$ 6,881	$ 6,447	$ 4,905
Contributions in Relation to the Contractually Required Contribution	(23,246)	(16,552)	(19,730)	(6,980)	(6,951)	(6,881)	(6,447)	(4,905)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 290,575	$ 206,894	$ 246,624	$ 87,251	$ 86,885	$ 86,019	$ 80,593	$ 61,307
Contributions as a Percentage of Covered Payroll	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION ASSET
FIRE AND POLICE PENSION ASSOCIATION - STATEWIDE HYBRID PLAN
LAST SEVEN FISCAL YEARS (1)

	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability (Asset)	0.4657144%	0.3339233%	0.3069924%	0.3656058%	0.3417129%	0.3235573%	0.3037324%
Disrict's Proportionate Share of the Net Pension Liability (Asset)	$ (90,693)	$ (46,093)	$ (60,025)	$ (39,797)	$ (35,992)	$ (38,373)	$ (30,981)
District's Covered Payroll	$ 70,431	$ 46,058	$ 46,058	$ 58,680	$ 56,248	$ 50,063	$ 49,119
Proportionate Share of Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-128.77%	-100.08%	-130.32%	-67.82%	-63.99%	-76.65%	-63.07%
Calculation of Collectvie Net Pension Liability (Asset):							
Total Pension Liability	$ 64,782,432	$ 58,841,997	$ 50,319,464	$ 42,201,793	$ 35,776,922	$ 29,177,530	$ 26,123,656
Plan Fiduciary Net Position	84,256,450	72,645,438	69,872,191	53,087,030	46,309,805	41,037,152	36,323,815
Net Pension Liability (Asset)	$ (19,474,018)	$ (13,803,441)	$ (19,552,727)	$ (10,885,237)	$ (10,532,883)	$ (11,859,622)	$ (10,200,159)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	130.06%	123.46%	138.86%	125.79%	129.44%	140.65%	139.05%

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

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
FIRE AND POLICE PENSION ASSOCIATION - STATEWIDE HYBRID PLAN
LAST EIGHT FISCAL YEARS

	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 5,635	$ 4,549	$ 3,685	$ 4,694	$ 4,728	$ 4,500	$ 4,005	$ 3,929
Contributions in Relation to the Contractually Required Contribution	(5,635)	(4,549)	(3,685)	(4,694)	(4,728)	(4,500)	(4,005)	(3,929)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 70,431	$ 56,862	$ 46,058	$ 58,670	$ 59,101	$ 56,248	$ 50,063	$ 49,119
Contributions as a Percentage of Covered Payroll	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET)
FPPA - VOLUNTEER FIREFIGHTERS' PENSION PLAN
LAST SIX FISCAL YEARS

Measurement period ending December 31,	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total Pension Liability						
Service cost	$ 51,086	$ 82,226	$ 73,181	$ 83,409	$ 78,914	$ 37,746
Interest on the total pension liability	55,939	57,297	55,251	52,283	48,884	53,026
Difference between expected and actual experience	-	(43,046)	-	(35,396)	-	(108,706)
Changes in assumptions or other inputs	266,402	(148,195)	103,822	6,191	44,070	194,992
Benefit payments	(39,600)	(39,600)	(39,600)	(39,600)	(37,400)	(36,300)
Net Change in Total Pension Liability	333,827	(91,318)	192,654	66,887	134,468	140,758
Total Pension Liability - Beginning	1,403,355	1,494,673	1,302,019	1,235,132	1,100,664	959,906
Total Pension Liability - Ending (a)	$ 1,737,182	$ 1,403,355	$ 1,494,673	$ 1,302,019	$ 1,235,132	$ 1,100,664
Plan Fiduciary Net Position						
District contributions	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ -	$ -
Pension plan net investment income	72,166	637	75,395	27,978	10,349	37,992
Benefit payments	(39,600)	(39,600)	(39,600)	(39,600)	(37,400)	(36,300)
Administrative expense	(9,401)	(10,095)	(9,935)	(1,113)	(2,233)	(1,251)
Net Change in Plan Fiduciary Net Position	28,165	(44,058)	30,860	(7,735)	(29,284)	441
Plan Fiduciary Net Position - Beginning	522,759	566,817	535,957	543,692	572,976	572,535
Plan Fiduciary Net Position - Ending (b)	$ 550,924	$ 522,759	$ 566,817	$ 535,957	$ 543,692	$ 572,976
Net Pension Liability/(Asset) - Ending (a)-(b)	$ 1,186,258	$ 880,596	$ 927,856	$ 766,062	$ 691,440	$ 527,688
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	31.71%	37.25%	37.92%	41.16%	44.02%	52.06%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
FPPA - VOLUNTEER FIREFIGHTERS' PENSION PLAN
LAST SIX FISCAL YEARS

	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 57,666	$ 57,666	$ 50,955	$ 50,955	$ 50,955	$ 36,237
Contributions in relation to the actuarially required contribution:						
District contribution	(5,000)	(5,000)	(5,000)	(5,000)	-	-
State of Colorado contribution	-	-	-	-	-	-
Contribution deficiency (excess)	$ 52,666	$ 52,666	$ 45,955	$ 45,955	$ 50,955	$ 36,237
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar - open
Remaining amortization period	20 years
Asset valuation method	5 - year smoothed fair value
Inflation	2.5%
Projected salary increases	N/A
Investment rate of return	7.5% per annum
Retirement age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement mortality was based on the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality. Post-retirement mortality for ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PERA PENSION PLAN - LOCAL GOVERNMENT DIVISION TRUST FUND
LAST SEVEN FISCAL YEARS(1)

	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability (Asset)	0.0024640%	0.0010825%	0.0010779%	0.0010889%	0.0010213%	0.0010402%	0.0010871%
Disrict's Proportionate Share of the Net Pension Liability (Asset)	$ 19,312	$ 13,609	$ 12,002	$ 14,704	$ 11,250	$ 9,324	$ 8,946
District's Covered Payroll	$ 39,223	$ 18,183	$ 6,600	$ 6,800	$ 5,800	$ 5,700	$ 5,800
Proportionate Share of Net Pension Liability (Asset) as a Percentage of its Covered Payroll	49.24%	74.84%	181.85%	216.24%	193.97%	163.58%	154.24%
Calculation of Collectvie Net Pension Liability:							
Total Pension Liability	$ 5,324,353,000	$ 5,228,602,000	$ 5,396,516,000	$ 5,123,847,000	$ 4,762,090,000	$ 4,647,777,000	$ 4,331,233,000 **(2)**
Plan Fiduciary Net Position	4,592,962,000	3,971,389,000	4,283,086,000	3,773,506,000	3,660,509,000	3,751,468,000	3,508,312,000
Net Pension Liability	$ 731,391,000	$ 1,257,213,000	$ 1,113,430,000	$ 1,350,341,000	$ 1,101,581,000	$ 896,309,000	$ 822,921,000
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.26%	75.96%	79.37%	73.65%	76.87%	80.72%	81.00%

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

(2) - December 31, 2013 amount reduced by the $186,006,000 specific liability adjustment resulting from the termination of the affiliation of Memorial Health Systems. This specific liability was paid in October 2014 by the City of Colorado Springs.

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

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
PERA PENSION PLAN - LOCAL GOVERNMENT DIVISION TRUST FUND
LAST EIGHT FISCAL YEARS

	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 4,973	$ 2,306	$ 837	$ 862	$ 837	$ 736	$ 723	$ 736
Contributions in Relation to the Contractually Required Contribution	(4,973)	(2,306)	(837)	(862)	(837)	(736)	(723)	(736)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 39,223	$ 18,183	$ 6,600	$ 6,800	$ 6,600	$ 5,800	$ 5,700	$ 5,800
Contributions as a Percentage of Covered Payroll	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

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

SUPPLEMENTAL INFORMATION

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - DEBT SERVICE FUND
For the Year Ended December 31, 2020

	Original and Final Budget	Actuals	Variance with Final Budget Positive (Negative)
REVENUE			
Property taxes	$ 419,933	$ 417,418	$ (2,515)
Net investment income	6,000	4,023	(1,977)
TOTAL REVENUE	425,933	421,441	(4,492)
EXPENDITURES			
Debt service			
Principal	340,000	340,000	-
Interest	76,318	76,317	1
Paying agent fees	2,000	500	1,500
Treasurers' fees	6,299	6,266	33
TOTAL EXPENDITURES	424,617	423,083	1,534
NET CHANGE IN FUND BALANCE	1,316	(1,642)	(2,958)
FUND BALANCE - BEGINNING OF PERIOD OF PERIOD	415,953	418,656	2,703
FUND BALANCE - END OF PERIOD	$ 417,269	$ 417,014	$ (255)

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - CAPITAL PROJECTS FUND
For the Year Ended December 31, 2020

	Original and Final Budget	Actuals	Variance with Final Budget Positive (Negative)
REVENUE			
Net investment earnings	$ 25,000	$ 9,852	$ (15,148)
TOTAL REVENUE	25,000	9,852	(15,148)
EXPENDITURES			
Non-capitalizable items:			
Other improvements	-	2,988	(2,988)
Grant expenditures	-	3,510	(3,510)
Capital outlay	-	260,416	(260,416)
Contingency	1,424,811	-	1,424,811
TOTAL EXPENDITURES	1,424,811	266,914	1,157,897
NET CHANGE IN FUND BALANCE	(1,399,811)	(257,062)	1,142,749
FUND BALANCE - BEGINNING OF PERIOD	1,399,811	1,678,036	278,225
FUND BALANCE - END OF PERIOD	$ -	$ 1,420,974	$ 1,420,974

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - IMPACT FEE - CAPITAL PROJECTS FUND
For the Year Ended December 31, 2020

	Original and Final Budget	Actuals	Variance with Final Budget Positive (Negative)
REVENUE			
Impact fees	$ -	$ -	$ -
Net investment earnings	2,000	56	(1,944)
TOTAL REVENUE	2,000	56	(1,944)
EXPENDITURES			
Capital projects	-	-	-
TOTAL EXPENDITURES	-	-	-
NET CHANGE IN FUND BALANCE	2,000	56	(1,944)
FUND BALANCE - BEGINNING OF PERIOD	7,700	7,636	(64)
FUND BALANCE - END OF PERIOD	$ 9,700	$ 7,692	$ (2,008)

SABLE-ALTURA FIRE PROTECTION DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2020

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy		Mills Levied Operations	Mills Levied Debt Service	Total Property Tax Levied	Total Property Tax Collected	Percent Collected to Levied
2006	$ 22,127,010		7.000	0.000	$ 238,845	$ 236,095	98.85%
2007	$ 33,405,480		7.000	14.000	$ 701,515	$ 702,209	100.10%
2008	$ 39,078,970		7.000	14.000	$ 820,659	$ 820,351	99.96%
2009	$ 40,094,150		7.000	14.000	$ 841,980	$ 841,644	99.96%
2010	$ 40,991,740		7.000	14.000	$ 860,827	$ 860,658	99.98%
2011	$ 38,455,580		7.000	14.000	$ 807,567	$ 807,116	99.94%
2012	$ 40,297,210		7.000	14.000	$ 846,241	$ 845,224	99.88%
2013	$ 43,816,260		7.000	14.000	$ 920,141	$ 915,251	99.47%
2014	$ 47,019,010		7.000	14.000	$ 987,399	$ 977,699	99.02%
2015	$ 54,524,578		7.000	14.000	$ 1,145,016	$ 1,144,577	99.96%
2016	$ 64,952,703		7.000	14.000	$ 1,104,196	$ 1,093,388	99.02%
2017	$ 63,561,197		7.000	10.000	$ 1,080,540	$ 1,094,647	101.31%
2018	$ 61,598,519		11.333	5.667	$ 1,047,175	$ 1,046,608	99.95%
2019	$ 69,148,958	(a)	11.333	5.667	$ 1,064,425	$ 1,065,418	100.09%
2020	$ 80,756,255	(b)	11.560	5.200	$ 1,110,452	$ 1,106,121	99.61%
Estimated for year ending December 31, 2021	$ 89,467,681	(c)	11.552	5.200	$ 1,172,481		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years. Information received from the County Treasurers' does not permit identification of specific year of assessment.

(a) includes $9,803,900 of assessed valuation for debt service only
(b) includes $21,022,770 of assessed valuation for debt service only
(c) includes $28,244,540 of assessed valuation for debt service only

SABLE-ALTURA FIRE PROTECTION DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2020

Year Ending December 31,	$6,000,000 General Obligation Bonds Dated August 23, 2006 Interest Rate 4.00% to 4.20% Principal Due December 1 Interest Due June 1 and December 1		
	Principal	Interest	Total
2021	$ 355,000	$ 61,188	$ 416,188
2022	370,000	45,390	415,390
2023	385,000	28,925	413,925
2024	265,000	11,792	276,792
	$ 1,375,000	$ 147,295	$ 1,522,295