

2023

Financial  
Statements and  
Supplementary  
Information

**Summit Fire & EMS Fire  
Protection District**

For the Year Ended  
December 31, 2023

# Summit Fire & EMS Fire Protection District

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Summit Fire and EMS Fire Protection District  
Silverthorne, Colorado

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Summit Fire and EMS Fire Protection District (“the District”), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof 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 Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule of the General Fund, the schedule of changes in net pension liability/(asset) for the Volunteer Firefighters' Pension plan, Schedule of Contributions for the Volunteer Firefighters' Pension Plan, schedule of the District's proportionate share of the net pension liability/(asset) for cost-sharing defined benefit plans, and the schedule of contributions for cost-sharing defined benefit plans be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 Snake River Fleet Services Fund 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 GAAS. In our opinion, the budgetary comparison schedule for the Snake River Fleet Services Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Greenwood Village, Colorado  
April 23, 2024

## **Summit Fire & EMS Fire Protection District**

Management's Discussion and Analysis  
December 31, 2023

As management of the Summit Fire & EMS Fire Protection District, (the "District"), we offer to readers of the District's financial statements with the Independent Auditor's report, this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2023.

### **Financial Highlights**

- The total assets and deferred outflows of Summit Fire & EMS exceeded its liabilities and deferred inflows of resources at the close of the 2023 fiscal year by \$45,665,296. Of this amount \$33,234,851 may be used to meet the government's ongoing obligations to our citizens.
- The District's total net position increased by \$5,150,718. The increase is due primarily to our investments.
- As of the close of the 2023 fiscal year, the District's governmental fund reported a fund balance of \$31,954,679.

### **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 are comprised of three components:

- government-wide financial statements
- fund financial statements
- notes to financial statements.

This report also contains required and other supplementary information in addition to the basic financial statements. These components are discussed below.

**Government-wide financial statements:** The government-wide financial statements are designed to provide readers with an overview of the District's finances, from both a short-term fund perspective and a long-term economic perspective.

The statement of net position presents information on all the District's assets, and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two is 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 shows 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 related 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.

Both of the government-wide financial statements distinguish functions of the District that are principally supported by property and specific ownership taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs. The government activities of the District include Firefighters, EMS Operations, Administration, Community Risk Division, Administrative Support Services, Stations and Grounds, Apparatus and the Wildland Division. The business-type activities of the District include the Snake River Fleet Fund.

The District's government-wide financial statements can be found on pages 12 to 13 of this report directly following the management discussion and analysis.

**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 uses fund accounting to ensure and demonstrate compliance with legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary 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 inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The District maintains one governmental fund, the General Fund. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for all major funds.

The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 14 to 17 of this report.

**Proprietary Funds.** The District maintains one proprietary fund, an enterprise fund to report the same functions presented as business-type activities in the government-wide financial statements. The District uses this fund to account for the Snake River Fleet Services Fund. The proprietary fund provides the same type of information as the business-type activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 18 to 20 of this report.

**Notes to the Financial Statements:** The notes provide a background of the entity, certain required statutes, and accounting policies utilized by the District. They also provide additional information that will aid in the interpretation of the financial statements. The Notes to the Financial Statements can be found on pages 21 to 46 of this report.

**Required Supplementary Information:** The required supplementary information includes required information concerning the District's budgetary schedule for the General Fund. Required supplementary information can be found on pages 48 to 52 of this report.

**Other Supplementary Information:** In addition to the basic financial statements and accompanying notes, this report also presents other supplementary information, a budgetary comparison schedule for the Snake River fleet Services Fund, which can be found on page 59 of this report.

## Financial Analysis of the District

### Summit Fire & EMS Fire Protection District's Net Position

	Governmental Activities		Business Type Unit		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets:</b>						
Current and other	\$ 57,580,188	\$ 45,277,162	\$ 144,582	\$ 145,627	\$ 57,724,770	\$ 45,422,789
Internal Balances	7,203	10,259	(7,203)	(10,259)	-	-
Capital assets	11,725,106	10,835,294	17,352	22,882	11,742,458	10,858,176
Net pension asset	28,605	3,918,426	-	-	28,605	3,918,426.00
<b>Total assets</b>	<b>69,341,102</b>	<b>60,041,141</b>	<b>154,731</b>	<b>158,250</b>	<b>69,495,833</b>	<b>60,199,391</b>
<b>Deferred outflows of resources-</b>						
<b>pensions</b>	<b>4,578,817</b>	<b>2,352,310</b>	<b>-</b>	<b>-</b>	<b>4,578,817</b>	<b>2,352,310</b>
<b>Liabilities:</b>						
Current liabilities	123,681	93,152	34,828	8,327	158,509	101,479
Long-term liabilities	1,152,862	967,036	24,371	13,202	1,177,233	980,238
Net pension liability	1,495,824	216,743	-	-	1,495,824	216,743
<b>Total liabilities</b>	<b>2,772,367</b>	<b>1,276,931</b>	<b>59,199</b>	<b>21,529</b>	<b>2,831,566</b>	<b>1,298,460</b>
<b>Deferred inflows of resources:</b>						
Deferred revenue- property taxes	24,775,294	17,194,317	-	-	24,775,294	17,194,317
Leases	417,417	444,562	-	-	417,417	444,562
Deferred inflow pensions	289,545	2,963,063	-	-	289,545	2,963,063
<b>Total deferred inflows of resources</b>	<b>25,482,256</b>	<b>20,601,942</b>	<b>-</b>	<b>-</b>	<b>25,482,256</b>	<b>20,601,942</b>
<b>Net position:</b>						
Investment in capital assets	11,673,005	10,835,294	17,352	22,882	11,690,357	10,858,176
Restricted	757,440	4,671,951	-	-	757,440	4,671,951
Unrestricted	33,234,851	25,007,333	78,180	112,339	33,313,031	25,119,672
<b>Total net position</b>	<b>\$ 45,665,296</b>	<b>\$ 40,514,578</b>	<b>\$ 95,532</b>	<b>\$ 135,221</b>	<b>\$ 45,760,828</b>	<b>\$ 40,649,799</b>

At December 31, 2023, approximately 26% of the District's net position reflects its investment in capital assets, which includes land, fire stations, vehicles, and equipment. The District uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

A portion of the District's net position, approximately 2%, represents resources that are subject to Colorado Constitutional restrictions, donor restrictions and pension restrictions. The remaining unrestricted funds of \$33,234,851 may be used to meet the District's ongoing obligations.

At the end of the current fiscal year, the District is able to report a positive balance of net position for the governmental type activities.

Overall, the District's net position increased \$5,150,718 from the prior year. The increase is due mainly to the increase in investments due to property taxes. See below for more information.

## Financial Analysis of the District (continued)

### Summit Fire & EMS Fire Protection District's Change in Net Position

	Governmental Activities		Business-type		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenues:</b>						
Program revenues:						
EMS services	\$ 1,910,202	\$ 1,964,777	\$ -	\$ -	\$ 1,910,202	\$ 1,964,777
Wildland	475,402	378,858	-	-	475,402	378,858
Intergovernmental contracts	26,191	2,498,306	-	-	26,191	2,498,306
Grants	245,217	52,819	-	-	245,217	52,819
Inspection plan review fees	719,577	1,291,273	-	-	719,577	1,291,273
Charges for service-Snake River	-	-	652,278	497,694	652,278	497,694
Fleet Services	-	-	-	-	-	-
General revenues:						
Property taxes	17,227,580	16,411,633	-	-	17,227,580	16,411,633
Specific ownership taxes	891,158	803,419	-	-	891,158	803,419
Investment earnings	1,575,847	387,904	-	-	1,575,847	387,904
Gain (loss) on sale of capital assets	24,920	54,681	-	-	24,920	54,681
Miscellaneous	79,653	88,002	-	-	79,653	88,002
<b>Total revenues</b>	<b>23,175,747</b>	<b>23,931,672</b>	<b>652,278</b>	<b>497,694</b>	<b>23,828,025</b>	<b>24,429,366</b>
<b>Expenses:</b>						
Operating expenses:						
Firefighters	8,922,646	6,688,482	-	-	8,922,646	6,688,482
EMS	4,835,412	4,243,408	-	-	4,835,412	4,243,408
Administration	1,528,373	1,391,203	-	-	1,528,373	1,391,203
Community Risk	710,336	517,271	-	-	710,336	517,271
Division	-	-	-	-	-	-
Admin support services	481,459	396,005	-	-	481,459	396,005
Station and grounds	451,513	429,512	-	-	451,513	429,512
Apparatus	397,473	343,023	-	-	397,473	343,023
Wildland	697,817	402,101	-	-	697,817	402,101
Snake River Fleet Services	-	-	691,967	470,304	691,967	470,304
<b>Total expenses</b>	<b>18,025,029</b>	<b>14,411,005</b>	<b>691,967</b>	<b>470,304</b>	<b>18,716,996</b>	<b>14,881,309</b>
<b>Change in net position</b>	<b>5,150,718</b>	<b>9,520,667</b>	<b>(39,689)</b>	<b>27,390</b>	<b>5,111,029</b>	<b>9,548,057</b>
<b>Net position - beginning</b>	<b>40,514,578</b>	<b>30,993,911</b>	<b>135,221</b>	<b>107,831</b>	<b>40,649,799</b>	<b>31,101,742</b>
<b>Net position - ending</b>	<b>\$ 45,665,296</b>	<b>\$ 40,514,578</b>	<b>\$ 95,532</b>	<b>\$ 135,221</b>	<b>\$ 45,760,828</b>	<b>\$ 40,649,799</b>

**Governmental activities:** Governmental activities increased the District's net position by \$5,150,718. The most significant source of revenue of the District is property taxes, accounting for approximately 74% of total 2023 revenues.

When compared to 2022, revenues decreased by \$755,925 in 2023, mainly due to the loss of Safety First Funds from Summit County Government for Ambulance services.

**Business activities:** Business-type activities decreased the District's net position by \$39,689. The revenue is dependent on the actual maintenance required on the vehicles served.

**Governmental funds:** The general fund is the chief operating fund of the District. At the end of 2023, unassigned fund balance of the general fund was \$25,187,593, while total fund balance was \$31,954,679. The increase in fund balance from the prior year was the result of the District's ability to maintain expenditures at or below budget which increased the cash and investment balances as well as the increase in property tax revenue.

**General Fund Budgetary Highlights - Significant budget variances were as follows:**

Account	Final Budget	Actual Amount	Variance Positive (Negative)	Description
Specific ownership tax	350,000	891,158	541,158	The specific ownership tax increase is due to the increase of taxes received by the State of Colorado on motor vehicles and other moveable equipment. This is allocated to the District based on the percentage of property tax receipts to overall property tax for Summit County.
EMS services	1,135,090	1,910,202	775,112	The EMS services revenue was budgeted at a decrease due to limited out of county transports and the introduction of the County Hospital Transport Services. The District ran more out of county transports than budgeted thus more revenue billed and received.
Earnings on investments	77,000	1,575,847	1,498,847	The earnings on investments was budgeted conservatively based historical average and potential economic downturn. 2023 saw significant economic recovery from 2021 which caused our ColoTrust Investment pool to report a much more robust interest on our investments.
State and federal wildland response	-	475,402	475,402	Wildland response was not budgeted in 2023 because it is unknown whether we will respond to any wildfires. In 2023 we did respond to 9 wildfires in and out of state and billed this amount for our deployments.
Firefighter salaries	5,489,216	4,993,107	496,109	SFE negotiated its first CBA with our Union in 2023 and moved the way firefighters were being paid to a step pay methodology. The budget was based on the information we had at the time because the CBA was not available to us at the time the budget was approved. Also, we conservatively made the assumption that raises would happen on Jan 1, 2023 which was March 1, 2023.
Capital Expenses - Stations and Grounds	4,186,800	636,716	3,550,084	In 2023 the District budgeted \$4 million dollars to be spent on the new Silverthorne Fire Station. Only architectural bid and design work was done and paid for in 2023 totaling \$435,000. The other payments made for stations and grounds were capital projects for our four stations.

## **Capital Assets**

**Capital assets:** The District's capital assets, net of accumulated depreciation, increased by \$889,812 in 2023. The increase was the result of initiating the build of a new fire station in the Town of Silverthorne and dedicating funds to update the other fire stations.

Additional information as well as a detailed classification of the District's net capital assets can be found in the Notes to the Financial Statements starting on page 24.

## **Next Year's Budget**

The District's General Fund balance at the end of the 2023 fiscal year totaled \$31,954,679. The board of directors is anticipating an ending fund balance of approximately \$26,414,985 in the adopted District's 2024 General Fund budget. The projected decrease in fund balance is due to the use of existing fund balance for capital projects in 2024.

## **Request for Information**

This financial report is designed to provide a general overview of the 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 requests for additional information should be addressed to: Summit Fire & EMS Fire Protection District, P.O. Box 4910, Frisco, CO 80443.

## Basic Financial Statements

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# Summit Fire & EMS Fire Protection District

## Statement of Net Position December 31, 2023

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash, cash equivalents and investments	\$ 31,098,731	\$ 120,168	\$ 31,218,899
Receivables:			
Accounts receivable, net	840,966	24,414	865,380
Lease receivable, net	417,417	-	417,417
Property taxes receivable	24,775,294	-	24,775,294
Prepaid items	447,780	-	447,780
Internal balances	7,203	(7,203)	-
Capital assets:			
Not being depreciated	1,272,491	-	1,272,491
Being depreciated, net	10,452,616	17,352	10,469,968
Net pension asset	28,605	-	28,605
<b>Total assets</b>	<b>69,341,102</b>	<b>154,731</b>	<b>69,495,833</b>
<b>Deferred outflows of resources</b>			
Deferred outflows of resources relating to pensions	4,578,817	-	4,578,817
<b>Liabilities</b>			
Accounts payable	123,681	2,011	125,692
Accrued liabilities	316,320	32,817	349,137
Accrued compensated absences	836,542	24,371	860,913
Noncurrent liabilities:			
Net Pension Liability	1,495,824	-	1,495,824
<b>Total liabilities</b>	<b>2,772,367</b>	<b>59,199</b>	<b>2,831,566</b>
<b>Deferred inflows of resources</b>			
Taxes Levied for subsequent year	24,775,294	-	24,775,294
Leases	417,417	-	417,417
Deferred inflows of resources relating to pensions	289,545	-	289,545
<b>Total deferred inflows of resources</b>	<b>25,482,256</b>	<b>-</b>	<b>25,482,256</b>
<b>Net position</b>			
Net Investment in capital assets	11,673,005	17,352	11,690,357
Restricted for:			
Emergencies	699,322	-	699,322
Donors	29,513	-	29,513
Pensions	28,605	-	28,605
Unrestricted	33,234,851	78,180	33,313,031
<b>Total net position</b>	<b>\$ 45,665,296</b>	<b>\$ 95,532</b>	<b>\$ 45,760,828</b>

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

# Summit Fire & EMS Fire Protection District

## Statement of Activities

**Year Ended December 31, 2023**

Functions/programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
Firefighters	\$ 8,922,646	\$ -	\$ 26,191	\$ -	(8,896,455)	-	\$ (8,896,455)
EMS Operations	4,835,412	1,910,202	-	245,217	(2,679,993)	-	(2,679,993)
Administration	1,528,373	62,759	-	-	(1,465,614)	-	(1,465,614)
Community risk division	710,336	719,577	-	-	9,241	-	9,241
Admin Support services	481,459	-	-	-	(481,459)	-	(481,459)
Stations and grounds	451,513	-	-	-	(451,513)	-	(451,513)
Apparatus	397,473	-	-	-	(397,473)	-	(397,473)
Wildland	697,817	475,402	-	-	(222,415)	-	(222,415)
<b>Total governmental activities</b>	<b>18,025,029</b>	<b>3,167,940</b>	<b>26,191</b>	<b>245,217</b>	<b>(14,585,681)</b>	<b>-</b>	<b>(14,585,681)</b>
<b>Business-type activities:</b>							
Snake River Fleet Services	691,967	652,278	-	-	-	(39,689)	(39,689)
<b>Total business-type activities</b>	<b>691,967</b>	<b>652,278</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39,689)</b>	<b>(39,689)</b>
<b>Total primary government</b>	<b>\$ 18,716,996</b>	<b>\$ 3,820,218</b>	<b>\$ 26,191</b>	<b>\$ 245,217</b>	<b>(14,585,681)</b>	<b>(39,689)</b>	<b>(14,625,370)</b>
<b>General revenues</b>							
Taxes:							
Property taxes					17,227,580	-	17,227,580
Specific ownership taxes					891,158	-	891,158
Earnings on investments					1,575,847	-	1,575,847
Miscellaneous revenue					16,894	-	16,894
Gain on disposal of capital assets					24,920	-	24,920
<b>Total general revenues</b>					<b>19,736,399</b>	<b>-</b>	<b>19,736,399</b>
<b>Changes in net position</b>					<b>5,150,718</b>	<b>(39,689)</b>	<b>5,111,029</b>
<b>Net position at beginning of year</b>					<b>40,514,578</b>	<b>135,221</b>	<b>40,649,799</b>
<b>Net position at end of year</b>					<b>\$ 45,665,296</b>	<b>\$ 95,532</b>	<b>\$ 45,760,828</b>

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

# Summit Fire & EMS Fire Protection District

## Balance Sheet

### General Fund

December 31, 2023

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<b>Assets</b>	
Cash, cash equivalents and investments	\$ 31,098,731
Accounts receivables, net	840,966
Lease Receivable	417,417
Prepaid Expense	447,780
Due from Snake River Fleet Services Fund	26,008
Property tax receivable	24,775,294
<b>Total assets</b>	<b>\$ 57,606,196</b>
<b>Liabilities, deferred inflows of resources and fund balance</b>	
<b>Liabilities</b>	
Accounts payable	\$ 123,681
Accrued liabilities	316,320
Due to Snake River Fleet Services Fund	18,805
<b>Total liabilities</b>	<b>458,806</b>
<b>Deferred inflows of resources</b>	
Leases	417,417
Taxes levied for subsequent year	24,775,294
<b>Total deferred inflows of resources</b>	<b>\$ 25,192,711</b>
<b>Fund balance</b>	
Nonspendable	\$ 447,780
Restricted for emergencies	699,322
Restricted by donors	29,513
Committed by Board of Directors	6,038,251
Unassigned	25,187,593
<b>Total fund balance</b>	<b>31,954,679</b>
<b>Total liabilities and fund balance</b>	<b>\$ 57,606,196</b>

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

**Summit Fire & EMS Fire Protection District**  
**Reconciliation of the General Fund Balance Sheet**  
**with the Government-wide Statement of Net Position**  
**December 31, 2023**

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

Total fund balance - General Fund		\$ 31,954,679
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Capital assets used in governmental activities are not current financial resources, and therefore, are not reported as assets in the governmental fund financial statements.

Capital assets	\$ 21,446,522	
Accumulated depreciation	<u>(9,721,416)</u>	11,725,106

Pension asset, liability and related deferred inflows and deferred outflows of resources are not current financial resources or obligations and, therefore, are not reported in the fund financial statements.

Net pension asset	\$ 28,605	
Net pension liability	(1,495,824)	
Deferred outflows of resources relating to pensions	4,578,817	
Deferred inflows of resources relating to pensions	<u>(289,545)</u>	2,822,053

Accrued compensated absences payable are not due and payable from current financial resources and, therefore, are not reported as liabilities in the fund financial statements.	(836,542)
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<b>Total net position - governmental activities</b>	<b>\$ 45,665,296</b>
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*The accompanying notes are an integral part of these financial statements.*

# Summit Fire & EMS Fire Protection District

## Statement of Revenues, Expenditures and Changes in Fund Balance General Fund

Year Ended December 31, 2023

<b>Revenues</b>	
Property taxes	\$ 17,227,580
Specific ownership tax	891,158
EMS services	1,910,202
Earnings on investments	1,575,847
Inspection and plan review fees	854,577
Grants	245,217
Intergovernmental	26,191
Out of district response	15,154
Rental Income	20,460
Lease Income	27,145
State and federal wildland response	475,402
Miscellaneous revenue	16,894
<b>Total revenues</b>	<b>23,285,827</b>
<b>Expenditures</b>	
Current:	
Firefighters	8,085,935
EMS Operations	4,793,460
Administration	1,509,912
Community risk division	702,455
Admin support services	471,015
Stations and grounds	193,100
Wildland	681,078
Apparatus	397,473
Capital outlay	1,665,853
<b>Total expenditures</b>	<b>18,500,281</b>
<b>Excess of revenues over expenditures</b>	<b>4,785,546</b>
<b>Other financing sources</b>	
Proceeds from sale of capital assets	24,920
<b>Total other financing sources</b>	<b>24,920</b>
<b>Change in fund balance</b>	<b>4,810,466</b>
<b>Fund balance at beginning of year</b>	<b>27,144,213</b>
<b>Fund balance at end of year</b>	<b>\$ 31,954,679</b>

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

## Summit Fire & EMS Fire Protection District

### Reconciliation of the General Fund Statement of Revenues, Expenditures and Changes in Fund Balance with the Government-wide Statement of Activities

Year Ended December 31, 2023

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

Change in fund balance - governmental funds	\$	4,810,466
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Capital outlay to purchase capital assets that are not depreciated are reported in governmental funds as expenditures. However, for governmental activities, these costs are capitalized on the statement of net position and depreciated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount of capital outlay exceeded depreciation during the period.

Depreciation expense	\$	(776,041)	
Capital outlay		1,665,853	889,812

Decrease in accrued compensated absences is shown as an expense on the government-wide financial statements and not reflected in the governmental fund financial statements.	(145,683)
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Revenues unavailable in the governmental funds because they are not current financial resources that are accrued under the economic resources basis of accounting.	(135,000)
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Pension expense relating to the District's changes in pension related account balances is recognized on the statement of activities and not included in the fund financial statements.	(268,877)
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<b>Change in net position - governmental activities</b>	<b>\$</b>	<b>5,150,718</b>
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*The accompanying notes are an integral part of these financial statements.*

# Summit Fire & EMS Fire Protection District

## Statement of Net Position Proprietary Fund

December 31, 2023

	Snake River Fleet Services Fund
<b>Assets</b>	
<b>Current assets:</b>	
Cash, cash equivalents and investments	\$ 120,168
Accounts receivable	24,414
Due From Summit Fire & EMS	18,805
<b>Total current assets</b>	<b>163,387</b>
<b>Noncurrent assets:</b>	
Capital assets:	
Vehicles and equipment	90,437
Less: accumulated depreciation	(73,085)
<b>Total noncurrent assets</b>	<b>17,352</b>
<b>Total assets</b>	<b>180,739</b>
<b>Liabilities</b>	
<b>Current liabilities:</b>	
Accounts payable	2,011
Due to Summit Fire & EMS	26,008
Compensated absences	6,093
Other Current Liabilities	32,817
<b>Noncurrent liabilities:</b>	
Compensated absences	18,278
<b>Total liabilities</b>	<b>85,207</b>
<b>Net position</b>	
Investment in capital assets	17,352
Unrestricted	78,180
<b>Total net position</b>	<b>\$ 95,532</b>

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

**Summit Fire & EMS Fire Protection District**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Fund**  
**Year Ended December 31, 2023**

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	Snake River Fleet Services Fund
<b>Operating revenues</b>	
Charges for parts and services:	
Summit Fire & EMS Fire Protection District	\$ 368,357
Red, White & Blue Fire Protection District	266,673
Summit Fire Authority	4,905
Other	12,343
<hr/>	
<b>Total operating revenues</b>	<b>652,278</b>
<b>Operating expenses</b>	
Salaries and administrative overhead	192,892
Benefits	41,101
Payroll taxes	2,597
Workers compensation	2,199
Pension	19,322
Vehicle parts	400,091
Service vehicle	5,490
Insurance	5,763
Supplies	2,531
IT Software & Hardware	4,792
Utilities	4,047
Tools and equipment	1,831
Training	2,738
Telephone	1,043
Depreciation expense	5,530
<hr/>	
<b>Total operating expenses</b>	<b>691,967</b>
<b>Change in net position</b>	<b>(39,689)</b>
<b>Net position at beginning of year</b>	<b>135,221</b>
<hr/>	
<b>Net position at end of year</b>	<b>\$ 95,532</b>

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

# Summit Fire & EMS Fire Protection District

## Statement of Cash Flows Proprietary Fund

Year Ended December 31, 2023

	Snake River Fleet Services Fund
<b>Cash flows from operating activities:</b>	
Cash received from customers	270,209
Cash received from interfund services provided	365,301
Cash paid to suppliers	(404,318)
Cash paid to employees	(245,868)
<b>Net cash flows used by operating activities</b>	<b>(14,676)</b>
<b>Net change in cash and cash equivalents</b>	<b>(14,676)</b>
Cash and cash equivalents at beginning of year	134,844
<b>Cash and cash equivalents at end of year</b>	<b>120,168</b>
<b>Reconciliation of operating income to net cash flows used by operating activities:</b>	
Operating loss	(39,689)
Adjustments to reconcile operating income to net cash flows used by operating activities:	
Depreciation	5,529
Changes in operating assets and liabilities:	
Receivables	(13,631)
Due to/from other funds	(3,056)
Accounts payable	25,003
Compensated absences	11,168
<b>Net cash flows used by operating activities</b>	<b>(14,676)</b>

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

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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### 1. Summary of Significant Accounting Policies

#### *Form of Organization*

The Summit Fire & EMS Fire Protection District (the “District”) is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide fire protection within the towns of Dillon, Silverthorne, Frisco, Montezuma, Keystone and unincorporated areas such as Dillon Valley, Summit Cove, and Copper Mountain Colorado.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (“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 more significant of the District’s accounting policies are described below.

#### *Reporting Entity*

In conformity with GASB financial reporting standards, the District is the reporting entity for financial reporting purposes. The District is the primary government financially accountable for all activities of the District. The District meets the criterion of a primary government: its Board of Directors is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The District is not included in any other governmental 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 of the activities of the District. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities, which normally are supported by taxes, charges for services, and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the District’s fleet service function and other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are accounted for using the current financial resources measurement focus, whereby only current assets, deferred outflows of resources, liabilities, and deferred inflows of resources generally are included in the balance sheet, and the statement of revenues, expenditures and changes in fund balance presents increases and decreases in those components. These funds use the modified accrual basis of accounting, whereby revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of EMS related revenues which are considered to be available if collected within 180 days of the end of the current fiscal period. Revenue from government grants are deemed to be earned when the District incurs expenditures which satisfy the terms imposed by the respective grant contracts. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recognized only when payment is due.

Property taxes, intergovernmental grants, and earnings on investments 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.

The District reports the following governmental fund:

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

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

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source. Property taxes attach an enforceable lien on property as of January 1. Taxes are due on the last day of February and June 15.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary fund are charges to customers for services and parts. Operating expenses for the proprietary fund include the cost of operations and maintenance and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the primary intent is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The District reports the following major enterprise fund:

Snake River Fleet Services Fund - The Snake River Fleet Services Fund accounts for revenues and expenses associated with the maintenance of the District's and other fire Districts' vehicles and apparatus.

### **Budgets**

The following table summarizes the individual fund budgeted expenditures, as originally adopted and as revised:

	Original Budget	Total Revisions	Revised Budget
Governmental funds:			
General Fund	\$ 23,010,230	\$ -	\$ 23,010,230
Proprietary fund:			
Snake River Fleet Services Fund	464,417	-	464,417
<b>Total</b>	<b>\$ 23,474,647</b>	<b>\$ -</b>	<b>\$ 23,474,647</b>

### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and demand deposits. All cash equivalents have an original maturity date of less than three months.

### **Investments**

Investments are stated at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, based on quoted market values, with the exception of certain local government investment pools. These are stated at net asset value or amortized cost.

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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### **Receivables**

In the government-wide financial statements, receivables are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied on December 31, 2023, are identified as property taxes receivable and deferred inflows of resources. Accounts Receivable for total outstanding ambulance billings are recorded net of an allowance of \$422,681.

### **Capital Assets**

Capital assets, which include land, buildings and improvements, equipment, and vehicles, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District will be depreciated using the straight-line method over the following estimated useful lives:

Description	Estimated Lives
Land	N/A
Buildings	40 years
Building improvements	40 years
Vehicles (excluding fire equipment)	3-10 years
Fire vehicles and equipment	15-20 years
Other equipment	3-20 years

### **Interfund Transactions**

Activity between funds that represent outstanding balances between funds are reported as “due to/from other funds”. The outstanding balances between the funds result mainly from the time lag between the dates that (1) the interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

### **Compensated Absences**

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Personal leave benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services rendered and it is probable that the District will compensate the employees for the benefits earned. The District permits employees to accumulate earned but unused vacation, sick time, subject to certain limits in amounts. Accumulated, unpaid time is accrued when incurred in the government-wide and proprietary

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

### ***Long-Term Obligations***

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

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

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows of resources for pension-related amounts. See Note 8 for additional information.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows of resources relating to pension-related amounts, unavailable revenue, leases, and property taxes levied for subsequent years. See Note 8 for additional information.

### ***Fund Balance and Net Position***

In the government-wide financial statements, net position is classified in the following categories:

***Net Investment in Capital Assets*** - This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

***Restricted Net Position*** - This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.

***Unrestricted Net Position*** - This category represents the net position of the District, which is not restricted for any project or other purpose. A deficit will require future funding.

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances of the governmental funds are classified as follows:

***Nonspendable*** - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

***Restricted*** - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation, or because of constraints that are

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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externally imposed by creditors, grantors, or the laws or regulations of other governments.

**Committed** - amounts that can be used only for specific purposes determined by a formal action of the Board of Directors (the "Board"). The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.

**Assigned** - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Amounts may be assigned for specific purposes by the Fire Chief.

**Unassigned** - all other spendable amounts. Only the General Fund reports a positive unassigned fund balance.

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

### **Revenue Recognition/Property Taxes**

Property taxes are levied prior to December 31 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on the last day of February 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 is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflows of resources is recognized as revenue and the receivable is reduced.

### **Pensions**

The District contributes to the Statewide Defined Benefit Plan ("SWDB") and the Statewide Hybrid Plan ("SWH"). Both plans are cost-sharing multiple-employer defined benefit pension plans administered by the Fire and Police Pension Association of Colorado ("FPPA"). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the SWDB and SWH plans and additions to/deductions from the SWDB and SWH plans fiduciary net position have been determined on the same basis as they are reported by FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments held by FPPA are reported at fair value.

### **Leases**

The District determines if an arrangement is a lease at inception. Leases are included in capital assets and lease liabilities in the statement of net position. Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payment made to the lessor at or before the commencement

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option.

Lease receivables represent the present value of future lease payments where the District is the lessor. Interest income is recognized by the District as revenue ratably over the contract term. Lease revenue is recognized by the District through amortization of a deferred inflow of resources in a systematic and rational manner over the lease term.

The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses are incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statement of net position. For individual lease contracts where information about the discount rate implicit in the lease is not included, the District has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

### ***Estimates***

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

## **2. Cash, Cash Equivalents and Investments**

The following is a summary of cash, cash equivalents and investments as of December 31, 2023:

Deposits with financial institutions	\$ 538,797
Investments	30,680,102
<b>Total</b>	<b>\$ 31,218,899</b>

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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The amounts are classified in the statement of net position is as follows:

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Cash, cash equivalents and investments:	
Governmental activities	\$ 31,098,731
Business-type activities	120,168
	<hr/>
	\$ 31,218,899

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### ***Custodial Credit Risk - Deposits***

Colorado state statutes govern the entity's deposits of cash. For deposits in excess of federally insured limits, Colorado Revised Statutes require the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act ("PDPA") requires state regulators to certify eligible depositories for public deposit. PDPA requires the eligible depositories with public deposits in excess of the amounts insured by the Federal Deposit Insurance Corporation ("FDIC") to create a single institutional collateral pool of obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the assets in the pool must be at least 102% of the uninsured deposits.

### ***Investments***

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which the District may invest, which include:

- Certificates of deposit with an original maturity in excess of three months
- Certain obligations of the United States and U.S. Government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's acceptance of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The District's policy is to hold investments until maturity.

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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At December 31, 2023, the District had the following investments:

	S&P Rating	Value	Weighted Ave. Maturity Date (in days)	Concentration of Credit Risk
ColoTrust	AAAm	\$ 28,564,651	N/A	93.10%
Mutual funds	NR	9,522	N/A	0.03%
Certificates of deposits	NR	1,585,696	604	5.17%
Federal Farm Credit Bank (FFCB)	AA+	520,233	1,198	1.70%
		\$ 30,680,102		

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### **Local Government Investment Pools - COLOTRUST**

At December 31, 2023, the District had invested \$28,564,651 in the Colorado Local Government Liquid Asset Trust (the "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission 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. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. The District participates in the COLOTRUST PLUS+ which can invest in U.S. Treasury, government agencies, and in the highest-rate commercial paper. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as a 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. The Trust is rated AAAm by Standard and Poor's and is measured at net asset value ("NAV"). There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

### **Custodial Credit Risk - Investments**

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the District would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a specific policy for custodial credit risk. As of December 31, 2023, the District had no investments exposed to custodial credit risk.

### **Interest Rate Risk**

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair value losses arising from increasing interest rates. The District limits its investments to savings accounts, certificates of deposits, and investment pools where each share is equal to one dollar, thus the District avoids interest rate risk. The District also holds U.S Government fixed income securities with maturities five years and under in compliance with Colorado Revised Statutes. At December 31, 2023, all U.S. Government fixed income securities mature in 1-5 years.

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

### 3. Capital Assets

Governmental activities:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental activities</b>				
Capital assets, not being depreciated:				
Land	\$ 837,500	\$ -	\$ -	\$ 837,500
Construction in progress	-	434,991	-	434,991
<b>Total capital assets, not being depreciated</b>	<b>837,500</b>	<b>434,991</b>	<b>-</b>	<b>1,272,491</b>
<b>Capital assets, being depreciated:</b>				
Buildings and improvements	10,043,118	218,824	-	10,261,942
Vehicles and equipment	9,284,782	1,012,038	(384,731)	9,912,089
<b>Total capital assets, being depreciated</b>	<b>19,327,900</b>	<b>1,230,862</b>	<b>(384,731)</b>	<b>20,174,031</b>
<b>Less accumulated depreciation for:</b>				
Buildings and improvements	(3,614,502)	(258,413)		(3,872,915)
Vehicles and equipment	(5,715,604)	(517,628)	384,731	(5,848,501)
<b>Total accumulated depreciation</b>	<b>(9,330,106)</b>	<b>(776,041)</b>	<b>384,731</b>	<b>(9,721,416)</b>
<b>Total capital assets being depreciated, net</b>	<b>9,997,794</b>	<b>454,822</b>	<b>-</b>	<b>10,452,616</b>
<b>Governmental activities capital assets, net</b>	<b>\$10,835,294</b>	<b>\$ 889,812</b>	<b>\$ -</b>	<b>\$11,725,106</b>

Depreciation for governmental activity capital assets has been allocated to firefighters and stations and grounds as shown below.

<b>Governmental activities</b>	
Firefighters	\$ 517,628
Stations and grounds	258,413
<b>Total depreciation expense - governmental activities</b>	<b>\$ 776,041</b>

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

Business-type activities

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-type activities</b>				
<b>Capital assets, being depreciated:</b>				
Machinery and equipment	\$ 44,052	\$ -	\$ -	\$ 44,052
Vehicles	46,385	-	-	46,385
<b>Total capital assets, being depreciated</b>	<b>90,437</b>	<b>-</b>	<b>-</b>	<b>90,437</b>
<b>Less accumulated depreciation for:</b>				
Machinery and equipment	(41,143)	(1,091)	-	(42,234)
Vehicles	(26,412)	(4,439)	-	(30,851)
<b>Total accumulated depreciation</b>	<b>(67,555)</b>	<b>(5,530)</b>	<b>-</b>	<b>(73,085)</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 22,882</b>	<b>\$ (5,530)</b>	<b>\$ -</b>	<b>\$ 17,352</b>

Depreciation for business-type activity capital assets has been allocated to the Snake River Fleet Services Fund.

### 4. Long-Term Debt

#### *Governmental Activities Debt*

Following is a summary of governmental activity compensated absences and termination benefits for the year ended December 31, 2023:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Compensated absences and termination benefits	\$ 690,859	\$ 852,202	\$ 706,519	\$ 836,542	\$ 83,654
<b>Total governmental activities</b>	<b>\$ 690,859</b>	<b>\$ 852,202</b>	<b>\$ 706,519</b>	<b>\$ 836,542</b>	<b>\$ 83,654</b>

Following is a summary of business-type activity compensated absences and termination benefits for the year ended December 31, 2023:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
<b>Business-type activities</b>					
Compensated absences and termination benefits	\$ 13,202	\$ 22,063	\$ 10,894	\$ 24,371	\$ 6,093
<b>Total business-type activities</b>	<b>\$ 13,202</b>	<b>\$ 22,063</b>	<b>\$ 10,894</b>	<b>\$ 24,371</b>	<b>\$ 6,093</b>

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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### 5. Risk Management

The District is exposed to various risks of loss related to worker's compensation; general liability; unemployment; torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District carries commercial insurance covering specific and general risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage.

### 6. Summit County Fire Protection Authority Agreement

The Summit County Fire Protection Authority ("SFA") was officially formed on July 7, 1983, a successor to the Summit County Cooperative Fire Board Association.

The purpose of the SFA is to conduct business and affairs for the benefit of the contracting parties and their inhabitants, and to develop cooperative programs designed to improve the fire protection and related service capabilities of the contracting parties and implement cost savings to the contracting parties through various types of resource pooling and joint purchase, use or participation arrangements.

The current contracting parties are Summit Fire & EMS Fire Protection District and Red, White & Blue Fire Protection District. The SFA is governed by a Board of Directors comprised of two representatives from the District representing two from the District and one from Red, White & Blue Fire Protection District. The Board elects its own officers from its members.

Effective November 17, 2020, the SFA entered into an agreement titled the "First Amendment to Agreement Governing the Summit County Fire Protection Authority" (the "Agreement"). The Agreement was modified with the purpose of updating the contracting parties. This Agreement modified the original agreement establishing the Summit Fire Authority.

On an annual basis, the SFA shall assess to each contracting party a fixed fee to cover the administrative and other operational expense of the SFA. The District may withdraw from the SFA for the following year by giving appropriate notice during the period June 1 through July 15 of any year. Upon withdrawal, the District would have no equity in the SFA's assets. However, the District could be held liable for its share of any liabilities incurred during the period it was a participant.

Upon termination of the Agreement and the dissolution of the SFA, all assets of the SFA shall immediately vest to the contracting parties subject to any outstanding liens, mortgages or other pledges of such assets. This distribution shall be in proportion to each contracting party's percentage of the total amount paid to the SFA. However, the contracting parties may upon unanimous agreement dispose of any and all interests of the SFA to any successors to the District or for any alternate disposition among the contracting parties.

The SFA paid \$1,019 to the District in 2023 for fleet parts and services. In addition, the District paid \$384,685 to the SFA for the High Country Training Center operations, hazmat, and outside training services.

The audited financial statements of the SFA may be obtained by calling the SFA's main office at (970) 668-4330.

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

### 7. Lessor Information

A lease is defined as a contract that conveys control of the right to use an entity’s asset for a period of time for a sum of money. The District operates as Lessor in two leases that met the GASB 87 reporting threshold. Below is a table outlining the two leases that are reported in the government financial statements:

Name of Lease	Description	As of 12/31/2023		
		Lease Revenue	Interest Revenue	Deferred Inflow of Resources
Verizon - Cell Tower at Station 12	This land lease agreement was made beginning July 9, 2015, and amended February 19, 2016, whereby the District leases a portion of Station 12 to Verizon Wireless for a cell tower site. The District receives a monthly lease payment which is increased 3% each year in May. The lease is automatically extended for four (4) additional five (5) year terms. Only the lessee can terminate this agreement.	\$ 10,341	\$ 10,358	\$ 344,310
US Dept of Agriculture - Forest Services	This lease agreement was made beginning December 4, 2017 and amended August 1, 2021, whereby the Forest Service leases 1,715 square feet at Station 14 in Wildernest to house their vehicles and utilize an office. The District receives a monthly lease payment which is increased by 3% each year in October. The lease terms on September 30, 2027. Only the lessee can terminate this agreement.	\$ 16,804	\$ 2,436	\$ 73,107

### 8. Volunteer Firefighters’ Pension Plan

*Plan description.* The District established the Volunteer Firefighters’ Pension Plan (the “Plan”), an agent multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (“FPPA”). As of January 1, 2023, the Plan had 52 retirees and beneficiaries and no current members. FPPA issues an annual, publicly available financial report that includes the assets of the Volunteer Plan. The report may be obtained on FPPA’s website at [www.fppaco.org](http://www.fppaco.org).

*Benefits provided.* The Plan provides for a monthly pension of \$1,000 for volunteers who have satisfied the normal age and service requirements and pro rata pension for volunteers who have satisfied the normal age, but only a portion of the service requirement. It further provides death benefits and a partial pension (50% of the amount the volunteer has earned) for surviving spouses. The normal age and a service requirement is the latest date a volunteer reaches 50 years of age or completes 20 years of service. Pro rata pensions would apply to volunteers who reached 50 years of age and had between 10 and 20 years of service. The plan also provides a funeral benefit, lump sum one-time only payment of \$2,000.

*Funding policy.* The Plan receives cash contributions from the District. As established by the legislature, the State of Colorado also contributes to the plan when the District contributes. The contributions are not actuarially determined. An actuary is used to determine the adequacy of contributions. The actuarial study as of January 1, 2023, indicated that the current level of contributions to the fund is adequate to support, on an actuarially sound basis, the prospective benefits for the present Plan.

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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Contributions to the Plan were \$91,082 from the District in 2023 for the year ended December 31, 2023.

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

At December 31, 2023, the District reported a net pension liability of \$950,932. The net pension 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. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2023 and may be used for December 31, 2023 reporting purposes. The contribution amounts for 2022 and 2023 were determined based on the actuarial valuation as of January 1, 2021.

For the year ended December 31, 2023, the District recognized pension expense of \$103,691. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual earnings	200,553	-
Contributions subsequent to measurement	91,082	-
<b>Total</b>	<b>\$ 291,635</b>	<b>\$ -</b>

The \$91,082 reported as deferred outflows of resources relating 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	Deferred Amounts
2024	\$ (27,099)
2025	26,294
2026	69,012
2027	132,346
<b>Total</b>	<b>\$ 200,553</b>

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

*Actuarial assumptions. The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:*

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

*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 2.00% (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%. Projected cash flows used in determining the Single Discount Rate are available upon request.

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

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

Asset Class	Target Allocation	Long Term Expected Rate of Return
Cash	1.00%	3.92%
Fixed Income	10.00%	5.45%
Managed Fixtures	5.00%	6.90%
Absolute Return	9.00%	6.49%
Long Short	6.00%	7.47%
Global Public Equity	35.00%	8.93%
Private Capital	34.00%	10.31%
<b>Total</b>	<b>100.00%</b>	

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

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
District's proportionate share of the net pension liability/ (asset)	\$1,360,397	\$950,932	\$597,238

*Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.*

	Increase (Decrease)		
	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at 12/31/21	\$ 4,754,950	\$ 4,538,207	\$ 216,743
Changes for the Year			
Service Cost	-	-	-
Interest	317,260	-	317,260
Difference between expected and actual experience	99,214	-	99,214
Changes of assumptions	27,808	-	27,808
Net Investment Income	-	(357,327)	357,327
Benefit Payments, Including Refunds of Employee Contributions	(453,000)	(453,000)	-
State of Colorado Supplemental Discretionary Payment	-	81,974	(81,974)
Administrative Expenses	-	(14,554)	14,554
Net Changes	(8,718)	(742,907)	734,189
Balance at 12/31/22	<u>\$ 4,746,232</u>	<u>\$ 3,795,300</u>	<u>\$ 950,932</u>

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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### 9. Employee Retirement Plans

#### *State of Colorado Fire and Police Pension Association - Defined Benefit Plan*

*Plan Description.* The District contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by FPPA for firefighters hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the SWDB may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The SWDB became effective January 1, 1980. Most full-time, paid firefighters of the District are members of the SWDB, and all newly hired firefighters have to be enrolled in the SWDB plan.

The SWDB assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan ("DROP") assets and Separate Retirement Account assets from eligible retired members). The SWDB is administered by FPPA. FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.

Subsequent to the measurement date, the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan were combined to form the Statewide Retirement Plan effective January 1, 2023, based on House Bill 22-1034. The Statewide Defined Benefit Plan became the Defined Benefit Component of the Statewide Retirement Plan.

*Benefits Provided.* SWDB provides retirement and disability, annual increases and death benefits for members or their beneficiaries. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

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

The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers.

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, returned 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' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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*Contributions.* Through December 31, 2023, contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increased 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2023, members of the SWDB plan and their employers are contributing at the rate of 12 percent and 9.5 percent, respectively, of pensionable earnings for a total contribution rate of 21.5 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 21.7 percent of pensionable earnings in 2023. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to 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 resolution.

The contribution rate for members and employers of affiliated social security employers is 6.0 percent and 4.75 percent, respectively, of pensionable earnings for a total contribution rate of 10.75 percent in 2023. 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 SWDB in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to SWDB. Contributions to the SWDB from the District were \$607,945 for the year ended December 31, 2023.

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

At December 31, 2023, the District reported a net pension liability of \$544,892 for its proportionate share of the net pension liability. The net pension 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, 2022. The District's proportion of the net pension liability was based on District contributions to the SWDB relative to the total contributions of participating employers to SWDB based upon the January 1, 2022 actuarial valuation. At December 31, 2022, the District's proportion was 0.6139 percent, which was an increase of .0322 from its proportion measured as of December 31, 2020.

For the year ended December 31, 2023, the District recognized pension expense of (\$450,907). At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 1,179,502	\$ 66,882
Changes of Assumptions or other Inputs	698,081	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	1,233,074	-
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
Share of Contributions	222,924	200,706
Contributions Subsequent to the Measurement Date	607,945	-
Total	\$ 3,941,526	\$ 267,588

The \$607,945 reported as deferred outflows of resources relating 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 inflows and outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2024	\$ 306,351
2025	537,142
2026	749,709
2027	1,031,880
2028	213,129
Thereafter	227,782

*Actuarial assumptions.* The actuarial valuations for the SWDB 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:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2023	January 1, 2022
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term investment rate of return*	7.0%	7.0%
Projected salary increases	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustment (COLA)	0.0%	0.0%
*Includes Inflation at	2.5%	2.5%

For determining the total pension liability and actuarially determined contributions, the post- retirement

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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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 preretirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

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 Rate of Return
Global Equity	35.0%	8.93%
Equity Long/Short	6.0%	7.47%
Private Markets	34.0%	10.31%
Fixed Income-Rates	10.0%	5.45%
Fixed Income-Credit	5.0%	6.90%
Absolute Return	9.0%	6.49%
Cash	1.0%	3.92%
<b>Total</b>	<b>100.0%</b>	

*Discount rate.* 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.

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

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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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 1.84 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 District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the District's proportionate share of the net pension liability/ (asset) calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the net pension liability/ (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1.00% Decrease* (6.00%)	Current Discount Rate* (7.00%)	1.00% Increase* (8.00%)
District's proportionate share of the net pension liability/ (asset)	\$3,756,414	\$544,892	\$(2,115,288)

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

### **State of Colorado Fire and Police Pension Association - Statewide Hybrid Plan**

*Plan description.* The Statewide Hybrid Plan was established January 1, 2004 as a cost-sharing multiple-employer pension plan covering full-time firefighters and police officers from departments that elect coverage. The Plan may also cover clerical staff, other fire district personnel whose services are auxiliary to fire protection, or chiefs who have opted out of the Statewide Defined Benefit Plan. The Plan is comprised of two components: Defined Benefit and Money Purchase. With the latter component, members have the option of choosing among various investment options offered by an outside investment manager. Employers may not withdraw from the Plan once affiliated.

The SWH is comprised of two components: Defined Benefit and Money Purchase. The Plan assets associated with the Defined Benefit Component are included in the Fire & Police Members' Benefit Investment Fund and the Plan assets associated with the Money Purchase Component and Deferred Retirement Option Plan assets are included in the Fire & Police Members' Self-Directed Investment Fund.

The Fire & Police Pension Association of Colorado issues a publicly available financial report that can be obtained at [www.fppaco.org](http://www.fppaco.org).

*Benefits provided.* Through December 31, 2022, any member may retire from further service and become eligible for a normal retirement pension at any time after age 55, if the member has at least 25 years of service. Effective January 1, 2023, any member may qualify for normal retirement if the member's combined years of service and age equal at least 80, with a minimum age of 50.

The annual normal pension of the Defined Benefit Component is 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. For service credit granted through December 31, 2022, the benefit factor used to calculate the member's retirement benefit is 1.9 percent of the average of the member's highest three years' pensionable earnings. This change in benefit

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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factor was also applied to retired members effective January 1, 2023 as part of the formation of the Statewide Retirement Plan. Benefits paid to retired members of the Defined Benefit Component are evaluated and may be re-determined annually on October 1. The amount of any increase is based on the Board's discretion.

A member is eligible for early retirement after 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, a member may elect to have all contributions, along with 5 percent as interest, returned as a lump sum distribution from the Defined Benefit Component. Alternatively, a member with at least five years of accredited service may leave contributions with the Defined Benefit Component of the SWH Plan and remain eligible for a retirement pension at age 55 equal to 1.5 percent of the average of the member's highest three years' base salary for each year of credited service.

*Contributions.* The SWH Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. The members of this SWH Plan and their employers are currently each contributing at the rate determined by the individual employer, however, the rate for both employer and members must be at least 8 percent of the member's base salary. Effective January 1, 2023, the minimum required contribution rate for both employers and members will increase 0.125 percent annually through 2030 to reach a final minimum required contribution rate of 9 percent for both employers and members.

The amount allocated to the Defined Benefit Component is set annually by the Fire & Police Pension Association Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2022 through December 31, 2022 was 14.80 percent. Effective January 1, 2023, the Defined Benefit Component contribution rate is set at 13.90 percent.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service to be 100 percent vested after 5 years of service. Employee and member contributions are invested in funds at the discretion of members.

Contributions to the SWH Plan from the District were \$34,578 for the year ended December 31, 2023.

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

At December 31, 2023, the District reported a net pension asset of \$28,605 for its proportionate share of the net pension asset. The collective total pension liability as of December 31, 2022 is based upon the January 1, 2023 actuarial valuation. The actuarially determined contributions as of December 31, 2022 are based upon the January 1, 2022 actuarial valuation. The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating Departments, actuarially determined. At December 31, 2022, the District's proportion was 1.9613 percent, which was a decrease of 0.0587 from its proportion measured as of December 31, 2021.

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

For the year ended December 31, 2023, the District recognized pension expense of (\$447,885). At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 125,833	\$ -
Changes of Assumptions or other Inputs	32,712	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	116,745	-
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
of Contributions	35,788	21,957
Contributions Subsequent to the Measurement Date	34,578	-
Total	\$ 345,656	\$ 21,957

The \$34,578 reported as deferred outflows of resources relating 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,	Amount
2024	\$ 74,390
2025	54,115
2026	62,622
2027	81,983
2028	12,549
Thereafter	3,462

*Actuarial assumptions.* The actuarial valuations for the SWH 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:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2023	January 1, 2022
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term investment rate of return	7.0%	7.0%
Projected salary increases	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%	0%

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

*Includes Inflation at	2.5%	2.5%
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For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Health 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 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 MO-2017 projection scaled, 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 Rate of Return
Global Equity	35.0%	8.93%
Equity Long/Short	6.0%	7.47%
Private Markets	34.0%	10.31%
Fixed Income-Rates	10.0%	5.45%
Fixed Income-Credit	5.0%	6.90%
Absolute Return	9.0%	6.49%
Cash	1.0%	3.92%
<b>Total</b>	<b>100.0%</b>	

*Discount rate.* 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 Fire & Police Pension Association Board of Director’s funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWH -Defined Benefit Component 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

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1.00% Decrease* (6.00%)	Current Discount Rate* (7.00%)	1.00% Increase* (8.00%)
District’s proportionate share of the net pension liability/ (asset)	\$216,001	\$(28,605)	\$(233,809)

*Pension plan fiduciary net position.* Detailed information about the pension plan’s fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

***State of Colorado Fire and Police Pension Association - Statewide Hybrid Plan - Money Purchase Plan Only***

FPPA offers a statewide money purchase plan for fire employees. This plan is a defined contribution plan. Under this plan, 8% of the employee’s regular salary was withheld and contributed to the plan. The District contributes 8%. The employee is 100% vested in his or her contribution and earns a 100% vested right to the District contributions after five years of service at the rate of 20% per year. The employee’s contributions to this plan for the years ended December 31, 2023, 2022, and 2021, were \$11,663, \$8,898, and \$9,481, respectively, with the District’s contributions being \$11,663, \$8,898, and \$9,481, respectively.

FPPA issues an annual, publicly available financial report that includes the statewide money purchase plan. The report may be obtained on FPPA’s website at [www.fppaco.org](http://www.fppaco.org).

# Summit Fire & EMS Fire Protection District

## Notes to Financial Statements

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### 10. Deferred Compensation Plans

#### *Section 401(a)*

The District provides a deferred compensation pension plan in accordance with Internal Revenue Code Section 401(a) that is being administered Empower. The District has no administration or fiduciary responsibilities for this plan. All non-firefighter, full-time employees are required to participate in this plan at the time they begin work. The plan vests at 20% per year and plan members are fully vested after five years of employment. In service distributions can be made after a participant attains the normal retirement age. The District is required to contribute 9.5% and plan members are required to contribute 9.5% of salary to the plan in 2023. In 2023, this amounted to \$185,712 each for the District and the plan members, totaling \$371,424.

#### *Deferred Compensation Plans - Section 457*

The District offers its employees a deferred compensation plan created in accordance with Internal Service Code 457 (“457 Plan”). The District has two 457 plans, one of which is administered by FPPA and covers all commissioned firefighters of the District, the other is administered by Empower and covers the non-firefighter employees of the District. The plans allow its participants to defer a portion of their current salary to all future years. Participation in the plans is optional. The District matches employees contributions of 1%. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and therefore not reflected on the financial statements of the District.

### 11. Tabor Compliance

In November 1992, Colorado voters passed an amendment (the “Amendment” or “TABOR”) to the State Constitution (Article X, Section 20), which limits the revenue raising and spending abilities of state and local Districts. The limits on property taxes, revenue, and “fiscal year spending” include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending, as defined by the Amendment, excludes spending from certain revenue and financing sources, such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The Amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the “spending limit” must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate.

The Amendment also requires local Districts to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by the Amendment, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The District has restricted \$699,322 for this purpose.

The District believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require judicial interpretation.

### 12. Commitments

The District has contractual commitments for the construction of a fire station in the Town of Silverthorne totaling \$9,500,000.

## Required Supplementary Information

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance (Budget and Actual) - General Fund  
Year Ended December 31, 2023**

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property tax receipts	\$ 17,185,366	\$ 17,185,366	\$ 17,227,580	\$ 42,214
Specific ownership tax	350,000	350,000	891,158	541,158
EMS services	1,135,090	1,135,090	1,910,202	775,112
Earnings on investments	77,000	77,000	1,575,847	1,498,847
Inspection and plan review fees	667,000	667,000	854,577	187,577
Grants	240,647	240,647	245,217	4,570
Intergovernmental	20,000	20,000	20,191	191
Out of district response	25,000	25,000	15,154	(9,846)
Rental income	40,889	40,889	20,460	(20,429)
Lease Income	-	-	27,145	27,145
Fleet Admin Revenue	6,000	6,000	6,000	-
State and federal wildland response	-	-	475,402	475,402
Miscellaneous revenue	9,500	9,500	16,894	7,394
<b>Total revenues</b>	<b>19,756,492</b>	<b>19,756,492</b>	<b>23,285,827</b>	<b>3,529,335</b>
<b>Expenditures</b>				
<b>Firefighters:</b>				
Salaries	5,489,216	5,489,216	4,993,107	496,109
Payroll taxes	85,652	85,652	75,796	9,856
Pension expense	514,073	514,073	509,064	5,009
FPPA D&D	183,984	183,984	162,653	21,331
Uniforms	39,900	39,900	33,341	6,559
Health insurance	1,047,559	1,047,559	1,109,806	(62,247)
Disability and life insurance	23,464	23,464	28,759	(5,295)
Workers compensation	199,748	199,748	215,099	(15,351)
Overtime	400,000	400,000	440,141	(40,141)
Current leave benefits	17,788	17,788	7,776	10,012
Supplies	32,000	32,000	32,243	(243)
Equipment repair	15,000	15,000	9,168	5,832
Dues and subscriptions	1,500	1,500	167	1,333
Physicals and drug tests	30,000	30,000	4,941	25,059
Conferences & credentials	35,000	35,000	30,415	4,585
Personal protective equipment	50,000	50,000	48,774	1,226
SFA hazmat assessment	16,834	16,834	16,797	37
SFA administration assessment	374,916	374,916	367,888	7,028
<b>Total firefighters</b>	<b>8,556,634</b>	<b>8,556,634</b>	<b>8,085,935</b>	<b>470,699</b>

*Continued.*

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance (Budget and Actual) - General Fund  
Year Ended December 31, 2023**

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EMS Operations:</b>				
Salaries	2,665,387	2,665,387	2,671,613	(6,226)
Payroll taxes	40,602	40,602	39,647	955
Pension expense	251,361	251,361	269,834	(18,473)
FPPA D&D	58,607	58,607	56,119	2,488
Uniforms	11,700	11,700	9,168	2,532
Health insurance	474,549	474,549	291,000	183,549
Disability and life insurance	16,245	16,245	10,848	5,397
Workers compensation	73,548	73,548	22,718	50,830
Overtime	127,703	127,703	92,653	35,050
Current leave benefits	6,689	6,689	9,209	(2,520)
Office supplies	9,800	9,800	9,746	54
Bank fees	11,279	11,279	9,178	2,101
Medical supplies	90,245	90,245	94,438	(4,193)
Equipment repair	16,000	16,000	14,309	1,691
IT Equipment and maintenance	40,618	40,618	30,338	10,280
Dues and subscriptions	5,225	5,225	5,155	70
Telephone	15,059	15,059	10,031	5,028
Conferences & credentials	18,000	18,000	15,932	2,068
External contracts	12,192	12,192	2,604	9,588
Training	1,500	1,500	-	1,500
Vehicle repair	68,938	68,938	69,487	(549)
Fuel	37,015	37,015	37,580	(565)
Allocated expenses	1,175,318	1,175,318	1,021,853	153,465
<b>Total EMS operations</b>	<b>5,227,580</b>	<b>5,227,580</b>	<b>4,793,460</b>	<b>434,120</b>
<b>Administration:</b>				
Administrative salaries	721,882	721,882	643,930	77,952
Payroll taxes	10,725	10,725	9,093	1,632
Pension expense	68,579	68,579	64,652	3,927
FPPA D&D	5,720	5,720	5,643	77
Uniforms	2,700	2,700	1,342	1,358
Health insurance	113,173	113,173	80,574	32,599
Disability and life insurance	5,734	5,734	5,122	612

*Continued.*

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance (Budget and Actual) - General Fund  
Year Ended December 31, 2023**

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Administration (continued)</b>				
Workers compensation	7,471	7,471	5,029	2,442
Current leave benefits	14,956	14,956	468	14,488
Overtime	2,783	2,783	661	2,122
Directors and Chief expense	56,398	56,398	21,848	34,550
Treasurer fees	859,268	859,268	886,875	(27,607)
Insurance	85,000	85,000	95,159	(10,159)
Miscellaneous staff benefits	27,540	27,540	82,623	(55,083)
Legal services	85,000	85,000	68,878	16,122
Audit	40,000	40,000	38,500	1,500
Elections	100,000	100,000	48	99,952
Supplies	22,999	22,999	15,710	7,289
Dues and subscriptions	11,207	11,207	5,476	5,731
Conferences & credentials	30,500	30,500	11,172	19,328
Public education	6,000	6,000	1,658	4,342
Unemployment insurance	20,000	20,000	186	19,814
Education allowance	50,000	50,000	42,471	7,529
Human resources expense	14,000	14,000	28,301	(14,301)
EMS Allocated Expenses	(779,340)	(779,340)	(698,089)	(81,251)
Employee asst fund expense	91,582	91,582	1,500	90,082
<b>Total administration</b>	<b>1,673,877</b>	<b>1,673,877</b>	<b>1,509,912</b>	<b>163,965</b>
<b>Community risk division:</b>				
Salaries	446,254	446,254	501,890	(55,636)
Payroll taxes	6,677	6,677	7,037	(360)
Pension expense	42,394	42,394	51,737	(9,343)
FPPA D&D	4,491	4,491	(5,347)	9,838
Uniforms	2,250	2,250	3,161	(911)
Health insurance	78,568	78,568	73,532	5,036
Disability and life insurance	3,364	3,364	3,543	(179)
Workers compensation	6,021	6,021	3,729	2,292
Unemployment insurance	-	-	-	-
Current leave benefits	4,797	4,797	2,119	2,678
Overtime	9,415	9,415	6,193	3,222
Supplies	4,600	4,600	3,526	1,074
Dues and subscriptions	3,740	3,740	1,802	1,938
Conferences & credentials	22,817	22,817	15,958	6,859
Public education	-	-	1,840	(1,840)
Fire investigation expense	9,600	9,600	9,901	(301)
Contractual Services	11,000	11,000	21,834	(10,834)
<b>Total community risk division</b>	<b>655,988</b>	<b>655,988</b>	<b>702,455</b>	<b>(46,467)</b>

*Continued.*

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance (Budget and Actual) - General Fund  
Year Ended December 31, 2023**

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Admin Support services:</b>				
Salaries	244,954	244,954	181,872	63,082
Payroll taxes	3,586	3,586	2,920	666
Pension expense	23,271	23,271	18,334	4,937
FPPA D&D	4,760	4,760	5,128	(368)
Uniforms	700	700	138	562
Health insurance	38,784	38,784	25,288	13,496
Disability and life insurance	1,101	1,101	750	351
Workers compensation	9,774	9,774	6,048	3,726
Current leave benefits	2,332	2,332	22,970	(20,638)
Supplies	4,281	4,281	3,019	1,262
IT software licenses	186,000	186,000	135,520	50,480
IT hardware & maintenance	46,947	46,947	8,822	38,125
Telephone	53,157	53,157	33,920	19,237
Conferences & credentials	3,000	3,000	1,280	1,720
IT Consulting services	75,000	75,000	70,037	4,963
Accreditation expense	37,600	37,600	23,861	13,739
Communication center assessment	163,100	163,100	163,100	-
EMS Allocated Expenses	(296,454)	(296,454)	(231,992)	(64,462)
<b>Total support services</b>	<b>601,893</b>	<b>601,893</b>	<b>471,015</b>	<b>130,878</b>
<b>Stations and grounds:</b>				
Building supplies	18,555	18,555	17,425	1,130
Telephone & internet	13,310	13,310	19,935	(6,625)
Building maintenance	127,385	127,385	85,088	42,297
Snow removal	13,954	13,954	12,946	1,008
Water and sewer	16,025	16,025	16,257	(232)
Utilities	130,306	130,306	120,130	10,176
Trash removal	13,251	13,251	11,421	1,830
Alarm monitoring	1,764	1,764	1,670	94
EMS allocated expenses	(107,235)	(107,235)	(91,772)	(15,463)
<b>Total stations and grounds</b>	<b>227,315</b>	<b>227,315</b>	<b>193,100</b>	<b>34,215</b>
<b>Wildland</b>				
Salaries	270,189	270,189	285,142	(14,953)
Payroll taxes	6,562	6,562	6,675	(113)
Pension expense	25,668	25,668	29,712	(4,044)
FPPA D&D	3,595	3,595	8,286	(4,691)
Uniforms	4,050	4,050	3,613	437
Health insurance	34,373	34,373	66,543	(32,170)
Disability and life insurance	878	878	1,428	(550)
Workers compensation	10,745	10,745	6,936	3,809

*Continued.*

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance (Budget and Actual) - General Fund  
Year Ended December 31, 2023**

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Wildland (continued)				
Overtime	170,744	170,744	11,883	158,861
Supplies	14,500	14,500	13,625	875
Equipment repair	6,100	6,100	4,885	1,215
Telephone	4,716	4,716	3,360	1,356
Conferences & credentials	6,000	6,000	5,940	60
Deployment expenses	42,679	42,679	222,597	(179,918)
PPE	11,000	11,000	9,560	1,440
Software & maintenance	1,100	1,100	893	207
<b>Total wildland</b>	<b>612,899</b>	<b>612,899</b>	<b>681,078</b>	<b>(68,179)</b>
Apparatus				
Repairs and maintenance	81,934	81,934	167,336	(85,402)
Fuel	78,394	78,394	59,013	19,381
SR Fleet Assessment	160,916	160,916	158,524	2,392
Apparatus station expense	12,000	12,000	12,600	(600)
<b>Total apparatus</b>	<b>333,244</b>	<b>333,244</b>	<b>397,473</b>	<b>(63,629)</b>
Capital expenditures				
Firefighters	-	-	21,371	(21,371)
EMS operations	475,000	475,000	463,024	11,976
Community risk division	105,000	105,000	100,424	4,576
Admin support services	105,000	105,000	87,060	17,940
Apparatus	213,900	213,900	324,576	(110,676)
Stations and grounds	4,186,800	4,186,800	636,716	3,550,084
Wildland	35,100	35,100	32,682	2,418
<b>Capital expenditures</b>	<b>5,120,800</b>	<b>5,120,800</b>	<b>1,665,853</b>	<b>3,454,947</b>
<b>Total expenditures</b>	<b>23,010,230</b>	<b>23,010,230</b>	<b>18,500,281</b>	<b>4,510,549</b>
<b>Excess of revenues over expenditures</b>	<b>(3,253,738)</b>	<b>(3,253,738)</b>	<b>4,785,546</b>	<b>8,039,884</b>
<b>Other financing sources</b>				
Proceeds from sale of capital assets	30,000	-	24,920	24,920
<b>Total other financing sources</b>	<b>30,000</b>	<b>-</b>	<b>24,920</b>	<b>24,920</b>
<b>Change in fund balance</b>	<b>\$ (3,253,738)</b>	<b>\$ (3,253,738)</b>	<b>4,810,466</b>	<b>\$ 8,064,804</b>
<b>Fund balance at beginning of year</b>			<u>27,144,213</u>	
<b>Fund balance at end of year</b>			<u>\$ 31,954,679</u>	

*See accompanying Independent Auditor's Report.*

# Summit Fire & EMS Fire Protection District

## Notes to Required Supplementary Information

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### *Budgets*

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

- By October 15, the District's Fire Chief and Finance Manager submit to the Board of Directors, a recommended budget which details the available revenues to meet the District's operating expenditure requirements.
- After a required publication of "Notice of Proposed Budget" and a public hearing, the District adopts the proposed budget via resolution, appropriating expenditures for the upcoming years.
- After adoption of the budget resolution, the District may make the following changes: (a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; (b) it may approve supplemental appropriations to the extent of revenues in excess of the estimated revenues in the budget; (c) it may approve emergency appropriations; and (d) it may approve the reduction of appropriations for which originally estimated revenues are insufficient. The budget is only amended in conformity with Colorado Revised Statutes which allows the District to amend the budget and adopt a supplementary appropriation if money for a specific purpose, other than ad valorem taxes, becomes available to meet a contingency.
- The District legally adopts budgets for all of the funds of the District on a basis consistent with GAAP.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Directors. All appropriations lapse at year end.

**Summit Fire & EMS Fire Protection District**  
**Schedule of Changes in Net Pension Liability/(Asset)**  
**and Related Ratios - Volunteer Firefighters' Pension Plan**

**Last Ten Fiscal Years**

Measurement Period Ended December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on the Total Pension Liability	317,260	326,140	328,020	335,814	347,479	354,087	277,217	285,265	289,034
Benefit Changes	-	-	-	-	-	-	993,372	-	-
Difference Between Expected and Actual Experience	99,214	-	95,523	-	73,026	-	65,279	-	8,667
Assumption Changes	27,808	-	-	-	188,325	-	130,502	-	-
Benefit Payments	(453,000)	(453,000)	(447,900)	(446,429)	(442,200)	(442,200)	(440,700)	(346,160)	(349,680)
Net Change in Total Pension Liability	(8,718)	(126,860)	(24,357)	(110,615)	166,630	(88,113)	1,025,670	(60,895)	(51,979)
Total Pension Liability - Beginning	4,754,950	4,881,810	4,906,167	5,016,782	4,850,152	4,938,265	3,912,595	3,973,490	4,025,469
Total Pension Liability - Ending	\$ 4,746,232	\$ 4,754,950	\$ 4,881,810	\$ 4,906,167	\$ 5,016,782	\$ 4,850,152	\$ 4,938,265	\$ 3,912,595	\$ 3,973,490
<b>Plan Fiduciary Net Position</b>									
Employer Contribution	\$ -	\$ 91,082	\$ 91,082	\$ 91,082	\$ 91,082	\$ 91,082	\$ 92,500	\$ 90,874	\$ 143,000
Pension Plan Net Investment Income	(357,327)	602,618	485,808	522,603	3,246	535,193	196,946	70,611	259,598
Benefit Payments	(453,000)	(453,000)	(447,900)	(446,429)	(442,200)	(442,200)	(440,700)	(346,160)	(349,680)
Pension Plan Administrative Expenses	(14,554)	(13,586)	(11,384)	(12,120)	(11,616)	(10,873)	(6,181)	(8,109)	(6,320)
State of Colorado Supplemental Discretionary Payment	81,974	81,974	81,974	81,974	81,974	81,974	81,787	81,974	81,974
Net Change in Plan Fiduciary Net Position	(742,907)	309,088	199,580	237,110	(277,514)	255,176	(75,648)	(110,810)	128,572
Plan Fiduciary Net Position - Beginning	4,538,207	4,229,119	4,029,539	3,792,429	4,069,943	3,814,767	3,890,415	4,001,225	3,872,653
Plan Fiduciary Net Position - Ending	\$ 3,795,300	\$ 4,538,207	\$ 4,229,119	\$ 4,029,539	\$ 3,792,429	\$ 4,069,943	\$ 3,814,767	\$ 3,890,415	\$ 4,001,225
Net Pension Liability/(Asset) - Ending	\$ 950,932	\$ 216,743	\$ 652,691	\$ 876,628	\$ 1,224,353	\$ 780,209	\$ 1,123,498	\$ 22,180	\$ (27,735)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	79.96%	95.44%	86.63%	82.13%	75.59%	83.91%	77.25%	99.43%	100.70%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*Pension schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.*

*See accompanying Independent Auditor's Report.*

# Summit Fire & EMS Fire Protection District

## Schedule of Contributions

### Volunteer Firefighters' Pension Plan

#### Last Ten Fiscal Years

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FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	\$ 27,734	\$ 224,974	\$ (197,240)	N/A	N/A
2015	\$ 27,734	\$ 172,848	\$ (145,114)	N/A	N/A
2016	\$ -	\$ 174,287	\$ (174,287)	N/A	N/A
2017	\$ -	\$ 173,056	\$ (173,056)	N/A	N/A
2018	\$ 91,438	\$ 173,056	\$ (81,618)	N/A	N/A
2019	\$ 91,438	\$ 173,056	\$ (81,618)	N/A	N/A
2020	\$ 101,636	\$ 173,056	\$ (71,420)	N/A	N/A
2021	\$ 101,636	\$ 173,056	\$ (71,420)	N/A	N/A
2022	\$ 84,858	\$ 81,974	\$ 2,884	N/A	N/A

\* Pension schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

*See accompanying Independent Auditor's Report.*

**Summit Fire & EMS Fire Protection District**  
**Schedule of the District's Proportionate Share of the Net Pension Liability/(Asset)**  
**Cost-Sharing Defined Benefit Plans**  
**Last Ten Years**

**FPPA - Statewide defined Benefit Plan**

Fiscal Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan Measurement Date Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability (Asset)	0.6139%	0.5817%	0.5477%	0.5613%	0.6098%	0.6870%	0.7706%	0.7288%	0.7335%	0.7881%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 544,892	\$ (3,152,419)	\$ (1,188,988)	\$ (317,461)	\$ 770,957	\$ (988,345)	\$ 278,433	\$ (12,847)	\$ (827,766)	\$ (704,697)
District's Covered Payroll	\$ 5,338,974	\$ 4,527,868	\$ 4,401,458	\$ 4,136,992	\$ 4,053,025	\$ 3,132,453	\$ 3,059,893	\$ 3,033,564	\$ 2,659,086	\$ 2,632,935
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	10.2%	(69.6%)	(27.0%)	(7.7%)	19.0%	(31.6%)	9.1%	(0.4%)	(31.1%)	(26.8%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.6%	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%	105.8%

**FPPA - Statewide Hybrid Plan**

Fiscal Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan Measurement Date Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Asset	1.9614%	2.0201%	1.9399%	1.9403%	1.9562%	1.9214%	2.2635%	2.4593%	2.8863%	2.6475%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ (28,605)	\$ (766,008)	\$ (533,564)	\$ (377,844)	\$ (270,027)	\$ (375,677)	\$ (246,392)	\$ (259,032)	\$ (342,307)	\$ (270,050)
District's Covered Payroll	\$ 451,323	\$ 411,956	\$ 411,850	\$ 387,041	\$ 389,731	\$ 411,956	\$ 365,895	\$ 475,287	\$ 446,602	\$ 428,133
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(6.3%)	(185.9%)	(129.6%)	(97.6%)	(69.3%)	(91.2%)	(67.3%)	(54.5%)	(76.6%)	(63.1%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.4%	149.0%	138.0%	130.1%	123.5%	138.9%	127.5%	129.4%	140.6%	139.0%

*See accompanying Independent Auditor's Report.*

**Summit Fire & EMS Fire Protection District**  
**Schedule of District Contributions**  
**Cost-Sharing Defined Benefit Plans**  
**Last Ten Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>FPPA - Statewide Defined Benefit Plan</b>										
Contractually Required Contribution	\$ 607,945	\$ 480,681	\$ 384,744	\$ 351,913	\$ 330,968	\$ 324,089	\$ 250,582	\$ 244,863	\$ 226,698	\$ 212,519
Contributions in Relation to the Contractually Required Contribution	607,945	480,681	384,744	351,913	330,968	324,089	250,582	244,863	226,698	212,519
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$6,457,513	\$5,338,974	\$4,527,868	\$4,401,458	\$4,136,992	\$4,053,025	\$3,132,453	\$3,059,893	\$2,833,564	\$2,657,485
Contributions as a Percentage of Covered Payroll	9.4%	9.0%	8.5%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
<b>FPPA - Statewide Hybrid Plan</b>										
Contractually Required Contribution	\$ 34,578	\$ 36,106	\$ 32,955	\$ 32,948	\$ 30,963	\$ 31,178	\$ 29,378	\$ 28,224	\$ 31,894	\$ 35,728
Contributions in Relation to the Contractually Required Contribution	34,578	36,106	32,955	32,948	30,963	31,178	29,378	28,224	31,894	35,728
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 384,195	\$ 451,323	\$ 411,956	\$ 411,850	\$ 387,041	\$ 389,731	\$ 367,232	\$ 352,895	\$ 398,787	\$ 446,613
Contributions as a Percentage of Covered Payroll	9.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

\* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

\* Pension schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

*See accompanying Independent Auditor's Report.*

## Other Supplementary Information

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**Summit Fire & EMS Fire Protection District**  
**Schedule of Revenues, Expenses and Changes in Net Position**  
**(Budget and Actual) - Snake River Fleet Services Fund**  
**Year Ended December 31, 2023**

	<u>Budgeted Amounts</u>		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Operating revenues</b>				
Charges for parts and services:				
Summit Fire & EMS Fire Protection District	\$ 240,459	\$ 240,459	\$ 368,357	\$ 127,898
Red, White & Blue Fire Protection District	164,336	164,336	266,673	102,337
Summit Fire Authority	5,954	5,954	4,905	(1,049)
Other	25,707	25,707	12,343	(13,364)
<b>Total revenues</b>	<b>436,456</b>	<b>436,456</b>	<b>652,278</b>	<b>215,822</b>
<b>Operating expenses</b>				
Salaries and administrative overhead	187,107	187,107	192,892	(5,785)
Benefits	36,038	36,038	41,101	(5,063)
Payroll taxes	2,615	2,615	2,597	18
Workers compensation	3,328	3,328	2,199	1,129
Pension	17,135	17,135	19,322	(2,187)
Vehicle parts	183,478	183,478	400,091	(216,613)
Service vehicle	3,523	3,523	5,490	(1,967)
Insurance	5,763	5,763	5,763	-
Supplies	3,152	3,152	2,531	621
IT Software & Hardware	5,180	5,180	4,792	388
Utilities	3,494	3,494	4,047	(553)
Tools and equipment	4,534	4,534	1,831	2,703
Training	7,790	7,790	2,738	5,052
Telephone	1,280	1,280	1,043	237
<b>Total operating expenses</b>	<b>464,417</b>	<b>464,417</b>	<b>686,437</b>	<b>(222,020)</b>
<b>Change in net position - budgetary basis</b>	<b>\$ (27,961)</b>	<b>\$ (27,961)</b>	<b>(34,159)</b>	<b>\$ (6,198)</b>
<b>Reconciliation to GAAP basis</b>				
Depreciation			(5,530)	
<b>Change in net position - GAAP basis</b>			<b>(39,689)</b>	
<b>Net position at beginning of year</b>			<b>135,221</b>	
<b>Net position at end of year</b>			<b>\$ 95,532</b>	

*See accompanying Independent Auditor's Report.*