

**Boulder Rural Fire Protection District**  
**Boulder County, Colorado**

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**Annual Financial Report and  
Independent Auditor's Report**

**December 31, 2022 and 2021**




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## Independent Auditor's Report

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To the Board of Directors  
Boulder Rural Fire Protection District

### Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Boulder Rural Fire Protection District (the "District") as of and for the years ended December 31, 2022 and 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Boulder Rural Fire Protection District, as of December 31, 2022 and 2021, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Boulder Rural Fire Protection 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 opinion.

### 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; 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.

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 Boulder Rural Fire Protection District's ability to continue as a going concern for twelve month beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditor's Responsibilities 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 opinion. 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 generally accepted auditing standards 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 judgment made by a reasonable user based on the financial statements.

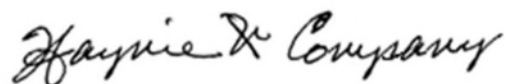
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Boulder Rural Fire Protection 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 Boulder Rural Fire Protection 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.

#### **Required Supplementary Information**

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



Littleton, Colorado  
July 25, 2023

**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

This section of the annual financial report offers readers of the Boulder Rural Fire Protection District's (the "District") financial statements management's discussion and analysis of the District's financial performance during the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information furnished in the District's financial statements, which immediately follow this section.

**Background Information**

The District was created in 1957 by a number of citizens concerned about fire protection for their homes and businesses. The predominant fund approach for the District was comprised of two basic funds - the General Fund and a Volunteer Firefighters' Pension Fund.

On May 7, 1995 the taxpayers approved a ballot question to remove the TABOR limits that were imposed on the District in 1992. In May 1995, the voters approved a 2.0 mill increase to hire the District's first full-time career firefighters and on May 2, 2006, the voters approved a mill levy increase of 4.0 mills. In November 2015, the voters approved a mill levy increase of 4.0 mills. The final mill levy for the District was set at 15.747 mills for 2022.

**Financial Highlights**

- The District's net position increased \$1,534,911 or 15% during 2022.
- General revenues account for \$5,401,892 or 96 % of all revenues. Program specific revenues in the form of charges for services, investment income, and miscellaneous income, accounted for \$218,018 or 4% of total revenues of \$5,619,910.
- The District had \$4,084,999 in expenses related to governmental activities; only \$218,018 of these expenses were offset by program specific charges for services. General revenues, property, and specific ownership taxes of \$5,320,134 plus \$165,378 in interest and other revenues were used to provide for these programs.
- The District had asset additions of \$383,434 during 2022.
- The District had no outstanding long-term debt at 2022 year-end.

**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

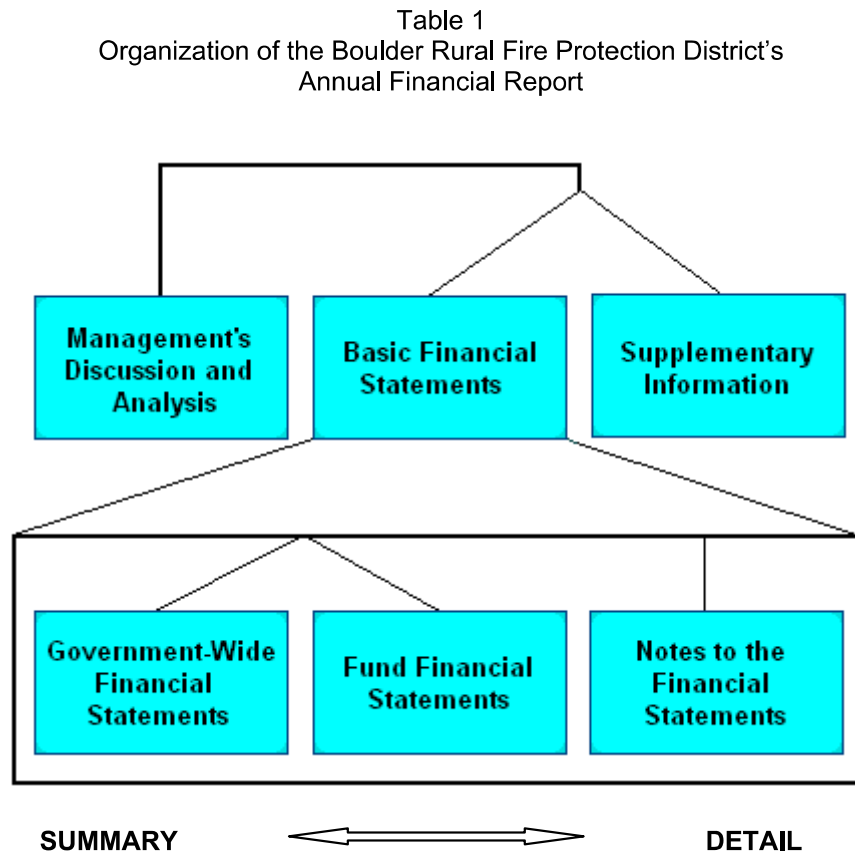
**Overview of the Financial Statements**

This annual financial report consists of three parts: management's discussion and analysis, the basic financial statements, and required and other supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as fire protection were financed in the short-term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required and other supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

Detailed in the following diagram are how the various parts of this annual report are arranged and related to one another.



**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

Table 2 below summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the two types of financial statements, government-wide and fund, found in the basic financial statements.

**Table 2  
Major Features of the Government-wide and Fund Financial Statements**

	Government-wide Statements	Fund Financial Statements
		Governmental Funds
Scope	Entire District (except fiduciary funds)	The activities of the District which are not proprietary or fiduciary.
Required Financial Statements	Statement of Net Position  Statement of Activities	Balance Sheet  Statement of Revenues, Expenditures, and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of asset/liability information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.

**Government-wide Statements**

The government-wide statements are designed to provide readers a broad overview of the District's finances, in a manner similar to a private-sector business. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

The *statement of net position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the District's overall health, the reader needs to consider additional non-financial factors such as the condition of buildings and equipment.

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

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*). Included in governmental activities are most of the District's basic services such as fire protection.

### ***Fund Financial Statements***

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or major funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. The District has one governmental fund.

- *Governmental fund:* Most of the District's basic services are included in a governmental fund, which generally focuses on (1) inflows and outflows of cash and other financial assets and (2) balances remaining at year-end which are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the government-wide statements, a reconciling schedule is included on the governmental fund statements explaining the relationship (or difference) between them.

The Boulder Rural Fire District maintains one individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund which is considered a major fund.

**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This includes the required general fund budgetary comparison schedule, the schedule of funding progress, and the other supplementary information is budgetary comparison schedule for the volunteer firefighters' pension fund.

**Financial Analysis of the District as a Whole**

**Net Position and Changes in Net Position**

The District's combined net position was greater on December 31, 2022, than it was the year before, increasing by 15% to \$11,520,932. This increase in the District's financial position came from its governmental activities. Table 3 provides a summary of the District's net position at December 31:

**Table 3  
Condensed Statement of Net Position**

	2022	2021
<b>Assets</b>		
Current assets	\$ 10,524,145	\$ 9,691,465
Net pension asset	1,416,283	482,632
Capital assets, net	5,865,029	5,811,596
<b>Total assets</b>	<b>17,805,457</b>	<b>15,985,693</b>
Deferred outflows of resources	890,969	895,923
<b>Liabilities</b>		
Current liabilities	112,806	247,624
Noncurrent liabilities	854,402	991,462
<b>Total liabilities</b>	<b>967,308</b>	<b>1,239,086</b>
Deferred inflows of resources	6,208,186	5,656,509
<b>Net position</b>		
Net investment in capital assets	5,865,029	5,811,596
Restricted for Emergencies	168,400	149,800
Unrestricted	5,487,503	4,024,625
<b>Total Net Position at December 31</b>	<b>\$ 11,520,932</b>	<b>\$ 9,986,021</b>

**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

Table 4 provides a summary of the changes in net position. Following Table 4 is specific discussion related to overall revenues and expenses.

**Table 4  
Condensed Statement of Activities**

	2022	2021
<b><u>Revenues</u></b>		
Program revenues		
Charges for services	\$ 218,018	\$ 220,260
General revenues		
Property taxes and specific ownership	5,230,164	4,720,098
Earnings on investments	110,917	6,589
Other	60,811	46,774
<b>Total revenues</b>	<b>5,619,910</b>	<b>4,993,721</b>
<b><u>Expenses</u></b>		
Personnel	2,682,578	3,118,322
Administration	367,487	366,267
Office expenses	91,306	53,302
Operations	812,618	672,499
Training	125,010	60,272
<b>Total expenses</b>	<b>4,084,999</b>	<b>4,270,662</b>
<b>Increase in net position</b>	<b>\$ 1,534,911</b>	<b>\$ 723,059</b>

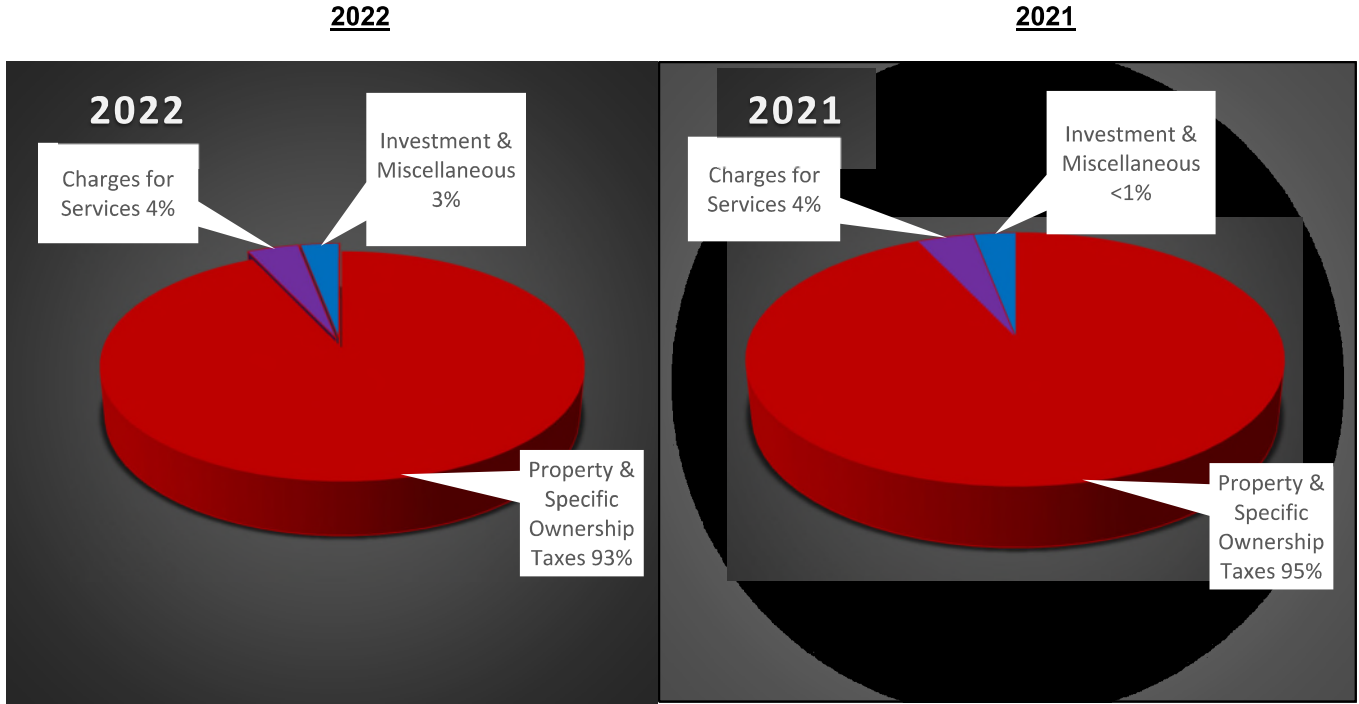
Property and specific ownership taxes account for most of the District's revenue, contributing \$96 for every dollar raised (see Table 5) displayed on the following page. Another \$4 came from charges for services with the remainder from contributions, earnings on investments and miscellaneous sources.

The District expenses predominantly relate to fire protection and emergency medical services, which includes administration, firefighting, ambulance, prevention, communication, and vehicle and facility maintenance. Given that the District is a service organization providing fire protection, the majority of the expenses are salaries and related employee benefits.

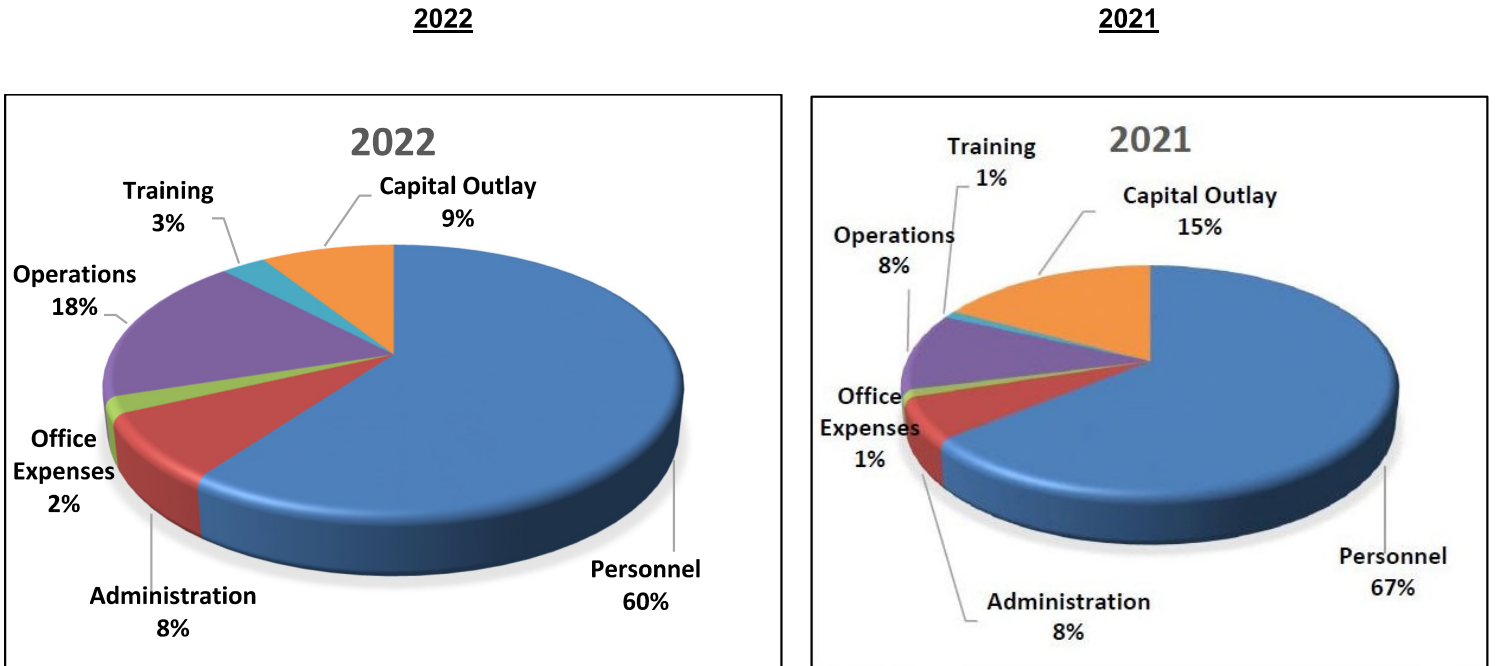
**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

Detailed below in Tables 5 and 6 are charts displaying revenues by sources and expenses by program for the total District.

**Table 5  
Sources of Revenues**



**Table 6  
Expenses**



**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

**Governmental Activities**

The increase in net position for governmental activities was \$1,534,911 for 2022.

The governmental funds monitor cash resources and expenditures. Capital outlay for 2022 was \$414,622. There were \$0 of capital disposals in 2022.

As reflected on the reconciliation of general fund revenues and expenditures to the government-wide statement of activities (page 5), the net difference between capital outlays and depreciation expenses was \$53,433 for 2022.

The statement of activities shows the cost of program services and the related charges for services and grants offsetting those costs. Table 7 reflects each program's total cost and net cost of services. That is, it identifies the cost of these services supported by unrestricted property taxes.

**Table 7  
Net Cost of Governmental Activities**

	<b>2022 Total Cost of Services</b>	<b>2022 Net Cost of Services</b>
Personnel	\$ 2,688,578	\$ 2,688,578
Administration	367,487	149,469
Office expense	91,306	91,306
Operations	812,618	812,618
Training	125,010	125,010
<b>Total</b>	<b>\$ 4,084,999</b>	<b>\$ 3,866,981</b>

**Financial Analysis of District's Funds**

**General Fund**

The general fund was established and is continually funded to provide for the daily activities, salaries, expenses, and operating costs of the District. This fund provides for functional areas of the organization - personnel, administration, office expense, operations, and training. The general fund also provides for such other items as insurance, utilities, and other costs the District incurs. The primary funding source for the general fund is taxation of real property. Other sources of income for the general fund include earnings on investments, grants, charges for services, and miscellaneous revenues. The primary projects or program efforts for establishing needed funding during 2022 were:

1. Salaries and benefits for all existing full-time personnel of the District.
2. Normal operational costs of the District.

**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

**General Fund Budgetary Highlights**

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The District's budget for the general fund anticipated that revenues combined with other financing sources would equal expenditures with a decrease in fund balance. Actual results for the year show a \$1,001,376 increase in fund balance.

It should be noted that the District's budget format is designed to establish and monitor divisional functions of the Fire District's operations to align expenses more closely with the areas of responsibility. These divisions are set up as cost centers for accountability in each of the following areas:

- Personnel
- Administration
- Office Expense
- Operations
- Training

The District must maintain a 3% emergency reserve as a part of the TABOR Amendment (Taxpayer Bill of Rights). On December 31, 2022, the District's TABOR reserve amounted to \$168,400.

**Capital Assets and Debt Administration**

**Capital Assets**

By the end of 2022, the District had net invested \$5,865,029, in a broad range of capital assets, including land, buildings, site improvements, vehicles and other equipment. There was \$0 in net deletions (See Table 8). This amount represents a net increase of \$53,433 or 1% from last year.

**Table 8  
Capital Assets (Net of Depreciation)**

	Activities		% of Change 2021-2022
	2022	2021	
Land	\$ 450,000	\$ 450,000	0.0%
Buildings and improvements	5,569,236	5,569,236	0.0%
Vehicles	2,506,452	2,506,452	0.0%
Equipment	1,703,507	1,320,073	29%
Accumulated Depreciation	<u>-4,364,165</u>	<u>-4,034,164</u>	<u>8%</u>
<b>Total</b>	<b>\$ 5,865,029</b>	<b>\$ 5,811,596</b>	<b>1%</b>

**Boulder Rural Fire Protection District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2022**

***Long-Term Debt***

There was no long-term debt incurred by the District in 2022.

**Defined Benefit Pension Plans**

***Volunteer Pension Plan***

At December 31, 2022 the District reported a Net Pension Liability for the Volunteer Pension Plan of \$614,953. This amount represents the present value of projected future benefits to volunteers based on their past service, less the current assets in the plan.

Present Value of Future Benefits - Plan Assets = Net Pension Liability/(Asset)

When reviewing the plan, the Actuarial determines the annual contribution required to meet the future liability. At December 31, 2021, the District's actuarially determined contribution ("ADC") to the Volunteer Firefighter Pension Plan was \$83,453. Actual contributions in 2022 totaled \$142,853. \$59,400 in excess of the ADC contributed by the State. The District's most recent actuarial study indicated that the current levels of contributions to the plan are adequate to support the present plan. Should the District continue to contribute at a rate above the ADC, the plan will be fully funded earlier than necessary.

Contributions to the Plan from the District were \$78,398 and from the State of Colorado were \$59,400 for the year ended December 31, 2022.

***Statewide Defined Benefit Pension Plan***

The SWDB Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Employer contribution rates for the SWDB Plan are set by state statute. Member contribution rates can be amended by state statute or election of the membership. In 2014, the members elected to increase the member contribution rate to the SWDB Plan beginning in 2015. In 2021, members and their employers contributed at the rate of 11.5 percent and 8 percent, respectively, of base salary for a total contribution rate of 20 percent in 2021. Member contribution rates will increase 0.5 percent annually beginning in 2021 through 2022 to a total of 12 percent of pensionable earnings thereafter. Employer contributions increase 0.5 percent starting in 2021 annually through 2030 and thereafter to a total of 13% of pensionable earnings resulting in a combined contribution rate of 25% percent in 2030. In 2022 the District contributed 9.0% for FPPA contributions, and 3.2% for Death & Disability insurance on behalf of its members.

**Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Boulder Rural Fire Protection District at 6230 Lookout Road, Boulder, Colorado 80301.

## **Basic Financial Statements**

**Boulder Rural Fire Protection District**  
**Statements of Net Position**  
**December 31, 2022 and 2021**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Cash and investments	\$ 5,501,713	\$ 4,616,654
Receivables		
Property taxes	4,976,710	5,010,588
Accounts	30,146	53,786
Prepaid items	15,576	10,437
Net pension asset - SWDB pension	1,416,283	482,632
Capital assets, not being depreciated	450,000	450,000
Capital assets, being depreciated, net	5,415,029	5,361,596
Total assets	17,805,457	15,985,693
<b>Deferred Outflows of Resources</b>		
Pension related amounts - volunteer pension fund	87,924	102,507
Pension related amounts - SWDB	803,045	793,416
Total deferred outflows of resources	890,969	895,923
<b>Liabilities</b>		
Accounts payable	54,262	24,683
Accrued expenses	58,544	222,941
Noncurrent liabilities		
Net pension liability - volunteer pension	614,953	750,295
Accrued compensated absences	239,549	241,167
Total liabilities	967,308	1,239,086
<b>Deferred Inflows of Resources</b>		
Deferred property taxes	4,976,710	5,010,588
Pension related amounts - volunteer pension fund	76,402	56,478
Pension related amounts - SWDB	1,155,074	589,443
Total deferred inflows of resources	6,208,186	5,656,509
<b>Net Position</b>		
Net investment in capital assets	5,865,029	5,811,596
Restricted for emergencies	168,600	148,200
Unrestricted	5,487,303	4,026,225
Total net position	\$ 11,520,932	\$ 9,986,021

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

**Boulder Rural Fire Protection District**  
**Statements of Activities**  
**For the Years ended December 31, 2022 and 2021**

<b>Functions/Program Activity:</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>	
		<b>Charges for Services</b>	<b>Operating Grants and Contribution</b>	<b>Capital Grants and Contribution</b>	<b>Governmental Activities</b>	
					<b>2022</b>	<b>2021</b>
Primary government						
<b>Governmental Activities</b>						
Personnel services	\$ 2,688,578	\$ -	\$ -	\$ -	\$ (2,688,578)	\$(3,118,322)
Administration	367,487	218,018	-	-	(149,469)	(146,007)
Office expense	91,306	-	-	-	(91,306)	(53,302)
Operations	812,618	-	-	-	(812,618)	(672,499)
Training	125,010	-	-	-	(125,010)	(60,272)
Total governmental activities	<u>\$ 4,084,999</u>	<u>\$ 218,018</u>	<u>\$ -</u>	<u>\$ -</u>	(3,866,981)	(4,050,402)
<b>General revenues:</b>						
Property taxes					5,006,171	4,478,521
Specific ownership taxes					223,993	241,577
Investment income					110,917	6,589
Other					<u>60,811</u>	<u>46,774</u>
Total General Revenues					<u>5,401,892</u>	<u>4,773,461</u>
<b>Change in net position</b>					1,534,911	723,059
<b>Net position - beginning of year</b>					<u>9,986,021</u>	<u>9,262,962</u>
<b>Net position - end of year</b>					<u>\$ 11,520,932</u>	<u>\$ 9,986,021</u>

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

**Boulder Rural Fire Protection District**  
**Governmental Funds Balance Sheets and**  
**Reconciliation of the Governmental Fund Balance Sheets**  
**with the Government-Wide Statements of Net Position**  
**December 31, 2022 and 2021**

	<b>General Fund</b>	
<b>Assets</b>	<b>2022</b>	<b>2021</b>
Cash and investments	\$ 5,501,713	\$ 4,616,654
Property taxes receivable	4,976,710	5,010,588
Accounts receivable	30,146	53,786
Prepaid expenses	15,576	10,437
Total assets	\$ 10,524,145	\$ 9,691,465
<b>Liabilities</b>		
Accounts payable	54,262	24,683
Accrued expenses	58,544	222,941
Total liabilities	112,806	247,624
<b>Deferred Inflows of Resources</b>		
Deferred property tax revenues	4,976,710	5,010,588
Total deferred inflows of resources	4,976,710	5,010,588
<b>Fund Balances</b>		
Nonspendable:		
Prepays	15,576	10,437
Restricted for emergencies	168,600	149,800
Unassigned	5,250,453	4,273,016
Total fund balances	5,434,629	4,433,253
Total liabilities, deferred inflows of resources and fund balances	\$ 10,524,145	\$ 9,691,465
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental fund financial statements.		
Capital assets, net	5,865,029	5,811,596
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the governmental fund financial statements.		
Accrued compensated absences	(239,549)	(241,167)
Net pension assets and liability amounts and deferred outflows and inflows of resources that represent acquisition or consumption of net position that applies to future periods and, therefore, are not reported in the governmental fund financial statements.		
Net pension asset - SWDB plan	1,416,283	482,632
Net pension liability - volunteer pension	(614,953)	(750,295)
Deferred inflows of resources - pension plans	(1,231,476)	(645,921)
Deferred outflows of resources- pension plans	890,969	895,923
<b>Net position of governmental activities</b>	<b>\$ 11,520,932</b>	<b>\$ 9,986,021</b>

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

**Boulder Rural Fire Protection District**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances - Governmental Funds**  
**For the Years Ended December 31, 2022 and 2021**

	<b>General Fund</b>	
	<b>2022</b>	<b>2021</b>
<b>Revenues</b>		
Property taxes	\$ 5,006,171	\$ 4,478,521
Specific ownership taxes	223,993	241,577
Charges for services	218,018	220,260
Investment income	110,917	6,589
Miscellaneous	60,811	46,774
Total Revenues	5,619,910	4,993,721
<b>Expenditures</b>		
General Government		
Personnel services	3,168,680	3,193,373
Administration	367,487	366,267
Office expense	91,306	53,302
Operations	451,429	392,558
Training	125,010	60,272
Capital outlay	414,622	698,922
Total Expenditures	4,618,534	4,764,694
Net Changes in Fund Balances	1,001,376	229,027
<b>Fund balances, beginning of year</b>	4,433,253	4,204,226
<b>Fund balances, end of the year</b>	5,434,629	\$ 4,433,253

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

**Boulder Rural Fire Protection District**  
**Reconciliations of the Statements of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statements of Activities**  
**For the Years Ended December 31, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>Net changes in fund balances—total governmental funds</b>	\$ 1,001,376	\$ 229,027
Amounts reported for governmental activities in the statements of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. Additionally, fund financial statements do not recognize contributions of capital assets as revenues.		
Capital outlay	383,434	698,922
Depreciation expense	(330,001)	(279,941)
The change in compensated absences in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds		
	1,618	(7,854)
Net pension expense relating to changes in account balances of the District's defined benefit retirement plans are recognized on the statement of activities and are not reported as expenditures in the governmental funds.		
Pension income - SWDB pension	377,649	54,297
Pension income - volunteer pension	<u>100,835</u>	<u>28,608</u>
<b>Change in net position of governmental activities</b>	<u>\$ 1,534,911</u>	<u>\$ 723,059</u>

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

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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#### 1. Definition of Reporting Entity

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The Boulder Rural Fire Protection District (“District”) is organized under the provisions of Section 32-1-305 (6) of the Colorado Revised Statutes ("CRS"). It is a quasi-municipal corporation and a political subdivision of the State of Colorado with all powers thereof which includes the power to levy taxes against property within the District.

In accordance with governmental accounting standards, the Boulder Rural Fire Protection District has considered the possibility of inclusion of additional entities in its financial statements.

The definition of the reporting entity is based primarily on financial accountability. The District is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if District officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. The District may also be financially accountable for organizations that are fiscally dependent upon it.

Based upon the application of these criteria, no additional organizations are includable within the District's reporting entity.

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#### 2. Summary of Significant Accounting Policies

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The accounting policies of the Boulder Rural Fire Protection District conform to accounting principles generally accepted in the United States of America as applicable to governmental units. Following is a summary of the more significant policies:

##### **Basis of Accounting**

The financial statements of the Boulder Rural Fire Protection District (District) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

##### **Government-wide and Fund Financial Statements**

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 District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District does not report any *business-type activities*.

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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## 2. Summary of Significant Accounting Policies (continued)

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

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

### **Measurement focus, basis of accounting and financial statement presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, charges for services, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements, a reconciliation is presented that briefly explains the adjustments necessary to reconcile to ending net position and the change in net position.

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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#### **2. Summary of Significant Accounting Policies (continued)**

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

The District reports the following major governmental fund:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources and activities of the District.

#### **Cash and Investments**

Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

#### **Accounts Receivable**

Receivables consist of amounts due for services provided. An allowance for doubtful accounts is not necessary as amounts due have been fully collected in the succeeding year.

#### **Property taxes**

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the District on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

#### **Prepaid Items**

Payment made to vendors for goods or services that will benefit periods beyond year-end are recorded as prepaid items or deposits in the government-wide and governmental fund financial statements and will be reported as expenditures in the following year. Because these assets do not represent current financial resources, they are included in the non-spendable fund balance.

#### **Capital assets**

Capital Assets include property and equipment, which are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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## 2. Summary of Significant Accounting Policies (continued)

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The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Buildings and Improvements	7- 40 years
Machinery and Equipment	5 - 10 years
Vehicles	10 -25 years

### **Long-Term Obligations**

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities fund type statement of net position.

### **Compensated Absences**

Employees of the District are allowed to accumulate unused vacation and sick time. Upon termination of employment with the District, an employee may be compensated for accrued vacation and sick time at the current rate of pay. Personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services rendered and it is probable that the District will compensate the employees for the benefits earned. Upon termination of employment from the District, an employee will be compensated for all accrued vacation and compensatory time at their current rate of pay. In addition, sick leave is paid out on a three-for-one basis (i.e., three sick days for one day's pay) for certain eligible employees.

### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position and balance sheets reports a separate section for deferred outflows of resources. This separate financial statement represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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## 2. Summary of Significant Accounting Policies (continued)

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### Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

- *Net Investment in Capital Assets* includes the District's capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted Net Position* includes assets that have third-party (statutory, bond covenant, or granting agency) limitations on their use. The District typically uses restricted assets, first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project
- *Unrestricted Net Position* typically includes unrestricted liquid assets. The Board has the authority to revisit or alter this designation.

### Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable fund balance* - The portion of fund balance that cannot be spent because it is either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The District reported \$15,576 and \$10,437 in nonspendable fund balance as of December 31, 2022 and 2021, respectively.
- *Restricted fund balance* - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. The District reported \$168,400 and \$148,200 in non-spendable fund balance as of December 31, 2022 and 2021, respectively.
- *Committed fund balance* - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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## 2. Summary of Significant Accounting Policies (continued)

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- Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not report any committed fund balance as of December 31, 2022 and 2021, respectively.
- *Unassigned fund balance* – This classification includes the residual fund balance for the General Fund.

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources.

### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that District management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

### **Recently Adopted Accounting Pronouncements**

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). The new standard establishes a right-of-use ("ROU") model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than twelve months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard did not have a material impact on the financial statements of the Organization.

### **Comparative Data**

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read.

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

## 2. Summary of Significant Accounting Policies (continued)

Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

### Budgets and Budgetary Accounting

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

- In October, District Management submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Any revisions that alter the total expenditures of any fund must be approved by the Board of Directors.
- Budgets are legally adopted for all funds of the District on a basis consistent with generally accepted accounting principles (GAAP).
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Directors. All appropriations lapse at year end.

## 3. Cash and Investments

A summary of deposits and investments as of December 31, 2022 and 2021 follows:

	<u>2022</u>	<u>2021</u>
Petty cash	\$ -	\$ 110
Cash deposits	344,055	387,837
Investments	<u>5,157,658</u>	<u>4,228,707</u>
Total cash and investments	<u>\$5,501,713</u>	<u>\$ 4,616,654</u>

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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### 3. Cash and Investments (continued)

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#### **Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. 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. At December 31, 2022 and 2021, State regulatory commissioners have indicated that all financial institutions holding deposits for the District are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDP A. PDPA allows the financial institution 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.

The District has no policy regarding custodial credit risk for deposits.

At December 31, 2022, the District had deposits with financial institutions with a carrying amount of \$344,055. The bank balances with the financial institutions were \$342,963. Of these balances \$250,000 was covered by federal depository insurance and \$92,963 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

At December 31, 2021, the District had deposits with financial institutions with a carrying amount of \$387,837. The bank balances with the financial institutions were \$794,377. Of these balances \$250,000 was covered by federal depository insurance and \$544,377 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

#### **Investments**

##### 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 losses arising from increasing interest rates.

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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### 3. Cash and Investments (continued)

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#### Credit Risk

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

- obligations of the United States and certain U.S. government agency securities,
- certain international agency securities,
- general obligation and revenue bonds of U.S. local government entities,
- bankers' acceptances of certain banks,
- commercial paper,
- written repurchase agreements collateralized by certain authorized securities,
- certain money market funds,
- guaranteed investment contracts, and
- local government investment pools.

The above investments are authorized for all funds and fund types used by Colorado municipalities.

#### **Local Government Investment Pool**

The District had invested \$5,157,658 in the Colorado Local Government Liquid Asset Trust (COLOTRUST)(the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUSTPRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

#### 3. Cash and Investments (continued)

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAsf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

#### 4. Capital Assets

An analysis of the changes in capital assets for the years ended December 31, 2022 and 2021 on the following tables. Depreciation expense for both years was charged to Operations on the Statement of Activities.

	Balance December 31, 2021	Additions	Transfers	Balance December 31, 2022
<b>Governmental Activities</b>				
Capital assets, <i>not being depreciated</i> :				
Land and improvements	\$ 450,000	\$ -	\$ -	\$ 450,000
Total capital assets, <i>not being depreciated</i>	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>450,000</u>
Capital assets, being depreciated:				
Buildings and improvements	5,569,235	-	-	5,569,235
Machinery and equipment	1,320,073	383,434	-	1,703,507
Vehicles	<u>2,506,452</u>	<u>-</u>	<u>-</u>	<u>2,506,452</u>
Total capital assets, being depreciated	<u>9,395,760</u>	<u>383,434</u>	<u>-</u>	<u>9,779,194</u>
Less accumulated depreciation:				
Buildings and improvements	(1,705,579)	(131,392)	-	(1,836,971)
Machinery and equipment	(481,972)	(121,258)	-	(603,230)
Vehicles	<u>(1,846,613)</u>	<u>(77,351)</u>	<u>-</u>	<u>(1,923,964)</u>
Total Accumulated Depreciation	<u>(4,034,164)</u>	<u>(330,001)</u>	<u>-</u>	<u>(4,364,165)</u>
Total capital assets, <i>being     depreciated, net</i>	<u>5,361,596</u>	<u>53,433</u>	<u>-</u>	<u>5,415,029</u>
Capital assets, net	<u>\$ 5,811,596</u>	<u>\$ 53,433</u>	<u>\$ -</u>	<u>\$ 5,865,029</u>

**Boulder Rural Fire Protection District**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**4. Capital Assets (continued)**

	<b>Balance December 31, 2020</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2021</b>
<b>Governmental Activities</b>				
Capital assets, <i>not being depreciated</i> :				
Land and improvements	\$ 450,000	\$ -	\$ -	\$ 450,000
Total capital assets, <i>not being depreciated</i>	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>450,000</u>
Capital assets, being depreciated:				
Buildings and improvements	5,569,235	-	-	5,569,235
Machinery and equipment	676,470	683,693	(40,090)	1,320,073
Vehicles	<u>2,451,132</u>	<u>55,320</u>	<u>-</u>	<u>2,506,452</u>
Total capital assets, being depreciated	<u>8,696,837</u>	<u>739,013</u>	<u>(40,090)</u>	<u>9,395,760</u>
Less accumulated depreciation:				
Buildings and improvements	(1,569,275)	(136,304)	-	(1,705,579)
Machinery and equipment	(418,578)	(63,394)	-	(481,972)
Vehicles	<u>(1,766,370)</u>	<u>(80,243)</u>	<u>-</u>	<u>(1,846,613)</u>
Total Accumulated Depreciation	<u>(3,754,223)</u>	<u>(279,941)</u>	<u>-</u>	<u>(4,034,164)</u>
Total capital assets, <i>being depreciated, net</i>	<u>4,942,614</u>	<u>459,072</u>	<u>(40,090)</u>	<u>5,401,683</u>
Capital assets, net	<u>\$ 5,392,614</u>	<u>\$ 459,072</u>	<u>\$ (40,090)</u>	<u>\$ 5,811,596</u>

**5. Defined Benefit Pension Plans**

**Volunteer Firefighters' Pension Plan**

**Summary of Significant Accounting Policies**

The District has established the Volunteer Firefighters' Pension Plan (the "Volunteer Plan"), an agent multiple employers defined benefit pension fund administered by the Colorado Fire & Police Pension Association ("FPPA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/ deductions from the fiduciary net position of the Volunteer Plan have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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#### 5. Defined Benefit Pension Plan (continued)

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##### **General Information about the Plan**

*Plan Description:* Any firefighter who has both attained the age of fifty and completed twenty years of active service shall be eligible for a monthly pension. Additionally, any firefighter that has reached the age of fifty with at least ten years of service will receive a pension benefit that is prorated for years of creditable volunteer service between 10 and 20 years. A firefighter who is disabled in the line of duty and whose disability is of such character and magnitude as to deprive the firefighter of earning capacity and extends beyond one year, shall be compensated in an amount determined by the Pension Board. The Plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute. FPPA issues an annual, publicly available financial report that includes the assets of the Volunteer Plan. That report may be obtained on FPPA's website at <http://www.fppaco.org>.

*Funding Policy:* An actuary is used to determine the annual required contribution ("ARC") necessary to maintain the actuarial soundness of the Plan. Colorado law requires the State to make an annual contribution to the Plan. Because the District's monthly benefit amount is over \$300, the State's annual contribution is calculated as the highest State contribution made between 1998 and 2001. The District makes an additional contribution to support the plan.

The funding policy results in the expectation that the plan's assets will be able to fully pay for the promised benefits through at least 2120.

For the measurement period ended December 31, 2022 and 2021, the District contributions were \$78,398 and \$83,453, respectively, towards meeting the unfunded liability. In addition, the State of Colorado contribution was \$59,400 and \$29,700, respectively.

*Benefits Provided:* Any volunteer firefighter, who has twenty years of active service and who is age 50 or older, shall be eligible for a monthly retirement pension. Pro rata pensions would apply to volunteers who reached 50 years of age and had between 10 and 20 years of service. A firefighter, who is disabled in the line of duty and whose disability is of such character and magnitude as to deprive the firefighter of earning capacity which extends beyond one year, shall be compensated in an amount determined by the Pension Board.

The Plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute.

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

#### 5. Defined Benefit Pension Plan (continued)

##### Employees Covered by Benefit Terms

A summary of the current eligible active employees and retirees currently receiving benefit payments is outlined below:

	<u>2022</u>	<u>2021</u>
Retirees and beneficiaries	32	32
Inactive, non-retired members	3	3
Active members	<u>2</u>	<u>2</u>
Total	<u>37</u>	<u>37</u>

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

At December 31, 2022 and 2021, the District reported a liability of \$614,953 and \$750,295. The net pension liability was measured as of December 31, 2021 and December 31, 2020, respectively, and was determined by an actuarial valuation as January 1, 2021 and January 1, 2020, respectively. Standard update procedures were used to roll forward the total pension liability to December 31, 2021 and 2020, respectively.

For the years ended December 31, 2022 and 2021, the District recognized pension income of \$22,437 and \$28,608, respectively.

At December 31, 2022 and 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 9,526	\$ 76,402	\$ 19,054	\$ 56,478
Contributions subsequent to the measurement date	78,398	-	83,453	-
Total	\$ 87,924	\$ 76,402	\$ 102,507	\$ 56,478

\$78,398 and \$83,453 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to measurement date, will be recognized as a reduction of the

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

#### 5. Defined Benefit Pension Plan (continued)

net pension liability in the year ended December 31, 2022 and 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	
2023	\$ (15,246)
2024	(24,774)
2025	(16,400)
2026	(10,456)
Total	<u>\$ 66,876</u>

#### Actuarial Assumptions

Method and assumptions used to determine contribution rates for the measurement period ended December 31, 2021 and 2020:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Open*
Remaining Amortization Period	20 years*
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	<p><b>Pre-retirement:</b> 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.</p> <p><b>Post-retirement:</b> 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p> <p><b>Disabled:</b> 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p>

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

#### 5. Defined Benefit Pension Plan (continued)

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

*Assumption Changes:* The assumptions shown above pertain to the actuarial valuation as of January 1, 2021 and January 1, 2020, and the associated actuarially determined contribution for the year ending December 31, 2021 and 2020.

#### Long-term Expected Return on Plan Assets

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

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 and 2020 are summarized in the following table:

Asset Class	2021 & 2020	
	Target Allocation	Long-Term Expected Rate of Return
Cash	2.0%	2.32%
Fixed Income	15.0%	9.25%
Absolute Return	10.0%	5.60%
Long/Short	8.0%	6.87%
Global Public Equity	39.0%	8.23%
Private Markets	<u>26.0%</u>	10.63%
	100.0%	

#### Discount Rate

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

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

#### 5. Defined Benefit Pension Plan (continued)

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00% for the periods ended December 31, 2021 and 2020; the municipal bond rate is 1.84% in 2021 and 2.00% in 2020 (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15); and the resulting Single Discount Rate is 7.00% for the period ended December 31, 2021 and 2020.

#### **Sensitivity of the District's Net Pension Asset to Changes in the Discount Rate**

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent for the measurement period ended December 31, 2021, and 2020, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate for each respective year as shown below:

*For the measurement period ended December 31, 2021*

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability	\$ 741,794	\$ 614,953	\$ 506,778

*For the measurement period ended December 31, 2020*

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability	\$ 882,514	\$ 750,295	\$ 637,693

*FPPA System Description.* The Fire & Police Pension Association administers an agent multiple- employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only.

FPPA issues a publicly available comprehensive annual financial report that can be obtained at <http://www.fppaco.org>.

#### **Statewide Defined Benefit Pension Plan**

##### *Plan Description*

The District contributes to the Statewide Defined Benefit Plan, cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan (“SWDB”) provides retirement benefits for

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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#### 5. Defined Benefit Pension Plan (continued)

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members and beneficiaries. Colorado statutes assign the authority to establish benefit provisions to the state legislature.

The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The Plan became effective January 1, 1980.

The Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Separate Retirement Account assets from eligible retired members).

The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.

#### ***Benefits provided.***

A member is eligible for a normal retirement pension once the member has completed twenty-five 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 percent 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 percent for 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 Social Security will receive half the benefit when 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 percent or the Consumer Price Index for Urban Wage Earners or Clerical Workers (CPI W).

A member is eligible for an early retirement at age 50 or after 30 years of 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 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the SWDP Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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#### 5. Defined Benefit Pension Plan (continued)

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three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

##### *Contributions*

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.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increased 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings. In 2021, members of the SWDB plan and their employers are contributing at the rate of 11.5 percent and 8.5 percent, respectively, of pensionable earnings for a total contribution rate of 20.0 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 5.75 percent and 4.25 percent, respectively, of pensionable earnings for a total contributions rate of 10.0 percent in 2021. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earning. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

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

At December 31, 2022 and 2021, respectively, the District reported a net pension asset in the amount of \$1,416,283 and \$482,632 for its proportionate share of the SWDB net pension asset. The SWDB net pension asset was measured as of December 31, 2021 and December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022 and January 1, 2021. Standard update procedures were used to roll forward the total pension liability to December 31, 2022 and 2021.

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

#### 5. Defined Benefit Pension Plan (continued)

The District's proportion of the SWDB net pension asset was based on the District's contributions to the SWDB Plan for the calendar year 2021 and 2020 relative to the total contributions of participating employers to the SWDB Plan.

At December 31, 2021, the District's proportion was 0.2613%, which was an increase of 0.0390% from its proportion measured as of December 31, 2020. At December 31, 2020, the District's proportion was 0.2223%, which was an increase of 0.0359% from its proportion measured as of December 31, 2019.

For the years ended December 31, 2022 and 2021, the District recognized SWDB pension income of \$182,132 and \$54,297, respectively.

At December 31, 2022 and December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to SWDB pensions from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 947,856	\$ -	\$ 495,732
Difference between actual and expected experience	405,557	33,032	409,320	1,920
Changes in proportion and differences between contributions recognized and proportionate share	-	174,186	-	91,791
Changes in assumption and other inputs	201,972	-	205,271	-
Contributions subsequent to the measurement date	<u>195,516</u>	<u>-</u>	<u>178,825</u>	<u>-</u>
Total	<u>\$ 803,045</u>	<u>\$1,155,074</u>	<u>\$ 793,416</u>	<u>\$ 589,443</u>

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

#### 5. Defined Benefit Pension Plan (continued)

\$195,516 and \$178,825 reported as deferred outflows of resources related to SWDB pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year December 31, 2022 and December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SWDB pensions will be recognized in pension expense as follows:

Year Ended December 31,	
2023	\$ (150,867)
2024	(251,912)
2025	(149,764)
2026	(58,599)
2027	64,439
Thereafter	(843)
Total	\$ (547,546)

#### Actuarial Assumptions

The actuarial valuations for the SWDB Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2021 and 2020. The valuations used the following actuarial assumptions and other inputs:

##### Total Pension Liability:

Actuarial Valuation Date	January 1, 2022 and January 1, 2021
Actuarial Method	Entry Age Normal
Amortization Method	N/A
Amortization Period	N/A
Long-term investment Rate of Return *	7.00 %
Projected Salary Increases*	4.25 – 11.25 %
Cost of Living Adjustments (COLA)	0.00 %
* Includes inflation at 2.5%	

##### Actuarially Determined Contributions:

Actuarial Valuation Date	January 1, 2021 and January 1, 2020
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term investment Rate of Return *	7.00 %
Projected Salary Increases*	4.25 – 11.25 %
Cost of Living Adjustments (COLA)	0.00 %
* Includes inflation at 2.5%	

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

#### 5. Defined Benefit Pension Plan (continued)

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale 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 five 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, Gabriel, Roeder, Smith & Co., 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 Return on Plan Assets

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 at 2.5 percent).

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 and 2020 are summarized in the following table:

Asset Class	2021 & 2020	
	Target Allocation	Long-Term Expected Rate of Return
Cash	2.0%	2.32%
Fixed Income	15.0%	9.25%
Absolute Return	10.0%	5.60%
Long/Short	8.0%	6.87%
Global Public Equity	39.0%	8.23%
Private Markets	<u>26.0%</u>	10.63%
	100.0%	

# Boulder Rural Fire Protection District

## Notes to Financial Statements

### December 31, 2022 and 2021

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#### 5. Defined Benefit Pension Plan (continued)

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The discount rate used to measure the total SWDB pension liability was 7.00 percent for the periods ended December 31, 2021 and December 31, 2020. 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 payment) to determine the total pension liability.

#### **Discount rate**

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

For the purpose of this valuation, the expected rate of return on SWDB pension plan investments is 7.00%; the municipal bond rate is 1.84% in 2021 and 2.00% in 2022 (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

#### **Sensitivity of the District's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate**

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

**Boulder Rural Fire Protection District**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

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**5. Defined Benefit Pension Plan (continued)**

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*Measurement period ended December 31, 2021*

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)`
Proportionate share of the net pension liability (asset)	\$ (195,315)	\$ (1,416,283)	\$ (2,427,787)

*Measurement period ended December 31, 2020*

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
Proportionate share of the net pension liability (asset)	\$ 485,694	\$ (482,632)	\$ (1,284,527)

*Pension plan. fiduciary net position.* 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>.

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**6. Risk Management**

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The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees or volunteers; and natural disasters. The District maintains insurance through a commercial carrier for these risks of loss.

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**7. Commitments and Contingencies**

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Claims and Judgments - The District participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental units. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. The District believes that disallowed expenses, if any, would not have a material effect on the overall financial position of the District.

**Boulder Rural Fire Protection District**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

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**7. Commitments and Contingencies (continued)**

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TABOR Amendment - 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 government. The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the Amendment. The District has established an emergency reserve, representing 3% of fiscal year spending (excluding debt service), as required by the Amendment. At December 31, 2022 and 2021 the emergency reserve was \$168,400 and \$149,800, respectively, as recorded in the General Fund.

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**8. Subsequent Events**

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The District has evaluated subsequent events through July 25, 2023, the date which the financial statements were issued.

# **Boulder Rural Fire Protection District**

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**Required Supplementary Information**

**Boulder Rural Fire Protection District**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance—Actual and Budget**  
**Governmental Fund Type—General Fund**  
**December 31, 2022**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Tax revenue	\$ 5,185,588	\$ 5,230,164	\$ 44,576
Charges for services	100,000	218,018	118,018
Investment income	3,500	110,917	107,417
Miscellaneous	<u>19,200</u>	<u>60,811</u>	<u>41,611</u>
Total Revenues	<u>5,308,288</u>	<u>5,619,910</u>	<u>311,622</u>
<b>Expenditures:</b>			
General Government			
Personnel services	3,532,220	3,168,680	363,540
Administration	408,216	367,487	40,729
Office expense	56,000	91,306	(35,306)
Operations	435,491	451,429	(15,938)
Training	88,250	125,010	(36,760)
Capital outlay	<u>930,244</u>	<u>414,622</u>	<u>515,622</u>
Total Expenditures	<u>5,450,421</u>	<u>4,618,534</u>	<u>831,887</u>
<b>Excess Revenue Over (Under)</b>			
<b>Expenditures</b>	<u>(142,133)</u>	<u>1,001,376</u>	<u>1,143,509</u>
<b>Fund Balance—Beginning of year</b>	<u>2,943,322</u>	<u>4,433,253</u>	<u>1,489,931</u>
<b>Fund Balance—End of Year</b>	<u>\$ 2,801,189</u>	<u>\$ 5,434,629</u>	<u>\$ 2,633,440</u>

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

**Boulder Rural Fire Protection District**  
**Required Supplementary Information**  
**Volunteer Pension**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Last 10 Years**

Fiscal year ended December 31,	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total pension liability</b>								
Service cost	\$ 2,300	\$ 2,280	\$ 2,280	\$ 7,502	\$ 7,502	\$ 8,559	\$ 8,559	\$ 11,491
Interest	96,926	97,095	99,301	111,498	112,362	108,201	109,263	114,355
Difference between expected and actual experience	-	31,649	-	(103,330)	-	17,113	-	(57,353)
Changes of assumptions	-	-	-	50,845	-	54,661	-	-
Benefit Payments	(133,384)	(133,500)	(132,701)	(131,175)	(131,611)	(133,413)	(130,600)	(139,150)
<b>Net change in total pension liability</b>	<b>(34,158)</b>	<b>(2,476)</b>	<b>(31,120)</b>	<b>(64,660)</b>	<b>(11,747)</b>	<b>55,121</b>	<b>(12,778)</b>	<b>(70,657)</b>
<b>Total pension liability - Beginning</b>	<b>1,449,096</b>	<b>1,451,572</b>	<b>1,482,692</b>	<b>1,547,352</b>	<b>1,559,099</b>	<b>1,503,978</b>	<b>1,516,756</b>	<b>1,587,413</b>
<b>Total pension liability - Ending (a)</b>	<b>1,414,938</b>	<b>1,449,096</b>	<b>1,451,572</b>	<b>1,482,692</b>	<b>1,547,352</b>	<b>1,559,099</b>	<b>1,503,978</b>	<b>1,516,756</b>
<b>Plan fiduciary net position</b>								
Employer contributions	83,453	83,453	79,500	79,500	159,000	-	79,500	79,500
Net investment income	101,192	74,439	83,862	783	79,639	27,813	10,983	37,265
Benefit payments	(133,384)	(133,500)	(132,701)	(131,175)	(131,611)	(133,413)	(130,600)	(139,150)
Administrative expense	(9,477)	(7,781)	(8,784)	(9,035)	(8,806)	(1,134)	(1,590)	(1,278)
State of Colorado supplemental discretionary payment	59,400	29,700	-	29,700	29,700	29,700	29,700	29,700
<b>Net change in plan fiduciary net position</b>	<b>101,184</b>	<b>46,311</b>	<b>21,877</b>	<b>(30,227)</b>	<b>127,922</b>	<b>(77,034)</b>	<b>(12,007)</b>	<b>6,037</b>
<b>Plan fiduciary net position - beginning</b>	<b>698,801</b>	<b>652,490</b>	<b>630,613</b>	<b>660,840</b>	<b>532,918</b>	<b>609,952</b>	<b>621,959</b>	<b>615,922</b>
<b>Plan fiduciary net position - end (b)</b>	<b>799,985</b>	<b>698,801</b>	<b>652,490</b>	<b>630,613</b>	<b>660,840</b>	<b>532,918</b>	<b>609,952</b>	<b>621,959</b>
<b>District's net pension liability - ending (a)-(b)</b>	<b>614,953</b>	<b>750,295</b>	<b>799,082</b>	<b>852,079</b>	<b>886,512</b>	<b>1,026,181</b>	<b>894,026</b>	<b>894,797</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>56.54%</b>	<b>48.22%</b>	<b>44.95%</b>	<b>42.53%</b>	<b>42.71%</b>	<b>34.18%</b>	<b>40.56%</b>	<b>41.01%</b>

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Note 2: The data provided in this schedule is based as of the measurement date of the District's net pension liability.

**Boulder Rural Fire Protection District**  
**Required Supplementary Information**  
**Volunteer Pension**  
**Schedule of Employer Contributions**

<b>Year Ending***</b>	<b>Actuarially Required Contributions</b>	<b>Actual Employer Contributions *</b>	<b>Contribution Excess/(Deficiency)</b>	<b>Actual Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
12/31/2022	\$ 83,453	\$ 142,853	\$ 59,400	\$ -	N/A**
12/31/2021	\$ 83,453	\$ 113,153	\$ 29,700	\$ -	N/A**
12/31/2020	\$ 79,500	\$ 102,338	\$ 22,838	\$ -	N/A**
12/31/2019	\$ 91,738	\$ 109,200	\$ 17,462	\$ -	N/A**
12/31/2018	\$ 91,738	\$ 109,200	\$ 17,462	\$ -	N/A**
12/31/2017	\$ 91,738	\$ 109,200	\$ 17,462	\$ -	N/A**
12/31/2016	\$ 91,738	\$ 109,200	\$ 17,462	\$ -	N/A**
12/31/2015	\$ 112,746	\$ 109,200	\$ (3,546)	\$ -	N/A**
12/31/2014	\$ 106,841	\$ 109,200	\$ 2,359	\$ -	N/A**
12/31/2013	\$ 113,200	\$ 123,851	\$ 10,651	\$ -	N/A**
12/31/2012	\$ 111,214	\$ 109,200	\$ (2,014)	\$ -	N/A**

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

\* Includes both employer and State of Colorado Supplementary Discretionary Payment.

\*\* Ratio not applicable (N/A) since payroll is zero due to the plan covering volunteers.

\*\*\* Reported in District's fiscal year ending statements, but amounts are determined based on a measurement period from one year prior

**Boulder Rural Fire Protection District**  
**Required Supplementary Information**  
**Statewide Defined Benefit Plan**  
**Schedule of Proportionate Share of the Net Pension Liability (Asset) and Related Ratios**

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)</u>
12/31/2021	0.261%	\$ (1,416,283)	\$ 2,103,829	-67.3%	116.2%
12/31/2020	0.222%	\$ (482,632)	\$ 1,819,538	-26.5%	106.8%
12/31/2019	0.183%	\$ (103,341)	\$ 1,245,050	-8.3%	101.9%
12/31/2018	0.173%	\$ 218,896	\$ 1,059,533	20.7%	95.2%
12/31/2017	0.217%	\$ (312,322)	\$ 1,353,150	-23.1%	106.3%
12/31/2016	0.247%	\$ 89,114	\$ 1,268,637	7.0%	98.2%
12/31/2015	0.244%	\$ (4,305)	\$ 1,183,838	-0.4%	100.1%
12/31/2014	0.277%	\$ (313,078)	\$ 1,247,525	-25.1%	106.8%
12/31/2013	0.245%	\$ (319,141)	\$ 1,065,413	-30.0%	105.8%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

\* The data provided in this schedule is based as of the measurement date of the District's net pension liability, which is as of the beginning of the year.

**Boulder Rural Fire Protection District**  
**Required Supplementary Information**  
**Statewide Defined Benefit Plan**  
**Schedule of Employer Contributions**

<b>Year Ending</b>	<b>Actuarially Required Contributions</b>	<b>Actual Employer Contributions</b>	<b>Contribution Excess/(Deficiency)</b>	<b>Actual Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
12/31/2022	\$ 195,516	\$ 195,516	-	\$ 2,180,566	9%
12/31/2021	\$ 178,826	\$ 178,826	-	\$ 2,103,829	9%
12/31/2020	\$ 145,563	\$ 145,563	-	\$ 1,819,538	8%
12/31/2019	\$ 99,604	\$ 99,604	-	\$ 1,245,050	8%
12/31/2018	\$ 84,763	\$ 84,763	-	\$ 1,059,533	8%
12/31/2017	\$ 108,252	\$ 108,252	-	\$ 1,353,150	8%
12/31/2016	\$ 101,652	\$ 101,652	-	\$ 1,268,637	8%
12/31/2015	\$ 94,707	\$ 94,707	-	\$ 1,183,838	8%
12/31/2014	\$ 99,802	\$ 99,802	-	\$ 1,247,525	8%
12/31/2013	\$ 85,233	\$ 85,233	-	\$ 1,065,413	8%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.