FLORENCE FIRE PROTECTION DISTRICT

FINANCIAL STATEMENTS

December 31, 2023

Logan and Associates, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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Logan and Associates, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Florence Fire Protection District
Florence, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Florence Fire Protection District (the "District") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Florence Fire Protection District as of December 31, 2023, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i - vi, the budgetary comparison schedules, the schedule of changes in net pension liability/(asset) and related ratios – FPPA – Florence Fire Protection District Volunteer Pension Fund, and the schedule of District contributions – FPPA – Florence Fire Protection District Volunteer Pension Fund, on pages 22 – 26, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison schedule for the capital improvements fund on page 26, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules of the debt service and capital projects funds are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Logan and Associates, LLC

Aurora, Colorado
October 1, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS
FLORENCE FIRE PROTECTION DISTRICT
DECEMBER 31, 2023

As management of the Florence Fire Protection District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2023. The management's discussion and analysis is designed to assist the reader in focusing on significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole.

District Operation and Background

The Florece Fire Protection became a reality in 1953, when the towns of Florence, Rockvale, and Coal Creek, formed a Special District with the blessings of the District Court of Fremont County for the purpose of gathering funds to purchase fire equipment and to secure supplies in support of the firefighting elements. The three towns (all incorporated cities) provided a mill levy through property taxes to support the fledgling District. Later, the entity of Penrose (not an incorporated city) and the town of Williamsburg (which is incorporated) joined the District. Subsequently, the station at Williamsburg has been closed. The two towns of Coal Creek and Rockvale have been combined and that is known as Station 3. The Florence Fire Protection District currently has three fire stations with the headquarters based in Florence at 300 West Main Street.

The Florence Fire Protection District borders are to the north on HWY 115 at mile marker 23.5 and on Fremont County Road 67 at mile marker 5.5, on Fremont County Road 132 it will be at mile marker 5. On the southwest end beside Mackenzie Ave. it is along Fremont County Road 78, which runs south to the Fremont-Custer County line.

In prior years, the sole function of our District was fire suppression, fire safety, fire inspection and firefighting. We operate some 20 fire units which are spread out in the three different stations, and most are state of the art pumper tankers due to the rural atmosphere of our District. In 2022, the District took over the emergency management services (EMS) from volunteers. The District taxpayers voted in November 2021 for an increase in their property tax mill levy by 10 mills to support the EMS operations and additional fire protection services.

Our District is operated by firefighters, both paid and volunteer, who serve at the pleasure of the Board of Directors. Volunteer firefighters only compensation is a pension after successful completion of 20 years of service and reaching the age of fifty. Effective in 2020, the monthly benefit increased from $300 to $375 and the one-time lump sum death benefit increased to $750.

Financial Highlights

- The assets of the District exceeded it liabilities at the close of the most recent fiscal year by $ 9,129,553. A significant portion of the District's net position reflects its investment in capital assets. These assets include land, buildings, vehicles and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.
- The District's total net position increased by $1,632,573.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of $4,767,668, an increase of $87,372 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance of the general fund is $2,821,336.
- Total revenues in the general fund increased by $238,952 compared to the previous year.
- Total revenues in the capital improvement fund increased by $26,663 compared to previous year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

The basic financial statements present two different views of the District through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the District.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes. The governmental activities of the District primarily include community safety services.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements, such as Statutes. The funds of the District are all governmental funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflow and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Governmental funds are reported using an accounting method called modified accrual accounting which has current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the District's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation, which is a part of the fund financial statements, to facilitate this comparison between governmental funds and governmental activities.

The District maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund, EMS fund, and the capital improvement fund.

The District adopts an annual appropriated budget for governmental funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as useful indicator of the government's financial position. In the case of the District, assets exceeded liabilities by $9,129,553 at the close of the calendar year 2023. Increases or decreases in net position may serve as a useful indicator as to whether the financial condition of the District is improving or deteriorating over time.

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

The following table reflects the condensed Statement of Net Position at December 31, 2023 and 2022:

Government wide Financial Analysis (Continued)

	2023	2022
Assets:		
Current and other assets	$ 8,497,222	$ 8,286,749
Capital Assets	2,938,667	1,811,034
Total Assets:	$ 11,435,889	$ 10,097,783
Deferred outflow of resources: Firemen's Pension Plan	568,171	45,629
Liabilities:		
Current and other liabilities	39,967	155,310
Long-term liabilities outstanding	-	-
Total Liabilities	39,967	155,310
Deferred inflow-property taxes	2,505,816	2,165,168
Deferred inflow-Firemen's pension plan	328,724	325,954
Net Position:		
Invested in capital assets, net of related debt	2,938,667	1,811,034
Restricted	87,000	3,416,171
Unrestricted	6,103,886	2,269,775
, Total Net Position	$ 9,129,553	$ 7,496,980

At the end of the current calendar year, the Florence Fire Protection District is able to report a positive balance in all categories of net position.

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains the requirements of setting an emergency reserve. This reserve cannot be accessed except for an unexpected disaster. This reserve amounts to $87,000 as of December 31, 2023.

The District has implemented GASB Statement No. 68 Employer Reporting for Pension Plans effective for fiscal years ending December 31, 2015.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. Revenues and expenses in this statement are recorded when earned or when a liability is incurred.

The following table reflects the condensed Statemen to Activities for the year ended December 31, 2023 and 2022:

Government Wide Financial Analysis (Continued)

	2023	2022
Revenues:		
Program revenues:		
Charges for services	$ 400,493	233,659
Operating and capital grants/contributions	93,006	479,536
General revenues:		
Property taxes	2,319,231	2,198,932
Penalty and interest		11,241
Specific ownership taxes	291,242	248,708
Investment earnings	262,422	83,010
Pension income	253,428	284,222
Gain (loss) on sale of assets	-	(1,597)
Other	5,561	6,778
Total Revenues	$ 3,625,383	3,580,489
Expenses		
Public Safety	559,048	874,345
General Government	1,433.762	448,683
Interest on debt	-	-
Total Expenses	$ 1,992,810	1,323,028
Change in net position	1,632,573	2,257,461
Net position-beginning-restated	7,496,980	5,239,519
Net position-ending	$ 9,129,553	7,496,980

Budgetary Highlights

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted funds are the General Fund and EMS fund.

For 2023, the Board of Directors appropriated expenditures and transfers out of $767,700 for the General Fund.

Capital Asset and Debt Administration

Capital Assets. The District's investment in capital assets as of December 31, 2023 amounts to $2,938,667 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles, and equipment. The increase in the District's investment in capital assts for the current fiscal year was due to current year purchases, net of dispositions of $1,127,633 with current year depreciation expense of $167,418.

Florence Fire Protection District's Capital Assets

Land	$	77,548
Construction in progress		22,987
Building and improvements		1,099,095
Vehicles		1,219,462
Equipment		519,575
	$	2,938,677

Additional information on the District's capital assets can be found in the note 3 of this report.

Final Comments

The District continues to strive to achieve its mission of providing affordable, efficient, and reliable community safety services.

Request for Information

This financial report is designed to provide a general overview of the Florence Fire Protection District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Florence Fire Protection District
Dana Angel
President
300 West Main Street
Florence, Co 81226

BASIC FINANCIAL STATEMENTS

FLORENCE FIRE PROTECTION DISTRICT

STATEMENT OF NET POSITION
December 31, 2023

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and Investments	$ 4,652,749
Accounts Receivable, Net	50,545
Accounts Receivable - County Treasurer	24,111
Prepaid Items	6,368
Inventory	45,484
Property Taxes Receivable	2,505,816
Net Pension Asset	1,212,149
Capital Assets, Not Being Depreciated	100,535
Capital Assets, Net of Accumulated Depreciation	2,838,132
TOTAL ASSETS	11,435,889
DEFERRED OUTFLOWS OF RESOURCES	
Related to Pensions	568,171
LIABILITIES	
Accounts Payable	9,864
Accrued Liabilities	1,705
Accrued Compensated Absences	28,398
	39,967
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Taxes	2,505,816
Related to Pensions	328,724
	2,834,540
NET POSITION	
Net Investment in Capital Assets	2,938,667
Restricted for Emergencies	87,000
Unrestricted	6,103,886
TOTAL NET POSITION	$ 9,129,553

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

FLORENCE FIRE PROTECTION DISTRICT

STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION: GOVERNMENTAL ACTIVITIES
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	$ 559,048	$ -	$ -	$ (559,048)
Public Safety	1,433,762	400,493	93,006	(940,263)
Total Governmental Activities	1,992,810	400,493	93,006	(1,499,311)
GENERAL REVENUES				
Property Taxes				2,319,231
Specific Ownership Taxes				291,242
Investment Income				262,422
Other				5,561
Pension Income				253,428
TOTAL GENERAL REVENUES				3,131,884
CHANGE IN NET POSITION				1,632,573
NET POSITION, Beginning				7,496,980
NET POSITION, Ending				$ 9,129,553

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

FLORENCE FIRE PROTECTION DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2023

	GENERAL	EMS	CAPITAL IMPROVEMENT	TOTALS
ASSETS				
Cash and Investments	$ 2,900,768	$ 1,366,232	$ 385,749	$ 4,652,749
Accounts Receivable, Net	-	50,545	-	50,545
Accounts Receivable - County Treasurer	10,698	13,413	-	24,111
Prepaid Items	6,368	-	-	6,368
Inventory	-	45,484	-	45,484
Property Taxes Receivable	1,068,967	1,336,604	100,245	2,505,816
TOTAL ASSETS	$ 3,986,801	$ 2,812,278	$ 485,994	$ 7,285,073
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 3,130	$ 6,734	$ -	$ 9,864
Accrued Liabilities	-	1,705	-	1,705
TOTAL LIABILITIES	3,130	8,439	-	11,569
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Taxes	1,068,967	1,336,604	100,245	2,505,816
FUND BALANCES				
Nonspendable	6,368	45,484	-	51,852
Restricted for Emergencies	87,000	-	-	87,000
Assigned to Capital Projects	-	-	385,749	385,749
Assigned to EMS	-	1,421,751	-	1,421,751
Unassigned	2,821,336	-	-	2,821,336
TOTAL FUND BALANCES	2,914,704	1,467,235	385,749	4,767,688
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 3,986,801	$ 2,812,278	$ 485,994	$ 7,285,073

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

FLORENCE FIRE PROTECTION DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balances of Governmental Funds	$ 4,767,688
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,938,667
Some assets were not received in the current period and, therefore, are not reported in the funds This is the amount of the net pension asset.	1,212,149
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:	
Deferred outflows of resources - related to Pensions	568,171
Deferred inflows of resources - related to Pensions	(328,724)
Long-term liabilities, including long-term debt are not due and payable in the current period and therefore are not reported in the governmental funds. This amount is related to the accrued compensate absences.	(28,398)
Total Net Position of Governmental Activities	$ 9,129,553

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

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2023

	GENERAL	EMS	CAPITAL IMPROVEMENT	TOTALS
REVENUES				
Property Taxes	$ 985,704	$ 1,235,822	$ 92,834	$ 2,314,360
Specific Ownership Taxes	132,632	158,610	-	291,242
Penalties and Interest - Property Taxes	4,871	-	-	4,871
EMS Charges, Net	-	400,493	-	400,493
Intergovernmental	-	93,006	-	93,006
Investment Income	141,351	68,576	52,495	262,422
Other Income	5,561	-	-	5,561
TOTAL REVENUES	1,270,119	1,956,507	145,329	3,371,955
EXPENDITURES				
General Government	322,288	193,231	10,028	525,547
Public Safety	345,266	1,005,592	-	1,350,858
Capital Outlay	5,901	334,711	1,067,566	1,408,178
TOTAL EXPENDITURES	673,455	1,533,534	1,077,594	3,284,583
NET CHANGE IN FUND BALANCES	596,664	422,973	(932,265)	87,372
FUND BALANCES, Beginning	2,318,040	1,044,262	1,318,014	4,680,316
FUND BALANCES, Ending	$ 2,914,704	$ 1,467,235	$ 385,749	$ 4,767,688

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

FLORENCE FIRE PROTECTION DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Net Change in Fund Balances of Governmental Funds	$ 87,372
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlay $1,394,999 exceedd depreciation expense ($167,418) and loss on disposal of capital assets ($99,948) in the current year.	1,127,633
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This includes the change in accrued compensated absences.	(13,133)
In the statement of activities, certain operating expenses and pension income/expenses are measured by the amounts earned during the period. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used or due (the amounts actually paid). This amount represents the net effect of pension related amounts, including amortization of deferred outflows and inflows of resources related to pensions, in the statement of activities.	430,701
Change in Net Position of Governmental Activities	$ 1,632,573

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Florence Fire Protection District (the "District") was formed in 1953 to provide fire protection services in south eastern Fremont County, including the Cities and Towns of Florence, Penrose, Coal Creek, Rockvale and Williamsburg, and the federal and state prisons. The District has several volunteer fire departments in the area, whom also provided emergency medical services (EMS). During 2022, the took over the EMS from the volunteers. The District is governed by a five (5) member Board of Directors elected by the residents of the District.

The accounting policies of the District conform to generally accepted accounting principles, as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

Reporting Entity

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

Based on the application of this criteria, the District does not include additional organizations in its reporting entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported in a single column.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to recipients of emergency medical services offered by the District, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers tax revenues to be available if they are collected within 60 days of the end of the current year.

Property taxes, specific ownership taxes, intergovernmental revenues, and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the District.

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

In the fund financial statements, the District reports the following major governmental funds:

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

EMS Fund accounts for resources accumulated for, and payments made relating to the emergency medical services provided by the District.

Capital Improvement Fund accounts for the acquisition or construction of capital assets and any long-term payments thereon.

Assets, Liabilities and Net Position/Fund Balances

Cash and Investments – Investments are reported at fair value.

Accounts Receivable – Accounts receivable from emergency medical services are reported net of an allowance for uncollectible accounts based on historical collection trends.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

Inventory – Inventory is reported in the EMS Fund and is valued using the first-in, first-out method. A physical count is made each year at or near the year end, December 31st, and inventory is adjusted to reflect the balance as of December 31, 2023. Expendable supplies are charged directly to expenditures when purchased.

Capital Assets - Capital assets, which include primarily land, infrastructure, and related improvements, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

Land and land improvements, as well as assets under construction are not depreciated. Depreciation of all other assets is provided on a straight-line basis over the following estimated useful lives:

Buildings and Improvements	20-50 years
Equipment	5-15 years
Vehicles/Trucks	8-15 years

Deferred Outflows/Inflows of Resources – In addition to assets, the balance sheet – governmental funds and statement of financial position reports a separate section for *deferred outflows of resources*. This separate financial statement classification represents an acquisition of fund balance or net position that applies to a future period and therefore will not be recognized as an outflow of resources (expenses) until then. The District has items related to the its participation in the FPPA Florence Fire Protection District Volunteer Pension Fund that are reported as deferred outflows of resources.

In addition to liabilities, the statement of financial position – governmental activities and the balance sheet – governmental funds report a separate section for *deferred inflows of resources.* This separate financial statement classification represents an acquisition of fund balance or net position that applies to future periods and therefore will not be recognized as an inflow of resources (revenue) until then. The District has an item related to property taxes levied in the current year to be collected in the following year and items related to its participation in the FPPA Florence Fire Protection District Volunteer Pension Fund that are reported as deferred inflows of resources.

Compensated Absences - Employees of the District are allowed to accumulated unused paid time off (PTO) based on their length of employment and shift hours worked. Employees are allowed to accumulate up to a maximum of 300 hours for non-exempt employees and 200 hours for exempt employees. Unpaid PTO hours are paid at the time of termination of employment at the employee's pay rate at that time. PTO is liquidated by the General or EMS Funds. The accrued liability is not expected to be paid with expendable and available resources and is therefore reported on the government-wide financial statements.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

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

- Net Investment in Capital Assets – This classification reflects the portion of net position that is associated with non-liquid, capital assets less outstanding related debt.
- Restricted Net Position – This classification includes amounts for which constraints have been placed on net position either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This classification includes the remaining net position that is not restricted or part of the net investment in capital assets.

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

- Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form (such as prepaid items or inventory) or (b) are legally or contractually required to be maintained intact. The District reported amounts related to prepaid items and inventory as nonspendable at December 31, 2023.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District reported an amount related to TABOR emergency reserve as restricted at December 31, 2023.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

- Assigned – This classification includes amounts that are constrained by the District's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or changed than those imposed on committed amounts. The District reported amounts related to future capital projects and EMS as assigned at December 31, 2023.
- Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The District has not established a formal policy for its use of restricted and unrestricted fund balance. However, if both the restricted and unrestricted fund balances are available the District uses restricted fund balance first.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the District on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources are reported at December 31.

Use of Estimates

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

Subsequent Events

The District has evaluated events subsequent to the year ended December 31, 2023 through October 1, 2024, the date of these financial statements were issued, and has incorporated any required recognition into these financial statements.

NOTE 2: CASH AND INVESTMENTS

At December 31, 2023, the District had the following cash and investments.

Deposits	$ -
Investments	4,652,749
Total	$ 4,652,749

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all local government entities deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. The FDIC insures depositors up to $250,000 for each financial institution. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2023, the District had bank deposits totaling $90,766, which were insured by FDIC.

Investments

The District has not adopted a formal investment policy; however, the District follows State statutes regarding investments. The District generally limits its concentration of investments to Local Government Investment Pools, obligation of the United States and certain U.S. government agency securities, which are believed to have minimal credit risk; minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

State statutes specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest which include the following.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

At December 31, 2023, the District had the following investment

	Maturity	2023
Colorado Liquid Asset Trust (COLOTRUST)	Weighted Average under 60 days	$ 4,652,749

Local Government Investment Pool - The District had invested $in the Colorado Government Liquid Asset Trust (COLOTRUST) (the "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers share in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as the safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAA by Standard and Poor's. COLOTRUST records its investments at fair value and the District records its investments in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

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NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023, is summarized below:

	Balances 12/31/2022	Additions	Deletions	Balances 12/31/2023
Governmental Activities:				
Capital Assets, not being depreciated				
Land	$ 77,548	$ -	$ -	$ 77,548
Construction In Progress	184,965	610,123	772,101	22,987
Total Capital Assets, not being depreciated	262,513	610,123	772,101	100,535
Capital Assets, being depreciated				
Buildings and Improvements	598,056	772,101	-	1,370,157
Equipment	1,217,956	209,332	323,831	1,103,457
Trucks	2,494,863	575,544	427,263	2,643,144
Total Capital Assets, being depreciated	4,310,875	1,556,977	751,094	5,116,758
Less accumulated depreciation				
Buildings and Improvements	(233,955)	(37,107)	-	(271,062)
Equipment	(771,507)	(45,008)	(232,633)	(583,882)
Trucks	(1,756,892)	(85,303)	(418,513)	(1,423,682)
Total accumulated depreciation	(2,762,354)	(167,418)	(651,146)	(2,278,626)
Total Capital Assets, being depreciated, net	1,548,521	1,389,559	99,948	2,838,132
Governmental Activities Capital Assets, net	$ 1,811,034	$ 1,999,682	$ 872,049	$ 2,938,667

Depreciation expense was charged to the programs of the District as follows:

General Government	$ 28,232
Public Safety	139,186
Total	$ 167,418

NOTE 4: LONG-TERM DEBT

Following is a summary of long-term debt transactions for the year ended December 31, 2023:

	Balances 12/31/2022	Additions	Deletions	Balances 12/31/2023	Due Within One Year
Compensated Absences	$ 15,265	$ 13,133	$ -	$ 28,398	$ 28,398

Compensated absences are expected to be liquidated with revenues of the General and EMS Funds.

NOTE 5: PENSION PLANS

Employee Retirement Plan

The District provides a Simple IRA Retirement Plan to all full time employees. Participation is optional, and is available to employees following 30 days of full time employment. Each eligible participant must contribute at least 3% of compensation and the District is required to match 3% of each eligible participant's compensation. Participants will be 100% vested in this program from when it is opened. For the year ended December 31, 2023 the District reported pension expense of $18,913 and the employees contributed $18,913 to the plan.

Florence Fire Protection District Volunteer Pension Fund

Summary of Significant Accounting Policies

For purposes of measuring the liability / (asset), deferred outflows of resources and deferred inflows of resources, and expense associated with the District's requirement to contribute to the Colorado Fire & Police Pension Association (FPPA) Pension Plan, information about FPPA' s fiduciary net position and additions to/deductions from FPPA's fiduciary net position have been determined on the same basis as they are reported by FPPA. For this purpose, benefit payments (including refunds of 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
The District contributes to a defined benefit pension plan called the Florence Fire Protection District Volunteer Fire Pension Fund (the "Plan"). The Plan was adopted and first effective September 1, 1998. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The benefit provisions are established and may be amended by the Florence Fire Protection District Board of Directors under the provisions of applicable State statutes. The plan is affiliated with the Volunteer Firefighter Defined Benefit Pension Plan, which is an agent multiple-employer Public Employee Retirement System (PERS) and is administered by the Fire and Police Pension Association (FPPA). FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the Florence Fire Protection District Volunteer Fire Pension Fund. That report may be obtained by contacting FPPA directly or on FPPA's website at http://www.fppaco.org.

All active members of the District are eligible to participate. Membership in the Plan, per the latest actuarial study dated January 1, 2023, is 39 active members, 36 retired members and 1 inactive, nonretired member.

NOTE 5: PENSION PLANS (Continued)

Florence Fire Protection District Volunteer Pension Fund (Continued)

Benefits Provided
Retirement and death benefits are paid in accordance with the plan provisions. Full retirement is when the retiree has twenty years of qualified service and is at least 50 years of age. Death benefits are a one time lump sum payment. The current maximum monthly benefit is $375.

Funding Policy
The contribution requirements of the plan members and the District are established and may be amended by the Florence Fire Protection District Board of Directors under the provisions of applicable State statutes.

The matching contribution requirements of the State are established and may be amended by the State legislature. The plan covers only volunteer firefighters. As such, plan members are not required nor allowed to contribute to the plan, and employer contributions have no relationship to any payroll the District may have. The District is required to contribute one mill based on the total assessed valuation each year. The State is required to contribute 90% of District appropriations from the General Fund to the Pension Trust Fund, up to a maximum of a one half mill levy on total assessed valuation. Benefits were paid in excess of $300 per month which made the District subject to the state contribution limitation.

During the year ended December 31, 2023 the District contributed $148,421 and the State contributed $28,851.

Funded Status and Funding Progress
As of January 1, 2023, the most recent actuarial valuation date, the Plan was 188% funded. The actuarial liability for accrued benefits was $1,684,107, and the actuarial value of the assets was $3,179,289, resulting in an excess of $1,495,183. Since the plan covers volunteer firefighters only there is no covered payroll.

The schedule of changes in net pension liability / (asset) and related ratios and the schedule of District contributions, presented as RSI following the notes to the financial statements, presents multi-year information for the pension plan. Actuarial studies are compiled on January 1 of odd numbered years.

Pension Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
At December 31, 2023, the District reported an asset of $1,212,149 for its proportionate share of the net pension liability / asset; The net pension asset was measured as of December 31, 2022 and the total pension liability / asset used to calculate the net pension liability / asset was determined by an actuarial valuation

NOTE 5: PENSION PLANS (Continued)

Florence Fire Protection District Volunteer Pension Fund (Continued)

as of that date. The District's proportion of the net pension liability / asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the contributions of the District and all participants, actuarially determined. At December 31, 2021, the District's portion was 171.98%.

As a result of its requirement to contribute to FPPA, the District recognized income of $253,428 for the year ended December 31, 2023. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources from the following sources as a result of its requirement to contribute to FPPA:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,116	$ (107,164)
Changes of assumptions and other inputs	10,752	-
Net difference between projected and actual earnings	379,030	(221,560)
Contributions subsequent to the measurement date	177,273	-
Total	$ 568,171	$ (328,724)

The District’s contributions to the Plan subsequent to the measurement date of $177,273 will be recognized as a decrease to the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2024	$ (41,464)
2025	(11,936)
2026	20,818
2027	94,756
2028	-
Thereafter	-
Total	$ 62,174

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NOTE 5: PENSION PLANS (Continued)

Florence Fire Protection District Volunteer Pension Fund (Continued)

Actuarial Methods and Assumptions
In the January 1, 2023 actuarial valuation, the actuarial assumptions included:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Open*
Remaining amortization period	20 years*
Asset valuation method	5 year smoothed fair value
Inflation	2.5%
Salary increases	N/A
Investment rate of return	7.00%
Retirement age	50 years of age with 20 years of service 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 scale for all years. Disable: 2006 central rates from the RP-20 14 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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

The actuarial assumptions shown above are associated with the Actuarially Determined Contribution for the Fiscal Year Ending December 31, 2022. The actuarial assumptions were changed for the Actuarial Valuation as of January 1, 2023 and as such, the Total Pension Liability was measured using those assumptions. Please see the comprehensive summary in the funding valuation as of January 1, 2023 for assumptions used to measure the Total Pension Liability as of January 1, 2023.

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

NOTE 5: PENSION PLANS (Continued)

Florence Fire Protection District Volunteer Pension Fund (Continued)

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, 2021 are summarized in the following table.

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

Sensitivity of the District's proportionate share of the 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 7.0%, 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 Single Discount Rate Assumption 7.0%	1% Increase 8.0%
Proportionate share of the net pension Liability/(Asset)	$ (1,046,799)	$ (1,212,149)	$ (1,351,530)

NOTE 6: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, commonly known as the TaxPayer's Bill of Rights (TABOR), which has several limitations, including revenue raising, spending abilities, debit limitations and other specific requirements of state and local government. The Amendment is complex and subject to judicial interpretation.

NOTE 6: COMMITMENTS AND CONTINGENCIES (Continued)

Tabor Amendment (Continued)

On November 5, 1996, the District's voters approved a referendum regarding the revenue and spending limits imposed by Article X, Section 20 of the Colorado constitution. The referendum allows the District, without increasing or adding any taxes of any kind, to collect, retain and expend all revenues and other funds collected during 1996 and thereafter.

The District believes it is in compliance with the requirements of the Amendment.

The District has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2023, the emergency reserve of $87,000 was reported as a restriction of fund balance in the General Fund and restricted net position in the statement of net position.

REQUIRED SUPPLEMENTARY INFORMATION

FLORENCE FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended December 31, 2023

	2023		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Property Taxes	$ 833,329	$ 985,704	$ 152,375
Specific Ownership Taxes	100,000	132,632	32,632
Penalties and Interest - Property Taxes	4,511	4,871	360
Interest Income	20,000	141,351	121,351
Other Revenues	1,000	5,561	4,561
TOTAL REVENUES	958,840	1,270,119	311,279
EXPENDITURES			
General Government			
Administrative Salaries	56,000	56,333	(333)
Board Salaries	12,000	12,000	-
Insurance	45,000	26,782	18,218
Administrative	40,000	29,162	10,838
Stations, Buildings and Grounds	35,000	20,101	14,899
Volunteer Pension Plan - FPPA	170,000	148,410	21,590
Treasurer's Fees	30,000	29,500	500
Total General Government	388,000	322,288	65,712
Public Safety			
Fire Fighter Salaries	184,000	189,744	(5,744)
Employee Insurance and Retirement	30,000	50,525	(20,525)
Payroll Taxes	18,000	16,031	1,969
Fire Fighting	40,000	38,436	1,564
Fire Prevention	1,000	275	725
Training	2,000	2,896	(896)
Communications	10,500	17,617	(7,117)
Equipment Repair	25,000	29,302	(4,302)
Volunteer Physicals and Testing	2,000	440	1,560
Total Public Safety	312,500	345,266	(32,766)
Capital Outlay	-	5,901	(5,901)
TOTAL EXPENDITURES	700,500	673,455	27,045
EXCESS OF REVENUES OVER EXPENDITURES	258,340	596,664	284,234
OTHER FINANCING USES			
Transfers Out	(67,200)	-	67,200
NET CHANGE IN FUND BALANCE	191,140	596,664	351,434
FUND BALANCE, Beginning	2,840,297	2,318,040	(522,257)
FUND BALANCE, Ending	$ 3,031,437	$ 2,914,704	$ (116,733)

See the accompanying Independent Auditor's Report.

FLORENCE FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON SCHEDULE
EMS FUND
Year Ended December 31, 2023

	2023		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Property Taxes	$ 1,238,920	$ 1,235,822	$ (3,098)
Specific Ownership Taxes	125,154	158,610	33,456
EMS Revenue, Net	15,000	400,493	385,493
Intergovernmental	-	93,006	93,006
Interest Income	8,000	68,576	60,576
TOTAL REVENUES	1,387,074	1,956,507	569,433
EXPENDITURES			
General Government			
Administrative Salaries	56,000	55,534	466
Insurance	20,000	24,789	(4,789)
Administrative	15,000	62,295	(47,295)
Stations, Buildings and Grounds	10,000	13,627	(3,627)
Treasurer's Fees	37,000	36,986	14
Total General Government	138,000	193,231	(55,231)
Public Safety			
EMS Salaries	589,657	674,619	(84,962)
Employee Insurance and Retirement	217,140	103,058	114,082
Payroll Taxes	47,633	55,346	(7,713)
EMS	13,000	112,586	(99,586)
Training	2,000	3,166	(1,166)
Communications	32,000	37,847	(5,847)
Equipment Repair	25,000	18,430	6,570
Volunteer Physicals and Testing	500	540	(40)
Total Public Safety	926,930	1,005,592	(78,662)
Capital Outlay	192,400	334,711	(142,311)
TOTAL EXPENDITURES	1,257,330	1,533,534	(276,204)
NET CHANGE IN FUND BALANCE	129,744	422,973	293,229
FUND BALANCE, Beginning	809,457	1,044,262	234,805
FUND BALANCE, Ending	$ 939,201	$ 1,467,235	$ 528,034

See the accompanying Independent Auditor's Report.

FLORENCE FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS
FPPA - FLORENCE FIRE PROTECTION DISTRICT VOLUNTEER PENSION FUND
Last Ten Years*

Measurement Period Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014*
Total Pension Liability									
Service cost	$ 12,408	$ 12,408	$ 8,524	$ 8,524	$ 12,668	$ 12,668	$ 11,570	$ 11,570	$ 8,144
Interest on the total pension liability	123,544	125,422	101,801	105,683	108,327	110,338	108,658	110,735	73,278
Benefit changes	-	-	395,354	-	-	-	-	-	537,213
Difference between expected and actual experience of the total pension liability	(143,779)	-	7,416	-	44,666	-	(11,093)	-	32,708
Changes of assumptions	14,425	-	-	-	55,008	-	60,606	-	-
Benefit payments	(159,900)	(169,275)	(185,550)	(154,320)	(152,017)	(147,720)	(148,020)	(151,920)	(155,220)
Net Change in Total Pension Liability	(153,302)	(31,445)	327,545	(40,113)	68,652	(24,714)	21,721	(29,615)	496,123
Total Pension Liability - Beginning	1,837,409	1,868,854	1,541,309	1,581,422	1,512,770	1,537,484	1,515,763	1,545,378	1,049,255
Total Pension Liability - Ending	$ 1,684,107	$ 1,837,409	$ 1,868,854	$ 1,541,309	$ 1,581,422	$ 1,512,770	$ 1,537,484	$ 1,515,763	$ 1,545,378
Plan Fiduciary Net Position									
Contributions - Employer	158,821	141,791	143,724	127,910	134,778	135,400	139,018	86,287	105,540
Net investment income	(253,694)	408,632	320,915	300,415	170	261,369	92,221	28,621	104,013
Benefit payments	(159,900)	(169,275)	(185,550)	(154,320)	(152,017)	(147,720)	(148,020)	(151,920)	(155,220)
Pension plan administrative Expense	(16,451)	(14,743)	(12,867)	(19,565)	(18,498)	(20,527)	(2,946)	(3,658)	(2,776)
State of Colorado supplemental discretionary payment	28,851	28,851	64,645	64,327	66,336	67,777	44,330	50,632	51,588
Net Change in Plan Fiduciary Net Position	(242,373)	395,256	330,867	318,767	30,769	296,299	124,603	9,962	103,145
Plan Fiduciary Net Position - Beginning	3,138,629	2,743,373	2,412,506	2,093,739	2,062,970	1,766,671	1,642,068	1,632,106	1,528,961
Plan Fiduciary Net Position - Ending	$ 2,896,256	$ 3,138,629	$ 2,743,373	$ 2,412,506	$ 2,093,739	$ 2,062,970	$ 1,766,671	$ 1,642,068	$ 1,632,106
Net Pension Liability (Asset)	$(1,212,149)	$ (1,301,220)	$ (874,519)	$ (871,197)	$ (512,317)	$ (550,200)	$ (229,187)	$ (126,305)	$ (86,728)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	171.98%	170.82%	146.79%	156.52%	132.40%	136.37%	114.91%	108.33%	105.61%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability (asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* - The previous year was not available

See the accompanying Independent Auditor's Report.

FLORENCE FIRE PROTECTION DISTRICT

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
FPPA - FLORENCE FIRE PROTECTION DISTRICT VOLUNTEER PENSION FUND
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	$ 177,273	$ 187,672	$ 170,642	$ 208,369	$ 192,237	$ 201,114	$ 203,177	$ 183,348	$ 136,919	$ 157,128
Contributions in Relation to the Contractually Required Contribution	177,273	187,672	170,642	208,369	192,237	201,114	203,177	183,348	136,919	157,128
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

See the accompanying Independent Auditor's Report.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE 1: BUDGETARY INFORMATION

Budgets and Budgetary Accounting

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

- In September, District management submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15th, the budget is legally enacted through passage of a resolution.
- District management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Board of Directors.
- Budgets are legally adopted for all funds of the District on a basis consistent with generally accepted accounting principles (GAAP).
- All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

Legal Compliance

For the year ended December 31, 2023, the EMS Fund and Capital Improvements Fund actual expenditures exceeded budgeted expenditures by $276,204 and $504,830, respectively. These may be a violation of State statute.

SUPPLEMENTARY INFORMATION

FLORENCE FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
Year Ended December 31, 2023

	2023		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Property Taxes	$ 92,919	$ 92,834	$ (85)
Investment Income	24,000	52,495	28,495
TOTAL REVENUES	116,919	145,329	28,410
EXPENDITURES			
General Government			
Administration	-	7,256	(7,256)
Treasurer's Fees	3,000	2,772	228
Total General Government	3,000	10,028	(7,028)
Capital Outlay			
Vehicles and Equipment	67,200	598,051	(530,851)
Stations, Buildings and Grounds	502,564	469,515	33,049
Total Capital Outlay	569,764	1,067,566	(497,802)
TOTAL EXPENDITURES	572,764	1,077,594	(504,830)
EXCESS OF REVENUES OVER EXPENDITURES	(455,845)	(932,265)	533,240
OTHER FINANCING SOURCES			
Transfers In	67,200	-	(67,200)
NET CHANGE IN FUND BALANCE	(388,645)	(932,265)	466,040
FUND BALANCE, Beginning	1,411,705	1,318,014	(93,691)
FUND BALANCE, Ending	$ 1,023,060	$ 385,749	$ (637,311)

See the accompanying Independent Auditor's Report.