

**CANON CITY AREA FIRE
PROTECTION DISTRICT**

FINANCIAL STATEMENTS
With Independent Auditors' Report

Year Ended December 31, 2023

**CANON CITY AREA FIRE PROTECTION DISTRICT
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DECEMBER 31, 2023**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Canon City Area Fire Protection District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Canon City Area Fire Protection District, as of and for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise the Canon City Area Fire Protection 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 each major fund of the Canon City Area Fire Protection District, as of December 31, 2023 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 the Canon City Area 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 opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's 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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee

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

Hoelting & Company, Inc.

Colorado Springs, Colorado
July 3, 2024

CANON CITY AREA FIRE PROTECTION DISTRICT MANAGEMENT'S DISCUSSION & ANALYSIS

Our discussion and analysis of Canon City Area Fire Protection District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2023. Please read it in conjunction with the District's financial statements which begin on page 1.

Overview of the Financial Statements

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

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The Statement of Net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes). The government-wide financial statements detail functions of the District that are principally supported by tax revenues (governmental activities), grants and charges for services. The governmental activity of the District is public safety – Fire/Emergency Services.

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

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The governmental fund financial statements can be found on pages 1-6 of this report. The District adopted an annual appropriated budget for the General Fund. A budgetary comparison statement for the General Fund is located on page 27 of this report.

Notes to Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 7 through 26 of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information consisting of the schedules of revenues, expenditures and changes in fund balance – budget to actual – General, Bond, and Acquisition Funds and the summary of historical information of the Defined Benefit Pension Plans, which can be found on pages 27 through 31 of this report.

Condensed Statement of Net Position

	<u>2023</u>	<u>2022</u>
Current and other assets	\$ 11,405,681	\$ 13,152,949
Capital assets	<u>14,151,981</u>	<u>12,224,954</u>
Total assets	<u>25,557,662</u>	<u>25,377,903</u>
Deferred Outflows	<u>604,381</u>	<u>274,108</u>
Long-term liabilities	13,588,378	13,557,451
Other liabilities	<u>290,120</u>	<u>64,991</u>
Total liabilities	<u>13,878,498</u>	<u>13,622,442</u>
Deferred Inflows	<u>6,881,532</u>	<u>6,620,498</u>
Net position:		
Net investment in capital assets	4,464,069	12,224,954
Restricted	237,000	290,435
Unrestricted	<u>700,944</u>	<u>(7,106,318)</u>
Total net position	<u>\$ 5,402,013</u>	<u>\$ 5,409,071</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$5,402,013 at the close of the most recent fiscal year.

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

Condensed Statement of Activities

	<u>2023</u>	<u>2022</u>
Revenues:		
General revenues:		
Property and Specific Ownership Tax	\$ 7,217,505	\$ 7,292,659
Interest	155,258	113,217
Other	33,786	266,842
Program Revenue:		
Charges for Services	1,093,953	1,211,307
Operating grants and contributions	<u>593,603</u>	<u>440,248</u>
Total revenues	<u>9,094,105</u>	<u>9,324,273</u>
Expenses:		
General and administrative	531,870	-
Fire and emergency medical services	7,580,419	-
Interest and fiscal charges	285,192	-
Fire Administration	-	5,652,043
Fire Fighting and Prevention	-	1,073,378
Communications	-	104,522
Wildland Deployment	<u>-</u>	<u>315,950</u>
Total expenses	<u>8,397,481</u>	<u>7,145,893</u>
Change in net position	<u>696,624</u>	<u>2,178,380</u>
Net position, beginning, as originally stated	<u>5,409,071</u>	<u>3,230,691</u>
Prior period adjustment	<u>(703,682)</u>	<u>-</u>
Net position, beginning, as restated	<u>4,705,389</u>	<u>3,230,691</u>
Net position, ending	<u>\$ 5,402,013</u>	<u>\$ 5,409,071</u>

Financial Analysis of the District's Funds

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

Government Funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and the balance of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Fund balances are detailed on pages 3-5 of this report.

General Fund Budgetary Highlights

Budget Variances: The budget to actual comparison details can be seen on page 27 of the financial statements. General fund revenues exceeded budget by \$905,615 primarily due to higher Specific Ownership Tax collection, Charges for Service, SAFER grant funds, and Wildland Deployments. Expenditures exceeded budget in the amount of \$592,754 due to increased personnel costs associated with 16 new firefighter positions and additional Capital outlay for the new fire station facility project. The additional personnel costs were offset with the funds awarded through the SAFER Grant.

Capital Asset and Debt Administration

Capital Assets: The District's investment in capital assets at December 31, 2023 amounted to \$14,151,981 (net of accumulated depreciation/amortization). This included the new Fire Station 3 and Headquarters, and training facility in the amount of \$11,104,419. Additionally the District acquired various pieces of equipment in the amount of \$138,747.

Additional information on the District's capital assets can be found in Note 5 of this report.

Long-Term Obligations: At the end of the current fiscal year, the District had total outstanding long term obligations for COPs of \$8,350,000, Premium of \$895,457, Leases of \$442,455, and Compensated Absences of \$793,441. The COP term is 25-years. The two vehicle lease terms are 3-years, with one lease having two payment remaining, one in 2024 and the final in 2025. additional information can be found in Note 6 on page 16.

Economic Factors and Next Year's Budgets and Rates

The District's revenues and expenditures for 2024 are expected to be slightly greater than 2023, but there was \$1,189,894 of reduced property tax revenue due to SB22-238 and SB23B-001, which the District did receive backfill of the lost revenue from the State. Tax revenue will increase as a result of continued increase in collection of Specific Ownership Taxes. Overall, the decrease in grants and donations is projected to be less than the increase in tax revenue.

Request for Information

The financial report is designed to provide a general overview of the District's finances for all those interested in the government's finances. Questions concerning any of the information provided in the report or additional financial information should be addressed to: Canon City Area Fire Protection District, 1475 N. 15th Street, Canon City, CO 81212.

BASIC FINANCIAL STATEMENTS

**CANON CITY AREA FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

ASSETS

Cash and cash equivalents	\$ 4,145,655
Cash with County Treasurer	68,992
Accounts receivable	320,570
Property taxes receivable	6,708,754
Prepaid expenses	161,710
Capital assets not being depreciated	588,114
Capital assets, net of accumulated depreciation/amortization	13,563,867
	25,557,662
Total assets	25,557,662

DEFERRED OUTFLOWS OF RESOURCES

Deferred pension inflows - Volunteer pension	57,024
Deferred pension inflows - Old hire pension	547,357
	604,381
Total deferred outflows of resources	604,381

LIABILITIES

Accounts payable and other accrued liabilities	29,275
Accrued salaries and benefits	214,302
Accrued interest	46,543
Long-term liabilities:	
Due within one year	456,154
Due in more than one year	10,025,199
Net pension liability - Volunteer pension	133,624
Net pension liability - Old hire pension	2,973,401
	13,878,498
Total liabilities	13,878,498

DEFERRED INFLOWS OF RESOURCES

Deferred pension inflows - Volunteer pension	27,465
Deferred pension inflows - Old hire pension	145,313
Unavailable property tax revenue	6,708,754
	6,881,532
Total deferred inflows of resources	6,881,532

NET POSITION

Net investment in capital assets	4,464,069
Restricted	237,000
Unrestricted	700,944
	5,402,013
Total net position	\$ 5,402,013

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

**CANON CITY AREA FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities:				
General and administrative	\$ 531,870	\$ -	\$ -	\$ (531,870)
Fire and emergency medical services	7,580,419	1,093,953	593,603	(5,892,863)
Interest and fiscal charges	285,192	-	-	(285,192)
Total governmental activities	\$ 8,397,481	\$ 1,093,953	\$ 593,603	(6,709,925)
General revenues:				
General property tax				6,384,363
Specific ownership tax				833,142
Investment earnings				155,258
Other income				33,786
Total general revenues				7,406,549
Change in net position				696,624
Net position - beginning				5,409,071
Prior period adjustment				(703,682)
Net position - beginning, as restated				4,705,389
Net position - ending				\$ 5,402,013

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

**CANON CITY AREA FIRE PROTECTION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUND - GENERAL FUND
DECEMBER 31, 2023**

ASSETS

Cash and cash equivalents	\$ 4,145,655
Cash with County Treasurer	68,992
Accounts receivable	320,570
Property taxes receivable	6,708,754
Prepaid expenses	161,710
	<u>161,710</u>
Total assets	<u><u>\$ 11,405,681</u></u>

LIABILITIES

Accounts payable and other accrued liabilities	\$ 29,275
Accrued salaries and benefits	214,302
	<u>214,302</u>
Total liabilities	<u>243,577</u>

DEFERRED INFLOWS OF RESOURCES

Unavailable property tax revenue	6,708,754
	<u>6,708,754</u>

FUND BALANCE

Nonspendable	161,710
Restricted	237,000
Unassigned	4,054,640
	<u>4,054,640</u>
Total fund balance	<u>4,453,350</u>

Total liabilities, deferred inflows of resources, and fund balance	\$ 11,405,681
	<u><u>11,405,681</u></u>

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

**CANON CITY AREA FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2023**

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

Total fund balance - governmental funds		\$ 4,453,350
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Capital assets, not being depreciated	\$ 588,114		
Capital assets, net of depreciation	<u>13,563,867</u>		14,151,981

Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in government funds:

Net pension liability- Volunteer pension	(133,624)		
Pension outflows- Volunteer pension	57,024		
Pension inflows- Volunteer pension	(27,465)		
Net pension liability- Old hire pension	(2,973,401)		
Pension outflows- Old hire pension	547,357		
Pension inflows- Old hire pension	(145,313)		
Compensated absences	(793,441)		
Accrued interest payable	(46,543)		
Lease payable	(442,455)		
COP payable	<u>(9,245,457)</u>		<u>(13,203,318)</u>

Net Position of governmental activities in the statement of net position		<u><u>\$ 5,402,013</u></u>
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The accompanying notes are an integral part of these financial statements.

CANON CITY AREA FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUND - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

REVENUES

General property tax	\$ 6,384,363
Specific ownership tax	833,142
Charges for services	212,210
Grants	593,603
Fees	16,179
Risk management	858,641
Investment earnings	155,258
Miscellaneous	40,709
	9,094,105
Total revenues	9,094,105

EXPENDITURES

General and administrative:	
Administration	59,249
Insurance	28,008
Professional services	28,684
County treasurer fees	191,109
Other	12,300
Fire and emergency medical services:	
Personnel costs and benefits	6,431,936
Operations	98,633
Fire prevention and life safety	8,812
Apparatus maintenance	31,358
Facilities	63,511
Communications	109,758
Training	58,918
Health and safety	113,296
Wildland deployment	195,664
Capital outlays	2,048,857
Debt service:	
Principal	448,649
Interest and fiscal charges	304,115
	10,232,857
Total expenditures	10,232,857
Net change in fund balance	(1,138,752)
Fund balance - beginning, as originally stated	6,743,305
Prior period adjustment	(1,151,203)
	5,592,102
Fund balance - beginning	5,592,102
Fund balance - ending	\$ 4,453,350

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

**CANON CITY AREA FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

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

Net change in fund balances - total governmental funds: \$ (1,138,752)

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

Capital outlays	\$ 1,872,901	
Depreciation	<u>(393,395)</u>	1,479,506

Governmental funds measure compensated absences by the amount of financial resources used, whereas these expenses are reported in the statement of activities based on the amounts incurred during the year. (129,770)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayment of principal		448,649
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Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Interest expense	\$ (20,010)	
Amortization of bond premium	38,933	
Pension expenses - Volunteer pension	15,840	
Pension expenses - Old hire pension	<u>2,228</u>	<u>36,991</u>

Change in net position of governmental activities		<u><u>\$ 696,624</u></u>
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The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Canon City Area Fire Protection District (the District) was organized under the laws of the State of Colorado to operate and maintain a special district for the purpose of providing fire and emergency paramedical services to its residents.

The accounting policies of the District conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY

The District is a special district governed by an elected five-member board. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

B. BASIS OF PRESENTATION – GOVERNMENT-WIDE FINANCIAL STATEMENTS

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide 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 non-fiduciary activities of the government. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

C. BASIS OF PRESENTATION — FUND FINANCIAL STATEMENTS

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District reports the following major governmental funds:

The *General Fund* is the general operating fund of the District. It is used to account for all financial resources, except those required to be accounted for in another fund.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, specific ownership taxes, charges for services, 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. Expenditure-driven grants recognize revenue when the qualifying expenditures have been incurred and all other grant requirements have been met, and the amount is received during the period or within the availability period of this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

E. ASSET, LIABILITIES, AND NET POSITION/FUND BALANCE

Cash and cash equivalents

Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Local government investment pools in Colorado must be organized under Colorado Revised Statutes, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in such pools are valued at the pool's share price, the price at which the investment could be sold.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid expenses

Payments made for expenses that will benefit periods beyond December 31, 2023 are recorded as prepaid expenses.

Capital Assets

Capital assets, which include land, buildings, vehicles, and equipment, are reported 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 one year. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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. Improvements are capitalized and are depreciated over the remaining useful lives of the related capital assets, as applicable.

Buildings, vehicles, and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Machinery and Equipment	10-20 years
Vehicles	15 years

When depreciable property is acquired, depreciation is included in expense for the year of acquisition for the number of months during the year the asset was in service. When depreciable property is retired or otherwise disposed of, depreciation is included in expense for the number of months in service during the year of retirement and the related costs and accumulated depreciation are removed from the accounts with any gain or loss reflected in the statement of revenue, expenses and changes in fund net position.

Pensions

Canon City Area Fire Protection District participates in the Volunteer Firefighters' Pension Plan (the "Volunteer Plan), an agent multiple-employer 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.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Canon City Area Fire Protection District participates in the Old Hire Fire Pension Plan (the “Old Hire Plan”), an agent multiple-employer 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 Old Hire 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.

Deferred outflows/inflows of resources

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

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

Leases

Lessee: The District is a lessee for noncancellable leases. The District recognizes a lease liability and an intangible right-to-use lease assets in the financial statements. The District recognizes lease liabilities with an initial, individual value of \$50,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Long-term liabilities

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, the face amount of the debt issued is reported as other financing sources.

Net position flow assumption

The District may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

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 available to be used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – 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.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of 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 that was used 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.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assigned – This classification includes amounts that are constrained by the District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Directors or through the Board of Directors delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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 first to defer the use of these other classified funds.

F. REVENUES AND EXPENDITURES/EXPENSES

Program revenues

Amounts reported as *program revenues* include 1) fees and 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. Revenues that are not classified as program revenues, including all taxes, are reported as general revenues.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1 and payable in two installments due February 28 and June 15, or in one installment due April 30. Fremont County Treasurer bills and collects property taxes for the District. District property tax revenues are recognized when levied to the extent that they result in current receivables.

The District is permitted to levy taxes on the assessed valuation for general governmental services and for the payment of principal and interest on long-term debt. The mill levy for general operating expenses for the year ended December 31, 2023 was 23.040 mills. The District’s assessed valuation for 2023 was \$276,529,235.

Compensated absences

Employees of the District are allowed to accumulate unused vacation and sick time. Upon termination of employment with the District, an employee is compensated for all accrued vacation and sick time within the maximum leave accruals at the current rate of pay.

These compensated absences are recognized when due in the governmental funds types. A liability has been recorded in the government-wide financial statements for accrued compensated absences.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budget information

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

- 1) In the fall, a proposed operation budget is submitted to the Board for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) Public hearings are conducted by the District to obtain taxpayer comments.
- 3) Prior to December 31, the budget is legally enacted through passage of a resolution. This authorizes a lump-sum expenditure budget by fund for the District. This aggregate expenditure budget, by fund, then becomes the level of control upon which expenditures cannot legally exceed appropriations. An appropriation ordinance is also adopted which allocates the total budget by fund.
- 4) Any revisions that alter the budget of any fund must be approved by the Board by passage of a resolution.
- 5) Formal budgetary integration is employed as a management control device during the year for the general and pension funds.
- 6) Budgets for the general fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board.
- 7) All annual appropriations lapse at the end of the year.

Excess of Expenditures over Appropriations

For the year ended December 31, 2023, expenditures exceeded appropriations in the General Fund by \$592,754. These over-expenditures were funded by available current year revenues.

NOTE 3 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2023 as follows:

Cash and cash equivalents:

Deposits	\$ 2,176,792
Investments	<u>1,968,863</u>
Total	<u>\$ 4,145,655</u>

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Cash deposits with financial institutions

Custodial credit risk-deposits. Colorado state statutes govern the entity’s deposit of cash. The Public Deposit Protection Acts for banks and savings and loans requires the state regulators to certify eligible depositories for public deposits. The acts require the eligible depositories with public deposits in excess of the federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or local Colorado governments, and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the assets in the pool must be at least equal to 102% of uninsured deposits.

At December 31, 2023, the carrying amounts of the District’s deposits were \$2,176,792, and the bank balances were \$2,253,996. Of the total bank balances, \$253,964 was covered by FDIC insurance and the remaining balance of \$2,000,032 falls under the provisions of the Colorado Public Deposit Protection Acts which are collateralized in single institution pools.

Investments

The District is authorized by Colorado statutes to invest in the following:

- ◆ Obligations of the United States and certain U.S. government agencies’ securities;
- ◆ General obligation and revenue bonds of U.S. local government entities;
- ◆ Local government investment pools;
- ◆ Written repurchase agreements collateralized by certain authorized securities;
- ◆ Certain money market funds;
- ◆ Guaranteed investment contracts.

At December 31, 2023 the District’s investment balances were as follows:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
COLOTRUST	Less than 60 days	\$ <u>1,968,863</u>

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 from increasing interest rates.

Credit Risk: State law and the District’s investment policies limit investments as described above. As of December 31, 2023, the District’s investments were rated AAAM by Standard & Poor’s.

Colorado Surplus Asset Fund Trust (COLOTRUST) is an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes by state statutes. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. Designated custodial banks provide safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. All securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian’s internal records identify the investments owned by COLOTRUST. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury notes.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 –RECEIVABLES

Receivables are considered fully collectible; therefore, there is no allowance for uncollectibles.

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance, <u>As restated</u>	<u>Increase</u>	<u>Decrease</u>	Ending Balance
Capital assets, not being depreciated				
Land	\$ 588,114	\$ -	\$ -	\$ 588,114
Construction in progress	<u>9,370,265</u>	<u>1,734,154</u>	<u>(11,104,419)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>9,958,379</u>	<u>1,734,154</u>	<u>(11,104,419)</u>	<u>588,114</u>
Capital assets, being depreciated:				
Buildings	1,307,094	10,517,447	-	11,824,541
Machinery and equipment	<u>5,369,750</u>	<u>725,719</u>	<u>-</u>	<u>6,095,469</u>
Total capital assets, being depreciated	<u>6,676,844</u>	<u>11,243,166</u>	<u>-</u>	<u>17,920,010</u>
Less accumulated depreciation:				
Buildings	(1,123,873)	(205,174)	-	(1,329,047)
Machinery and equipment	<u>(2,838,875)</u>	<u>(188,221)</u>	<u>-</u>	<u>(3,027,096)</u>
Total accumulated depreciation	<u>(3,962,748)</u>	<u>(393,395)</u>	<u>-</u>	<u>(4,356,143)</u>
Capital assets, being depreciated, net	<u>2,714,096</u>	<u>10,849,771</u>	<u>-</u>	<u>13,563,867</u>
Total capital assets, net	<u>\$ 12,672,475</u>	<u>\$ 12,583,925</u>	<u>\$(11,104,419)</u>	<u>\$ 14,151,981</u>

Depreciation expense was charged to functions/programs of as follows:

Wildland	\$ 3,870
General and administrative	212,520
Fire and emergency medical services	<u>177,005</u>
Total	<u>\$ 393,395</u>

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 - LONG-TERM DEBT

On May 10, 2021, UMB Bank, N.A. issued \$8,805,000 Certificates of Participation, Series 2021 to the District. Proceeds from the COPs were used to build Station 3. Interest accrues a rate of 3% to 4% and is due semi-annually. Principal payments are due annually on December 1 through 2046.

On November 1, 2022, the District entered into a Lease Purchase Agreement with Community First National Bank in the amount of \$621,104 to purchase a Toyne EMFD Pumper. Interest and principal payments are due annually on June 1st with a total payment amount of \$236,923. The last payment will be on June 1, 2025

Debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 456,154	\$ 293,419
2025	476,301	273,673
2026	260,000	253,050
2027	270,000	242,650
2028	280,000	231,850
2029-2033	1,585,000	984,150
2034-2038	1,855,000	711,750
2039-2043	2,155,000	415,950
2044-2046	<u>1,455,000</u>	<u>88,200</u>
 Total	 <u>\$ 8,792,455</u>	 <u>\$ 3,494,691</u>

Long-term debt activity for the year ended December 31, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due within One year</u>
2021 COPs	\$ 8,580,000	\$ -	\$ (230,000)	\$ 8,350,000	\$ 240,000
Premium	934,390	-	(38,933)	895,457	-
Lease	661,104	-	(218,649)	442,455	216,154
Compensated Absences	<u>663,671</u>	<u>129,770</u>	<u>-</u>	<u>793,441</u>	<u>-</u>
Total	<u>\$10,839,165</u>	<u>\$ 129,770</u>	<u>\$ (487,582)</u>	<u>\$ 10,481,353</u>	<u>\$ 456,154</u>

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 – DEFINED BENEFIT PENSION PLANS

Volunteer Firefighters’ Pension Plan

General Information about the Pension 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 earnings 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 actuarial study as of January 1, 2023, indicated that the current levels of contributions to the fund are adequate to support on an actuarially sound basis the prospective benefits for the present Plan.

At January 1, 2023 the membership consists of 19 active members, 11 retirees and beneficiaries, and one inactive, nonretired member.

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

At December 31, 2023, The District reported a net pension liability of \$133,624. The net pension liability was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2023. Standard update procedures were used to roll forward the total pension liability to December 31, 2023.

For the year ended December 31, 2023, the District recognized pension expense of (\$15,840).

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

For the year ended December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 134	\$ 5,850
Change in assumptions and other inputs	2,922	-
Net difference between projected and actual earnings on pension plan investments	37,976	21,615
Contributions subsequent to the measurement date	15,992	N/A
Total	\$ 57,024	\$ 27,465

\$15,992 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. 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:	
2024	\$ (2,029)
2025	1,138
2026	4,964
2027	9,494
2028	-
Thereafter	-
Total	\$ 13,567

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial assumptions: Method and Assumptions Used to Determine Contribution Rates:

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

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

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.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

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, 2022, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	1.00%	3.92%
Fixed Income - Rates	10.00%	5.45%
Fixed Income - Credit	5.00%	6.90%
Absolute Return	9.00%	6.49%
Long Short	6.00%	7.47%
Global Public Equity	35.00%	8.93%
Private Markets	34.00%	10.31%
Total	100.0%	

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

Sensitivity of the District’s net pension liability/(asset) to changes in the Discount Rate. The following presents the net pension liability/(asset) calculated using a Single Discount Rate of 7.00 percent, as well as the net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease 6.00%	Current Single Discount Rate 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability/(asset)	\$ 177,361	\$ 133,624	\$ 96,709

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 which can be obtained at www.fppaco.org.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Old Hire Fire Pension Plan

General Information about the Pension Plan

Plan description. These plans are individual defined benefit pension plans for firefighter and police employees in the State of Colorado hired before April 8, 1978 (old hires) whose employers have chosen to affiliate with FPPA. The affiliated plans are still governed by their local plan document and local pension board.

Each has a separate actuarial valuation done every two years where contributions rates are determined. The Plan provides retirement benefits for Members and beneficiaries according to Plan provisions as enacted and governed by the Firefighters Pension Board.

Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the Plan. For 2022, retirees could choose one of two retirement benefits as follows:

1. Any firefighter who elects to retire on or after his normal retirement date (20 years of service and 50 years of age) shall be eligible for a monthly pension equal to 60% of his monthly salary at the date of his retirement. For each year of service beyond 20 years, a firefighter shall increase his pension by 3.0% of salary up to a maximum monthly pension of 90% of his monthly salary at the date of his retirement.
2. Any firefighter who elects to retire on or after his normal retirement date (when he has completed 20 years of service), is eligible for a monthly pension of one-half of his monthly salary at the date of retirement. In addition, the retiree receives 2% of his monthly salary multiplied by the number of years of service in excess of 20 years. The total monthly pension may not exceed 60% of the monthly salary on the date of retirement. The plan also provides for severance benefits, cost of living adjustments and post-withdrawal and pre-retirement and post-retirement death benefits.

FPPA issues independent annual reports may be obtained by calling FPPA at (303)770-3772 in the Denver metro area and 1-800-332-FPPA (3772) from outside the metro area.

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 actuarial study as of January 1, 2022, indicated that the current levels of contributions to the fund are adequate to support on an actuarially sound basis the prospective benefits for the present Plan.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

At December 31, 2023, The District reported a net pension liability of \$2,973,401. The net pension liability was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2022. Standard update procedures were used to roll forward the total pension liability to December 31, 2023.

For the year ended December 31, 2023, the District recognized pension expense of (\$2,228).

At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Assumption changes	-	-
Net difference between projected and actual earnings on pension plan investments	325,076	145,313
Contributions subsequent to the measurement date	222,281	N/A
Total	\$ 547,357	\$ 145,313

\$222,281 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. 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:	
2024	\$ 9,210
2025	35,554
2026	53,730
2027	81,269
2028	-
Thereafter	-
Total	\$ 179,763

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial assumptions: Method and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	N/A
Remaining Amortization Period	N/A
Asset Valuation Method	5-Year smoothed market
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	6.5%
Retirement Age	Any remaining actives are assumed to retire immediately.
Mortality	Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. Disabled (pre-1980): Post-retirement rates set forward three years.

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, 2022, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	5.00%	4.4%
Fixed Income - Rates	30.00%	4.9%
Fixed Income - Credit	6.00%	6.6%
Absolute Return	6.00%	6.9%
Long Short	6.00%	6.7%
Global Public Equity	17.00%	8.7%
Private Markets	30.00%	10.2%
Total	100.0%	

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Sensitivity of the District’s net pension liability/(asset) to changes in the Discount Rate. The following presents the net pension liability/(asset) calculated using a Single Discount Rate of 6.50 percent, as well as the net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease 5.50%	Current Single Discount Rate 6.50%	1% Increase 7.50%
Proportionate share of the net pension liability/(asset)	\$ 3,486,202	\$ 2,973,401	\$ 2,529,411

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 which can be obtained at www.fppaco.org.

NOTE 8 – DEFINED CONTRIBUTION PENSION PLAN

New Hires Pension Plan

The District has adopted a locally administered pension plan for firemen hired on or after April 8, 1978. An employee become eligible if they work at least 1,600 hours per year. Employees contribution 10.0% of compensation which is matched by the employer. In addition, the participant may voluntarily contribute up to 10% of compensation paid within 30 days after the valuation date of the plan year. The participants contribution 100% vested at all times. Vesting for employer contributions is as follows:

<u>Years of service</u>	<u>Percent vested</u>
Less than 2	None
2	20%
3	40%
4	60%
5	80%
6	100%

Qualified payroll for these employees for the year ended December 31, 2023, as \$3,806,284. Required and actual contributions for this plan by the District and employees for 2023 was \$398,463. The District has no further liability for pension benefits in excess of the funds available in the fund.

Subsequent Event: In May 2023 Canon City Area Fire Protection District re-entered the FPPA Statewide Defined Benefit Pension Plan (SWDB). Contributions made to the SWDB during 2023 will be measured as of December 31, 2023 and reported on the December 31, 2024 statements in accordance with GASB 68.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 9 - RISK MANAGEMENT

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

The District carries commercial insurance for these risks of loss, including worker's compensation and employee health and accident insurance. Settled claims resulting from these risks did not exceed commercial insurance coverage during the last three fiscal years.

NOTE 10 - AMENDMENT TO COLORADO CONSTITUTION

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

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

In 1995, the voters of the District approved continuation of a 3.42 mill levy commencing January 1, 1996, which had previously been levied for payment of general obligation bonds and had been scheduled to expire on December 31, 1995. Voters also authorized the District to receive, retain and expend all revenues derived from the continued ad valorem tax for the general purposes of the District during 1997 and each subsequent year, notwithstanding any state restriction on fiscal year revenue and spending limits including, without limitation, the restrictions of Article X, Section 20 of the Colorado Constitution.

In 2004, the voters of the District approved that taxes be increased by the imposition of an additional property tax not to exceed 2.556 mills (from 10.444 mills to 13.000 mills) commencing January 1, 2005 and thereafter. Voters also authorized the District to collect and spend such revenues notwithstanding revenue or expenditure limits contained in Colorado Statutes and in Article X, Section 20 of the Colorado Constitution.

In 2014, the voters of the District approved that taxes be increased by the imposition of an additional property tax not to exceed 4.67 mills commencing January 1, 2015 and thereafter. Voters also authorized the District to collect, retain and spend such revenues notwithstanding limitations of applicable state statutes and Article X, Section 20 of the Colorado Constitution.

In 2018, the voters of the District approved that taxes be increased by the imposition of an additional property tax not to exceed 12.00 mills commencing January 1, 2019 and thereafter. Voters also authorized the District to collect, retain and expend all property tax revenues derived from such property tax mill levy and other revenues received by the District as voter-approved revenue changes and exceptions to limits which would otherwise apply under Article X, Section 20 of the Colorado Constitution or any other law.

**CANON CITY AREA FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 10 - AMENDMENT TO COLORADO CONSTITUTION (CONTINUED)

The Amendment requires the emergency reserves be established. These reserves must be at least 3 percent of Fiscal Year Spending (excluding bonded debt service). Emergency reserves, as of December 31, 2023 totaling \$237,000 have been presented as a reservation of fund balance in the General Fund. The entity is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

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

NOTE 11 – PRIOR PERIOD ADJUSTMENTS

Correction of an error

During the year, it was determined that prior year capital assets were missing several adjustments. As a result, the beginning net position for the governmental activities and beginning fund balance for the governmental funds have been restated to reflect the cumulative effect of the corrections.

Restatements had the following impact on previously reported balances:

Governmental Activities

Net Position, December 31, 2022, as originally stated	\$ 5,409,071
Correction of error – construction pay app and retainage	(1,151,203)
Correction of error – capital asset addition adjustments	<u>447,521</u>

Net Position, December 31, 2022, as Restated	\$ <u>4,705,389</u>
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Governmental Funds

Total fund balance, December 31, 2022, as originally stated	\$ 6,743,305
Correction of error – construction pay app and retainage	<u>(1,151,203)</u>

Fund Balance, December 31, 2022, as Restated	\$ <u>5,592,102</u>
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REQUIRED SUPPLEMENTARY INFORMATION

**CANON CITY AREA FIRE PROTECTION DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES				
General property tax	\$ 6,371,186	\$ 6,371,186	\$ 6,384,363	\$ 13,177
Specific ownership tax	650,000	650,000	833,142	183,142
Charges for services	166,590	166,590	212,210	45,620
Grants	699,874	699,874	593,603	(106,271)
Fees	70,000	70,000	16,179	(53,821)
Risk management	198,840	198,840	858,641	659,801
Investment earnings	15,000	15,000	155,258	140,258
Miscellaneous	17,000	17,000	40,709	23,709
	<u>8,188,490</u>	<u>8,188,490</u>	<u>9,094,105</u>	<u>905,615</u>
EXPENDITURES				
General and administrative:				
Administration	58,812	58,812	59,249	(437)
Insurance	31,500	31,500	28,008	3,492
Professional services	22,450	22,450	28,684	(6,234)
County treasurer fees	191,018	191,018	191,109	(91)
Other	11,400	11,400	12,300	(900)
Fire and emergency medical services:				
Personnel costs and benefits	6,101,991	6,101,991	6,431,936	(329,945)
Operations	89,350	89,350	98,633	(9,283)
Fire prevention and life safety	15,250	15,250	8,812	6,438
Apparatus maintenance	62,000	62,000	31,358	30,642
Facilities	62,600	62,600	63,511	(911)
Communications	112,110	112,110	109,758	2,352
Training	69,690	69,690	58,918	10,772
Health and safety	96,597	96,597	113,296	(16,699)
Wildland deployment	131,485	131,485	195,664	(64,179)
Capital outlay	1,815,000	1,815,000	2,048,857	(233,857)
Debt service	748,850	748,850	752,764	(3,914)
Contingency	20,000	20,000	-	20,000
	<u>9,640,103</u>	<u>9,640,103</u>	<u>10,232,857</u>	<u>(592,754)</u>
Net Change in Fund Balance	<u>(1,451,613)</u>	<u>(1,451,613)</u>	<u>(1,138,752)</u>	<u>312,861</u>
Fund balances - beginning	1,800,000	1,800,000	6,743,305	4,943,305
Prior period adjustment	-	-	(1,151,203)	(1,151,203)
Fund balances - beginning, as restated	<u>1,800,000</u>	<u>1,800,000</u>	<u>5,592,102</u>	<u>3,792,102</u>
Fund balances - ending	<u>\$ 348,387</u>	<u>\$ 348,387</u>	<u>\$ 4,453,350</u>	<u>\$ 4,104,963</u>

See the accompanying independent auditors' report

CANON CITY AREA FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
VOLUNTEER FIREFIGHTERS' PENSION PLAN
DECEMBER 31, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability (TPL)								
Service cost	\$ 2,287	\$ 2,287	\$ 2,023	\$ 2,023	\$ 2,170	\$ 2,170	\$ 2,868	\$ 2,868
Interest	28,548	28,383	28,194	28,148	30,201	30,062	29,627	29,380
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(8,518)	-	1,505	-	(20,322)	-	(5,821)	-
Changes of assumptions	4,255	-	-	-	17,049	-	9,881	-
Benefit payments, including refunds of member contributions	<u>(27,820)</u>	<u>(28,770)</u>	<u>(29,520)</u>	<u>(29,520)</u>	<u>(29,620)</u>	<u>(31,120)</u>	<u>(29,720)</u>	<u>(28,227)</u>
Net change in total pension liability	(1,248)	1,900	2,202	651	(522)	1,112	6,835	4,021
Total pension liability—beginning	420,385	418,485	416,283	415,632	416,154	415,042	408,207	404,186
Total pension liability—ending (a)	<u>\$ 419,137</u>	<u>\$ 420,385</u>	<u>\$ 418,485</u>	<u>\$ 416,283</u>	<u>\$ 415,632</u>	<u>\$ 416,154</u>	<u>\$ 415,042</u>	<u>\$ 408,207</u>
Plan fiduciary net position								
Contributions—employer	\$ 5,020	\$ 17,074	\$ 7,147	\$ 18,376	\$ 12,079	\$ 7,187	\$ 11,569	\$ 6,755
Pension plan net investment income	(25,278)	41,472	32,391	33,426	316	34,076	12,527	4,540
Benefit payments	(27,820)	(28,770)	(29,520)	(29,520)	(29,620)	(31,120)	(29,720)	(28,227)
Pension plan administrative expenses	(4,663)	(5,954)	(4,708)	(6,282)	(6,884)	(5,812)	(652)	(2,003)
State of Colorado supplemental discretionary payment	15,199	6,146	16,205	10,616	6,211	9,969	5,793	14,207
Net change in plan fiduciary net position	(37,542)	29,968	21,515	26,616	(17,898)	14,300	(483)	(4,728)
Plan fiduciary net position—beginning	323,055	293,087	271,572	244,956	262,854	248,554	249,037	253,765
Plan fiduciary net position—ending (b)	<u>\$ 285,513</u>	<u>\$ 323,055</u>	<u>\$ 293,087</u>	<u>\$ 271,572</u>	<u>\$ 244,956</u>	<u>\$ 262,854</u>	<u>\$ 248,554</u>	<u>\$ 249,037</u>
Net pension liability (asset)—ending (a) – (b)	<u>\$ 133,624</u>	<u>\$ 97,330</u>	<u>\$ 125,398</u>	<u>\$ 144,711</u>	<u>\$ 170,676</u>	<u>\$ 153,300</u>	<u>\$ 166,488</u>	<u>\$ 159,170</u>
Plan fiduciary net position as a percentage of the total pension liability	68.12%	76.85%	70.04%	65.24%	58.94%	63.16%	59.89%	61.01%

The amounts presented for each fiscal year were determined as of 12/31.

Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

**CANON CITY AREA FIRE PROTECTION DISTRICT
SCHEDULE OF CONTRIBUTIONS
VOLUNTEER FIREFIGHTERS' PENSION PLAN
DECEMBER 31, 2023**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 20,017	\$ 23,034	\$ 23,034	\$ 18,006	\$ 18,006	\$ 18,290	\$ 17,156	\$ 16,870	\$ 20,644	\$ 20,644
Actual contribution*	<u>20,219</u>	<u>23,220</u>	<u>23,352</u>	<u>28,992</u>	<u>18,290</u>	<u>18,290</u>	<u>16,870</u>	<u>17,362</u>	<u>20,962</u>	<u>20,940</u>
Contribution deficiency (excess)	<u>\$ (202)</u>	<u>\$ (186)</u>	<u>\$ (318)</u>	<u>\$ (10,986)</u>	<u>\$ (284)</u>	<u>\$ -</u>	<u>\$ 286</u>	<u>\$ (492)</u>	<u>\$ (318)</u>	<u>\$ (296)</u>
District's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* Includes both employer and State of Colorado Supplementary Discretionary Payment

The amounts presented for each fiscal year were determined as of 12/31.

See the accompanying independent auditors' report.

CANON CITY AREA FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
OLD HIRE FIRE PENSION PLAN
DECEMBER 31, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability (TPL)								
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	355,843	363,860	368,290	377,942	381,058	-	383,483	379,911
Changes of benefit terms	-	-	-	-	-	381,175	-	-
Differences between expected and actual experience	-	(43,631)	-	208,194	-	33,529	-	(129,968)
Changes of assumptions	-	-	-	470,586	-	-	-	214,700
Benefit payments, including refunds of member contributions	(447,217)	(440,022)	(432,967)	(426,051)	(419,271)	(413,373)	(415,106)	(418,860)
Net change in total pension liability	(91,374)	(119,793)	(64,677)	630,671	(38,213)	1,331	(31,623)	45,783
Total pension liability—beginning	5,694,601	5,814,394	5,879,071	5,248,400	5,286,613	5,285,282	5,316,905	5,271,122
Total pension liability—ending (a)	<u>\$ 5,603,227</u>	<u>\$ 5,694,601</u>	<u>\$ 5,814,394</u>	<u>\$ 5,879,071</u>	<u>\$ 5,248,400</u>	<u>\$ 5,286,613</u>	<u>\$ 5,285,282</u>	<u>\$ 5,316,905</u>
Plan fiduciary net position								
Contributions—employer	\$ 222,281	\$ 222,281	\$ 222,281	\$ 226,589	\$ 226,589	\$ 226,589	\$ 216,474	\$ 432,692
Pension plan net investment income	(213,912)	323,737	273,290	332,923	3,608	381,008	139,835	49,508
Benefit payments	(447,217)	(440,022)	(432,967)	(426,051)	(419,271)	(413,373)	(415,106)	(418,860)
Pension plan administrative expenses	(4,971)	(3,089)	(4,206)	(3,070)	(4,907)	(2,380)	(6,092)	(4,360)
Net change in plan fiduciary net position	(443,819)	102,907	58,398	130,391	(193,981)	191,844	(64,889)	58,980
Plan fiduciary net position—beginning	3,073,645	2,970,738	2,912,340	2,781,949	2,975,930	2,784,086	2,848,975	2,789,995
Plan fiduciary net position—ending (b)	<u>\$ 2,629,826</u>	<u>\$ 3,073,645</u>	<u>\$ 2,970,738</u>	<u>\$ 2,912,340</u>	<u>\$ 2,781,949</u>	<u>\$ 2,975,930</u>	<u>\$ 2,784,086</u>	<u>\$ 2,848,975</u>
Net pension liability (asset)—ending (a) – (b)	<u>\$ 2,973,401</u>	<u>\$ 2,620,956</u>	<u>\$ 2,843,656</u>	<u>\$ 2,966,731</u>	<u>\$ 2,466,451</u>	<u>\$ 2,310,683</u>	<u>\$ 2,501,196</u>	<u>\$ 2,467,930</u>
Plan fiduciary net position as a percentage of the total pension liability	46.93%	53.97%	51.09%	49.54%	53.01%	56.29%	52.68%	53.58%

The amounts presented for each fiscal year were determined as of 12/31.

Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

**CANON CITY AREA FIRE PROTECTION DISTRICT
SCHEDULE OF CONTRIBUTIONS
OLD HIRE FIRE PENSION PLAN
DECEMBER 31, 2023**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 222,281	\$ 222,281	\$ 222,281	\$ 222,281	\$ 226,589	\$ 226,589	\$ 226,589	\$ 216,474	\$ 216,474	\$ 217,218
Actual contribution*	<u>222,281</u>	<u>222,281</u>	<u>222,281</u>	<u>226,589</u>	<u>226,589</u>	<u>226,589</u>	<u>226,589</u>	<u>216,474</u>	<u>433,692</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,308)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (217,218)</u>	<u>\$ 217,218</u>
District's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* Includes both employer and State of Colorado Supplementary Discretionary Payment

The amounts presented for each fiscal year were determined as of 12/31.

See the accompanying independent auditors' report.