

**ELBERT FIRE PROTECTION DISTRICT  
Elbert, Colorado**

**BASIC FINANCIAL STATEMENTS  
and  
INDEPENDENT AUDITORS' REPORT**

**DECEMBER 31, 2021**

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ROBERT R. FEIS, CPA

**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Elbert Fire Protection District

**Opinion**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Elbert Fire Protection District (the District) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Elbert Fire Protection District as of December 31, 2021, and the respective changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with Generally Accepted Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Matters**

The Board of Directors has omitted the Management's Discussion and Analysis, information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this omitted information.

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 23 and Pension information on page 24 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### 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 combining and individual nonmajor fund financial statements are presented for the purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain addition procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### Other Information

Management is responsible for the other information included in the annual report. The other information comprises of the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Feis & Co., P.C.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
**Brighton, CO**

June 28, 2024

**ELBERT FIRE PROTECTION DISTRICT**  
**STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET**  
**DECEMBER 31, 2021**

|   | General<br>Fund   | Adjustments<br>(Page 3) | Statement of<br>Net Position |
|---|-------------------|-------------------------|------------------------------|
| <b><u>Assets and Deferred Outflows of Resources</u></b>                       |                   |                         |                              |
| <b>Assets:</b>  |                   |                         |                              |
| Cash (Note 2)   | \$ 152,088        | \$ -                    | \$ 152,088                   |
| Accounts receivable   | 12,603            | -                       | 12,603                       |
| Accrued property taxes  | 273,789           | -                       | 273,789                      |
| Prepaid expense   | 20,165            | -                       | 20,165                       |
| Land  | -                 | 10,000                  | 10,000                       |
| Other capital assets, net of<br>accumulated depreciation                      | -                 | 1,255,419               | 1,255,419                    |
| Net pension asset   | -                 | 183,544                 | 183,544                      |
| <b>Total assets</b>   | <b>458,645</b>    | <b>1,448,963</b>        | <b>1,907,608</b>             |
| <b>Deferred outflows of resources:</b>  |                   |                         |                              |
| Deferred outflow - pensions   | -                 | 7,832                   | 7,832                        |
| <b>Total deferred outflows of resources</b>                                   | <b>-</b>          | <b>7,832</b>            | <b>7,832</b>                 |
| <b>Total Assets and Deferred Outflows of Resources</b>                        | <b>\$ 458,645</b> | <b>\$ 1,456,795</b>     | <b>\$ 1,915,440</b>          |
| <b><u>Liabilities and Deferred Inflows of Resources</u></b>                   |                   |                         |                              |
| <b>Liabilities:</b>   |                   |                         |                              |
| Accounts payable  | \$ 6,651          | \$ -                    | \$ 6,651                     |
| Accrued liabilities   | -                 | 1,942                   | 1,942                        |
| Accrued absences  | -                 | -                       | -                            |
| Net Pension Liability   | -                 | -                       | -                            |
| <b>Total liabilities</b>  | <b>6,651</b>      | <b>1,942</b>            | <b>8,593</b>                 |
| <b>Capital Leases:</b>  |                   |                         |                              |
| Due within one year   | -                 | 81,924                  | 81,924                       |
| Due beyond one year   | -                 | 300,007                 | 300,007                      |
| <b>Total Capital Leases</b>   | <b>-</b>          | <b>381,931</b>          | <b>381,931</b>               |
| <b>Deferred inflows of resources:</b>   |                   |                         |                              |
| Deferred inflow - pensions  | -                 | 35,981                  | 35,981                       |
| Deferred property taxes   | 273,789           | -                       | 273,789                      |
| <b>Total deferred inflows<br/>of resources</b>                                | <b>273,789</b>    | <b>35,981</b>           | <b>309,770</b>               |
| <b>Total Liabilities and Deferred Inflows of Resources</b>                    | <b>280,440</b>    | <b>419,854</b>          | <b>700,294</b>               |
| <b><u>Fund Balances/Net Position</u></b>                                      |                   |                         |                              |
| <b>Fund Balances:</b>   |                   |                         |                              |
| Nonspendable  | 20,165            | (20,165)                | -                            |
| Restricted  | 10,207            | (10,207)                | -                            |
| Committed   | 81,924            | (81,924)                | -                            |
| Assigned  | 65,909            | (65,909)                | -                            |
| Unassigned  | -                 | -                       | -                            |
| <b>Total fund balance/<br/>net position</b>                                   | <b>178,205</b>    | <b>(178,205)</b>        | <b>-</b>                     |
| <b>Total liabilities, deferred inflows of resources,<br/>and fund balance</b> | <b>\$ 458,645</b> | <b>(458,645)</b>        | <b>-</b>                     |
| <b>Net position:</b>  |                   |                         |                              |
| Invested in capital assets,<br>net of related debt                            |                   | 883,488                 | 883,488                      |
| Unrestricted  |                   | 331,658                 | 331,658                      |
| <b>Total net position</b>   |                   | <b>\$ 1,215,146</b>     | <b>\$ 1,215,146</b>          |

See independent auditors' report.  
The accompanying notes on pages 6 to 22 are an  
integral part of the financial statements.

**ELBERT FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

|   |                                   |
|---|-----------------------------------|
| <b>Fund balance per Statement of Net Position</b>   | <b>\$ 178,205</b>                 |
| <b>Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund balance sheet</b>  | <b>1,265,419</b>                  |
| <b>Net pension asset or liability and related deferred inflows and outflows are not due and payable in the current period and therefore are not reported in the balance sheet</b> | <b>155,395</b>                    |
| <b>Some liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the balance sheet:</b>                       |                                   |
| <b>Accrued interest expense</b>   | <b>(1,942)</b>                    |
| <b>Capital leases payable</b>   | <b><u>(381,931)</u></b>           |
| <b>Net position per Statement of Net Position</b>   | <b>\$ <u><u>1,215,146</u></u></b> |

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

**ELBERT FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUE,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

|   | <u>General<br/>Fund</u> | <u>Adjustments<br/>(Page 5)</u> | <u>Statement of<br/>Activities</u> |
|---|-------------------------|---------------------------------|------------------------------------|
| <b>Revenues:</b>  |                         |                                 |                                    |
| General property taxes  | \$ 264,858              | \$ -                            | \$ 264,858                         |
| Specific ownership taxes  | 43,197                  | -                               | 43,197                             |
| Grants and donations  | 1,270                   | -                               | 1,270                              |
| Response and other fees   | 36,589                  | -                               | 36,589                             |
| Investment earnings   | 50                      | -                               | 50                                 |
| Other   | 784                     | -                               | 784                                |
| <b>Total revenues</b>   | <u>346,748</u>          | <u>-</u>                        | <u>346,748</u>                     |
| <b>Expenditures/expenses:</b>   |                         |                                 |                                    |
| <b>Fire protection:</b>   |                         |                                 |                                    |
| Administration  | 69,951                  | (18,187)                        | 51,764                             |
| Firefighting and emergency medical  | 69,143                  | -                               | 69,143                             |
| Fire station and buildings  | 18,127                  | -                               | 18,127                             |
| Communications  | 950                     | -                               | 950                                |
| Repairs and maintenance   | 24,956                  | -                               | 24,956                             |
| Training  | 4,691                   | -                               | 4,691                              |
| Depreciation  | -                       | 81,204                          | 81,204                             |
| <b>Debt service:</b>  |                         |                                 |                                    |
| Principal   | 79,499                  | (79,499)                        | -                                  |
| Interest  | 13,774                  | (601)                           | 13,173                             |
| <b>Capital outlay</b>   |                         |                                 |                                    |
| Stations, buildings and grounds   | 27,063                  | (27,063)                        | -                                  |
| <b>Total expenditures/</b>  | <u>308,154</u>          | <u>(44,146)</u>                 | <u>264,008</u>                     |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b>  | <u>38,594</u>           | <u>44,146</u>                   | <u>82,740</u>                      |
| <b>Other financing sources/uses:</b>  |                         |                                 |                                    |
| Disposition of assets   | -                       | (2,072)                         | (2,072)                            |
| Proceeds from debt issuance   | -                       | -                               | -                                  |
| <b>Total other financing sources/<br/>uses</b>  | <u>-</u>                | <u>(2,072)</u>                  | <u>(2,072)</u>                     |
| <b>Excess (deficiency) of revenues<br/>and transfers in over<br/>expenditures and transfers out</b> | <u>38,594</u>           | <u>(38,594)</u>                 | <u>-</u>                           |
| <b>Change in net position</b>   | -                       | 80,668                          | 80,668                             |
| <b>Fund balance/net position,<br/>beginning of year</b>   | <u>139,611</u>          | <u>994,867</u>                  | <u>1,134,478</u>                   |
| <b>Fund balance/net position,<br/>end of year</b>   | <u>\$ 178,205</u>       | <u>\$ 956,273</u>               | <u>\$ 1,215,146</u>                |

See independent auditors' report.  
The accompanying notes on pages 6 to 22 are an  
integral part of the financial statements.

**ELBERT FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUE,  
EXPENDITURES AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

|  |           |               |
|--|-----------|---------------|
| <b>Excess of revenues and transfers in over expenditures and transfers out</b> |           |               |
| <b>Governmental Funds</b>  | <b>\$</b> | <b>38,594</b> |

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

|                       |  |          |
|-----------------------|--|----------|
| Capital outlay        |  | 27,063   |
| Depreciation          |  | (81,204) |
| Disposition of assets |  | (2,072)  |

|  |  |               |
|--|--|---------------|
| <b>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:</b> |  |               |
|  |  | <b>79,499</b> |

|   |  |     |
|---|--|-----|
| Adjustment for accrued interest expense |  | 601 |
|---|--|-----|

|  |  |               |
|--|--|---------------|
| Adjustment for changes in pension assets and liabilities |  | 18,187        |
|  |  | <b>18,187</b> |

|                               |           |                      |
|-------------------------------|-----------|----------------------|
| <b>Change in Net Position</b> | <b>\$</b> | <b><u>80,668</u></b> |
|-------------------------------|-----------|----------------------|

**See independent auditors' report.  
The accompanying notes on pages 6 to 22 are an  
integral part of the financial statements.**

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**1. Summary of Significant Accounting Policies**

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The District operates under a governing Board of Directors and is considered a separate political subdivision of the State of Colorado providing fire protection services in portions of Elbert and El Paso Counties.

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

**A. Principles Determining Scope of Reporting Entity**

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

**B. Government-Wide and Fund Financial Statements**

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

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

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

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

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

**Fund Financial Statements**

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

The following funds were used by the District during 2021:

**GOVERNMENTAL FUNDS**

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

**C. Measurement Focus and Basis of Accounting**

**Measurement Focus**

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

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

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

**C. Measurement Focus and Basis of Accounting**

**Basis of Accounting**

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

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

**D. Budgets and Budgetary Accounting**

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

1. Prior to October 15, the Fire Chief submits to the Board of Directors a proposed operating budget for each fund for the fiscal year commencing the following January 1. The operating budget for each fund includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the District Board of Directors to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted through passage of a resolution for each fund. The resolutions can be adjusted by the Board for unforeseen circumstances. Equal line item adjustments must be approved by the Board. The appropriation resolutions are reflected in each fund.
4. The Fire Chief is authorized to transfer amounts from contingency accounts, if any, to other accounts within the same fund.
5. Formal budgetary integration is employed as a management control device during the year for all funds.

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

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

**D. Budgets and Budgetary Accounting**

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

6. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. The District Board of Directors approves all expenditures, including any revisions that alter the total expenditures of any fund.
8. All appropriations for all funds lapse at year-end.
9. Budgeted line items for the different expenditures are for management use only.

**E. Encumbrances**

Encumbrance accounting is not used.

**F. Fund Equity**

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

- Nonspendable fund balance—amounts that are not in nonspendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

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

**G. Fund Equity (continued)**

- **Committed fund balance**—amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.
- **Assigned fund balance**—amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of directors or by an official or body to which the Board delegates the authority.
- **Unassigned fund balance**—amounts that are available for any purpose. Positive amounts are reported only in the general fund.

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

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

Committed fund balances consist of \$81,924 in the General Fund for subsequent year expenditures. Assigned fund balances consist of \$65,909 in the General Fund for future needs of the District.

**H. Use of Estimates**

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

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

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

**I. Accrued Absences**

As of December 31, 2021 there are no accrued absences.

**2. Cash Deposits and Investments**

**A. Cash Deposits**

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

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

At December 31, 2021, the District had cash balances with maturities less than one year stated at cost as follows:

|  |                   |
|--|-------------------|
| Insured  | \$ 90,073         |
| Deposits Collateralized in<br>single institution pool(s) | 62,015            |
| Uninsured: Required to be collateralized                 | <u>---</u>        |
| Total Cash Deposits                                      | <u>\$ 152,088</u> |
| Total Cash   | <u>\$ 152,088</u> |

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

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**2. Cash Deposits and Investments (continued)**

**B. Investments**

The District's investments are categorized as either (1) insured or registered, or for which the securities are held by the District or its agent in the District's name, (2) uninsured and unregistered for which the securities are held by the counterpart's trust department or agent in the District's name or (3) uninsured and unregistered for which the securities are held by the counterpart or by its trust department or agent but not in the District's name. As of December 31, 2021, all investments are considered category 1.

As of December 31, 2021, the District has \$62,015 invested in Colorado Local Government Liquid Asset Trust (COLOTRUST). COLOTRUST is an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes. COLOTRUST is routinely monitored by the Colorado Division of Securities with regard to its operations and investments, which are also subject to provisions of C.R.S Title 24, Article 75, Section 6. The fair value of the investments in COLOTRUST is the same as the value of the pool shares. None of these types of investments are categorized because they are not evidenced by securities that exist in physical or book entry form. COLOTRUST is rated AAA from Standard and Poor's Corporation.

| <u>Investments</u> | <u>Maturity Year</u> | <u>Fair Value</u> | <u>Credit Ratings</u> |
|--------------------|----------------------|-------------------|-----------------------|
| COLOTRUST          | Variable             | \$ 62,015         | AAA                   |

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

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

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**2. Cash Deposits and Investments (continued)**

**B. Investments (continued)**

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

**Interest Rate Risk – The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates. The Colorado revised statute 24-75-601 limits investment maturities to five years or less without governing board approval.**

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

|   |                          |
|---|--------------------------|
| <b>Financial Statements</b>             |                          |
| <b>Total Cash and Short-term</b>        |                          |
| <b>Investments – Governmental Funds</b> | <b>\$ 152,088</b>        |
| <b>Total Cash Deposits and</b>          |                          |
| <b>Investments (Book Balance)</b>       | <b><u>\$ 152,088</u></b> |
| <b>Footnote</b>                         |                          |
| <b>Cash</b>                             | <b>\$ 90,073</b>         |
| <b>Investments</b>                      | <b><u>62,015</u></b>     |
| <b>Total Cash Deposits and</b>          |                          |
| <b>Investments (Footnote)</b>           | <b><u>\$ 152,088</u></b> |

**See independent auditors' report.**

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**3. Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1 and are due and payable at that time. All unpaid taxes levied January 1 become delinquent April 30 or June 15 of the current year. The District is permitted to levy taxes for general governmental services, bond retirement and pension payments for volunteer firefighters. The combined tax rate to finance these services for the year ended December 31, 2021 was 7.715 per \$1,000 of assessed valuation. This raised \$266,599 on assessed valuations of \$27,548,659 and \$6,771,660 from Elbert County and El Paso County, respectively. Tax revenues for the District are recognized as they become available and are collected the following month.

**4. Capital Assets**

The changes in the District's capital assets for the year ended December 31, 2021, are as follows:

|   | <u>Balance<br/>December<br/>31, 2020</u> | <u>Additions</u>   | <u>Disposals</u>  | <u>Balance<br/>December<br/>31, 2021</u> |
|---|--|--------------------|-------------------|--|
| <b>Capital assets</b>                           |  |                    |                   |  |
| Land  | \$ 10,000                                | \$ ---             | \$ ---            | \$ 10,000                                |
| Construction in process                         | 19,084                                   | (19,084)           | ---               | ---                                      |
| Stations, buildings and grounds<br>Improvements | 956,085                                  | 46,147             | ---               | 1,002,232                                |
| Vehicles and related equipment                  | <u>1,208,231</u>                         | <u>---</u>         | <u>(4,606)</u>    | <u>1,203,625</u>                         |
| Total   | \$ 2,193,400                             | \$ 459,081         | \$ (4,606)        | \$ 2,215,857                             |
| <b>Accumulated depreciation</b>                 |  |                    |                   |  |
| Stations, buildings and grounds<br>Improvements | \$ (157,318)                             | \$ (27,413)        | \$ ---            | \$ (184,731)                             |
| Vehicles and related equipment                  | <u>(714,850)</u>                         | <u>(53,791)</u>    | <u>(2,534)</u>    | <u>(766,107)</u>                         |
| Total   | <u>\$ (871,768)</u>                      | <u>\$ (81,204)</u> | <u>\$ (2,534)</u> | <u>\$ (950,838)</u>                      |
| Net capital assets                              | <u>\$ 1,321,632</u>                      | <u>\$ (54,141)</u> | <u>\$ (2,072)</u> | <u>\$ 1,265,419</u>                      |

Depreciation expense for the year ended December 31, 2021 was \$81,204.

In 2020, the District began the construction of living quarters at Station 3, which is reflected as construction in process as of December 31, 2020. The construction was completed in early 2021.

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**5. Lease Purchase Agreements**

*2014 Lease-Purchase Agreement*

In June 2014, the District entered into a lease-purchase collateralized by fire apparatus as defined in the Series 2014 Lease Purchase Agreement (“2014 Lease Purchase”). Under the terms of the 2014 Lease Purchase, the lease payments shall constitute a current expenditure/expense of the District payable in the current year and in any other year so as to not be construed as a multiple fiscal year obligation. Provided the District has complied with the terms and conditions of the 2014 Lease Purchase, the District shall have the option, upon any payment date as specified in the 2014 Lease Purchase, to exercise the early termination/purchase option in the amount as specified in the 2014 Lease Purchase.

The 2014 Lease Purchase requires annual rental payments of \$25,067 including interest at a rate of 3.1% with a final payment due June 1, 2023.

The changes in the 2014 Lease Purchase for the year ended December 31, 2021 are as follows:

| <u>Balance<br/>December<br/>31, 2020</u> | <u>Borrowings</u> | <u>Payments</u> | <u>Balance<br/>December<br/>31, 2021</u> | <u>Balance<br/>due<br/>within<br/>One Year</u> |
|--|-------------------|-----------------|--|--|
| \$ 70,004                                | \$ ---            | \$ 22,499       | \$ 47,505                                | \$ 23,324                                      |

As of December 31, 2021, the future minimum payments under the 2014 Lease Purchase are as follows:

| <u>Year ended<br/>December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u>    |
|------------------------------------|------------------|-----------------|-----------------|
| 2022                               | \$23,324         | \$1,743         | \$25,067        |
| 2023                               | 24,181           | 886             | 25,067          |
| <b>Total</b>                       | <b>\$47,505</b>  | <b>\$2,629</b>  | <b>\$50,134</b> |

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**5. Lease Purchase Agreements (continued)**

*2014 Lease-Purchase Agreement*

As of December 31, 2021, the optional prepayments are as follows:

|                |   |
|----------------|---|
| <b>June 1,</b> | <b>Early</b>                            |
| <b>2022</b>    | <b>Termination/<br/>Purchase Option</b> |
|                | <b>\$24,966</b>                         |

*2018 Lease-Purchase Agreement*

In February 2018, the District entered into a lease-purchase (“2018 Lease Purchase”) in an amount not to exceed \$600,000, collateralized by real estate, to finance certain real estate in the District as described in the 2018 Lease Purchase for use in the District’s governmental operations. Under the terms of the 2018 Lease Purchase, the lease payments shall constitute a current expenditure/expense of the District payable in the current year and in any other year so as to not be construed as a multiple fiscal year obligation.

The 2018 Lease Purchase requires semi-annual rental payments, on June 1 and December 1, including interest at a rate of 2.88%, with a final payment due December 1, 2027.

Provided the District has complied with the terms and conditions of the 2018 Lease Purchase, the District shall have the option to prepay, in whole or in part, or any date, upon 30 days prior notice, without penalty.

The changes in the 2018 Lease Purchase for the year ended December 31, 2021 are as follows:

| <b>Balance<br/>December 31,<br/>2020</b> | <b>Borrowings</b> | <b>Payments</b>  | <b>Balance<br/>December 31,<br/>2021</b> | <b>Balance<br/>due within<br/>One Year</b> |
|--|-------------------|------------------|--|--|
| <b>\$ 391,426</b>                        | <b>\$ ---</b>     | <b>\$ 57,000</b> | <b>\$ 334,426</b>                        | <b>\$ 58,600</b>                           |

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**5. Lease Purchase Agreements (continued)**

*2018 Lease-Purchase Agreement*

As of December 31, 2021, the future minimum payments under the 2018 Lease Purchase are as follows:

| Year ended<br>December 31, | <u>Principal</u>         | <u>Interest</u>         | <u>Total</u>             |
|----------------------------|--------------------------|-------------------------|--------------------------|
| 2022                       | \$ 58,600                | \$ 10,889               | \$ 69,489                |
| 2023                       | 60,300                   | 9,202                   | 69,502                   |
| 2024                       | 62,100                   | 7,465                   | 69,565                   |
| 2025                       | 63,800                   | 5,676                   | 69,476                   |
| 2026                       | 65,700                   | 3,839                   | 69,539                   |
| 2027                       | 23,926                   | 1,947                   | 25,873                   |
| <b>Total</b>               | <u><u>\$ 334,426</u></u> | <u><u>\$ 39,018</u></u> | <u><u>\$ 373,444</u></u> |

**6. Risk Management**

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

The District carries commercial insurance for all risk of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage.

**7. Retirement Plans and Commitments**

**Volunteer Firefighters' Pension Plan**

The District, on behalf of its volunteer firefighters, maintain the District's Volunteer Firefighters' Pension Plan, a defined benefit plan (the "Plan") which is affiliated with the Colorado Fire and Police Pension Association ("FPPA").

Volunteer firefighters who maintain an average training participation in the department of 36 hours per year are eligible to participate in the plan for that year. Volunteers' rights to benefits fully vest after 20 years of service. Volunteers who retire at, or after the age of fifty with ten years of credited service, are entitled to a reduced benefit. In addition, the Plan provided death and disability benefits funded by insurance policies.

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**7. Retirement Plans and Commitments (continued)**

**Volunteer Firefighters' Pension Plan (continued)**

The Plan provides retirement benefits for Plan participants and beneficiaries according to the Plan provisions an enacted and governed by the Plan Board of Trustees as follows:

|   |              |
|---|--------------|
| <b>Normal Retirement Benefit at Age 50 with 20 years of Service (Monthly)</b> | <b>\$ 75</b> |
| <b>Funeral Benefit, lump sum, one-time only</b>                               | <b>100</b>   |

The measurement date for the Net Pension Liability was December 31, 2020.

Actuarial assumptions include the following:

|                                      |   |
|--------------------------------------|---|
| <b>Actuarial Cost Method</b>         | <b>Entry Age Normal</b>   |
| <b>Amortization Method</b>           | <b>Level Dollar, Open</b>   |
| <b>Remaining Amortization Period</b> | <b>20 years</b>   |
| <b>Asset Valuation Method</b>        | <b>5-year smoothed fair value</b>   |
| <b>Inflation</b>                     | <b>2.50%</b>  |
| <b>Investment Rate of Return</b>     | <b>7.00%</b>  |
| <b>Retirement Age</b>                | <b>50% per year of eligibility until 100% at age 65</b>   |
| <b>Mortality</b>                     | <b>Pre-retirement: PR-2014 Combined Mortality Table with Blue Collar Adjustment, Post-retirement :RP-2014 Combined Mortality Table with Blue Collar Adjustment, Disability: RP-2014 Disable Mortality Table</b> |

As of December 31, 2021, plan participants were as follows:

|                                   |                  |
|-----------------------------------|------------------|
| <b>Retirees and beneficiaries</b> | <b>4</b>         |
| <b>Inactive, Non-retired</b>      | <b>1</b>         |
| <b>Active</b>                     | <b>6</b>         |
| <b>Total participants</b>         | <b><u>11</u></b> |

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**7. Retirement Plans and Commitments (continued)**

**Volunteer Firefighters' Pension Plan (continued)**

**A change in the discount rate of 1% will have the following impact on the Net Pension Liability:**

| 1% Discount (6.00%) | Current Discount<br>Rate 7.00% | 1% Increase (8.00%) |
|---------------------|--------------------------------|---------------------|
| \$ (175,898)        | \$ (183,544)                   | \$ (189,903)        |

**Changes in Net Pension Liability for the year ended December 31, 2021:**

**Total Pension Liability/(Asset):**

|   |              |
|---|--------------|
| Service costs   | \$ 325       |
| Interest on the TPL   | 5,258        |
| Net Plan investment income                                      | (15,818)     |
| Plan administrative expenses                                    | 2,482        |
| Recognition of outflow (inflow) of resources due to liabilities | (5,802)      |
| Recognition of outflow (inflow) of resources due to assets      | (4,632)      |
| Change in the Net Pension Asset                                 | (18,187)     |
| Net Pension Asset -- Beginning of the Year                      | (165,357)    |
| Net Pension Asset -- End of the Year                            | \$ (183,544) |
| <br><b>Plan Fiduciary Net Position:</b>                         |              |
| Total pension liability   | \$ 68,061    |
| Plan net pension available for benefits                         | (251,605)    |
| Net Pension Liability (Asset)                                   | \$ (183,544) |
| Percentage of Plan Net Positions to total Pension Liability     | 369.68%      |

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**7. Retirement Plans and Commitments (continued)**

**Volunteer Firefighters' Pension Plan (continued)**

**Net Pension Asset and Change in the Net Pension Asset**

As defined with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, ("GASB 68") the Net Pension Liability/(Asset) ("NPL"/"NPA") is the difference between the Total Pension Liability ("TPL") and the Plan's Net Position. This is analogous to the Plan's accrued liability less the market value of the Plan's assets. The TPL/NPA is based upon an actuarial valuation performed as of January 1, 2019 with a TPL/TPA measurement date of December 31, 2019. As permitted under GASB 68, the measurement date is within one year of the District's fiscal year-end of December 31, 2021, and may be used to fulfill the December 31, 2021 reporting requirements.

**Deferred Outflows and Inflows of Resources – Pension Plan**

The deferred outflows and inflows of resources, as applicable, related to the Plan are amounts used under GASB 68 in developing the annual pension expense. The deferred outflows and inflows of resources arise from differences between expected and actual experiences and changes, as applicable, of assumptions. The portions of these amounts which are not included in the current pension expense (income) are reflected as deferred outflows and inflows of resources and consist of:

***Deferred Outflows of Resources***

|   |                               |
|---|-------------------------------|
| Deferred outflow of resources to be recognized in future pension expense resulting from differences between projected and actual Plan investment income | \$ 6,374                      |
| Assumption change   | <u>1,458</u>                  |
| <b>Total deferred outflows of resources - pension</b>   | <b><u><u>\$ 7,832</u></u></b> |

***Deferred Inflows of Resources***

|   |                                  |
|---|----------------------------------|
| Deferred inflows of resources to be recognized in future pension expense resulting from the difference between expected and actual experience associated with the TPL | \$ (13,021)                      |
| Deferred inflow of resources to be recognized in future pension expense resulting from differences between projected and actual Plan investment income                | <u>(22,960)</u>                  |
| <b>Total deferred inflows of resources - pension</b>  | <b><u><u>(35,981)</u></u></b>    |
| <b>Net deferred inflows of resources - pension</b>  | <b><u><u>\$ (28,149)</u></u></b> |

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**7. Retirement Plans and Commitments (continued)**

**Volunteer Firefighters' Pension Plan (continued)**

The deferred outflows and inflows of resources, net, by year to be recognized in the future pension expense (income) as of December 31, 2021 are as follows:

| Year ended December<br>31, |    |                 |  |
|----------------------------|----|-----------------|--|
| 2022                       | \$ | (10,954)        |  |
| 2023                       |    | (6,811)         |  |
| 2024                       |    | (7,635)         |  |
| 2025                       |    | <u>(2,749)</u>  |  |
| Total                      | \$ | <u>(28,149)</u> |  |

**Fire and Police Pension Association**

The Fire and Police Pension Association administers an agent multi-employer Public Employee Retirement System ("PERS"). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The affiliated pension plans have elected to use FPPA for plan administration investment services only. FPPA issues a publicly available comprehensive annual financial report. That report may be obtained through the FPPA website at [www.fppaco.org](http://www.fppaco.org).

**8. Tax, Spending and Debt Limitations**

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

Spending excludes spending from certain revenue and financial sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves. The District considers \$10,207 as designated for the TABOR's three percent Reserved for Emergency as of December 31, 2021.

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

See independent auditors' report.

**ELBERT FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**8. Tax, Spending and Debt Limitations (continued)**

The District levied 7.715 mills for property taxes to be collected in 2021.

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

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

**9. Subsequent Events**

For the year ended December 31, 2021, the District has evaluated subsequent events for potential recognition and disclosure through the date of the Independent Auditors' Report, the date of the financial statement's issuance. No events requiring disclosure in the financial statements were identified.

See independent auditors' report.

**REQUIRED  
SUPPLEMENTAL INFORMATION**

**ELBERT FIRE PROTECTION DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

|  | 2021              |                   |                   |  | Actual<br>2020<br>Memorandum<br>only |
|--|-------------------|-------------------|-------------------|--|--------------------------------------|
|  | Budget            |                   | Actual            | Variance<br>favorable<br>(unfavorable) |                                      |
|  | Original          | Final             |                   |  |                                      |
| <b>Revenues:</b>   |                   |                   |                   |  |                                      |
| General property taxes   | \$ 266,599        | \$ 266,599        | \$ 264,858        | \$ (1,741)                             | \$ 252,485                           |
| Specific ownership taxes   | 35,000            | 35,000            | 43,197            | 8,197                                  | 41,542                               |
| Grants and donations   | 1,000             | 1,000             | 1,270             | 270                                    | 187,229                              |
| Response and other fees  | 23,100            | 23,100            | 36,589            | 13,489                                 | 13,562                               |
| Investment earnings  | -                 | -                 | 50                | 50                                     | 1,149                                |
| Other  | 1,500             | 1,500             | 784               | (716)                                  | 124,405                              |
| <b>Total revenues</b>  | <u>327,199</u>    | <u>327,199</u>    | <u>346,748</u>    | <u>19,549</u>                          | <u>620,372</u>                       |
| <b>Expenditures:</b>   |                   |                   |                   |  |                                      |
| Administration   | 70,616            | 70,616            | 69,951            | 665                                    | 62,121                               |
| Firefighting and emergency medical   | 74,383            | 74,383            | 69,143            | 5,240                                  | 67,863                               |
| Fire station and buildings   | 14,000            | 14,000            | 18,127            | (4,127)                                | 8,492                                |
| Communications   | 3,200             | 3,200             | 950               | 2,250                                  | 881                                  |
| Repairs and maintenance  | 22,000            | 22,000            | 24,956            | (2,956)                                | 20,776                               |
| Training   | 9,000             | 9,000             | 4,691             | 4,309                                  | 1,860                                |
| Capital outlay   | 39,000            | 39,000            | 27,063            | 11,937                                 | 459,081                              |
| Debt Service:  |                   |                   |                   |  |                                      |
| Principal  | 79,499            | 79,499            | 79,499            | -                                      | 262,947                              |
| Interest   | 15,501            | 15,501            | 13,774            | 1,727                                  | 16,998                               |
| <b>Total expenditures/expenses</b>   | <u>327,199</u>    | <u>327,199</u>    | <u>308,154</u>    | <u>19,045</u>                          | <u>901,019</u>                       |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b>                                     | -                 | -                 | 38,594            | 38,594                                 | (280,647)                            |
| <b>Other financing sources/uses:</b>   |                   |                   |                   |  |                                      |
| Proceeds from debt issuance  | -                 | -                 | -                 | -                                      | 185,325                              |
| <b>Total other sources (uses):</b>   | -                 | -                 | -                 | -                                      | 185,325                              |
| <b>Excess (deficiency) of revenues and<br/>and other financing sources over<br/>expenditures</b> | -                 | -                 | 38,594            | 38,594                                 | (95,322)                             |
| <b>Fund balance/net position, beginning<br/>of year</b>  | <u>139,611</u>    | <u>139,611</u>    | <u>139,611</u>    | -                                      | <u>234,933</u>                       |
| <b>Fund balance/net position, end of year</b>  | <u>\$ 139,611</u> | <u>\$ 139,611</u> | <u>\$ 178,205</u> | <u>\$ 38,594</u>                       | <u>\$ 139,611</u>                    |

See independent auditors' report.  
The accompanying notes on pages 6 to 22 are an  
integral part of the financial statements.

**ELBERT FIRE PROTECTION DISTRICT  
HISTORICAL INFORMATION  
VOLUNTEER FIREFIGHTERS PENSION PLAN  
DECEMBER 31, 2021  
Year 7 (prospectively since 2014)**

| Measurement period ended December 31,   | 2020                | 2019                | 2018                | 2017                | 2016                | 2015                | 2014                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Change in Net Pension Liability:</b>   |                     |                     |                     |                     |                     |                     |                     |
| <b>Total Pension Liability:</b>   |                     |                     |                     |                     |                     |                     |                     |
| Service Cost  | \$ 325              | \$ 325              | \$ 770              | \$ 770              | \$ 707              | \$ 707              | \$ 493              |
| Interest  | 5,258               | 5,241               | 6,255               | 6,121               | 6,387               | 6,206               | 3,904               |
| Change in Benefit Terms   | -                   | -                   | -                   | -                   | -                   | -                   | 28,204              |
| Difference Between Actual and Expected Experience<br>of the total pension liability | (9,806)             | -                   | (12,890)            | -                   | (8,914)             | -                   | 2,519               |
| Change in Assumptions   | -                   | -                   | 2,964               | -                   | 2,887               | -                   | -                   |
| Benefit Payments  | (5,250)             | (5,400)             | (5,400)             | (4,815)             | (4,500)             | (4,500)             | (4,553)             |
| Net Change in Total Pension Liability   | (9,473)             | 166                 | (8,301)             | 2,076               | (3,433)             | 2,413               | 30,567              |
| Total Pension Liability - Beginning   | 77,534              | 77,368              | 85,669              | 83,593              | 87,026              | 84,613              | 54,046              |
| Total Pension Liability - Ending  | <u>\$ 68,061</u>    | <u>\$ 77,534</u>    | <u>\$ 77,368</u>    | <u>\$ 85,669</u>    | <u>\$ 83,593</u>    | <u>\$ 87,026</u>    | <u>\$ 84,613</u>    |
| <b>Plan Fiduciary Net Position:</b>   |                     |                     |                     |                     |                     |                     |                     |
| District Contributions - Employer   | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Net Investment Income   | 29,567              | 29,575              | 106                 | 28,677              | 10,353              | 3,533               | 12,834              |
| Benefit Payments  | (5,250)             | (5,400)             | (5,400)             | (4,815)             | (4,500)             | (4,500)             | (4,553)             |
| Administrative Expenses   | (2,482)             | (3,889)             | (3,442)             | (4,585)             | (584)               | (1,430)             | (678)               |
| State of Colorado supplemental discretionary payment                                | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Net Change in Plan Fiduciary Net Position   | 21,835              | 20,286              | (8,736)             | 19,277              | 5,269               | (2,397)             | 7,603               |
| Plan Fiduciary Net Position - Beginning   | 229,770             | 209,484             | 218,220             | 198,943             | 193,674             | 196,071             | 188,468             |
| Plan Fiduciary Net Position - Ending  | 251,605             | 229,770             | 209,484             | 218,220             | 198,943             | 193,674             | 196,071             |
| Net Pension Liability/(Asset) - Ending  | <u>\$ (183,544)</u> | <u>\$ (152,236)</u> | <u>\$ (132,116)</u> | <u>\$ (132,551)</u> | <u>\$ (115,350)</u> | <u>\$ (106,648)</u> | <u>\$ (111,458)</u> |
| Plan Fiduciary Net Position as a % of Total Pension Liability                       | 369.68%             | 296.35%             | 270.76%             | 254.72%             | 237.99%             | 222.55%             | 231.73%             |

\* This schedule is to be built prospectively until it contains ten years of data.

See independent auditors' report.  
The accompanying notes on pages 6 to 22 are an  
integral part of the financial statements.