

STRASBURG FIRE PROTECTION DISTRICT NO. 8

STRASBURG, COLORADO

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT

December 31, 2020



Crady, Puca & Associates

Certified Public Accountants & Consultants

**STRASBURG FIRE PROTECTION DISTRICT NO. 8
STRASBURG, COLORADO**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Strasburg Fire Protection District No. 8
Strasburg, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the Strasburg Fire Protection District No. 8 (the "District"), as of and for the year ended December 31, 2020, which collectively comprise the District's basic financial statements as listed in the table of contents and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the 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 Strasburg Fire Protection District No.8, as of December 31, 2020, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages iii through vii and the pension schedules on pages 28-33 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 appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Changes in Net Position – Budget and Actual – Pension Fund on page 34 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Changes in Net Position – Budget and Actual – Pension Fund 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Crady, Puca & Associates

Aurora, Colorado
February 14, 2022

STRASBURG FIRE PROTECTION DISTRICT NO. 8

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As management of the Strasburg Fire Protection District, (the "District"), we offer readers of the District's financial statements this narrative summary of the financial activities of the District for the fiscal year ended December 31, 2020.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2020

- Total government-wide revenue increased by \$429,705 or 54% from \$794,596 to \$1,224,301 in the current year.
- Government-wide expenses increased by \$70,879 or 10% from \$715,559 to \$786,438 in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains 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 statements of a private-sector business.

The statement of net position presents information on all the District's assets, liabilities, and deferred inflows/outflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through use fees and charges (business-type activities). The governmental activities of the District include fire, medical, and inspection. There are no business-type activities at the District.

The District's government-wide statements can be found on pages 1 to 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 legal requirements. All funds of the District can be divided into two categories: governmental funds and fiduciary 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 District's near term financing decisions. The governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one governmental fund, the General Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for all major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

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

FIDUCIARY FUNDS

The District maintains one fiduciary fund, the pension fund, to account for resources held in trust for retirees and beneficiaries covered under the District's volunteer pension plan. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is an accrual basis.

The basic fiduciary fund financial statements can be found on pages 7 to 8 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 9 to 27 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the District's Pension Fund. Required supplementary information can be found on pages 28 to 33. This report also presents certain supplementary information which includes a budgetary comparison schedule for the Pension Fund on page 34.

FINANCIAL ANALYSIS OF OVERALL GOVERNMENT-WIDE STATEMENTS

As noted earlier, net position over time, may serve as a useful indicator of the District's financial position.

Strasburg Fire Protection District's Net Position

	<u>2020</u>	<u>2019</u>	Dollar Increase (Decrease)
Assets:			
Current and other assets	\$ 1,960,213	\$ 1,938,080	\$ 22,133
Capital assets	<u>1,155,796</u>	<u>755,888</u>	<u>399,908</u>
Total assets	<u>3,116,009</u>	<u>2,693,968</u>	<u>422,041</u>
Deferred outflows of resources	<u>197,833</u>	<u>129,770</u>	<u>68,063</u>
Liabilities:			
Current liabilities	67,126	54,467	12,659
Long-term liabilities	<u>485,066</u>	<u>551,869</u>	<u>(66,803)</u>
Total liabilities	<u>552,192</u>	<u>606,336</u>	<u>(54,144)</u>
Deferred inflows of resources	<u>750,752</u>	<u>644,367</u>	<u>106,385</u>
Net Position:			
Net investment in capital assets	1,155,796	755,888	399,908
Restricted	162,273	222,189	(59,916)
Unrestricted	<u>692,829</u>	<u>594,958</u>	<u>97,871</u>
Total net position	<u>\$ 2,010,898</u>	<u>\$ 1,573,035</u>	<u>\$ 437,863</u>

As of December 31, 2020, approximately 57% of the District's net position reflects its investment in capital assets, which includes land, fire stations, vehicles, equipment and furniture. The District uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. A portion of the District's net position, 8%, represents resources that are subject to restrictions including Colorado Constitutional restrictions and capital expenditures. The remaining unrestricted net position, \$692,829 or 35% may be used to meet the District's ongoing obligations.

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position. This same situation held true in the prior year. Overall, the District's net position increased \$437,863 from the prior year. The increase was the result of income exceeding expense during the year primarily due to several capital and operating grants received in the current year.

Strasburg Fire Protection District's Change in Net Position

	<u>2020</u>	<u>2019</u>	Dollar Increase (Decrease)
<u>Revenues:</u>			
Program revenues:			
Emergency medical services	\$ 142,894	\$ 134,545	\$ 8,349
Capital grants and contributions	346,940	14,331	332,609
General revenues:			
Property taxes	609,749	554,343	55,406
Specific ownership taxes	47,082	44,301	2,781
Impact fees	74,764	47,032	27,732
Investment earnings	589	1,024	(435)
Miscellaneous	2,283	(980)	3,263
Total revenues	1,224,301	794,596	429,705
<u>Expenditures/expenses:</u>			
Operating expenses:			
Firefighting and inspection	709,866	674,816	35,050
Emergency medical services	50,882	40,743	10,139
Total expenditures and expenses	760,748	715,559	45,189
<u>Extraordinary item:</u>			
Litigation settlement expense	25,690	-	25,690
Change in net position	437,863	79,037	358,826
Net position – beginning	1,573,035	1,493,998	79,037
Net position – ending	\$ 2,010,898	\$ 1,573,035	\$ 437,863

Total revenues increased by \$429,705 in 2020 as compared to 2019. The increase is primarily due to an increase in capital grants and contributions and property tax revenue. Expenditures increased by approximately \$70,879 primarily due to the settlement of a lawsuit and legal fees associated with the defending of the lawsuit. The net of this activity resulted in a positive change in current year net position.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental funds. At the end of 2020, unassigned fund balance was \$1,181,892. In the current year, the increase in unassigned fund balance was approximately \$45,410 compared to the prior year primarily due to an increase in property tax revenue and impact fees which more than offset the increase current expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The 2020 budget reflects an expectation of actual receipts and expenditures. In total, the District budgeted revenue in the amount of \$1,230,942 but instead earned revenue of \$1,221,647. The decrease of \$9,295 was primarily the result of a decrease in emergency medical service fees in the current year compared to budget. In total, the District originally budgeted to spend \$1,195,107, but instead spent \$1,252,387. The increase was primarily due to the settlement of a lawsuit as well as legal fees incurred in connection with the defending of the lawsuit. The budget was amended to account for these additional costs.

CAPITAL ASSETS

The District's investment in capital assets for its governmental activities as of December 31, 2020 amounted to \$1,155,796, net of accumulated depreciation. This investment in capital assets includes land, fire stations, vehicles, equipment and furniture. The increase in capital assets of \$399,908 for the current fiscal year was due to current year capital additions exceeding depreciation in the current year.

Additional information as well as a detailed classification of the District's net capital assets can be found in the Notes to the Financial Statements starting on page 17.

NEXT YEAR'S BUDGET

The District's fund balance at the end of the 2020 fiscal year totaled \$1,181,892. The District's 2021 budget anticipates an ending balance of approximately \$1,181,892.

REQUEST FOR INFORMATION

This financial report is designed to provide the District's customers, investors and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the Strasburg Fire Protection District at P.O. Box 911, Strasburg, Colorado 80136.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Net Position
December 31, 2020

	Total Governmental Activities
Assets:	
Cash and investments	\$ 1,015,482
Receivables:	
Due from county treasurer	14,038
EMS accounts receivable, net	76,750
Government grants receivable	79,365
Property tax receivable	629,045
Prepaid expense	1,576
Restricted cash and investments	129,273
Net pension asset	14,684
Capital assets, not being depreciated	71,466
Capital assets, net of accumulated depreciation	<u>1,084,330</u>
Total assets	<u>3,116,009</u>
Deferred outflows of resources:	
Deferred outflows related to pensions	<u>197,833</u>
Total deferred outflows of resources	<u>197,833</u>
Liabilities:	
Accounts payable	29,670
Accrued liabilities	37,456
Compensated absences	
Due within one year	2,973
Net pension liability	<u>482,093</u>
Total liabilities	<u>552,192</u>
Deferred inflows of resources:	
Deferred inflows related to pensions	121,707
Unavailable revenue - property taxes	<u>629,045</u>
Total deferred inflows of resources	<u>750,752</u>
Net position:	
Net investment in capital assets	1,155,796
Restricted for emergencies	33,000
Restricted for capital improvements	129,273
Unrestricted	<u>692,829</u>
Total net position	<u><u>\$ 2,010,898</u></u>

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Activities
For the Year Ended December 31, 2020

	Program Revenues			Net (expense) revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Functions/Programs:					
Primary government:					
Governmental activities:					
Firefighting and inspection	\$ 709,866	\$ -	\$ 56,134	\$ 152,103	\$ (501,629)
Emergency medical services	50,882	142,894	-	138,703	230,715
Total Primary Government	\$ 760,748	\$ 142,894	\$ 56,134	\$ 290,806	(270,914)
General revenues:					
Property taxes					609,749
Specific ownership taxes					47,082
Impact fees					74,764
Investment earnings					589
Loss on disposal of assets					(14,200)
Miscellaneous					16,483
Total general revenues					734,467
Extraordinary item:					
Litigation settlement expense					25,690
Change in net position					437,863
Net position - beginning of year					1,573,035
Net position - end of year					\$ 2,010,898

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

STRASBURG FIRE PROTECTION DISTRICT No. 8**Balance Sheet****Governmental Funds - General Fund****December 31, 2020**

	Total Governmental Funds
Assets:	
Cash and investments	\$ 1,015,482
Due from county treasurer	14,038
EMS accounts receivable, net of allowance	76,750
Government grants receivable	79,365
Property tax receivable	629,045
Prepaid expense	1,576
Restricted cash and investments	129,273
Total assets	\$ 1,945,529
Liabilities:	
Accounts payable	\$ 29,670
Accrued payroll liabilities	37,456
Total liabilities	67,126
Deferred inflows of resources:	
Unavailable revenue - receivables	67,466
Unavailable revenue - property taxes	629,045
Total deferred inflows of resources	696,511
Fund balance:	
Nonspendable, prepaids	1,576
Restricted for enabling legislation	33,000
Restricted for capital improvements	129,273
Unassigned	1,018,043
Total fund balance	1,181,892
Total liabilities, deferred inflows of resources and fund balance	\$ 1,945,529
Amounts reported for governmental activities in the statement of net position are different because:	
Total fund balance - governmental funds	\$ 1,181,892
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,155,796
Net pension assets are not financial resources and therefore are not reported in the funds	14,684
Deferred outflows related to pensions are not financial resources and therefore are not reported in the funds.	197,833
Deferred inflows related to pensions are not financial resources and therefore are not reported in the funds.	(121,707)
Revenues in the statement of activities that do not provide current financial resources are unavailable for the funds.	67,466
Long-term liabilities, including earned benefits payable and net pension liabilities, are not due and payable in the current period and therefore are not reported in the funds.	(485,066)
Net position of governmental activities	\$ 2,010,898

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds - General Fund
For the Year Ended December 31, 2020

	Total Governmental Funds
Revenues:	
Property tax	\$ 609,749
Specific ownership tax	47,082
Investment income	589
Impact fees	74,764
Grant income	330,086
Medical services, net of uncollectible	142,894
Miscellaneous revenue	16,483
Total revenues	<u>1,221,647</u>
Expenditures:	
Current:	
Salaries and payroll taxes	286,950
Benefits	27,984
Professional fees	87,721
Office supplies	1,480
Treasurer's fees	9,146
Firefighting	77,336
EMS services and fees	21,590
Insurance	29,617
Buildings	23,953
Equipment and repairs	46,177
Volunteers	11,550
Volunteer Pension contribution	64,575
Miscellaneous	12,233
Capital Outlay:	
Capital expenditures	526,385
Total expenditures	<u>1,226,697</u>
Excess of revenues under expenditures before extraordinary item	(5,050)
Extraordinary Item:	
Litigation settlement expense	25,690
Net change in fund balance	(30,740)
Fund balance - beginning of year	<u>1,212,632</u>
Fund balance - end of year	<u><u>\$ 1,181,892</u></u>

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2020

Net change in fund balance of the governmental funds \$ (30,740)

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

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 as depreciation expense. This is the amount
by which capital outlay exceeded depreciation expense in the current year. 414,108

Net effect of miscellaneous transactions involving capital assets. (14,200)

Revenues in the statement of activities that do not provide current
financial resources are not reported as revenues in the funds. 16,854

Governmental funds report pension contributions as expenditures,
however, pension expense is reported in the statement of activities. This
is the amount by which pension contributions exceed pension expense. 51,841

Change in net position of governmental activities \$ 437,863

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget
and Actual - General Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property tax	\$ 623,342	\$ 623,342	\$ 609,749	\$ (13,593)
Specific ownership tax	40,000	40,000	47,082	7,082
Investment income	2,100	2,100	589	(1,511)
Impact/developer fees	50,000	50,000	74,764	24,764
Grants	335,000	335,000	330,086	(4,914)
Medical services, net of uncollectible	165,000	165,000	142,894	(22,106)
Contributions				-
Miscellaneous revenue	15,500	15,500	16,483	983
Total revenues	1,230,942	1,230,942	1,221,647	(9,295)
Expenditures:				
Current:				
Salaries, payroll taxes and benefits	304,800	304,800	314,934	(10,134)
Professional fees	54,400	85,990	87,721	(1,731)
Office supplies	1,800	1,800	1,480	320
Treasurer's fees	8,507	8,507	9,146	(639)
Firefighting	91,100	91,100	77,336	13,764
EMS services and fees	33,700	33,700	21,590	12,110
Insurance	37,400	37,400	29,617	7,783
Buildings	18,700	18,700	23,953	(5,253)
Equipment and repairs	40,600	40,600	46,177	(5,577)
Volunteers and special events	15,000	15,000	11,550	3,450
Volunteer pension contribution	82,000	82,000	64,575	17,425
Miscellaneous	9,100	9,100	12,233	(3,133)
Capital Outlay:				
Capital expenditures	498,000	498,000	526,385	(28,385)
Total expenditures	1,195,107	1,226,697	1,226,697	-
Excess of expenditures (over) under expenditures	35,835	4,245	(5,050)	(9,295)
Extraordinary Item:				
Litigation settlement expense	-	25,690	25,690	-
Net change in fund balance	\$ 35,835	\$ 4,245	\$ (30,740)	\$ (9,295)

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Net Position
Fiduciary Fund
December 31, 2020

	Pension Fund
Assets:	
Cash and investments	\$ 604,922
State contributions receivable	36,417
Total assets	<u>641,339</u>
Liabilities:	
Accrued liabilities	119
Total liabilities	<u>119</u>
Net position:	
Net position held in trust for pension benefits	<u>\$ 641,220</u>

The accompanying notes are an integral part of this statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Changes in Net Position
Fiduciary Fund
For the Year Ended December 31, 2020

	<u>Pension Fund</u>
Additions:	
Contributions:	
District contribution	\$ 64,575
State contribution	<u>36,417</u>
Total contributions	<u>100,992</u>
Investment activity:	
Interest and dividends	<u>2,847</u>
Net investment earnings	<u>2,847</u>
Total additions	<u>103,839</u>
Deductions:	
Pension benefits	60,275
Professional fees	4,500
Administration	<u>120</u>
Total deductions	<u>64,895</u>
Change in net position	38,944
Net position - beginning of year	<u>602,276</u>
Net position - end of year	<u><u>\$ 641,220</u></u>

The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The accounting policies of the Strasburg Fire Protection District No. 8 (the District) conform to accounting principles generally accepted in the United States of America as applicable to governments (US GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of such significant policies consistently applied in the preparation of the financial statements.

Reporting Entity

The District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide fire protection and medical support for parts of Adams and Arapahoe counties within Strasburg, Colorado. The District operates under an elected five-person board of directors.

The District complies with GASB Pronouncements which establish standards for defining and reporting on the financial reporting entity. It defines component units as legally separate entities for which the officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The District has no component units as defined by the GASB.

Basis of Presentation

The accompanying financial statements are presented in accordance with GASB Statement No. 34.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though fiduciary and component unit fiduciary funds are excluded from the government-wide financial statements since the resources of the fiduciary and component unit fiduciary funds are not available to the District.

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. Governmental activities of the District are normally supported by property taxes, ownership taxes, and charges for services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by general and program revenues. Direct expenses are those that are clearly identifiable within a specific function or program. Program revenues include 1) fees or charges to citizens and other governmental entities that receive or directly benefit from services provided by a given function or program, and 2) grants, contributions and other revenues that are restricted to use in the operational or capital requirements of a specific function or program. Other revenues not directly related to a particular function or program, if any, are reported separately as general revenues.

1. **Summary of Significant Accounting Policies (continued)**

Basis of Presentation

Government-Wide Financial Statements (continued)

The effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for governmental and fiduciary funds are presented.

The District reports the following governmental fund:

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

The District reports the following fiduciary fund:

Pension Fund - accounts for transactions relating to assets held by the District in the capacity of trustee for its pension plan for vested volunteer firefighters.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current *financial* resources or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues available if they are collected within 60 days of the end of the current fiscal period with the exception of grant revenues. A six-month availability period is used for grant revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The exceptions to this general rule are that principal and interest on general long-term debt and expenditures related to compensated absences are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds.

The pension fund is reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Deposits and Investments

Non-negotiable certificates of deposits are stated at cost or amortized cost. Investments, with a maturity in excess of one year when purchased, are reported at fair value.

Grants and Other Receivables

Revenue from government grants is deemed to be earned when the District incurs costs or other expenditures which satisfy the terms imposed by the respective grant contracts. Accounts receivable consist of ambulance revenues earned, reduced by the estimated portion that is expected to be uncollectible. Allowances for uncollectible accounts receivable are based upon historical trends and aging.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; level 2 inputs are significant other observable inputs; and level 3 inputs are significant unobservable inputs. At December 31, 2020, the District did not hold any investments required to be reported under fair value.

Property Taxes

Property taxes are levied on December 15 of each year and attach as an enforceable lien on property as of January 1. At the option of the taxpayer, property taxes may be paid in full or in two equal installments. The first of such installment is to be paid as of February 28 and the second installment to be paid no later than June 15. If elected to be paid in full, amount is to be paid no later than April 30. If payments are not made timely, delinquent interest accrues. If the taxes are not paid within subsequent statutory periods, the property tax lien will be sold at public auction. The Counties bill and collect the property taxes and remit collections to the District on a monthly basis. No provision has been made for uncollected taxes, as all taxes are deemed collectible.

Property taxes are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. These amounts are recorded as revenue in the subsequent year when they are available or collected.

Interfund Receivables/Payables

Activity between funds that represent outstanding balances between funds are reported as "due to/from other funds". The outstanding balances between the funds result mainly from the time lag between the dates that (1) the interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of the prepaid item is recorded as an expense when consumed rather than when purchased.

Capital Assets

Capital assets, which include buildings and improvements, fire and EMS vehicles and equipment, and furniture and other equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of \$2,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. Capital expenditures for projects are capitalized as constructed.

Normal maintenance and repairs that do not add value to assets or materially extend the life of the assets are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the capital assets. Depreciation is reported as a current charge in the statement of activities.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	15-30
Fire and EMS vehicles and equipment	5-20
Furniture and other equipment	7-15

Compensated Absences

The District permits employees to accumulate earned but unused vacation time, subject to certain limits in amount. Accumulated, unpaid time is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Net Pension Asset and Net Pension Liability

The District's governmental activities report a net pension asset or liability related to pension plans that are administered as trusts as required under GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB No. 68). GASB 68 requires local governments to recognize, as an asset or liability, their long-term obligation/benefit for pension benefits. See Notes 5 and 6 for additional information.

1. **Summary of Significant Accounting Policies (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

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 then. The District has one item that qualifies for reporting in this category, *deferred outflows of resources related to pensions*. See Notes 5 and 6 for additional information.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as inflow of resources (revenue) until that time frame. The District has three items that qualify for reporting in this category, *unavailable revenue-property taxes*, *unavailable revenue - receivables*, and *deferred inflows of resources related to pensions*. See Note 5 for additional information on pensions. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisitions, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted – net position, a flow assumption must be made about the order in which resources are considered to be applied. Although not included in a formal policy, the District considers restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Policies

In the fund financial statements, governmental funds report aggregate amounts for five classes of fund balances on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not spendable in form which includes items such as prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Fund Balance Policies (continued)

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the District's highest level of decision-making authority, the Board of Directors. This constraint may be removed or changed only through formal action of the Board of Directors.

Assigned fund balance. This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes but are neither restricted nor committed. Unlike commitments, assignments generally only exist temporarily. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

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. Although not included in a formal policy, the District considers decreases in fund balance to first reduce committed, then assigned, and then unassigned balances, in that order.

Impact Fees

The District collects impact fees on new development which is restricted for capital expenditures. For the year ended December 31, 2020, the District received \$74,764 in impact fees. The District properly restricts the unspent impact fees. The amount restricted as of December 31, 2020 amounted to \$129,273.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Stewardship, Compliance, and Accountability

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with US GAAP. State law requires the District to adopt annual appropriated budgets for all funds.

The District conforms to the following procedures, in compliance with Colorado Revised Statutes, in establishing the budgetary data reflected in the financial statements:

On or before October 15 of each year, the District's accountant submits to the Board of Directors a recommended budget which details the necessary property taxes needed along with other available revenues to meet the District's operating requirements.

2. Stewardship, Compliance, and Accountability (continued)

Budgets and Budgetary Accounting (continued)

After a required publication of "Notice of Proposed Budget" and a public hearing, the District adopts the proposed budget and an appropriating resolution, which legally appropriates expenditures for the upcoming year.

After adoption of the budget resolution, the District may make the following changes: (a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; (b) it may approve supplemental appropriations to the extent of revenues in excess of the estimated revenues in the budget; (c) it may approve emergency appropriations; and (d) it may approve the reduction of appropriations for which originally estimated revenues are insufficient. The budget is only amended in conformity with Colorado Revised Statutes which allows the District to amend the budget and adopt a supplementary appropriation if money for a specific purpose, other than ad valorem taxes, becomes available to meet a contingency.

TABOR Amendment - Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20 commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. Spending and revenue limits are determined 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 also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service and federal grants). The District has restricted a portion of its December 31, 2020 year-end fund balance in the General Fund for emergencies as required under TABOR of \$33,000, which is the approximate required reserve at December 31, 2020.

The District's management believes it is in compliance with the provisions of TABOR, as it is currently understood. However, TABOR is complex and subject to interpretation. Many of the provisions may not become fully understood without judicial review.

3. Detailed Notes on the Funds

Deposits and Investments

As of December 31, 2020, cash and investments are classified in the accompanying financial statements as follows:

Government-wide Statement of Net Position:	
Cash and investments	\$ 1,015,482
Restricted -Cash and investments	<u>129,273</u>
Total Government-wide Statement of Net Position	1,144,755
Fiduciary Fund Statement of Net Position:	
Cash and investments	<u>604,922</u>
	<u>\$ 1,749,677</u>

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2020

3. Detailed Notes on the Funds (continued)

Deposits and Investments (continued)

The District has not adopted a formal investment policy, however, it does follow Colorado state statutes regarding investments. The following is a summary of deposits and investments held by the District as of December 31, 2020:

Type	<u>Government- wide</u>	<u>Fiduciary Fund</u>	<u>Carrying Value</u>
Deposits with financial institutions	\$ 1,041,730	\$ 539,119	\$ 1,580,849
Certificates of deposit	103,025	65,803	168,828
Total	<u>\$ 1,144,755</u>	<u>\$ 604,922</u>	<u>\$ \$1,749,677</u>

Custodial Credit Risk: The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. 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 is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at a minimum of 102% of the aggregate uninsured deposits.

As of December 31, 2020, all of the District's deposits and investments were held in eligible public depositories as required by PDPA or insured by Federal Deposit Insurance Corporation which insures accounts at each institution up to \$250,000.

Interest Rate Risk: As a means of limiting exposure to fair value losses arising from rising interest rates, State law prohibits the District from holding investments with excessive maturities. The District limits its investments to savings accounts and certificates of deposit thus the District avoids interest rate risk.

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The District follows the general provisions of the Colorado Revised Statutes (CRS). CRS specify investment instruments meeting defined rating and risk criteria in which local governmental entities may invest. The allowed investments may include but are not limited to certain money market funds and certain certificates of deposit.

Accounts Receivable

As of December 31, 2020, accounts receivable, consisted of the following:

EMS receivable	\$ 165,660
Less: allowance for uncollectible accounts	<u>(88,910)</u>
EMS accounts receivable, net	<u>\$ 76,750</u>

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2020

3. Detailed Notes on the Funds (continued)

Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 45,000	\$ -	\$ -	\$ 45,000
Construction-in-progress	4,166	22,300	-	26,466
Total capital assets not being depreciated	<u>49,166</u>	<u>22,300</u>	<u>-</u>	<u>71,466</u>
Capital assets being depreciated:				
Buildings and improvements	405,929	95,350	-	501,279
Fire and EMS vehicles and equipment	1,896,055	313,176	(63,127)	2,146,104
Furniture and other equipment	4,920	81,335	-	86,255
Total capital assets being depreciated	<u>2,306,904</u>	<u>489,861</u>	<u>(63,127)</u>	<u>2,733,638</u>
Less accumulated depreciation for:				
Buildings and improvements	(164,266)	(19,524)	-	(183,790)
Fire and EMS vehicles and equipment	(1,433,720)	(74,181)	48,927	(1,458,974)
Furniture and other equipment	(2,196)	(4,348)	-	(6,544)
Total accumulated depreciation	<u>(1,600,182)</u>	<u>(98,053)</u>	<u>(48,927)</u>	<u>(1,649,308)</u>
Total capital assets being depreciated, net	<u>706,722</u>	<u>391,808</u>	<u>(14,200)</u>	<u>1,084,330</u>
Capital assets, net	\$ <u>755,888</u>	\$ <u>414,108</u>	\$ <u>(14,200)</u>	\$ <u>1,155,796</u>

Depreciation expense was charged to the functions of the District as follows:

Governmental activities:	
Firefighting and inspection	\$ 68,761
Emergency medical services	29,292
Total depreciation expense – governmental activities	<u>\$ 98,053</u>

4. Other Information

Related Parties

For the year ended December 31, 2020, the District has two board members who are related. One member is the son-in-law of another board member.

Risk Management

The District is exposed to various risks of loss related to workers compensation, general liability, unemployment, torts, theft of, damage to, and destruction of assets, and errors and omissions. The District has acquired commercial coverage for these risks and claims, if any, and are not expected to exceed the commercial insurance coverage.

STRASBURG FIRE PROTECTION DISTRICT NO. 8

Notes to Financial Statements

December 31, 2020

4. Other Information (continued)

Extraordinary Item

In 2019, the District was party to a claim alleging the District violated the Colorado Open Meetings Law (COML). The District responded vigorously to the claim. On October 28, 2021, the case was settled, and it was determined that the District violated the COML. In connection with this settlement, the Plaintiff was awarded costs and reasonable attorney fees in the amount of \$25,690. As of December 31, 2020, the settlement has been accrued and is included in accrued liabilities and has been reflected as an extraordinary item in the Statement of Activities and the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance.

5. State Fire and Police Pension Plan (FPPA)

The District provides post-retirement pension benefits for all full-time fire prevention personnel hired after April 8, 1978, through the Statewide Defined Benefit Plan (SWDB Plan) cost-sharing multiple-employer defined benefit plan administered by Colorado Fire and Police Pension Association (FPPA). The SWDB Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for certain members through the Statewide Death and Disability Plan (D&D Plan), which is also administered by FPPA. The D&D Plan is a noncontributory plan. All full-time, paid firefighters of the District are members of the SWDB Plan and the D&D Plan. Local revenue sources are responsible for funding of the D&D Plan benefits for firefighters hired on or after January 1, 1997.

Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the SWDB and D&D plans. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Description of Benefits: A member is eligible for normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2% of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% of each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security Employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Statewide Defined Benefit Social Security Component will receive half the benefit compared to the SWDB Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0% to the higher of 3% or the Consumer Price Index.

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the SWDB Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5% for each year thereafter.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2020

5. State Fire and Police Pension Plan (FPPA) (continued)

Contributions: The SWDB Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Through December 31, 2020 contribution rates for the SWDB Plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

The members elected to increase their member contribution rate to the SWDB Plan beginning in 2015. Member contribution rates will increase .5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions will increase .5% annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings.

In 2020, members of the SWDB Plan and their employers contributed at the rate of 11% and 8%, respectively, of pensionable earning for a total contribution rate of 19%. In 2019, members of the SWDB Plan and their employers contributed at the rate of 10.5% and 8%, respectively, of pensionable earnings for a total contribution rate of 18.5%. Contributions to the pension plan from the District were \$12,454 for the year ended December 31, 2020.

Pension Liability (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension: At December 31, 2020, the District reported a pension asset of \$14,684 for its proportionate share of the SWDB net pension asset. The net pension liability (asset) was measured as of December 31, 2019, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2020. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2019, the District's proportion was .025964%, which was a decrease of .005879% from its proportion measured at December 31, 2018.

For the year ended December 31, 2020, the District recognized pension expense of \$12,704. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Change in proportionate share	\$ -	\$ 6,045
Difference between expected and actual experience	49,694	287
Net difference between projected and actual earnings on plan investments	-	23,084
Changes of assumptions or other inputs	27,882	-
Contributions subsequent to the measurement date	12,454	-
Total	<u>\$ 90,030</u>	<u>\$ 29,416</u>

Contributions of \$12,454 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2020

5. State Fire and Police Pension Plan (FPPA) (continued)

<u>Year ended December 31,</u>		
2021	\$	4,916
2022		2,917
2023		10,426
2024		686
2025		10,262
Thereafter		18,953
Total	\$	<u>48,160</u>

Actuarial Assumptions: The actuarial valuations for the SWDB Plan were used to determine the total pension and actuarially determined contributions for the year ending December 31, 2019. The most recent experience study was completed in 2018. The valuations used the following actuarial assumption and other inputs:

	Total pension liability	Actuarial Determined Contributions
Actuarial valuation date	January 1, 2020	January 1, 2019
Actuarial method	Entry age normal	Entry age normal
Amortization method	N/A	Level % of payroll, open
Amortization period	N/A	30 years
Long-term investment rate of return*	7.0%	7.5%
Projected salary increases	4.25% - 11.25%	4.25%-11.25%
Cost of living adjustment (COLA)	0%	0.0%
* Includes inflation at	2.5%	2.5%

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

At least every 5 years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

Long-term Expected Rate of Return: The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed 2.5%). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2019 are summarized as follows:

5. State Fire and Police Pension Plan (FPPA) (continued)

Long-term Expected Rate of Return (continued)

Asset class	Target allocation	Long-term Expected Rate of Return
Global equity	38.0%	7.00%
Equity long/short	8.0%	6.00%
Private markets	25.0%	9.20%
Fixed income	15.0%	5.20%
Absolute return	8.0%	5.50%
Managed futures	4.0%	5.00%
Cash	2.0%	2.52%
Total	100.0%	

Discount Rate: The discount rate used to measure the total pension liability was 7.0%. 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 FPPA Board's funding policy, which establishes the contractually required rates under Colorado Statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

1% Decrease (6.0%)	Current Discount Rate (7.0%)	1 % Increase (8.0%)
\$ 89,034	\$ (14,684)	\$ (100,705)

Subsequent Event: Effective April 1, 2020, House Bill 20-1044 (the Bill) was signed into law. Included in the Bill is a provision to increase the benefits of the members of the SWDB Plan through the Rule of 80 effective January 1, 2021. The provision provides for a normal retirement age as early as age 50 if the member's age combined with years of service totals at least 80. The impact of this change has not been included in the total pension liability (asset) or the collective pension expense as of December 31, 2019 measurement period. This change will be reflected in the December 31, 2020 measurement period. The impact of the benefit adjustment is approximately \$53,000,000 for the total plan. The proportionate share of this based on the current measurement period proportionate share is approximately \$13,800.

Pension Plan Fiduciary Net Position: FPPA's financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA. Employer contributions in FPPA's financial statements are recognized in the period the contributions are due. Detailed information about the SWDB Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at <http://www.fppaco.org>.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2020

6. Volunteer Firefighters' Pension Plan

The Volunteer Firefighter's Pension Plan (the "Volunteer Plan") is a single-employer defined benefit pension plan administered by the District that provides retirement income for volunteer firefighters in recognition of their service to the District. The plan is managed with oversight by a seven-member Board of Trustees, consisting of five elected District officials and two eligible volunteer firefighters. The Volunteer Plan does not issue separate stand-alone statements. Volunteer Plan information from the latest actuarial report may be obtained by contacting the Strasburg Fire Protection District, 56281 E. Colfax Avenue, Strasburg, CO 80136.

The Volunteer Plan's financial statements, shown as a pension trust fund in the District's statements, are prepared using the economic resources measurement focus and accrual basis of accounting. Employer contributions, benefit payments, and refunds are recognized when due. Volunteer Plan investments are reported at fair market value. Administrative costs are financed through contributions and investment income.

Plan Membership: For the year ended December 31, 2020, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	19
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>25</u>
	<u>45</u>

Description of Benefits: Effective July 1, 2017, the Volunteer Plan, as established and amended by the plan's Board of Trustees, increased its monthly pension for volunteers from \$250 to \$300 for those who have satisfied the normal age and service requirements. It further provides death benefits and a partial pension (50% of the amount the volunteer has earned) for surviving spouses. The normal age and service requirement is the latest date a volunteer reaches 50 years of age or completes 20 years of service.

Contributions. The Volunteer Plan is funded by the District's general fund and the State of Colorado. The District is required to contribute at a rate to maintain the actuarial soundness of the plan as set by statute. The contribution requirements of the District are established under Title 31, Article 30 of CRS, as amended. The District and the State of Colorado contributed \$64,575 and \$36,417, respectively, for the year ended December 31, 2020.

Investments: The Volunteer Plan's policy allows the Volunteer Plan to invest in interest-bearing obligations of the United States, interest-bearing bonds of Colorado, general obligations bonds of municipalities, in any depository enumerated in §24-75-603, C.R.S., and secured as provided in §11-10.5-101, et seq., C.R.S., and §11-47-101, et seq., or in such other investments authorized by C.R.S. It is the policy of the Volunteer Board to pursue an investment strategy that allows for preservation of the Volunteer Plan. As of December 31, 2020, the Volunteer Plan investments consist of money market funds and certificates of deposit insured under FDIC.

For the year ended December 31, 2020, the annual money-weighted rate of return, net of investment expense was .44%.

6. Volunteer Firefighters' Pension Plan (continued)

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of January 1, 2021 with a measurement date of December 31, 2020 using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial method	Entry age, normal
Amortization method	Level dollar, open
Remaining amortization period	20 years
Asset valuation method	Market value
Inflation rate	Implicit
Investment rate of return	2.0%
Projected salary increases	n/a
Cost of living adjustment (COLA)	None

In the current year valuation, the investment rate of return has been updated from 2.75% as of December 31, 2019 to 2.0% as of December 31, 2020.

Pre-retirement mortality valuations were determined using the RP-2014 for employees; post-retirement mortality valuations were determined using the RP-2014 for annuitants; and disabled retiree valuations were determined using the RP-2014 for disabled lives. All tables were adjusted back to 2006 with Scale MP-2014 and projected forward to 2018 with Scale MP-2017, fully generational using the ultimate rates from Scale MP-2017. Additional adjustments were made for males and females. 90% of members assumed to be married.

The long-term investment rate of return on pension plan assets uses a lower investment assumption of 2.0% as all of the assets are invested in cash and cash equivalents.

The actuarial valuation uses the assumptions and methods applicable for volunteer fire plans that were adopted as a result of the 2018 Experience Study as used by FPPA.

Actuarial Cost Method: Under the entry age normal actuarial cost method, the Normal Cost is computed as the level dollar amount which, if paid from the earliest time each member would have been eligible to join the plan if it then existed (thus, entry age) until his retirement or termination, would accumulate with interest at the rate assumed in the valuation to a fund sufficient to pay all benefits under the plan. The normal cost for the plan is determined by summing the normal cost of all members.

The Actuarial Accrued Liability under this method at any point in time is the theoretical amount of the fund that should have been accumulated had annual contributions been made in prior years equaling to the normal cost. The Unfunded Actuarial Accrued Liability/(Surplus) is the excess of the actuarial accrued liability over the actuarial value of the plan assets as of the valuation date.

Under this method, experience gains and losses (i.e. decreases or increases in accrued liabilities), attributable to deviations in experience from the actuarial assumptions, adjust the unfunded actuarial accrued liability.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2020

6. Volunteer Firefighters' Pension Plan (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension: The net pension liability was measured at December 31, 2020 with an actuarial valuation as of January 1, 2021. The components of the net pension liability of Volunteer Plan at December 31, 2020 is as follows:

Total pension liability:	
Service cost	\$ 25,649
Interest	30,592
Change in benefit terms	-
Difference between expected and actual experience	(103,515)
Assumptions changes	101,483
Benefit payments, including lump sums	(58,500)
Net change in total pension liability	<u>(4,291)</u>
Total pension liability - beginning	1,128,753
Total pension liability - ending	<u>\$ 1,124,462</u>
Plan fiduciary net position:	
Contributions – employer	\$ 64,575
Contributions - member	-
Net investment income	2,851
Benefit payments	(58,500)
Pension plan administrative expense	(4,612)
State of Colorado supplemental discretionary payment	36,417
Other	(638)
Net change in plan fiduciary net position	<u>40,093</u>
Plan fiduciary net position – beginning (market value)	602,276
Plan fiduciary net position – ending (market value)	<u>\$ 642,369</u>
Net pension liability	<u>\$ 482,093</u>
Plan fiduciary net position as a percentage of total pension liability	<u>57.13%</u>

For the year ended December 31, 2020, the District recognized pension expense for the Volunteer Plan of \$12,484. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to the Volunteer Plan from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Difference between expected and actual experience	\$ -	\$ 88,254
Changes of assumptions or other inputs	78,949	4,037
Difference between projected and actual earnings on plan investments	28,854	-
Total	<u>\$ 107,803</u>	<u>\$ 92,291</u>

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2020

6. Volunteer Firefighters' Pension Plan (continued)

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

<u>Year ended December 31,</u>		
2021	\$	1,937
2022		5,475
2023		5,484
2024		2,616
Total	\$	<u>15,512</u>

Discount Rate: A Single Discount Rate of 2.0% was used to measure the total pension liability. This Single Discount Rate was based on a municipal bond rate of 2.0%. The projection of cash flows used to determine the Single Discount Rate assumed that employer contributions will be made at current rates. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2120.

For purposes of this valuation, the municipal bond rate is 2.0% (based on the daily rate closest to but not later than the measurement date of the Fidelity Index's 20-year Municipal GO AA Index); and the resulting Single Discount Rate is 2.0%.

Sensitivity of Pension Liability: The following presents the District's net pension liability calculated using the Single Discount Rate of 2.0%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.0%) or 1-percentage-point higher (3.0%) than the current rate:

1% Decrease (1.0%)	Current Discount Rate (2.0%)	1 % Increase (3.0%)
\$ 646,753	\$ 482,093	\$ 350,243

Subsequent Event: Effective January 1, 2022, the Volunteer Plan will be closed to new members. The impact of this change has not been included in the total pension liability or the collective pension expense as of December 31, 2020. The impact of this change has not been determined.

7. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Differences between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position

The governmental funds balance sheet includes reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide statement of net position. Explanation of the reconciling items is as follows:

Capital assets of \$2,805,104 less accumulated depreciation of \$1,649,308 or a net book value of \$1,155,796 are not financial resources and therefore are not reported in the funds.

Long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds. Net pension asset for the SWDB Plan amounted to \$14,684.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2020

7. Reconciliation of Government-Wide and Fund Financial Statements (continued)

Explanation of Differences between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position (continued)

Deferred inflows related to pensions are not financial resources and therefore are not reported in the governmental funds.

Deferred outflows – SWDB Plan	\$ 90,030
Deferred outflows – Volunteer Plan	107,803
Net adjustment	<u>\$ 197,833</u>

Deferred outflows related to pensions are not financial resources and therefore are not reported in the governmental funds.

Deferred inflows – SWDB Plan	\$ (29,416)
Deferred inflows – Volunteer Plan	(92,291)
Net adjustment	<u>(121,707)</u>

Revenues in the statement of activities that do not provide current financial resources are unavailable in the funds.

Unavailable revenue – EMS	\$ 50,612
Unavailable revenue – Grants	16,853
Net adjustment	<u>\$ 67,465</u>

Long-term liabilities (compensated absences and net pension liability) are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences	\$ (2,973)
Net pension liability – Volunteer Plan	(482,093)
Net adjustment	<u>\$ (485,066)</u>

Explanation of Differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. Explanation of the reconciling items is as follows:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The details of this difference are as follows:

Depreciation expense –firefighting and prevention	\$ (68,761)
Depreciation expense –emergency medical services	(29,292)
Capital outlay	512,161
Net adjustment	<u>\$ 414,108</u>

The net effect of miscellaneous transactions involving capital assets decreased net position for the loss on disposal of \$(14,200).

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2020

7. Reconciliation of Government-Wide and Fund Financial Statements (continued)

Explanation of Differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities (continued)

Some revenues reported in the statement of activities do not provide current financial resources and therefore, are not recorded as revenues in governmental funds. The change in grant revenue amounted to \$16,853.

Governmental funds report pension contributions as expenditures, however, pension expense is reported in the statement of activities. This is the amount by which pension contributions exceed pension expense.

Contributions to the volunteer plan	\$	64,575
Contributions to the SWDB plan		12,454
Pension expense volunteer plan		(12,484)
Pension expense SWDB plan		(12,704)
Net adjustment	\$	<u>51,841</u>

REQUIRED SUPPLEMENTARY INFORMATION

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Contributions and Related Ratios - SWDB Plan
Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Statutorily required contribution	\$ 12,454	\$ 15,715	\$ 10,839	\$ 9,545	\$ 7,948	\$ 9,191	\$ 8,589	\$ 10,635
Contributions in relation to the statutorily required contribution	12,454	15,715	10,839	9,545	7,948	9,191	8,589	10,635
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 155,675	\$ 196,438	\$ 135,488	\$ 119,313	\$ 99,350	\$ 114,888	\$ 107,363	\$ 132,716
Contribution as a percentage of covered payroll	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

* The amounts presented for each fiscal year were determined as of December 31. Information earlier than 2013 was not available.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of the District Proportionate Share of the Net Pension Liability (Asset)- SWDB Plan
Last Ten Fiscal Years*

Fiscal year	2020	2019	2018	2017	2016	2015	2014
Plan measurement date	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
District's proportionate (percentage) of the net pension liability (asset)	0.025964%	0.020085%	0.020582%	0.019603%	0.023699%	0.022852%	0.029865%
District's proportionate share of the net pension liability (asset)	(14,684)	25,392	(29,610)	7,083	(418)	(25,790)	(26,705)
Districts' covered payroll	155,675	196,438	135,488	119,313	99,350	114,888	107,363
District's proportionate share of the net pension liability (asset) as a percentage of the covered payroll	9.43%	-12.93%	21.85%	-5.94%	0.42%	22.45%	24.87%
Plan fiduciary net pension as a percentage of the total pension liability	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%	105.8%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the SWDB Plan. Covered payroll is presented based on the fiscal year. Information earlier than 2014 was not available.

NOTES:

The total pension liability as of December 31, 2020, actuarial valuation was determined using the following actuarial assumptions:

Actuarial Valuation Date	January 1, 2020
Measurement Date	December 31, 2019
Actuarial cost method	Entry age normal
Amortization method	Level % of payroll, open
Amortization period	30 years
Long-term investment rate of return**	7.50%
Projected salary increases	4.25% to 11.25%
Cost of living adjustment	None
**Includes inflation at	2.50%

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

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Changes in the Plan's Net Pension Liability and Related Ratios -
Volunteer Pension Plan
Last 10 Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability:					
Service cost	\$ 25,649	\$ 25,649	\$ 23,281	\$ 23,601	\$ 19,670
Interest	30,592	30,702	31,913	32,007	26,733
Changes in benefit terms	-	-	-	196,584	-
Difference between expected and actual experience	(103,515)	-	(25,445)	-	-
Assumption changes	101,483	-	(13,295)	-	-
Benefit payments, including lump sums	(58,500)	(62,400)	(60,750)	(57,200)	(49,125)
Net change in total pension liability	<u>(4,291)</u>	<u>(6,049)</u>	<u>(44,296)</u>	<u>194,992</u>	<u>(2,722)</u>
Total pension liability - beginning	1,128,753	1,134,802	1,179,098	984,106	986,828
Total pension liability - ending	<u>\$ 1,124,462</u>	<u>\$ 1,128,753</u>	<u>\$ 1,134,802</u>	<u>\$ 1,179,098</u>	<u>\$ 984,106</u>
Plan fiduciary net position:					
Contributions - employer	\$ 64,575	\$ 71,901	\$ 59,134	\$ 47,072	\$ 53,145
Contributions - member	-	-	-	-	-
Net investment income	2,851	615	1,373	1,184	1,225
Benefit payments	(58,500)	(62,400)	(60,750)	(57,200)	(49,125)
Pension plan administrative expense	(4,612)	(10,005)	(4,550)	(9,900)	-
State of Colorado supplemental discretionary payment	36,417	35,680	31,963	33,550	28,607
Other	(638)	-	-	-	-
Net change in plan fiduciary net position	<u>40,093</u>	<u>35,791</u>	<u>27,170</u>	<u>14,706</u>	<u>33,852</u>
Plan fiduciary net position - beginning (market value)	602,276	566,485	539,315	524,609	490,757
Plan fiduciary net position - ending (market value)	<u>\$ 642,369</u>	<u>\$ 602,276</u>	<u>\$ 566,485</u>	<u>\$ 539,315</u>	<u>\$ 524,609</u>
Net pension liability (asset)	<u>\$ 482,093</u>	<u>\$ 526,477</u>	<u>\$ 568,317</u>	<u>\$ 639,783</u>	<u>\$ 459,497</u>
Plan fiduciary net position as a percentage of the total pension liability	57.13%	53.36%	49.92%	45.74%	53.31%
Covered payroll	N/A	N/A	N/A	N/A	N/A
Plan's net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

* Information earlier than 2016 was not available.

Notes to Schedule:

Total pension liability was determined by an actuarial valuation as of January 1, 2021

Retiree and beneficiary benefits were increased effective July 1, 2017.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Plan Contributions - Volunteer Pension Plan
Last 10 Fiscal Years*

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution**	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2016	50,528	81,752	(31,224)	n/a	n/a
2017	49,442	80,622	(31,180)	n/a	n/a
2018	49,442	91,097	(41,655)	n/a	n/a
2019	69,694	107,581	(37,887)	n/a	n/a
2020	69,694	100,992	(31,298)	n/a	n/a

* Information earlier than 2016 was not available.

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

Valuation Date: January 1, 2019

Notes Actuarially determined contribution rates are calculated as of January 1 of odd numbered years and used for two fiscal years.

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	Market value
Inflation	Implicit
Salary increases	N/A
Investment rate of return	2.75%
Retirement age	50% rate assumed until age 65 at which 100% retirement is assumed.
Mortality	Mortality table RP-2014, adjusted back to 2006 with Scale MP-2014 and projected forward to 2018 with Scale MP-2017, fully generational using the ultimate rates from Scale MP-2017. An explicit assumption for administrative expenses was also added to the actuarially determined contribution.

Other information: There were no benefit changes in the current year.

Effective July 1, 2017, retiree benefits were increased to \$300 and beneficiary benefits were increased to \$150.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of the Net Pension Liability - Volunteer Pension Plan
Last 10 Fiscal Years*

Fiscal Year Ending December 31,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2016	984,106	524,609	459,497	53.31%	n/a	n/a
2017	1,179,098	539,315	639,783	45.74%	n/a	n/a
2018	1,134,802	566,485	568,317	49.92%	n/a	n/a
2019	1,128,753	602,275	526,478	53.36%	n/a	n/a
2020	1,124,462	642,369	482,093	57.13%	n/a	n/a

* Information earlier than 2016 was not available.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Investment Returns - Volunteer Pension Plan
Last 10 Fiscal Years*

	<u>Annual Return</u>
Annual money-weighted rate of return, net of investment expense:	
Fiscal year ending December 31, 2016	0.12%
Fiscal year ending December 31, 2017	0.22%
Fiscal year ending December 31, 2018	0.24%
Fiscal year ending December 31, 2019	0.10%
Fiscal year ending December 31, 2020	0.44%

* Information earlier than 2016 was not available.

OTHER SUPPLEMENTARY INFORMATION

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Changes in Net Position - Budget and Actual - Pension Fund
For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Additions:				
District contribution	\$ -	\$ 64,575	\$ 64,575	\$ -
State contribution	-	36,417	36,417	-
Investment income	-	2,847	2,847	-
Total revenues	<u>-</u>	<u>103,839</u>	<u>103,839</u>	<u>-</u>
Deductions:				
Administration	-	120	120	-
Professional fees	-	4,500	4,500	-
Pension payments	-	60,275	60,275	-
Total expenditures	<u>-</u>	<u>64,895</u>	<u>64,895</u>	<u>-</u>
Change in net position	<u>\$ -</u>	<u>\$ 38,944</u>	<u>\$ 38,944</u>	<u>\$ -</u>