

CRESTED BUTTE FIRE PROTECTION DISTRICT

**Financial Statements
with
Independent Auditors' Report**

**For the Year Ended
December 31, 2023**

Crested Butte Fire Protection District

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CRESTED BUTTE FIRE PROTECTION DISTRICT

Management's Discussion and Analysis

December 31, 2023

The Management Discussion and Analysis (MD&A) is designed to provide an easy-to-read discussion of the District's financial condition and operating results and to disclose to the reader important financial activities and issues related to the District's basic operations and mission. The MD&A should be read in conjunction with the District's basic financial statements.

Within the government type activities, the District has a general fund, a capital projects fund and a debt service fund. In 2022 the District issued a \$25.3M in general obligation bonds for new facilities following voter approval in November of 2021. Use of these funds was limited in 2023 as final design and approvals were completed.

Most expenses continue to be accounted for in the general fund, including capital purchases unrelated to the new facilities and existing lease-purchase financing activities. District activities are funded primarily through the District's ad-valorem property tax with supplemental funds derived from fees for services, grants, rental income and intergovernmental transfers.

DESCRIPTION OF FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis* (this section), the *Basic Financial Statements*, *Required Supplementary Information*, The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements, Statement of Net Position and Statement of Activities, are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District government, reporting the District's operations *in more detail* than the government-wide statements.

The basic financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The basic financial statements are followed by a section of *Required Supplementary Information* that provides a budget and actual comparison for the District's General fund.

Government-wide Statements

The government-wide statements consist of the *Statement of Net Position* and the *Statement of Activities*. These statements report information about the District as a whole and include *all* assets, liabilities and deferred inflow of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's *net position* and changes in them. The District's net position – the difference between assets, liabilities and deferred inflow of resources – is one way to measure the District's financial health, or *financial position*. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or

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Management's Discussion and Analysis

December 31, 2023

deteriorating. Other non-financial factors, however, such as changes in the District's property tax base are needed to assess the overall health of the District.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant funds – not the District as a whole.

The District's activity in the governmental funds focuses on how money flows into and out of these funds. The District's primary governmental fund, the general fund, is reported using an accounting method called modified accrual accounting, which measures cash and all of other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general governmental operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

HIGHLIGHTS OF GOVERNMENTAL ACTIVITIES

- As of December 31, 2023 the governmental funds held \$32,843,255 in assets that were readily convertible to cash.
- As of December 31, 2023, the District's governmental activities held \$6,564,542 in net investment in capital (non-current) assets.
- As of December 31, 2023 the District has long-term debt of \$27,184,621

STATEMENTS OF NET POSITION

The perspective of the statement of Net Position is of the District as a whole. The following is a summary of the District's Net Position for 2023 compared to 2022:

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities	
	2023	2022
ASSETS		
Current and Other Assets	\$ 32,843,255	\$ 7,422,211
Capital Assets	8,158,931	4,906,058
Total Assets	41,002,186	12,328,269
DEFERRED OUTFLOWS	2,164,122	1,042,688
LIABILITIES		
Current Liabilities	444,724	125,307
Noncurrent Liabilities	27,184,621	1,138,846
Total Liabilities	27,629,345	1,264,153
DEFERRED INFOWS	5,362,019	6,085,370
NET POSITION		
Net Investment in Capital Assets	6,564,542	3,606,668
Restricted	29,936,811	964,988
Unrestricted	(26,326,409)	1,450,816
Total Net Position	\$ 10,174,944	\$ 6,022,472

CRESTED BUTTE FIRE PROTECTION DISTRICT
Management's Discussion and Analysis
December 31, 2023

STATEMENT OF ACTIVITIES

The perspective of the statement of activities is of the District as a whole. The following table reflects the change in Net Position for fiscal year 2023 and 2022.

CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities	
	2023	2022
PROGRAM REVENUES		
Charges for Services	\$ 1,030,004	\$ 558,117
Operating Grants	49,053	74,386
Capital Grants	-	15,000
Total Program Revenues	<u>1,079,057</u>	<u>647,503</u>
GENERAL REVENUES		
Property Taxes	5,044,559	2,886,304
Specific Ownership Taxes	296,314	205,671
Interest Income	1,131,303	7,837
Other Revenues	6,800	39,248
Total General Revenues	<u>6,478,976</u>	<u>3,139,060</u>
Total Revenues	<u>7,558,033</u>	<u>3,786,563</u>
PROGRAM EXPENSES		
General Government	1,525,292	1,291,337
Fire Protection	3,010,110	2,700,543
Interest on Debt	830,139	14,487
Total Program Expenses	<u>5,365,541</u>	<u>4,006,367</u>
CHANGE IN NET POSITION	2,192,492	(219,804)
Net Position, Beginning	<u>7,982,452</u>	<u>6,242,276</u>
NET POSITION, ENDING	<u>\$ 10,174,944</u>	<u>\$ 6,022,472</u>

GOVERNMENTAL ACTIVITIES

The cost of governmental activities this year was \$5,379,541 compared to \$4,006,367 in the prior year. This increase is primarily the result of additional investments in full-time staff, staff salaries, and benefits. The table below presents the cost of each of the District's programs – general government -- public safety services – and interest on debt as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions for the last year.

THE DISTRICT'S FUNDS

As the District completed the year, its general fund (shown on page 6 of the financial statements) reported a balance of \$3,215,480 excluding the capital projects and bond funds, a decrease of \$135,838 over the previous year. The District currently maintains an ending fund balance/reserves of 59.8% of total annual expenditures.

CRESTED BUTTE FIRE PROTECTION DISTRICT

Management's Discussion and Analysis

December 31, 2023

GENERAL FUND BUDGETARY HIGHLIGHTS

The general fund expenditures were \$2,619,428 less than budgeted (exclusive of contingency and reserves). General fund actual revenues were \$619,933 more than budgeted amounts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At year end the District had \$7,988,931 invested in the cost of its capital assets. The most significant capital assets the District holds are land, facilities, its fleet of fire emergency and support vehicles, related equipment, and member housing units which account for approximately \$ 12,937,649 before depreciation. The table below summarizes the District's capital assets by category.

	Balance 12/31/2022	Additions	Deletions	Balance 12/31/2023
<u>Governmental-Type Activities</u>				
Capital Assets not being depreciated:				
Land	\$ 2,507,503	\$ 202,427	\$ -	\$ 2,709,930
Construction in Progress	580,665	1,015,903	-	1,596,568
Total Capital Assets not being depreciated	<u>3,088,168</u>	<u>1,218,330</u>	<u>-</u>	<u>4,306,498</u>
Capital Assets being depreciated:				
Buildings	3,523,171	-	-	3,523,171
Vehicles	4,510,309	89,231	-	4,599,540
Medical Equipment	253,367	31,805	-	285,172
Other Equipment	103,293	-	5,900	97,393
Lease Assets	125,875	-	-	125,875
Total Capital Assets being depreciated	<u>8,516,015</u>	<u>121,036</u>	<u>5,900</u>	<u>8,631,151</u>
Less: Accumulated Depreciation				
Buildings	(1,158,751)	(76,659)	-	(1,235,410)
Vehicles	(3,233,094)	(197,182)	-	(3,430,276)
Medical Equipment	(144,779)	(25,562)	-	(170,341)
Other Equipment	(46,355)	(8,416)	(5,900)	(48,871)
Lease Assets	(31,910)	(31,910)	-	(63,820)
Total Accumulated Depreciation	<u>(4,614,889)</u>	<u>(339,729)</u>	<u>(5,900)</u>	<u>(4,948,718)</u>
Net Capital Assets	<u>\$ 6,989,294</u>	<u>\$ 999,637</u>	<u>\$ -</u>	<u>\$ 7,988,931</u>

CRESTED BUTTE FIRE PROTECTION DISTRICT

Management's Discussion and Analysis

December 31, 2023

DEBT OUTSTANDING

In 2022 the District issued \$25,315,000 in general obligation bonds payable over 25 years that yielded \$30,000,000 in capital project funds after expenses. Additionally, in 2020 the District re-financed a 15-year lease-purchase arrangement to partially finance construction of a member housing triplex unit for \$713,140. The District also maintains liabilities for unpaid compensated absences and liabilities associated with the District's pension plans.

	Balance 1/1/23	Advances	Repayments	Balance 12/31/23	Current Portion
2020 Capital Lease Payable	\$ 619,612	\$ -	\$ 47,648	\$ 571,964	\$ 48,750
2022 Building Lease - Condo	28,186	-	28,186	-	-
2022 Building Lease - Office	69,015	-	8,629	60,386	13,001
2021 Note Payable	300,000	-	100,000	200,000	200,000
2022 Note Payable	1,852,500	-	231,563	1,620,937	-
G.O. Bonds Payable	24,550,000	-	625,000	23,925,000	650,000
Compensated Absences	83,889	17,545	-	101,434	-
Total Obligations	\$ 27,503,202	\$ 17,545	\$ 1,041,026	\$ 26,479,721	\$ 911,751

ECONOMIC AND OTHER FACTORS

The District's Board of Directors remains attentive to evolving economic trends. The assessed valuation of the District continues to increase at a significant pace. Increased tourism to the area has also increased call volumes driving the need to hire additional response staff capable of meeting daily needs. Both the increase in emergency medical services activity, as well as increased building activity, have also generated additional fee revenue. In addition to paid staff, the District continues to invest in volunteer and part-time members to supplement service delivery and provide surge capacity. As of December 31st, the District employees 16 full-time staff members assigned to field operations with a total force of 22 full-time and 3 regular-part-time employees. This expansion has been funded by the 2017 mill levy increase. Due to recent growth in assessed valuation the District has not been significantly impacted by decreases in the statewide residential assessment ratio. Recent legislative changes, however, expose the District to risk of revenue loss should the property tax base remain flat or erode in future years.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the general public with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, please contact:

Sean Caffrey, Chief Executive Officer and Commissioner
CRESTED BUTTE FIRE PROTECTION DISTRICT
P.O. Box 1009
Crested Butte, Colorado 81224
Tel: (970) 349-5333 x1
Fax: (970) 349-0438

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FINANCIAL SECTION

Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Board of Directors
Crested Butte Fire Protection District
Crested Butte, Colorado

Independent Auditors' Report

Opinion

We have audited the accompanying financial statements of the governmental activities and major of Crested Butte Fire Protection District, as of and for the year ended December 31, 2023, and the related notes to the financial statements which collectively comprise Crested Butte 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 major fund of the Crested Butte 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 Opinion

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 Financial Statements section of our report. We are required to be independent of the Crested Butte Fire Protection District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 Crested Butte 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.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 Crested Butte Fire Protection District 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 Crested Butte 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.

Report on Summarized Comparative Information

We have previously audited the Crested Butte Fire Protection District's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 24, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Crested Butte Fire Protection District's basic financial statements. The individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain 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 individual nonmajor fund financial statement fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Mayberry + Company, LLC

Englewood, Colorado
September 11, 2024

CRESTED BUTTE FIRE PROTECTION DISTRICT**STATEMENT OF NET POSITION****DECEMBER 31, 2023****GOVERNMENTAL
ACTIVITIES****ASSETS AND DEFERRED OUTFLOWS****ASSETS****Current Assets**

Cash and Investments	
Cash	\$ 147,745
Investments	2,989,827
Restricted Cash and Investments	29,571,802
Receivables	
Cash with Fiscal Agent	23,769
Accounts Receivable	27,504
Other Receivables	70,909
Prepaid Expenses	5,949
Security Deposits	5,750
Total Current Assets	<u>32,843,255</u>

Noncurrent Assets

Capital Assets not being Depreciated	4,306,498
Capital Assets being Depreciated	8,631,151
Accumulated Depreciation	(4,948,718)
Notes Receivable	170,000
Total Noncurrent Assets	<u>8,158,931</u>
TOTAL ASSETS	<u>41,002,186</u>

DEFERRED OUTFLOWS OF FINANCIAL RESOURCES

Net Deferred Outflows - Statewide Defined Benefit Plan	1,495,519
Net Deferred Outflows - Volunteer Pension Plan	668,603
TOTAL DEFERRED OUTFLOWS	<u>2,164,122</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 43,166,308</u>

LIABILITIES, DEFERRED INFLOWS AND NET POSITION**LIABILITIES****Current Liabilities**

Accounts Payable	\$ 254,281
Accrued Salaries and Benefits	7,400
Retainage Payable	11,582
Deposits and Escrow	3,300
Accrued Interest Payable	161,311
Unearned Revenue	6,850
Total Current Liabilities	<u>444,724</u>

Noncurrent Liabilities

Due within one year	911,751
Due in more than one year	26,272,870
Total Noncurrent Liabilities	<u>27,184,621</u>
TOTAL LIABILITIES	<u>27,629,345</u>

DEFERRED INFLOWS OF FINANCIAL RESOURCES

Net Deferred Inflows - Statewide Defined Benefit Plan	633,477
Net Deferred Inflows - Volunteer Pension Plan	359,117
Bond Premiums	4,369,425
TOTAL DEFERRED INFLOWS	<u>5,362,019</u>

NET POSITION

Net Investment in Capital Assets	6,564,542
Restricted Net Position	29,936,811
Unrestricted Net Position	(26,326,409)
TOTAL NET POSITION	<u>10,174,944</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 43,166,308</u>

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

CRESTED BUTTE FIRE PROTECTION DISTRICT**STATEMENT OF ACTIVITIES****FOR THE YEAR ENDED DECEMBER 31, 2023**

		PROGRAM REVENUES		NET (EXPENSE) REVENUE AND
			OPERATING	CHANGES IN NET
	EXPENSES	CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS	POSITION
				GOVERNMENT ACTIVITIES
FUNCTIONS/PROGRAMS				
Government Activities				
Current:				
General Government	\$ 1,525,292	\$ 1,030,004	\$ 49,053	\$ (446,235)
Public Safety	3,010,110	-	-	(3,010,110)
Interest on Debt	830,139	-	-	(830,139)
TOTAL GOVERNMENT	<u>\$ 5,365,541</u>	<u>\$ 1,030,004</u>	<u>\$ 49,053</u>	<u>(4,286,484)</u>
GENERAL REVENUES				
Property Taxes				5,044,559
Specific Ownership Taxes				296,314
Interest Income				1,131,303
Gain (Loss) on Disposal of Capital Assets				6,300
Other Revenues				<u>500</u>
TOTAL GENERAL REVENUES AND TRANSFERS				<u>6,478,976</u>
CHANGE IN NET POSITION				2,192,492
NET POSITION - Beginning				<u>7,982,452</u>
NET POSITION - Ending				<u>\$ 10,174,944</u>

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

CRESTED BUTTE FIRE PROTECTION DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2023

With Comparative Totals for December 31, 2022

	<u>Capital Projects</u>		<u>Debt Service</u>		
	General	Capital Reserve	Bond Redemption	Total	
	Fund	Project	Fund	2023	2022
	Fund	Fund	Fund	2023	2022
ASSETS AND DEFERRED OUTFLOWS					
ASSETS					
Current Assets					
Cash and Investments					
Cash	\$ 147,745	\$ -	\$ -	\$ 147,745	\$ 42,167
Investments	2,989,827	-	-	2,989,827	3,114,978
Restricted Cash and Investments	-	29,323,323	248,479	29,571,802	29,516,535
Receivables					
Property Tax Receivable	-	-	-	-	5,044,476
Interest Receivable	-	-	-	-	42,438
Cash with Fiscal Agent	15,825	-	7,944	23,769	25,453
Accounts Receivable	27,504	-	-	27,504	-
Other Receivables	70,909	-	-	70,909	-
Prepaid Expenses	5,949	-	-	5,949	61,534
Security Deposits	5,750	-	-	5,750	-
TOTAL ASSETS	<u>\$ 3,263,509</u>	<u>\$ 29,323,323</u>	<u>\$ 256,423</u>	<u>\$ 32,843,255</u>	<u>\$ 37,847,581</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION					
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 30,479	\$ 223,802	\$ -	\$ 254,281	\$ 41,123
Accrued Salaries and Benefits	7,400	-	-	7,400	109,037
Retainage Payable	-	11,582	-	11,582	-
Deposits and Escrow	3,300	-	-	3,300	2,200
Unearned Revenue	6,850	-	-	6,850	3,104
TOTAL LIABILITIES	<u>48,029</u>	<u>235,384</u>	<u>-</u>	<u>283,413</u>	<u>155,464</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES					
Deferred Property Taxes	-	-	-	-	5,044,476
FUND BALANCE					
Nonspendable Fund Balance	11,699	-	-	11,699	61,534
Restricted Fund Balance	592,449	29,087,939	256,423	29,936,811	30,081,814
Committed Fund Balance	1,801,189	-	-	1,801,189	2,122,210
Unassigned Fund Balance	810,143	-	-	810,143	382,083
TOTAL FUND BALANCE	<u>3,215,480</u>	<u>29,087,939</u>	<u>256,423</u>	<u>32,559,842</u>	<u>32,647,641</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 3,263,509</u>	<u>\$ 29,323,323</u>	<u>\$ 256,423</u>	<u>\$ 32,843,255</u>	<u>\$ 37,847,581</u>

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

CRESTED BUTTE FIRE PROTECTION DISTRICT

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO GOVERNMENTAL ACTIVITIES NET POSITION
DECEMBER 31, 2023**

Fund Balance - Governmental Funds			\$ 32,559,842
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds			
Capital assets, not being depreciated	\$ 4,306,498		
Capital assets, being depreciated	8,631,151		
Accumulated depreciation	<u>(4,948,718)</u>	7,988,931	
Certain long-term assets are not available to pay for current year expenditures and are therefore deferred in the funds			
Note receivable		170,000	
Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds			
Bond premiums		(4,369,425)	
Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds			
<u>FPPA - Statewide Defined Benefit Plan</u>			
Net pension related deferred outflows	1,495,519		
Net pension asset (liability)	(159,994)		
Net pension related deferred inflows	(633,477)		
<u>FPPA - Volunteer Pension Plan</u>			
Net pension related deferred outflows	668,603		
Net pension asset (liability)	(544,906)		
Net pension related deferred inflows	<u>(359,117)</u>	466,628	
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.			
Bonds payable	(23,925,000)		
Notes payable	(1,820,937)		
Capital leases payable	(632,350)		
Accrued interest payable	(161,311)		
Accrued compensated absences	<u>(101,434)</u>	<u>(26,641,032)</u>	
Total Net Position - Governmental Activities			<u>\$ 10,174,944</u>

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

CRESTED BUTTE FIRE PROTECTION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	<u>Capital Projects</u>		<u>Debt Service</u>		
	General	Capital Reserve	Bond	Total	
	Fund	Project	Redemption	2023	2022
REVENUES					
Taxes	\$ 3,562,205	\$ -	\$ 1,778,667	\$ 5,340,872	\$ 5,371,780
Intergovernmental Revenues	47,041	-	-	47,041	41,840
Charges for Services	1,030,004	-	-	1,030,004	1,042,794
Investment Earnings	188,147	912,332	30,825	1,131,304	124,365
Other Revenues	8,812	-	-	8,812	1,020
TOTAL REVENUES	<u>4,836,209</u>	<u>912,332</u>	<u>1,809,492</u>	<u>7,558,033</u>	<u>6,581,799</u>
EXPENDITURES					
Current:					
General Government	1,345,677	312	50,587	1,396,576	1,547,991
Public Safety	2,779,247	-	-	2,779,247	2,436,050
Capital Outlay	473,770	865,596	-	1,339,366	2,566,868
Debt Service	101,677	349,266	1,679,700	2,130,643	1,874,605
TOTAL EXPENDITURES	<u>4,700,371</u>	<u>1,215,174</u>	<u>1,730,287</u>	<u>7,645,832</u>	<u>8,425,514</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	135,838	(302,842)	79,205	(87,799)	(1,843,715)
OTHER FINANCING SOURCES (USES)					
Debt Proceeds	-	-	-	-	32,248,923
Transfers (In)	-	-	-	-	249,453
Transfers (Out)	-	-	-	-	(249,453)
NET CHANGE IN FUND BALANCE - GAAP BASIS	135,838	(302,842)	79,205	(87,799)	30,405,208
FUND BALANCE, BEGINNING	<u>3,079,642</u>	<u>29,390,781</u>	<u>177,218</u>	<u>32,647,641</u>	<u>2,242,433</u>
FUND BALANCE, ENDING	<u>\$ 3,215,480</u>	<u>\$ 29,087,939</u>	<u>\$ 256,423</u>	<u>\$ 32,559,842</u>	<u>\$ 32,647,641</u>

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

CRESTED BUTTE FIRE PROTECTION DISTRICT

**RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE
TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023**

Change in Fund Balance - Governmental Funds \$ (87,799)

Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level

Capitalized Asset Purchases	1,339,366	
Depreciation Expense	<u>(339,729)</u>	999,637

Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.

Net change in Statewide Defined Benefit Plan	(18,221)	
Net change in Volunteer Pension Plan	<u>15,916</u>	(2,305)

Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level

Principal payments on bonds payable	625,000	
Principal payments on notes payable	331,563	
Principal payments on capital leases	84,463	
Change in accrued interest payable	(54,135)	
Amortization of premiums and discounts	313,613	
Change in accrued compensated absences	<u>(17,545)</u>	<u>1,282,959</u>

Change in Net Position - Governmental Activities \$ 2,192,492

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

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Crested Butte Fire Protection District have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

Reporting Entity

Crested Butte Fire Protection District is a political subdivision of the State of Colorado governed by a five member board of directors. As required by generally accepted accounting principles, these financial statements present the Crested Butte Fire Protection District (the primary government) and its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable, or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the District's financial statements to be misleading or incomplete. Based upon the foregoing criteria, there are no component units included in the accompanying financial statements.

Nature of Operations

The District provides fire and rescue services for citizens in and around the communities of Crested Butte, including ambulance transportation and enforcement of fire safety codes.

Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements report information about the reporting government as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

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

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements (Continued)

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified as governmental or fiduciary. Major individual governmental funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column in the financial section of the basic financial statements. The District has no fiduciary funds.

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 the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are 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 after year end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

The District reports the following major governmental funds:

General Fund

This fund accounts for the financial resources of the District which are not accounted for in any other fund. Principal sources of revenue are property taxes, intergovernmental revenue and interest. Primary expenditures are for fire protection and general administration.

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Capital Projects Fund

This fund accounts for the District's routine capital projects.

Debt Service Fund

This fund is used to account for the repayment of the District's general obligation indebtedness.

Budgets

Generally annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. Encumbrances are not employed by the District.

Budgetary Practices

The District adheres to the following procedures in establishing budgets reflected in the financial statements:

- From September through November, the designated budget officer assembles the information for the budget related to the ensuing year.
- Public hearings are held to obtain taxpayer comment.
- Prior to December 31, the budget is adopted by formal resolution.
- Appropriations lapse at year end.
- The Board of Directors may amend the budget during the year.

Cash and Equivalents

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments are stated at fair value based on quoted market values, with the exception of money market funds and external investment pools. These are stated at cost, which is equal to fair value.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received.

Governmental funds report deferred inflows of resources, as further described below in connection with receivables for revenues that are deferred for use during the next fiscal year. At the end of the current year, these receivables consisted of property taxes levied in 2023 and due in 2024.

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include land, buildings, vehicles and equipment, are reported in the governmental activities column of 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 a useful life of more than three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or annexed capital assets are recorded at estimated market value at the date of donation or annexation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation on the remaining capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	35-40 years
Fire Equipment	5-20 years
Medical Equipment	5-20 years
Other Equipment	5-7 years

Compensated Absences

The District has the following policy for compensated vacation pay.

1 st year of employment	½ day per month
2 nd - 5 th year of employment	1 day per month
After 5 years	1 ½ days per month

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report a separate section for deferred outflows and inflows of resources. These separate financial statement elements, deferred outflows of financial resources and deferred inflows of financial resources, represent a usage or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until a future period. The government has two types of items, which arise under the full accrual and modified accrual basis of accounting. Deferred property taxes are reported as a deferred inflow for both the governmental activities presentation and governmental funds balance sheet.

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows and Inflows of Resources (Continued)

The unavailable property taxes are deferred and will be recognized as an outflow or inflow of resources in the period that the amounts become recognizable as an expense or available, respectively. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow is recognized as revenue and the receivable is reduced. The other item, deferred charge on refunding, is reported in the governmental activities net position. The charge will be recognized proportionately as the outstanding principal is repaid.

Long-Term Obligation

Long-term debt is reported at face value, net of applicable discounts and deferred charge on refunding. Costs related to the issuance of debt are expensed when incurred. Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statements of net position.

Net Position/Fund Balances Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Net Position/Fund Balances

In the government-wide financial statements, net position is either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Amounts are reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position/Fund Balances (Continued)

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors, reported and at their highest level of action are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

All remaining governmental balances or deficits in other governmental funds are presented as unassigned.

Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

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

Accumulated Unused Leave/Compensated Absences

The District permits an employee to carry over unused personal leave to the next calendar year. The District will compensate an employee for any unused vacation and compensatory time at their current rate of pay upon termination or resignation. The District does not payout unused sick leave upon termination.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying basic financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to understand.

NOTE 2: CASH AND INVESTMENTS

The District's cash and investment balances as of the year ended December 31, 2023 are as follows:

Deposits	\$	147,745
Investments		2,989,827
Restricted Cash and Investments		<u>29,571,802</u>
Total Cash and Investments	\$	<u>32,709,374</u>

DEPOSITS

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and December 31, 2023, all of the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

At December 31, 2023 the District's deposits are categorized as follows:

	Bank Balance	Carrying Balance
FDIC Insured	\$ 227,290	\$ 227,290
PDPA Collateralized	-	<u>(45,522)</u>
Total Bank Deposits	<u>\$ 227,290</u>	<u>\$ 181,768</u>

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 2: CASH AND INVESTMENTS (Continued)

INVESTMENTS

Credit Risk

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

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

During the year ended December 31, 2023, the District's invested funds in the Colotrust. As investment pools, they operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. They invest in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. These funds are rated AAAM by the Standard and Poor's Corporation.

Concentration of Credit Risk

The District places no limit on the amount that may be invested in any one issuer.

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase unless authorized by the local board. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in state statutes.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2023, the District did not have any investments requiring safekeeping.

CRESTED BUTTE FIRE PROTECTION DISTRICT**NOTES TO FINANCIAL STATEMENTS****December 31, 2023****NOTE 3: NOTE RECEIVABLE - RELATED PARTY**

On January, 2020, the District sold a piece of land and entered into a \$170,000 promissory note with a related party. The note is payable upon subsequent property sale and is a non-interest bearing loan.

NOTE 4: CAPITAL ASSETS

Changes in governmental activities capital assets for the year ended December 31, 2023 was as follows:

	Balance 12/31/2022	Additions	Deletions	Balance 12/31/2023
<u>Governmental-Type Activities</u>				
Capital Assets not being depreciated:				
Land	\$ 2,507,503	\$ 202,427	\$ -	\$ 2,709,930
Construction in Progress	<u>580,665</u>	<u>1,015,903</u>	-	<u>1,596,568</u>
Total Capital Assets not being depreciated	<u>3,088,168</u>	<u>1,218,330</u>	-	<u>4,306,498</u>
Capital Assets being depreciated:				
Buildings	3,523,171	-		3,523,171
Vehicles	4,510,309	89,231	-	4,599,540
Medical Equipment	253,367	31,805	-	285,172
Other Equipment	103,293	-	5,900	97,393
Lease Assets	<u>125,875</u>	-	-	<u>125,875</u>
Total Capital Assets being depreciated	<u>8,516,015</u>	<u>121,036</u>	<u>5,900</u>	<u>8,631,151</u>
Less: Accumulated Depreciation				
Buildings	(1,158,751)	(76,659)	-	(1,235,410)
Vehicles	(3,233,094)	(197,182)	-	(3,430,276)
Medical Equipment	(144,779)	(25,562)	-	(170,341)
Other Equipment	(46,355)	(8,416)	(5,900)	(48,871)
Lease Assets	<u>(31,910)</u>	<u>(31,910)</u>	-	<u>(63,820)</u>
Total Accumulated Depreciation	<u>(4,614,889)</u>	<u>(339,729)</u>	<u>(5,900)</u>	<u>(4,948,718)</u>
Net Capital Assets	<u>\$ 6,989,294</u>	<u>\$ 999,637</u>	<u>\$ -</u>	<u>\$ 7,988,931</u>

Depreciation has been allocated on the statement of activities as follows:

General Government	\$ 110,958
Public Safety	<u>228,771</u>
Total Depreciation	<u>\$ 339,729</u>

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: LONG-TERM OBLIGATIONS

The following is a schedule of changes in debt for the year ended December 31, 2023:

	Balance 1/1/23	Advances	Repayments	Balance 12/31/23	Current Portion	Interest Expense	Accrued Interest
2020 Capital Lease Payable	\$ 619,612	\$ -	\$ 47,648	\$ 571,964	\$ 48,750	\$ 13,750	\$ 2,741
2022 Building Lease - Condo	28,186	-	28,186	-	-	614	-
2022 Building Lease - Office	69,015	-	8,629	60,386	13,001	2,622	-
2021 Note Payable	300,000	-	100,000	200,000	200,000	8,260	7,925
2022 Note Payable	1,852,500	-	231,563	1,620,937	-	65,892	64,837
G.O. Bonds Payable	24,550,000	-	625,000	23,925,000	650,000	1,052,617	85,808
Compensated Absences	83,889	17,545	-	101,434	-	-	-
Total Obligations	\$ 27,503,202	\$ 17,545	\$ 1,041,026	\$ 26,479,721	\$ 911,751	\$ 1,143,755	\$ 161,311
G.O. Bond Premiums	\$ 4,683,038	\$ -	\$ 313,613	\$ 4,369,425			
						\$ 26,641,032	

During 2019, the District entered into a lease purchase agreement for the construction of employee housing. The lease was for \$730,000 including \$30,000 of issuance costs. In 2020, The District paid off the original lease and refinanced in the amount of \$713,140. The lease is subject to annual appropriation. Payments of \$30,813 are due semi-annually in March and September consisting of both principal and 2.30% interest through March 2034. In the event of default, all current and future lease payments may be declared due, the leased property can be repossessed, require the District to vacate the property, may sell their interest in the property, or lease the property in an effort to collect required rental payments. The District has capitalized assets with a remaining basis of \$1,153,625 related to the lease.

Scheduled payments on lease are as follows:

Year	Principal	Interest	Payments
2024	\$ 48,750	\$ 12,876	\$ 61,626
2025	49,877	11,749	61,626
2026	51,031	10,595	61,626
2027	52,211	9,415	61,626
2028	53,419	8,207	61,626
2029-2033	286,213	21,917	308,130
2034	30,463	350	30,813
Total	\$ 571,964	\$ 75,109	\$ 647,073

During 2021, the District entered into a building lease agreement for rental housing. The lease was for \$54,274. Payments of \$2,300 are due monthly consisting of an estimated interest rate of 4.00% through November 2023. During the current fiscal year, the District paid off the lease.

CRESTED BUTTE FIRE PROTECTION DISTRICT**NOTES TO FINANCIAL STATEMENTS****December 31, 2023****NOTE 5: LONG-TERM OBLIGATIONS** (Continued)

During 2022, the District entered into a building lease agreement for office space. The lease was for \$71,602. Payments of \$822 are due monthly consisting of an estimated interest rate of 4.00% through August 2027. In the event of default, the lessor may elect to give the lessee written notice of intention to terminate the lease on the date of notice or on any later date specified in the notice. Lessee's right to possession of the premises shall cease and this lease shall be terminated. In addition, lessor shall have all other rights available at law and in equity, including, without limitation, recovery of actual damages, costs and expenses including reasonable attorney's fees. The District has capitalized assets with a remaining basis of \$62,055 related to the lease.

Scheduled payments on lease are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
2024	\$ 13,001	\$ 2,189	\$ 15,190
2025	17,119	1,577	18,696
2026	17,816	880	18,696
2027	12,280	185	12,465
Total	\$ 60,216	\$ 4,831	\$ 65,047

During 2023, the District entered into a building lease agreement for rental housing. The lease was for \$84,370. Payments of \$2,450 are due monthly consisting of an estimated interest rate of 4.00% through November 2026. In the event of default, the lessor may elect to terminate the lease in which case the Lessee shall immediately surrender possession, pay all rental payments to the date of termination and the present value of the rent for the remaining portion of the lease term. In the event the Lessor elects to obtain possession without terminating the lease, the Lessee shall be liable for all rent due to the date of such repossession and all rent required during the remainder of the lease term. In addition, Lessor shall be liable for any fees incurred in connection with re-leasing, removing and storing lessee property and all reasonable expenses in enforcing the remedies of the Lessor, including any reasonable attorney's fees. The District has capitalized assets with a remaining basis of \$70,308 related to the lease.

Scheduled payments on lease are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
2024	\$ 26,658	\$ 2,793	\$ 29,451
2025	28,305	1,695	30,000
2026	26,957	542	27,499
Total	\$ 81,920	\$ 5,030	\$ 86,950

During 2021, the District entered into a land purchase agreement with a loan in the amount of \$400,000. Payments of \$100,000 are due annually in January consisting of both principal and 4.00% interest through March 2025. In the event of default, the entire amount outstanding and accrued interest thereon shall at once become due and payable at the option of the note holder. The indebtedness shall bear interest at the rate of 8.00% per annum from the date of default. Note holder shall be entitled to collect all reasonable cost and expense of collection and/or suit, including, but not limited to reasonable attorney's fees. The District has capitalized assets with a remaining basis of \$552,380 related to the land purchase. The District has restricted equity to cover all future debt payments.

CRESTED BUTTE FIRE PROTECTION DISTRICT**NOTES TO FINANCIAL STATEMENTS****December 31, 2023****NOTE 5: LONG-TERM OBLIGATIONS** (Continued)

Scheduled payments on lease are as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
12/27/2021	2021			
1/10/2022	2022			
1/10/2023	2023	\$ 100,000	\$ 12,222	\$ 112,222
1/10/2024	2024	\$ 200,000	\$ 8,148	\$ 208,148
	Total	<u>\$ 200,000</u>	<u>\$ 8,148</u>	<u>\$ 208,148</u>

During 2022, the District entered into a land purchase agreement with a loan in the amount of \$1,852,000. Payments ranging from \$97,500 to \$240,825 are due annually in January consisting of both principal and 4.00% interest through January 2031. In the event of default, the entire amount outstanding and accrued interest thereon shall at once become due and payable at the option of the note holder. The indebtedness shall bear interest at the rate of 8.00% per annum from the date of default. Note holder shall be entitled to collect all reasonable cost and expense of collection and/or suit, including, but not limited to reasonable attorney's fees. The District has capitalized assets with a remaining basis of \$1,955,123 related to the land purchase. The District has restricted equity to cover all future debt payments.

Scheduled payments on lease are as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
	2022			1,852,500.00
	2023	\$ 231,563	\$ 5,481	\$ 237,044
	2024	\$ -	\$ -	\$ -
	2025	231,563	132,269	363,831
	2026	231,563	55,575	287,138
	2027	231,563	46,313	277,875
	2028	231,563	37,050	268,613
	2029	231,563	27,788	259,350
	2030	231,563	18,525	250,088
	2031	231,562	9,263	240,825
	2029-2031	694,687	55,575	750,262
	Total	<u>\$ 1,620,937</u>	<u>\$ 326,781</u>	<u>\$ 1,947,718</u>

General Obligation Bonds Payable

In January 2022, the District issued \$25,315,000 in general obligation bonds for the purpose of financing capital projects. Principal payments are due annually on December 1, through 2046. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at rates ranging from 4.0% to 5.0%.

CRESTED BUTTE FIRE PROTECTION DISTRICT**NOTES TO FINANCIAL STATEMENTS****December 31, 2023****NOTE 5: LONG-TERM OBLIGATIONS** (Continued)

Scheduled bond payments are as follows:

Year	Principal	Interest	Payments
2024	\$ 650,000	\$ 1,029,700	\$ 1,679,700
2025	675,000	1,003,700	1,678,700
2026	705,000	976,700	1,681,700
2027	730,000	948,500	1,678,500
2028	760,000	919,300	1,679,300
2029-2033	4,280,000	4,115,700	8,395,700
2034-2038	5,205,000	3,188,500	8,393,500
2039-2043	6,345,000	2,047,550	8,392,550
2044-2046	4,575,000	465,000	5,040,000
Total	\$ 23,925,000	\$ 14,694,650	\$ 38,619,650

NOTE 6: PENSION OBLIGATIONS**STATEWIDE DEFINED BENEFIT PLAN (FPPA)****Summary of Significant Accounting Policies**

Pensions. The District participates in the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire & Police Pension Association of Colorado ("FPPA"). The net pension asset or 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 SWDB have been determined using the accrual basis of accounting as required by the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. 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.

General Information about the Pension Plan

Plan description. Eligible employees of the District are provided with pensions through the Statewide Defined Benefit Plan (SWDB) - a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), rules and regulations codified by the Fire and Police Pension Association, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report, that can be obtained at <http://www.FPPAco.org>.

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

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

General Information about the Pension Plan (Continued)

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' pensionable earnings · for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1.

The amount of any increase is based on the Board's discretion and can range from Oto the higher ·of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

Contributions. Contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2022, members of the SWDB plan and their employers are contributing at the rate of 12.0 percent and 9 percent, respectively, of pensionable earnings for a total contribution rate of 21.0 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reduce the additional 4 percent contribution, to reflect the actual cost of reentry by department, to the plan for reentry contributions. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolutions.

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

General Information about the Pension Plan (Continued)

The contribution rate for members and employers of affiliated social security employers is 6.0 percent and 4.5 percent, respectively, of pensionable earnings for a total contribution rate of 10.5 percent in 2021. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

Employer contributions are recognized by FPPA in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to FPPA. Employer contributions recognized by the FPPA from the District were \$141,140 for the plan year ended December 31, 2022 and \$54,071 for the fiscal year ended December 31, 2023. The current year contributions will be expensed in 2024 for FPPA purposes, December 31, 2023 employer contributions for reporting as of December 31, 2024, and are a timing difference at year end.

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 liability of \$159,994 for its proportionate share of the SWDB's net pension liability. The net pension asset or liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. The District's proportion of the net pension liability was based on District's contributions to the SWDB for the calendar year 2021 relative to the total contributions of participating employers to the SWDB.

At December 31, 2023, the District's proportion was 0.18025%, which was an increase of 0.01305% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2023, the District recognized pension expense of \$72,292. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CRESTED BUTTE FIRE PROTECTION DISTRICT**NOTES TO FINANCIAL STATEMENTS****December 31, 2023****NOTE 5: PENSION PLANS** (Continued)**STATEWIDE DEFINED BENEFIT PLAN (FPPA)** (Continued)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 289,961	\$ (17,767)
Changes of assumptions or other inputs	\$ 285,622	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ 399,730	\$ -
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 14,388	\$ (163,963)
Contributions subsequent to the measurement date	\$ 54,071	\$ -
Total	\$ 1,043,772	\$ (181,730)

\$54,071 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an adjustment of the net pension asset 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:	Fiscal year Total
2024	\$ 67,538
2025	133,240
2026	199,517
2027	282,394
2028	55,497
2029-2031	69,785
Total	\$ 807,971

Actuarial assumptions. The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2022. The valuations used the following actuarial assumption and other inputs:

Actuarial method	Entry Age Normal
Amortization method	Level % of Payroll, Open
Amortization period	30 Years
Long-term investment rate of return, net of	7.00%
Salary increase, including wage inflation	4.25%-11.25%
Cost of Living Adjustments (COLA)	0.00%
* Includes inflation at	2.50%

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

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

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees use the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

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

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35%	8.93%
Equity Long/Short	6%	7.47%
Private Markets	34%	10.31%
Fixed Income - Rates	10%	5.45%
Fixed Income - Credit	5%	6.90%
Absolute Return	9%	6.49%
Cash	1%	3.92%
Total	100%	

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 5: PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

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

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 SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.0 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension asset (liability)	\$ (1,102,978)	\$ (159,994)	\$ 621,102

Subsequent Event

Statewide Retirement Plan. During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The Statewide Retirement Plan became the Defined Benefit Component of the Statewide Retirement Plan.

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: PENSION PLANS (Continued)

Volunteer Firefighters Pension Plan

Plan Description

The Volunteer Firefighters Pension Plan is a defined benefit, agent multiple-employer plan affiliated with the Colorado Fire and Police Pension Association (FPPA). Assets of the Plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension Plan administered by FPPA.

Description of Benefits

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. In 2021, the normal retirement benefit was \$800 per month. A participant becomes fully vested after 20 years of active service and reaching age 50. Pre-retirement death and disability benefits are only available if incurred in the line of duty. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. FPPA issues independent annual reports that 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.

Contributions

The District funds the Plan per provisions in the Plan document and Colorado statutes. The District shall contribute amounts required to fund the benefits provided by the Plan on a sound actuarial basis. The District contributes to the Volunteer Fire Department Pension Fund at a rate determined in the following manner: at least every three (3) years, the Volunteer Fire Department Pension Fund shall have an actuarial study prepared to determine the funds required. The required funds will be paid annually from general revenues of the District into the Volunteer Fire Department Pension Fund. The Volunteer Firefighter's Pension Plan receives contributions from the District in an amount not to exceed one half mill of property tax revenue.

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

As established by the legislature, the State of Colorado contributes up to ninety percent of the District's contribution. The contributions are not actuarially determined.

The Plan is administered by a Retirement Board composed of seven members, the District's five elected board members plus two members elected by the volunteers.

The financial statements of the volunteer Plan are prepared using the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The investments are presented at fair value except for short-term investments that are recorded at cost, which approximates fair value.

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 6: PENSION PLANS (Continued)

Volunteer Firefighters Pension Plan (Continued)

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

Administrative costs of the Plan are paid from the pension fund (CRS 31-30.5-204(3)). There are no investments in, loans to, or leases with parties related to the Plan.

At December 31, 2023, the District reported a net pension asset of \$119,646. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

For the year ended December 31, 2023, the District recognized pension expense of \$55,843. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ -	\$ (18,283)
Changes of assumptions or other inputs	\$ 37,249	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ 556,354	\$ (340,834)
Contributions subsequent to the measurement date	\$ 75,000	
Total	\$ 668,603	\$ (359,117)

\$75,000 reported as deferred outflows of resources related to pensions resulting from District 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:	Fiscal Year Total
2024	\$ (7,002)
2025	29,126
2026	73,274
2027	139,088
Total	\$ 234,486

Actuarial Assumptions

A January 1, 2023 actuarial valuation was used to determine the total pension liability as of the measurement date of December 31, 2022. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2021 determines the contribution amounts for 2022 and 2023. The actuarially determined contributions used the following actuarial assumption and other inputs:

CRESTED BUTTE FIRE PROTECTION DISTRICT**NOTES TO FINANCIAL STATEMENTS****December 31, 2023****NOTE 6: PENSION PLANS** (Continued)**Volunteer Firefighters Pension Plan** (Continued)**Actuarial Assumptions** (Continued)

Actuarial Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Amortization Period	20 Years*
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary increase, including wage inflation	N/A
Long-term investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	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
	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 scales for all years
	Disabled: 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 scales for all years
* 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. Best estimates of arithmetic nominal 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:

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 6: PENSION OBLIGATIONS (Continued)

Volunteer Firefighters Pension Plan (Continued)

Actuarial Assumptions (Continued)

	Target Allocation	Long-Term Expected Rate of Return
Asset Class		
Private Markets	34.00%	10.31%
Global Equity	35.00%	8.93%
Equity Long/Short	6.00%	7.47%
Absolute Return	9.00%	6.49%
Fixed Income - Credit	5.00%	6.90%
Fixed Income - Rates	10.00%	5.45%
Cash	1.00%	3.92%
Total	100.00%	

Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

Sensitivity of the District's Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net pension asset (liability)	\$ (1,098,565)	\$ (544,906)	\$ (86,753)

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 6: PENSION OBLIGATIONS (Continued)

Volunteer Firefighters Pension Plan (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

Changes in net pension liability for the District's agent multiple-employer plan is listed below:

Schedule of Changes in District's Net Pension Liability	
<u>Total Pension Liability</u>	<u>2023</u>
Service cost	\$ 43,461
Interest	310,436
Changes of benefit terms	-
Differences between expected and actual experience	(34,534)
Changes of assumptions	70,360
Benefit payments	<u>(288,480)</u>
Net changes in total pension liability	101,243
Total Pension Liability - beginning	<u>4,555,242</u>
Total Pension Liability - ending (a)	<u>\$ 4,656,485</u>
 <u>Plan Fiduciary Net Position</u>	
Contributions - employer	\$ 75,000
Contributions - State of Colorado (discretionary)	40,500
Net investment Income	(374,691)
Benefit payments, including refunds of employee contributions	(288,480)
Administrative expense	(15,638)
Other	-
Net change in plan fiduciary net position	<u>(563,309)</u>
Plan fiduciary net position - beginning	<u>4,674,888</u>
Plan fiduciary net position - ending (b)	<u>\$ 4,111,579</u>
 District's net pension liability - ending (a)-(b)	 <u>\$ 544,906</u>

Membership

As of the January 1, 2023 measurement date, pension plan membership consisted of the following:

Retirees and Beneficiaries	38
Inactive, Nonretired Members	17
Active Members	<u>18</u>
Total	<u>73</u>

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 7: FUND BALANCE RESERVATIONS/APPROPRIATIONS

Emergency Reserve

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations, which apply to the State of Colorado, all local governments, and special districts.

The District's financial activity for the year ended December 31, 2023 will provide the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth. Subsequent to December 31, 2023, revenue in excess of the District's "spending limit" must be refunded unless voters approve the retention of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases, and new debt.

At a November 4, 1997 election, the electors of the District authorized the District to collect, retain and expend the full amount of the revenues from all sources during 1997, as well as the full amount of all revenues generated by all sources for each subsequent year. This election authorized the spending of such revenues in each year without limitation under Article X, Section 20 of the Colorado Constitution.

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

The Article requires an emergency reserve be set aside for 2023 in the amount of 3% or more of its fiscal year spending. At December 31, 2023, the District has reserved the following for emergencies:

General Fund	<u>\$173,000</u>
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The District believes it is in compliance with the provisions of the TABOR Amendment.

Other Restricted Equity

The District has restricted equity related to collected impact fees and for future debt service on the loan described in Note 5. Restricted equity is comprised of the following:

TABOR Emergency	\$173,000
Impact Fees	<u>419,449</u>
Total Restricted Equity	<u>\$592,449</u>

Committed Fund Balance

Through the adoption of the 2023 fiscal year budget, the Board has committed the following resources:

Major Incident Reserve	\$ 100,000
Down Payment Assistance	80,000
Additional Capital Reserves	200,000
Operating Reserve	<u>1,421,189</u>
Total Committed Fund Balance	<u>\$1,801,189</u>

CRESTED BUTTE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 8: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to firemen; and natural disasters. The District purchases commercial insurance for all risks of loss. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

NOTE 9: COMMITMENTS AND CONTINGENCIES

In September of 2020, the District entered into a commitment for the design, development and construction administration of new facilities in the amount of \$1,008,312. As of December 31, 2023, \$521,729 of this amount had been invoiced, leaving an additional \$486,583 committed.

In August of 2023, the District entered into a commitment for the construction of new facilities in the amount of \$11,052,515. As of December 31, 2023, \$220,067 of this amount had been invoiced, leaving an additional \$10,832,448 committed.

**Required Supplementary Information
Pension Schedules (Unaudited)**

CRESTED BUTTE FIRE PROTECTION DISTRICT

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION ASSET (LIABILITY)
FPPA Pension Plan
Last 10 Fiscal Years⁽¹⁾**

<u>Fiscal Year</u>	<u>District's proportion of the net pension asset (liability)</u>	<u>District's proportionate share of the net pension asset (liability)</u>	<u>District's covered payroll</u>	<u>District's proportionate share of the net pension asset (liability) as a proportion of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
12/31/2023	0.1672062%	\$ 141,140	\$ 1,430,175	9.87%	97.63%
12/31/2022	0.1672062%	\$ 906,147	\$ 1,430,175	63.36%	116.16%
12/31/2021	0.1631845%	\$ 354,274	\$ 1,310,713	27.03%	106.72%
12/31/2020	0.1695413%	\$ 95,886	\$ 1,249,575	7.67%	101.90%
12/31/2019	0.1294212%	\$ (35,044)	\$ 1,211,113	-2.89%	95.23%
12/31/2018	0.1044421%	\$ 143,194	\$ 644,588	22.21%	106.34%
12/31/2017	0.1113608%	\$ (40,239)	\$ 569,925	-7.06%	98.21%
12/31/2016	0.0968831%	\$ 1,708	\$ 469,663	0.36%	100.10%
12/31/2015	0.0479253%	\$ 54,087	\$ 215,525	25.10%	106.83%
12/31/2014	0.0086331%	\$ 7,720	\$ 37,500	20.59%	105.83%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

CRESTED BUTTE FIRE PROTECTION DISTRICT**SCHEDULE OF DISTRICT CONTRIBUTIONS****FPPA Pension Plan****Last 10 Fiscal Years⁽¹⁾**

<u>Fiscal Year</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>as a percentage of covered payroll</u>
12/31/2023	\$ 114,414	\$ 114,414	\$ -	\$ 1,430,175	8.00%
12/31/2022	\$ 114,414	\$ 114,414	\$ -	\$ 1,430,175	8.00%
12/31/2021	\$ 104,857	\$ 104,857	\$ -	\$ 1,310,713	8.00%
12/31/2020	\$ 99,966	\$ 99,966	\$ -	\$ 1,249,575	8.00%
12/31/2019	\$ 96,889	\$ 96,889	\$ -	\$ 1,211,113	8.00%
12/31/2018	\$ 51,567	\$ 51,567	\$ -	\$ 644,588	8.00%
12/31/2017	\$ 45,594	\$ 45,594	\$ -	\$ 569,925	8.00%
12/31/2016	\$ 37,573	\$ 37,573	\$ -	\$ 469,663	8.00%
12/31/2015	\$ 17,242	\$ 17,242	\$ -	\$ 215,525	8.00%
12/31/2014	\$ 3,000	\$ 3,000	\$ -	\$ 37,500	8.00%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

CRESTED BUTTE FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY
Volunteer Pension Plan
Last 10 Fiscal Years⁽¹⁾

	<u>12/31/2022</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>
<u>Total Pension Liability</u>				
Service cost	\$ 43,461	\$ 43,461	\$ 33,703	\$ 33,703
Interest	310,436	305,880	246,437	242,936
Changes of benefit terms	-	-	628,163	-
Differences between expected and actual experience	(34,534)	-	199,043	-
Changes of assumptions	70,360	-	-	-
Benefit payments	<u>(288,480)</u>	<u>(280,159)</u>	<u>(246,343)</u>	<u>(207,546)</u>
Net changes in total pension liability	101,243	69,182	861,003	69,093
Total Pension Liability - beginning	<u>4,555,242</u>	<u>4,486,060</u>	<u>3,625,057</u>	<u>3,555,964</u>
Total Pension Liability - ending (a)	<u>\$ 4,656,485</u>	<u>\$ 4,555,242</u>	<u>\$ 4,486,060</u>	<u>\$ 3,625,057</u>
<u>Plan Fiduciary Net Position</u>				
Contributions - employer	\$ 75,000	\$ 75,000	\$ 75,000	\$ 50,002
Contributions - state (discretionary)	40,500	81,000	40,500	-
Net investment Income	(374,691)	617,973	495,306	494,869
Benefit payments, including refunds of employee contributions	(288,480)	(280,159)	(246,343)	(207,546)
Administrative expense	(15,638)	(13,921)	(11,066)	(16,647)
Other	-	-	-	-
Net change in plan fiduciary net position	<u>(563,309)</u>	<u>479,893</u>	<u>353,397</u>	<u>320,678</u>
Plan fiduciary net position - beginning	<u>4,674,888</u>	<u>4,194,995</u>	<u>3,841,598</u>	<u>3,520,920</u>
Plan fiduciary net position - ending(b)	<u>\$ 4,111,579</u>	<u>\$ 4,674,888</u>	<u>\$ 4,194,995</u>	<u>\$ 3,841,598</u>
District's net pension liability - ending (a)-(b)	<u>\$ 544,906</u>	<u>\$ (119,646)</u>	<u>\$ 291,065</u>	<u>\$ (216,541)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	88.30%	102.63%	93.51%	105.97%

Note: For 12/31/21 (12/31/20 measurement period), the District modified the long-term expected rate of return, mortality assumptions, and increased the monthly retirement benefit from \$680 to \$800.

All amounts are for the measurement period one year prior to the date shown.

(1) - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
\$ 36,071	\$ 36,071	\$ 42,490	\$ 42,490	\$ 41,350
245,035	237,820	229,811	221,115	212,260
-	-	-	-	-
(43,379)	-	(57,047)	-	4,300
162,611	-	56,245	-	-
<u>(184,265)</u>	<u>(171,360)</u>	<u>(152,092)</u>	<u>(143,402)</u>	<u>(137,491)</u>
216,073	102,531	119,407	120,203	120,419
<u>3,339,891</u>	<u>3,237,360</u>	<u>3,117,953</u>	<u>2,997,750</u>	<u>2,877,331</u>
<u>\$ 3,555,964</u>	<u>\$ 3,339,891</u>	<u>\$ 3,237,360</u>	<u>\$ 3,117,953</u>	<u>\$ 2,997,750</u>
\$ 193,563	\$ -	\$ 142,731	\$ 145,947	\$ 144,958
40,500	40,500	40,500	40,500	40,500
1,588	454,658	158,553	51,695	178,088
(184,265)	(171,360)	(152,092)	(143,402)	(137,491)
(13,551)	(14,327)	(4,968)	(6,642)	(4,519)
-	-	-	-	-
37,835	309,471	184,724	88,098	221,536
<u>3,483,085</u>	<u>3,173,614</u>	<u>2,988,890</u>	<u>2,900,792</u>	<u>2,679,256</u>
<u>\$ 3,520,920</u>	<u>\$ 3,483,085</u>	<u>\$ 3,173,614</u>	<u>\$ 2,988,890</u>	<u>\$ 2,900,792</u>
<u>\$ 35,044</u>	<u>\$ (143,194)</u>	<u>\$ 63,746</u>	<u>\$ 129,063</u>	<u>\$ 651,341</u>
99.01%	104.29%	98.03%	95.86%	96.77%

CRESTED BUTTE FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S NET PENSION LIABILITY AND RELATED RATIOS
Volunteer Pension Plan
Last 10 Fiscal Years (1)

Fiscal Year Ended	Total Pension Liability	Plan's Fiduciary Net Position	Net Pension Liability	Plan's Fiduciary Net Position as Percent of Total Pension Liability	Covered Payroll	Net Pension Liability as a Percent of Covered Payroll
12/31/23	\$ 4,656,485	\$ 4,111,579	\$ 544,906	88.30%	\$ -	N/A
12/31/2022	\$ 4,555,242	\$ 4,674,888	\$ (119,646)	102.63%	\$ -	N/A
12/31/2021	\$ 4,486,060	\$ 4,194,995	\$ 291,065	93.51%	\$ -	N/A
12/31/2020	\$ 3,625,057	\$ 3,841,598	\$ (216,541)	105.97%	\$ -	N/A
12/31/2019	\$ 3,555,964	\$ 3,520,920	\$ 35,044	99.01%	\$ -	N/A
12/31/2018	\$ 3,339,891	\$ 3,483,085	\$ (143,194)	104.29%	\$ -	N/A
12/31/2017	\$ 3,237,360	\$ 3,173,614	\$ 63,746	98.03%	\$ -	N/A
12/31/2016	\$ 3,117,953	\$ 2,988,890	\$ 129,063	95.86%	\$ -	N/A
12/31/2015	\$ 2,997,750	\$ 2,900,792	\$ 96,958	96.77%	\$ -	N/A
12/31/2014	\$ 2,877,331	\$ 2,679,256	\$ 198,075	93.12%	\$ -	N/A

Note: For 12/31/21 (12/31/20 measurement period), the District modified the long-term expected rate of return mortality assumptions, and increased the monthly retirement benefit from \$680 to \$800.

All amounts are for the measurement period one year prior to the date shown.

(1) - Additional years will be added to this schedule as they become available

See the accompanying Independent Auditors' Report.

CRESTED BUTTE FIRE PROTECTION DISTRICT**SCHEDULE OF ACTUARIAL DETERMINED AND ACTUAL CONTRIBUTIONS
Volunteer Pension Plan
Last 10 Fiscal Years(1)**

<u>Fiscal Year Ended</u>	<u>Actuarially determined contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
12/31/2023	\$ 105,121	\$ 115,500	\$ (10,379)	\$ -	N/A
12/31/2022	\$ 100,983	\$ 156,000	\$ (55,017)	\$ -	N/A
12/31/2021	\$ 100,983	\$ 115,500	\$ (14,517)	\$ -	N/A
12/31/2020	\$ 19,697	\$ 50,002	\$ (30,305)	\$ -	N/A
12/31/2019	\$ 19,697	\$ 234,063	\$ (214,366)	\$ -	N/A
12/31/2018	\$ 43,012	\$ 40,500	\$ 2,512	\$ -	N/A
12/31/2017	\$ 70,224	\$ 183,231	\$ (113,007)	\$ -	N/A
12/31/2016	\$ 70,224	\$ 186,447	\$ (116,223)	\$ -	N/A
12/31/2015	\$ 70,224	\$ 185,458	\$ (115,234)	\$ -	N/A

Note: See Note 4 of the Basic Financial Statements for significant methods and assumptions used in calculating the actuarially determined calculations.

For 12/31/21 (12/31/20 measurement period), the District modified the long-term expected rate of return mortality assumptions, and increased the monthly retirement benefit from \$680 to \$800.

All amounts are for the measurement period one year prior to the date shown.

(1) - Additional years will be added to this schedule as they become available

See the accompanying Independent Auditors' Report.

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Required Supplementary Information

CRESTED BUTTE FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	2023			2022
	Original & Final Budget	Actual	Variance With Final Budget	
				Actual
REVENUES				
Taxes				
Property Taxes	\$ 3,364,776	\$ 3,365,010	\$ 234	\$ 3,261,678
Specific Ownership Taxes	130,000	197,195	67,195	211,653
Total Tax Revenue	<u>3,494,776</u>	<u>3,562,205</u>	<u>67,429</u>	<u>3,473,331</u>
Intergovernmental Revenues				
State Grants	150,000	2,500	(147,500)	-
Other Intergovernmental	25,000	44,541	19,541	41,840
Total Intergovernmental Revenue	<u>175,000</u>	<u>47,041</u>	<u>(127,959)</u>	<u>41,840</u>
Charges for Services				
Rents	69,500	99,350	29,850	73,006
Other Charges for Services	450,000	930,654	480,654	969,788
Total Charges for Services	<u>519,500</u>	<u>1,030,004</u>	<u>510,504</u>	<u>1,042,794</u>
Investment Earnings	<u>25,000</u>	<u>188,147</u>	<u>163,147</u>	<u>61,567</u>
Other Revenues				
Donations	-	2,012	2,012	1,000
Sale of Capital Assets	2,000	6,300	4,300	-
Other Miscellaneous Revenue	-	500	500	20
Total Other Revenue	<u>2,000</u>	<u>8,812</u>	<u>6,812</u>	<u>1,020</u>
TOTAL REVENUES	<u>4,216,276</u>	<u>4,836,209</u>	<u>619,933</u>	<u>4,620,552</u>

See accompanying Independent Auditors' Report.

CRESTED BUTTE FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	2023			2022
	Original & Final Budget	Actual	Variance With Final Budget	
(Continued)				
EXPENDITURES				
Administration				
Personnel Services	786,548	793,349	(6,801)	731,403
Insurance	35,000	34,717	283	33,309
Professional Fees	71,000	52,887	18,113	80,675
Repairs and Maintenance	55,000	56,001	(1,001)	24,795
Supplies and Office	121,500	79,250	42,250	74,686
Telephone and Utilities	57,000	59,221	(2,221)	57,395
Travel and Training	61,500	47,192	14,308	46,364
Employee Housing Rents	-	21,813	(21,813)	-
Volunteer Pension Contribution	75,000	75,000	-	75,000
Other Expenses	160,001	126,247	33,754	125,331
Total General Government	<u>1,422,549</u>	<u>1,345,677</u>	<u>76,872</u>	<u>1,248,958</u>
Operations				
Personnel Services	2,371,521	2,306,785	64,736	2,035,955
Fuel and Automotive	45,000	43,688	1,312	43,840
Professional Fees	73,700	73,214	486	71,501
Repairs and Maintenance	46,000	88,316	(42,316)	47,626
Supplies	132,000	161,556	(29,556)	145,369
Telephone and Utilities	14,000	13,025	975	12,952
Travel and Training	94,800	85,289	9,511	68,033
Other Expenses	3,600	7,374	(3,774)	10,774
Total Public Safety	<u>2,780,621</u>	<u>2,779,247</u>	<u>1,374</u>	<u>2,436,050</u>
Capital Outlay				
Public Safety Capital Outlay	472,500	473,770	(1,270)	154,659
Debt Service				
Principal	61,627	84,462	(22,835)	190,915
Interest	-	17,215	(17,215)	2,214
Total Debt Service	<u>61,627</u>	<u>101,677</u>	<u>(40,050)</u>	<u>193,129</u>
TOTAL EXPENDITURES	<u>7,319,799</u>	<u>4,700,371</u>	<u>2,619,428</u>	<u>4,032,796</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(3,103,523)	135,838	3,239,361	587,756
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	249,453
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (3,103,523)</u>	135,838	<u>\$ 3,239,361</u>	837,209
Budget to GAAP Basis Reconciliation				
Debt Proceeds		-		125,875
Capital Outlay		-		(125,875)
NET CHANGE IN FUND BALANCE - GAAP BASIS		135,838		837,209
FUND BALANCE, BEGINNING		<u>3,079,642</u>		<u>2,242,433</u>
FUND BALANCE, ENDING		<u>\$ 3,215,480</u>		<u>\$ 3,079,642</u>

See accompanying Independent Auditors' Report.

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Other Supplementary Information

CRESTED BUTTE FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON SCHEDULE

Capital Reserve Project Fund

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	2023			
	Original & Final Budget	Actual	Variance With Final Budget	2022 Actual
REVENUES				
Investment Earnings	\$ 400,000	\$ 912,332	\$ 512,332	48,661
EXPENDITURES				
General Government				
Professional Fees	-	-	-	244,890
Other Expenses	-	312	(312)	251
Total General Government	-	312	(312)	245,141
Capital Outlay				
Public Safety Capital Outlay	5,250,474	865,596	4,384,878	2,286,334
Debt Service				
Principal	-	331,563	(331,563)	-
Interest	-	17,703	(17,703)	-
Total Debt Service	-	349,266	(349,266)	-
TOTAL EXPENDITURES	5,250,474	1,215,174	4,035,300	2,531,475
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(4,850,474)	(302,842)	4,547,632	(2,482,814)
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	-	-	-	32,123,048
Transfers (Out)	-	-	-	(249,453)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	31,873,595
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (4,850,474)	(302,842)	\$ 4,547,632	29,390,781
FUND BALANCE, BEGINNING		29,390,781		-
FUND BALANCE, ENDING		\$ 29,087,939		\$ 29,390,781

See accompanying Independent Auditors' Report.

CRESTED BUTTE FIRE PROTECTION DISTRICT**BUDGETARY COMPARISON SCHEDULE****Bond Redemption Fund****FOR THE YEAR ENDED DECEMBER 31, 2023****With Comparative Totals for the Year Ended December 31, 2022**

	2023			
	Original & Final		Variance With Final	2022
	Budget	Actual	Budget	Actual
REVENUES				
Taxes				
Property Taxes	\$ -	\$ 1,679,548	\$ 1,679,548	\$ 1,789,629
Specific Ownership Taxes	-	99,119	99,119	108,820
Total Tax Revenue	-	1,778,667	1,778,667	1,898,449
Investment Earnings	-	30,825	30,825	14,137
TOTAL REVENUES	-	1,809,492	1,809,492	1,912,586
EXPENDITURES				
General Government				
Other Expenses	-	50,587	(50,587)	53,892
Capital Outlay				
Principal	625,000	625,000	-	765,000
Interest	1,054,700	1,054,700	-	916,476
TOTAL EXPENDITURES	1,679,700	1,730,287	(50,587)	1,735,368
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (1,679,700)	79,205	\$ 1,758,905	177,218
FUND BALANCE, BEGINNING		177,218		-
FUND BALANCE, ENDING		\$ 256,423		\$ 177,218

See accompanying Independent Auditors' Report.