

CRAIG RURAL FIRE PROTECTION DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2023

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Craig Rural Fire Protection District

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Craig Rural Fire Protection District (the District) as of and for the year ended December 31, 2023, 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, each major fund, and the aggregate remaining fund information of the 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of 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 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.

## **Auditors' 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 auditors' 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that General Fund budgetary comparison schedule, HazMat Response Fund budgetary comparison schedule, and GASB required pension schedules 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.

Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic statements is not affected by this missing information.

**Supplementary Information**

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

*The Adams Group, LLC*

Greenwood Village, Colorado  
June 18, 2024

## BASIC FINANCIAL STATEMENTS

CRAIG RURAL FIRE PROTECTION DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023

	<u>Governmental Activities</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 3,119,561
Property tax receivables	929,810
Other receivables	810
Capital assets, not being depreciated	421,697
Capital assets, net of depreciation	4,788,460
Net pension asset	117,344
Total Assets	<u>9,377,682</u>
 <u>Deferred Outflows of Resources</u>	
Related to pension	<u>374,236</u>
Total Deferred Outflows of Resources	<u>374,236</u>
 <u>Liabilities</u>	
Accounts payable	24,860
Accrued wages and benefits	<u>6,642</u>
Total Liabilities	<u>31,502</u>
 <u>Deferred Inflows of Resources</u>	
Related to pension	5,056
Deferred property taxes	<u>929,810</u>
Total Deferred Inflows of Resources	<u>934,866</u>
 <u>Net Position</u>	
Net investment in capital assets	5,210,157
Restricted	
Emergencies	36,510
Net pension asset	117,344
Unrestricted	<u>3,421,539</u>
Total Net Position	<u>\$ 8,785,550</u>

*See the accompanying Notes to Financial Statements.*

CRAIG RURAL FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Capital Grants and Contributions	Governmental Activities
Governmental Activities:				
Public safety	\$ 812,918	\$ 16,447	\$ -	\$ (796,471)
Total Governmental Activities	\$ 812,918	\$ 16,447	\$ -	(796,471)
GENERAL REVENUES:				
				974,353
				97,255
				105,146
				23,797
				1,200,551
				404,080
				8,381,470
				\$ 8,785,550

*See the accompanying Notes to Financial Statements.*

CRAIG RURAL FIRE PROTECTION DISTRICT  
GOVERNMENTAL FUNDS – BALANCE SHEET  
DECEMBER 31, 2023

	General Fund	HazMat Fund	Total Governmental Funds
<u>Assets</u>			
Cash and cash equivalents	\$ 3,069,671	\$ 49,890	\$ 3,119,561
Property tax receivable	929,810	-	929,810
Other accounts receivable	810	-	810
Total Assets	<u>\$ 4,000,291</u>	<u>\$ 49,890</u>	<u>\$ 4,050,181</u>
<u>Liabilities, deferred inflows of resources and fund balances</u>			
<u>Liabilities</u>			
Accounts payable	\$ 24,842	\$ 18	\$ 24,860
Accrued wages and benefits	6,642	-	6,642
Total Liabilities	<u>31,484</u>	<u>18</u>	<u>31,502</u>
<u>Deferred inflows of resources</u>			
Deferred property taxes	929,810	-	929,810
Total Deferred Inflows of Resources	<u>929,810</u>	<u>-</u>	<u>929,810</u>
<u>Fund balances</u>			
Restricted	36,510	-	36,510
Committed	-	49,872	49,872
Unassigned	3,002,487	-	3,002,487
Total Fund Balances	<u>3,038,997</u>	<u>49,872</u>	<u>3,088,869</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 4,000,291</u>	<u>\$ 49,890</u>	<u>\$ 4,050,181</u>

*See the accompanying Notes to Financial Statements.*

CRAIG RURAL FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2023

Total fund balances, governmental funds	\$	3,088,869
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.</p>		5,210,157
<p>Certain assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.</p> <p style="padding-left: 20px;">Net pension asset - Volunteer Plan</p>		117,344
<p>Deferred outflows of resources used in governmental activities are not financial resources and therefore, are not reported in governmental funds.</p> <p style="padding-left: 20px;">Related to pension</p>		374,236
<p>Deferred inflows of resources used in governmental activities are not financial resources and therefore, are not reported in governmental funds.</p> <p style="padding-left: 20px;">Related to pension</p>		(5,056)
Total net position of governmental activities	\$	8,785,550

*See the accompanying Notes to Financial Statements.*

CRAIG RURAL FIRE PROECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2023

	General Fund	HazMat Fund	Total Governmental Funds
<u>Revenues</u>			
Property taxes	\$ 974,353	\$ -	\$ 974,353
Specific ownership taxes	97,255	-	97,255
Response and other fees	1,447	15,000	16,447
Interest income	105,146	-	105,146
Other	23,797	-	23,797
Total revenues	1,201,998	15,000	1,216,998
<u>Expenditures</u>			
Current:			
Administration	316,952	-	316,952
Firefighting and HazMat	93,361	2,356	95,717
Training	8,864	-	8,864
Fuel	9,430	-	9,430
Contribution to pension fund	100,000	-	100,000
Capital outlay	324,730	15	324,745
Total expenditures	853,337	2,371	855,708
Net change in fund balance	348,661	12,629	361,290
Fund balances - beginning	2,690,336	37,243	2,727,579
Fund balances - ending	\$ 3,038,997	\$ 49,872	\$ 3,088,869

*See the accompanying Notes to Financial Statements.*

CRAIG RURAL FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT  
OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023

Net change in fund balances - total governmental funds: \$ 361,290

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

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

Capital outlay	260,610
Depreciation expense	(286,935)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.

Pension income	69,115
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Change in net position of governmental activities	\$ 404,080
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*See the accompanying Notes to Financial Statements.*

CRAIG RURAL FIRE PROTECTION DISTRICT  
STATEMENT OF PLAN NET POSITION –  
VOLUNTEER FIREFIGHTERS’ PENSION FUND  
DECEMBER 31, 2023

Assets

Cash deposits	\$ 52,997
Investments	
Asset and mortgage backed securities	27,735
Municipal bonds	253,352
Exchange traded funds	168,824
Mutual funds	3,871,645
Money market funds	58,560
Total Assets	<u>\$ 4,433,113</u>

Plan Net Position

Restricted for pension benefits	<u>\$ 4,433,113</u>
Total Plan Net Position	<u>4,433,113</u>
 Total Liabilities and Plan Net Position	 <u>\$ 4,433,113</u>

*See the accompanying Notes to Financial Statements.*

CRAIG RURAL FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES –  
VOLUNTEER FIREFIGHTERS’ PENSION FUND  
YEAR ENDED DECEMBER 31, 2023

Additions

District contributions	\$	100,000
State of Colorado contribution		60,000
Net investment income		435,819
Total additions		595,819

Deductions

Administrative expenses		4,393
Pension benefit payments		253,555
Total deductions		257,948

Change in plan net position 337,871

Plan net position - beginning 4,095,242

Plan net position - ending \$ 4,433,113

*See the accompanying Notes to Financial Statements.*

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Craig Rural Fire Protection District (the District) was established in 1921 under State of Colorado statutes as a quasi-municipal corporation and is governed by a five-member Board of Directors pursuant to the provisions of the Colorado Special District Act. The District's service area includes western Routt County, eastern Moffat County, and the City of Craig, Colorado. The District provides firefighting and HazMat services to the residents and visitors of the District.

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

The District is not financially accountable for any other organization. The District is not a component unit of any other primary governmental entity, including the City of Craig.

Significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the government-type activities of the District. Governmental activities are normally supported by taxes and charges for services.

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

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (continued)

Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment. Taxes and other items not properly included amount program revenues are reported instead as general revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

The District reports the following major governmental fund:

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

The *HazMat Fund* is used to account for proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes. The HazMat Fund is a special revenue fund of the District.

Fiduciary funds account for the assets held by the District in a Trustee capacity or as an agent on behalf of others. The District has one Fiduciary Fund, the Volunteer Firefighters' Pension Plan.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The *Pension Trust Fund* is used to account for the activities of the volunteer firefighters' retirement plan.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. For the year ended December 31, 2023, there was one budget amendment which impacted the General Fund.

Cash and Investments

The District considered cash and cash equivalents to include cash on hand, demand deposits and money market funds. All investments are reported at fair value or amortized cost.

Property Taxes

Property taxes are levied by the District Board of Directors. The levy is based on assessed valuations determined by the County Assessors generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year.

The County Treasurers collect the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally, sales of tax liens on delinquent properties are held in November or December. The County Treasurers remit the taxes collected monthly to the District.

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

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Receivables

All other receivables are reported at their gross values and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. All receivables are expected to be collected within one year.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items and will be reported as expenditures in the following year. Prepayments are recorded using the consumption method.

Capital Assets

Capital assets, which include land, construction in progress, buildings and improvements, apparatus, and other 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. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives.

Buildings and improvements	20 - 75 years
Land improvements	15 years
Apparatus	10 - 20 years
Equipment	5 - 15 years
Hazmat	5 - 20 years

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources include certain amounts related to the District's volunteer pension plan which are to be amortized and recognized as revenue/expense in future periods.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

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. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected. Deferred inflows of resources also include certain amounts related to the District's volunteer pension plan which are to be amortized and recognized as revenue/expense in future periods.

Fund Balances

The District's governmental fund balances may consist of five classifications based on the relative strength of the spending constraints:

*Nonspendable fund balance* – Amounts that cannot be spent either because they are in nonspendable form (i.e. inventories or prepaid items) or because they are legally or contractually required to be maintained intact. The District had no items reported as nonspendable fund balance as of December 31, 2023.

*Restricted fund balance* – Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. The District had \$36,510 restricted at December 31, 2023 related to emergency reserves. See Note 7 for additional information.

*Committed fund balance* – Amounts that can be used only for specific purposes determined by a formal action of District's Board of Directors (Board). The Board is the highest level of decision-making body for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District had \$49,872 committed at December 31, 2023 in the HazMat Response Fund.

*Assigned fund balance* – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the Board may assign fund balances for specific purposes. The District has no items reported as assigned fund balance as of December 31, 2023.

*Unassigned fund balance* – Amounts that are available for any purpose.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first.

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

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

*Net investment in capital assets* – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets. Net investment in capital assets as of December 31, 2023 was \$5,210,157.

*Restricted net position* – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. As noted in Note 7, the District is required to establish emergency reserves in the amount of \$36,510 as of December 31, 2023. In addition, the District had \$117,344 restricted for the net pension asset on the statement of net position. See Note 4 for additional information.

*Unrestricted net position* – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District. At December 31, 2023, the District had unrestricted net position of \$3,421,539.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Adoption of New Accounting Standard

For the year ended December 31, 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which provides guidance on the accounting and financial reporting for SBITAs for governments. The implementation of the new standard had no impact on the District’s net position as of December 31, 2023.

NOTE 2 – CASH AND INVESTMENTS

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

Deposits with financial institutions	\$	1,357,376
Investments		<u>6,195,298</u>
Total cash and investments	\$	<u><u>7,552,674</u></u>

Governmental Funds		
Cash deposits	\$	1,304,379
Investments		<u>1,815,182</u>
Total governmental funds	\$	<u><u>3,119,561</u></u>

Fiduciary Fund*		
Cash deposits	\$	52,997
Investments		<u>4,380,116</u>
Total fiduciary funds	\$	<u><u>4,433,113</u></u>

Total cash and investments	\$	<u><u>7,552,674</u></u>
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\*See Note 4 for cash and investment information of the fiduciary fund.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. 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 State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, the District's governmental funds cash deposits had a bank balance of \$1,328,082 which were insured by FDIC or collateralized in accordance with PDPA.

Investments

The District's governmental funds have not adopted a formal investment policy; however, the District follows state statutes regarding investments, which include:

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

Interest Rate Risk

Interest rate risk is the risk that market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk (continued)

The District has not adopted a formal interest rate risk policy; however, the District follows state statutes regarding investments.

As of December 31, 2023, the District’s governmental funds had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Balance</u>
Certificates of deposit	Less than one year	\$ 1,579,136
Money market funds	Less than one year	236,046
		<u>\$ 1,815,182</u>

Fair Value

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be achieved to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. As of December 31, 2023, the District had invested \$1,579,136 in certificates of deposit and \$236,046 in money market funds. These investments are not leveled within the GASB Statement No. 72 hierarchy and are measured at amortized cost as of December 31, 2023 and are not rated. No additional disclosures required.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 3 – CAPITAL ASSETS

The following is a summary of changes in governmental activities capital assets during the year ended December 31, 2023:

	Balance at December 31, 2022	Additions	Deletions	Balance at December 31, 2023
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 174,463	\$ -	\$ -	\$ 174,463
Construction in progress	-	247,234	-	247,234
Total capital assets, not being depreciated	<u>174,463</u>	<u>247,234</u>	<u>-</u>	<u>421,697</u>
Capital assets, being depreciated				
Buildings and improvements	3,847,062	-	-	3,847,062
Land improvements	29,259	-	-	29,259
Apparatus	3,670,406	-	-	3,670,406
Equipment	660,556	13,376	-	673,932
HazMat equipment	238,764	-	-	238,764
Total capital assets, being depreciated	<u>8,446,047</u>	<u>13,376</u>	<u>-</u>	<u>8,459,423</u>
Accumulated depreciation				
Buildings and improvements	865,005	67,815	-	932,820
Land improvements	26,705	821	-	27,526
Apparatus	1,979,370	154,580	-	2,133,950
Equipment	346,976	49,254	-	396,230
HazMat equipment	165,972	14,465	-	180,437
Total accumulated depreciation	<u>3,384,028</u>	<u>286,935</u>	<u>-</u>	<u>3,670,963</u>
Total capital assets, being depreciated	<u>5,062,019</u>	<u>(273,559)</u>	<u>-</u>	<u>4,788,460</u>
Governmental activities capital assets, net	<u>\$ 5,236,482</u>	<u>\$ (26,325)</u>	<u>\$ -</u>	<u>\$ 5,210,157</u>

Depreciation expense of \$286,935 was charged to public safety for the year ended December 31, 2023.

NOTE 4 – VOLUNTEERS' PENSION FUND

Plan Description

The District, on behalf of its volunteer firefighters, contributes to a defined benefit pension plan (the Plan). The Plan is administered by five-member Board of Trustees. The Plan provides retirement benefits for members and beneficiaries according to the Plan provisions as enacted and governed by the Board of Trustees. The Plan is included as a pension trust fund of the District and does not issue separate statements.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 4 – VOLUNTEERS’ PENSION FUND (CONTINUED)

Plan Description (continued)

The Plan provides retirement, survivor, death, and funeral benefits. Retirement benefit for a member is \$850 a month for 20 or more years of service. Those members with a minimum of 10 years of service receive \$42.50 per month for every year of service. Survivor’s death benefits range from a \$21.25 to \$425 monthly benefit payment depending on different variables. Funeral benefit to the family members is a one-time lump sum payment of \$100.

Participant’s credited service is the sum of their years of service within the District. There are no contributions by the volunteer firefighters. The District contributes such amounts as are deemed necessary under the entry age actuarial cost method to provide the retirement plan with sufficient assets to meet the benefits to be paid to plan participants. For the year ended December 31, 2023, the District contributed \$100,000 to the Plan and the State of Colorado contributed a total of \$60,000.

At December 31, 2023, the following members were covered by the benefit terms:

Retirees and beneficiaries	29
Inactive, nonretired members	5
Active members	21
Total	55

Actuarial Assumptions

The actuarial assumption that determined the total pension liability as of December 31, 2023 were based on the actuarial valuation as of January 1, 2024. The actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	20 years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	6.50%
Retirement Age	50% probability for ages 50-64. 100% probability for age 65.
Mortality	RP-2014 Mortality Tables for annuitants, adjusted back to 2006 with Scale MP-2014 and projected forward to 2018 with Scale MP-2017, fully generational using the ultimate rates from Scale MP-2017.
Cost-of-Living Adjustment	None

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 4 – VOLUNTEERS’ PENSION FUND (CONTINUED)

Single Discount Rate

A single discount rate of 6.50% was used to measure the total pension liability. The single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 3.77%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position and future contributions were expected to be sufficient to finance all future benefit payments.

Investments

The Plan is a noninsured trust retirement plan, with a bank or trust company authorized to exercise trust powers in Colorado as trustee. As such, the Plan’s assets are invested using the Colorado Uniform Prudent Investor Act found in the provisions of Part 3 of Article 1 of the Title 15, C.R.S.

The Plan assets are invested and managed as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances. In satisfying this standard, all fiduciaries shall exercise reasonable care, skill, and caution. Investment decisions should be evaluated within the context of the entire portfolio and as part of an overall investment strategy having risk and return objectives reasonably suited to the Plan’s purpose.

Separate accounts, mutual funds, and other investment vehicles may be used based upon the most favorable approach for the Plan’s circumstances, assuming the vehicle meets the fiduciary standard and specific guidelines for the manager. It is recognized that if a pooled fund is used, the fund’s investment manager, rather than the Plan, sets the fund’s investment policies, strategies, objectives, guidelines, and restrictions.

The Plan’s investment portfolio consists of the following types of investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>			
		<u>Less than 1 year</u>	<u>1 - 5 years</u>	<u>6 - 10 years</u>	<u>Greater than 10 years</u>
Asset and mortgage backed securities	\$ 27,735	\$ -	\$ -	\$ 981	\$ 26,754
Municipal bonds	253,351	20,024	40,134	100,009	93,184
	<u>\$ 281,086</u>	<u>\$ 20,024</u>	<u>\$ 40,134</u>	<u>\$ 100,990</u>	<u>\$ 119,938</u>

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 4 – VOLUNTEERS’ PENSION FUND (CONTINUED)

Investments (continued)

In addition, the Plan had \$168,824 in exchange traded funds, \$58,560 in money market funds, and \$3,871,645 in mutual funds, to which the concept of maturity does not apply as of December 31, 2023.

Investment Policy

The Plan has an investment policy that regulates investments by hiring a qualified investment consultant to oversee qualified investment management firms who manage the assets of the Plan. The investment policy establishes an investment strategy, investment objectives, and investment guidelines for all assets. The investment strategy is designed to be consistent with the safety and return objectives of the Plan and meets the requirements of C.R.S. 31-30-1113.

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members.

Rate of Return

For the year ended December 31, 2023, the Plan’s annual money-weighted rate of return on plan investments, net of investment expense, was 10.92%.

Credit Risk

Credit risk is the risk than an issuer or other party to an investment will not fulfill its obligation to the Plan. Credit risk exposure is managed in accordance with investment guidelines as stated in the formal investment policy adopted by the Board. The Plan assets will be invested in accordance with the Colorado Uniform Prudent Investor Act found in the provisions of Part 3 of Article 1 of Title 15, C.R.S. The Plan assets shall be invested and managed as a prudent investor would, cy considering the purposes, terms, distribution requirements and other circumstances. In satisfying this standard, all fiduciaries shall exercise reasonable care, skill, and caution. Investment decisions should be evaluated within the context of the entire portfolio, rather than on an individual investment basis, and as part of an overall investment strategy having risk and return objectives reasonably suited to the Plan’s purpose. The Plan does not own any derivative investments.

At December 31, 2023, the municipal bonds are the only investments with a stated bond rating. These ratings range from A1 – AA (Standard and Poor’s).

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 4 – VOLUNTEERS’ PENSION FUND (CONTINUED)

Custodial Risk

The Plan has no custodial risk. All securities are registered in the name of the Pension Trust as the Trustee for the Plan and held by third-party safekeeping agents. Investments in money market mutual funds are not exposed to custodial risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk

The Pension Fund’s investment policy does not limit investments in any one issuer, nor does it limit the concentration. The investments below exceed 5% of the total investment balance at December 31, 2023:

<u>Investment</u>	<u>Cost</u>	<u>Fair Value</u>
American Balances CI A	\$ 318,379	\$ 391,167
American Bond Fund of America CI A	243,386	220,096
American Growth Fund of America CI A	193,755	255,580
MFS Conservative Allocation CI A	284,374	320,004
MFS Limited Maturity CI A	250,292	241,168

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Plan’s investment policy manages its exposure to fair value losses arising from rising interest rates by providing specific guidelines for fixed income managers.

Fair Value

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be achieved to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There is a hierarchy of three levels of inputs that may be used to measure fair value, as follows: Level 1: Quoted prices in active markets for an identical asset or liability that a government can access at the measurement date. Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 3: Unobservable inputs for an asset or liability.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 4 – VOLUNTEERS’ PENSION FUND (CONTINUED)

Fair Value (continued)

As of December 31, 2023, the Pension Plan had the following fair value measurements including investments:

<u>Investment Type</u>	<u>Investments at December 31, 2023</u>	<u>Quoted price in active markets (Level 1)</u>	<u>Significant other observable inputs (Level 2)</u>
Asset and mortgage backed securities	\$ 27,735	\$ -	\$ 27,735
Municipal bonds	253,352	-	253,352
Exchange traded funds	168,824	168,824	-
Mutual funds	3,871,645	3,871,645	-
Investments at fair value	<u>\$ 4,321,556</u>	<u>\$ 4,040,469</u>	<u>\$ 281,087</u>

In addition, the Pension Plan had \$58,560 invested in money market funds, which are not leveled within the GASB Statement No. 72 hierarchy and are measured at amortized cost as of December 31, 2023.

Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
Balance, December 31, 2022	\$ 4,139,974	\$ 4,095,242	\$ 44,732
Changes for the year:			
Service Cost	37,783	-	37,783
Interest	262,196	-	262,196
Benefit payments, including refunds of employee contributions	(253,555)	(253,555)	-
Difference between expected and actual experience of Total Pension Liability	66,942	-	66,942
Changes in assumptions	62,429	-	62,429
Contributions - employer	-	100,000	(100,000)
Net investment income	-	435,819	(435,819)
Administrative expense	-	(4,393)	4,393
State of Colorado supplemental discretionary payment	-	60,000	(60,000)
Net changes	<u>175,795</u>	<u>337,871</u>	<u>(162,076)</u>
Balance, December 31, 2023	<u>\$ 4,315,769</u>	<u>\$ 4,433,113</u>	<u>\$ (117,344)</u>

The Plan’s fiduciary net position as a percentage of total pension liability is 102.72% for the year ended December 31, 2023.

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 4 – VOLUNTEERS’ PENSION FUND (CONTINUED)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) calculated using the discount rate of 6.50 percent, as well as the net pension asset would be if it were calculated using a 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 Discount Rate (6.50%)	1% Increase (7.50%)
Proportionate Share of the			
Net Pension Liability (Asset)	\$ 430,187	\$ (117,344)	\$ (567,206)

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

At December 31, 2023, the District reported a net pension asset of \$117,344. The net pension asset was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2024. For the year ended December 31, 2023, the District recognized pension income of \$69,115. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 43,590	\$ 5,056
Change in assumptions	40,652	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	289,994	-
Total	\$ 374,236	\$ 5,056

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

<u>Year Ended December 31,</u>	<u>Amount</u>
2024	\$ 119,804
2025	147,671
2026	136,258
2027	(34,553)
Total	\$ 369,180

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 5 – INTERGOVERNMENTAL AGREEMENT

The District, by virtue of an intergovernmental agreement (the Agreement) with Moffat County (the County) and the City of Craig, Colorado (the City), has been designated as the emergency response authority for the City and County and is thus responsible for emergency response to hazardous substance incidents. The District deploys its Hazardous Substance Response Team, upon request, to the site of hazardous substance incidents within its designated area.

NOTE 6 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to volunteers; or acts of God. The District maintains commercial insurance coverage for all risks of loss. The District did not have any claim settlements in excess of coverage for each of the past three years.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Tax, Spending, and Debt Limitations

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

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

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

In 1999, the electors of the District authorized the District to collect and spend all revenue received in 1999 and subsequent years, notwithstanding the limitations of TABOR, without increasing its mill levy above current levels without further voter approval.

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

CRAIG RURAL FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023

NOTE 8 – CONCENTRATION OF REVENUE

For the year ended December 31, 2023, property and specific ownership taxes accounted for 88% of the District's revenue of which a significant portion is attributed to the Craig Station (coal-powered electricity generating plant) located within the District.

NOTE 9 – SUBSEQUENT EVENTS

The preparation of the District's financial statements and accompanying footnotes in conformity with generally accepted accounting principles requires management of the District to evaluate transactions and events subsequent to the balance sheet date involving the District. Management has evaluated the subsequent transactions and events of the District through June 18, 2024 which is the date of the financial statements and accompanying footnotes were available for issuance.

REQUIRED SUPPLEMENTARY INFORMATION

CRAIG RURAL FIRE PROTECTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND  
YEAR ENDED DECEMBER 31, 2023

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<u>Revenues</u>				
Property taxes	\$ 974,862	\$ 974,862	\$ 974,353	\$ (509)
Specific ownership taxes	90,000	90,000	97,255	7,255
Response and other fees	400	400	1,447	1,047
Interest income	1,200	1,200	105,146	103,946
Grants and donations	2,100	2,100	-	(2,100)
Other	12,000	12,000	23,797	11,797
Total revenues	<u>\$ 1,080,562</u>	<u>\$ 1,080,562</u>	<u>\$ 1,201,998</u>	<u>\$ 121,436</u>
<u>Expenditures</u>				
Current:				
Public safety				
Administration	374,818	374,818	316,952	57,866
Firefighting and HazMat	107,854	107,854	93,361	14,493
Training	31,800	31,800	8,864	22,936
Fuel	9,700	9,700	9,430	270
Contribution to pension fund	100,000	100,000	100,000	-
Capital outlay	<u>101,400</u>	<u>351,609</u>	<u>324,730</u>	<u>26,879</u>
Total expenditures	<u>725,572</u>	<u>975,781</u>	<u>853,337</u>	<u>122,444</u>
Net change in fund balance	<u>\$ 354,990</u>	<u>\$ 104,781</u>	348,661	<u>\$ 243,880</u>
Fund balances - beginning			<u>2,690,336</u>	
Fund balances - ending			<u>\$ 3,038,997</u>	

See accompanying Independent Auditors' Report.

CRAIG RURAL FIRE PROTECTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL – HAZMAT RESPONSE FUND  
YEAR ENDED DECEMBER 31, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>			
Intergovernmental	\$ 15,000	\$ 15,000	\$ -
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>-</u>
<u>Expenditures</u>			
Current:			
Public safety			
Administration	2,550	-	2,550
HazMat	5,500	2,356	3,144
Training	2,000	-	2,000
Capital outlay	7,200	15	7,185
Total expenditures	<u>17,250</u>	<u>2,371</u>	<u>14,879</u>
Net change in fund balance	<u>\$ (2,250)</u>	12,629	<u>\$ 14,879</u>
Fund balances - beginning		<u>37,243</u>	
Fund balances - ending		<u>\$ 49,872</u>	

See accompanying Independent Auditors' Report.

**CRAIG FIRE PROTECTION DISTRICT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET)**  
**AND RELATED RATIOS – VOLUNTEER PENSION PLAN**  
**LAST TEN FISCAL YEARS**

Measurement period ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>Total Pension Liability</u>										
Service Cost	\$ 37,783	\$ 37,783	\$ 41,493	\$ 41,493	\$ 54,777	\$ 54,777	\$ 39,989	39,989	40,583	40,583
Interest on the total pension liability	262,196	259,061	258,714	255,617	260,331	256,896	239,144	236,831	226,002	224,395
Differences between actual and expected experience	66,942	-	(48,994)	-	(88,325)	-	101,127	-	140,010	-
Changes in assumptions	62,429	-	-	-	(33,865)	-	135,748	-	-	-
Benefit payments	(253,555)	(243,809)	(244,290)	(254,490)	(263,160)	(257,794)	(242,783)	(239,700)	(239,700)	(240,805)
Net change in total pension liability	175,795	53,035	6,923	42,620	(70,242)	53,879	273,225	37,120	166,895	24,173
Total pension liability - beginning	4,139,974	4,086,939	4,080,016	4,037,396	4,107,638	4,053,759	3,780,534	3,743,414	3,576,519	3,552,346
Total pension liability - ending	<u>\$ 4,315,769</u>	<u>\$ 4,139,974</u>	<u>\$ 4,086,939</u>	<u>\$ 4,080,016</u>	<u>\$ 4,037,396</u>	<u>\$ 4,107,638</u>	<u>\$ 4,053,759</u>	<u>\$ 3,780,534</u>	<u>\$ 3,743,414</u>	<u>\$ 3,576,519</u>
<u>Plan Fiduciary Net Position</u>										
Contributions - employer	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Pension plan net investment income	435,819	(549,190)	421,730	407,107	537,908	(86,645)	405,558	209,291	8,781	207,116
Benefit payments including refunds of employee contributions	(253,555)	(243,809)	(244,290)	(254,490)	(263,160)	(257,794)	(242,783)	(239,700)	(239,700)	(240,805)
Pension plan administrative expense	(4,393)	(6,339)	(3,247)	(8,898)	(615)	(7,481)	(213)	(5,700)	-	(5,700)
State of Colorado discretionary payment	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Net change in plan fiduciary net position	337,871	(639,338)	334,193	303,719	434,133	(191,920)	322,562	123,891	(70,919)	120,611
Plan fiduciary net position - beginning	4,095,242	4,734,580	4,400,387	4,096,668	3,662,535	3,854,455	3,531,893	3,408,002	3,478,921	3,358,310
Plan fiduciary net position - ending	<u>\$ 4,433,113</u>	<u>\$ 4,095,242</u>	<u>\$ 4,734,580</u>	<u>\$ 4,400,387</u>	<u>\$ 4,096,668</u>	<u>\$ 3,662,535</u>	<u>\$ 3,854,455</u>	<u>\$ 3,531,893</u>	<u>\$ 3,408,002</u>	<u>\$ 3,478,921</u>
Net pension liability (asset) - ending	\$ (117,344)	\$ 44,732	\$ (647,641)	\$ (320,371)	\$ (59,272)	\$ 445,103	\$ 199,304	\$ 248,641	\$ 335,412	\$ 97,598
Plan fiduciary net position as a percentage of total pension liability	102.72%	98.92%	115.85%	107.85%	101.47%	89.16%	95.08%	93.42%	91.04%	97.27%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability 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

See accompanying Independent Auditors' Report.

**CRAIG FIRE PROTECTION DISTRICT**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
**VOLUNTEER PENSION FUND**  
**LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ -	\$ -	\$ 40,328	\$ 40,328	\$ 72,313	\$ 72,313	\$ 69,501	\$ 69,501	\$ 57,656	\$ 57,656
Actual contribution*	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Contribution deficiency (excess)	<u>\$ (160,000)</u>	<u>\$ (160,000)</u>	<u>\$ (119,672)</u>	<u>\$ (119,672)</u>	<u>\$ (87,687)</u>	<u>\$ (87,687)</u>	<u>\$ (90,499)</u>	<u>\$ (90,499)</u>	<u>\$ (102,344)</u>	<u>\$ (102,344)</u>
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 State of Colorado discretionary payment

**Notes to Schedule:**

Valuation Date

Actuarially determined contribution rates are calculated as of December 31 of even numbered years and used for two fiscal years.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Remaining Amortization Period	20 years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	6.50%
Retirement Age	50% probability for ages 50-64, 100% probability at age 65.
Mortality	RP-2014 Mortality Tables for annuitants, adjusted back to 2006 with Scale MP-2014 and projected forward to 2018 with Scale MP-2017, fully generational using the ultimate rates from Scale MP-2017.
Cost-of-Living Adjustment	None

**Other Information:**

Notes N/A

## SUPPLEMENTARY INFORMATION

CRAIG RURAL FIRE PROTECTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
VOLUNTEER FIREFIGHTERS’ PENSION PLAN  
YEAR ENDED DECEMBER 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues</u>			
District contribution	\$ 191,660	\$ 100,000	\$ (91,660)
State of Colorado supplemental contribution	60,000	60,000	-
Net investment income	<u>12,000</u>	<u>435,819</u>	<u>423,819</u>
Total revenues	<u>263,660</u>	<u>595,819</u>	<u>332,159</u>
<u>Expenditures</u>			
Pension benefit payments	263,160	253,555	9,605
Administrative expenses	<u>500</u>	<u>4,393</u>	<u>(3,893)</u>
Total expenditures	<u>263,660</u>	<u>257,948</u>	<u>5,712</u>
Change in plan net position	<u>\$ -</u>	337,871	<u>\$ 337,871</u>
Plan net position - beginning		<u>4,095,242</u>	
Plan net position - ending		<u>\$ 4,433,113</u>	

See accompanying Independent Auditors’ Report.