

COLORADO RIVER FIRE PROTECTION DISTRICT

ANNUAL FINANCIAL REPORT AND
INDEPENDENT AUDITORS' REPORT

December 31, 2023





Table of Contents

	Page
INDEPENDENT AUDITORS' REPORT	i-iii
Management's Discussion and Analysis	iv-ix
BASIC FINANCIAL STATEMENTS:	
<i>Government-wide Financial Statements:</i>	
Statement of Net Position	1
Statement of Activities	2
<i>Fund Financial Statements – Governmental Funds:</i>	
Balance Sheet and Reconciliation of the Governmental Funds Balance Sheet with the Government-wide Statement of Net Position	3
Statement of Revenues, Expenditures and Changes in Fund Balances	4
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances with the Government-wide Statement of Activities	5
NOTES TO BASIC FINANCIAL STATEMENTS	6-47
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Revenues, Expenditures and Changes in Fund Balance General Fund (Budget and Actual)	46
Schedule of Proportionate Share of the Net Pension Liability (Asset) and Related Ratios —Statewide FPPA Pension Plan	47
Schedule of Employer Contributions—Statewide FPPA Pension Plan	48
Schedule of Proportionate Share of the Net Pension Liability and OPEB Liability and Related Ratios —PERA Pension Plan.....	49
Schedule of Employer Contributions—PERA Pension Plan and OPEB Plan	50
Schedule of Employer Contributions—Rifle Volunteer Firefighters' Pension Plan	51
Schedule of Employer Contributions—Burning Mountain Volunteer Firefighters' Pension Plan	52
Schedule of Changes in Net Pension Liability and Related Ratios – Last 10 Years – Rifle Volunteer Firefighters' Pension Plan Fund	53
Schedule of Changes in Net Pension Liability and Related Ratios – Last 10 Years – Burning Mountain Volunteer Firefighters' Pension Plan Fund	54
SUPPLEMENTARY INFORMATION:	
Schedule of Revenues, Expenditures and Changes in Fund Balances Capital Projects Fund (Budget and Actual)	55



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INDEPENDENT AUDITORS' REPORT

Board of Directors and Management
Colorado River Fire Protection District

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information, as listed in the table of contents, 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Sincerely,

Haynie & Company

Littleton, Colorado

July 9, 2024

Colorado River Fire Protection District Management's Discussion and Analysis December 31, 2023

The discussion and analysis of the Colorado River Fire Protection District's (the "District") financial performance provides readers with an overall review of the financial activities of the District for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the District's financial performance

FINANCIAL HIGHLIGHTS

- The District's assets and deferred outflows exceeded liabilities and deferred inflows by \$26,530,402 at December 31, 2023.
- Total District's cash and investments increased by \$1,140,425 or 12.66% from 2022.
- The December 31, 2023 General Fund balance is \$1,375,814 more than the previous year fund balance. The total fund balance is 54% of 2023 General Fund operating expenditures.

USING THIS ANNUAL REPORT

This Annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the District as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at the District's specific financial conditions.

The Statement of Net Position and Statement of Activities provides information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those assets. The Statement of Activities shows a net (expense) revenue and changes to net position related to each department of the District. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

OVERVIEW OF THE DISTRICT'S FINANCIAL STATEMENTS

A. Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances. The Statement of Net Position and Statement of Activities include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the year's revenues and expenses regardless of when the cash was received or paid.

These two statements report the District's net position and the changes in those assets. This change in position is important because it tells the reader whether, for the District as a whole, the financial position of the District has improved or diminished. However, in evaluating the overall position of the District, non-financial information such as changes in the District's tax base and the condition of District capital assets will also need to be evaluated.

**Colorado River Fire Protection District
Management's Discussion and Analysis
December 31, 2023**

In the Statement of Net Position and Statement of Activities, the District's activities are reported as Governmental Activities.

B. Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other special purpose governments, uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. The basic financial statements of the District are presented as a special purpose government engaged only in governmental type activities providing fire protection services to District residents.

The District's Fund statements include:

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

The *Statement of Revenues, Expenditures and Changes in Fund Balances* presents information which reflects how the District's fund balances changed during the past year. All changes in assets and liabilities are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statements for some items that will only result in cash flows in future fiscal periods.

C. Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to basic financial statements can be found on pages 6-47 of this report.

D. Required Supplementary Information and Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary comparisons presented for legal compliance.

REPORTING THE DISTRICT AS A WHOLE

Net Position – As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

**Colorado River Fire Protection District
Management's Discussion and Analysis
December 31, 2023**

The following table provides a summary of the District's net position for 2022 and 2023:

**Statement of Net Position
December 31**

	2022	2023
Assets		
Current and other assets	\$ 17,109,242	\$ 23,496,320
Net pension assets	5,547,621	2,626,542
Capital assets	12,682,182	12,566,802
Total assets	35,339,045	38,689,664
Deferred Outflows of Resources	1,974,434	4,019,200
Liabilities		
Current and other liabilities	700,991	883,941
Long-term liabilities	231,240	1,300,610
Total liabilities	932,231	2,184,551
Deferred Inflows of Resources	10,731,120	13,993,911
Net Position		
Investment in capital assets	12,682,182	12,566,802
Restricted	5,076,728	3,022,144
Unrestricted	7,568,804	10,941,456
Total net position	25,327,714	26,530,402

A significant portion of the District's position represents unrestricted net position of \$10,941,456 which may be used to meet the ongoing obligations to patrons and creditors.

Another significant portion of the District's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to patrons; consequently, they are not available for future spending.

An additional \$3,022,144 of the District's net position represents resources that are subject to external restrictions on how they may be used. This is for the TABOR emergency reserve and pension benefits.

**Colorado River Fire Protection District
Management's Discussion and Analysis
December 31, 2023**

The following table indicates the changes in net position for 2022 and 2023:

**Statement of Activities
December 31**

Revenue	<u>2022</u>	<u>2023</u>
Program revenues		
Charges for services	\$ 2,501,925	\$ 4,212,540
Capital grants and contributions	180,626	111,513
General revenues		
General property taxes	5,665,178	7,730,339
Specific ownership tax	395,486	504,726
Investment earnings	249,641	539,898
Other taxes	63,547	75,437
Other income	107,389	123,778
Total revenue	<u>9,163,792</u>	<u>13,298,231</u>
Expenses		
Administration	139,379	8,537,282
Fire protection/EMS services	7,691,952	3,558,261
Total expenses	<u>7,831,331</u>	<u>12,095,543</u>
Change in Net Position	<u>\$ 1,332,461</u>	<u>\$ 1,202,688</u>

District Revenue and Expense Analysis:

Revenues

District revenues as of December 31, 2023 increased by \$4,134,439, over the year ended December 31, 2022. This change in revenue is mostly due to both an increase in Wildland revenues as the District experienced more deployments in the current year and in increase in property tax revenues.

Expenditures/Expenses

District expenditures/expenses as of December 31, 2023 increased by \$4,264,212 compared to the year ended December 31, 2022. This change in expenditures is mostly driven by salary and reimbursement expenses as a result of more Wildland deployments in the current year.

**Colorado River Fire Protection District
Management's Discussion and Analysis
December 31, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of December 31, 2023, the District's governmental funds reported a combined fund balance of \$9,931,768, which is an increase of \$944,799 or 10% over the prior year.

The General Fund, which is the chief operating fund of the District and is always considered a major fund, had an increase in fund balance of \$1,375,814 from \$4,990,990 to \$6,366,804. This increase is mainly related to (a) an increase in property tax revenues of \$2,065,161 and an increase in wildland and hazard revenue of \$1,459,723 (b) salary expenses increased by \$1,541,769 as a result of the number of deployments for wildland and hazard revenue. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,971,202.

The Capital Projects Fund, the District's other major fund, had a decrease in fund balance of \$431,015 from \$3,995,979 to \$3,564,964. The decrease is primarily due to capital outlay of \$621,112.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's annual budgets are prepared according to Colorado law and they are based on accounting for certain transactions on a basis of cash receipts and disbursements. During the year, appropriations increased by \$1,087,717 from the original budget to the final budget in the General Fund. The increase in appropriations is primarily attributed to payroll and benefit expenses in the current year.

Additional information on the District's detailed budget can be found in page 48 of this report.

CAPITAL ASSET AND DEBT ADMINISTRATION

The District's investment in capital assets at December 31, 2023 amounts to \$12,566,802 (net of accumulated depreciation). This investment in capital assets includes land, buildings, apparatus, equipment and furnishings.

Additional information on the District's capital assets can be found in Note 6 of this report.

During the year ended December 31, 2023, the District had personal time off payable of \$557,780.

Additional information on the District's debt can be found in Note 7.

ECONOMIC FACTORS AND OTHER MATTERS

The following factors are expected to have a significant effect on the District's financial position and results of operations and were taken into account in developing the 2024 budget:

**Colorado River Fire Protection District
Management's Discussion and Analysis
December 31, 2023**

- An increase in anticipated general property tax collection for 2024 due to an increase in the net assessed valuation and mill levy for the District.

REQUESTS FOR INFORMATION

This report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District, 1850 Railroad Ave., Rifle, Colorado 81650.

Basic Financial Statements

Colorado River Fire Protection District
Statement of Net Position
December 31, 2023

Assets	Governmental Activities
Cash and cash equivalents	\$ 1,081,906
Investments	9,068,598
Property taxes receivable	13,110,853
Accounts receivable (net of allowance for uncollectibles)	183,534
Lease receivable	51,429
Noncurrent assets	
Capital assets, nondepreciable	2,194,034
Capital assets, depreciable, net	10,372,768
Net pension asset	2,626,542
Total assets	38,689,664
Deferred Outflows of Resources	
Deferred outflows related to pension	4,015,449
Deferred outflows related to OPEB	3,751
Total deferred outflows of resources	4,019,200
Total assets and deferred outflows of resources	\$ 42,708,864
Liabilities	
Accounts payable	\$ 61,138
Accrued payroll	241,590
Compensated absences	557,780
Advance deposits - Training consortium	23,433
Noncurrent liabilities	
Net pension liability	1,283,431
Net OPEB liability	17,179
Total liabilities	2,184,551
Deferred Inflows of Resources	
Property taxes	13,110,853
Other taxes	79,217
Leases	48,321
Deferred inflows related to pension	735,402
Deferred inflows related to OPEB	20,118
Total deferred inflows of resources	13,993,911
Net Position	
Investment in capital assets	12,566,802
Restricted for TABOR emergencies	395,602
Restricted for Pension benefits	2,626,542
Unrestricted	10,941,456
Total net position	26,530,402
Total liabilities, deferred inflows of resources, and net position	\$ 42,708,864

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

Colorado River Fire Protection District
Statement of Activities
For the Year Ended December 31, 2023

<u>Functions/Program Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Capital Grants and Contribution</u>	<u>Governmental Activities</u>
Governmental activities				
Administration	\$ 8,537,282	\$ -	\$ -	\$ (8,537,282)
Fire protection/EMS services	<u>3,558,261</u>	<u>4,212,540</u>	<u>111,513</u>	<u>765,792</u>
Total governmental activities	<u>\$ 12,095,543</u>	<u>\$ 4,212,540</u>	<u>\$ 111,513</u>	<u>\$ (7,771,490)</u>
General revenues:				
Property taxes				7,730,339
Specific ownership taxes				504,726
Other taxes				75,437
Investment earnings				538,115
Other income				<u>125,561</u>
Total General revenues				<u>8,974,178</u>
Change in net position				1,202,688
Net position - beginning of year				<u>25,327,714</u>
Net position - end of year				<u>\$ 26,530,402</u>

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

Colorado River Fire Protection District
Governmental Funds Balance Sheet and
Reconciliation of the Governmental Funds Balance Sheet
with the Statement of Net Position
December 31, 2023

	General Fund	Capital Projects	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 1,002,689	\$ -	\$ 1,002,689
Investments	5,907,202	3,161,396	9,068,598
Cash with County	79,217	-	79,217
Receivables			
Accounts receivable (net of allowance for uncollectibles)	183,534	-	183,534
Property taxes receivable	13,110,853	-	13,110,853
Leases	50,789	-	50,789
Accrued lease interest	640	-	640
Due (to) from funds	(403,568)	403,568	-
Total assets	<u>\$ 19,931,356</u>	<u>\$ 3,564,964</u>	<u>\$ 23,496,320</u>
Liabilities			
Accounts payable and accrued liabilities	61,138	-	61,138
Advance deposits - Training consortium	23,433	-	23,433
Accrued payroll	241,590	-	241,590
Total liabilities	<u>326,161</u>	<u>-</u>	<u>326,161</u>
Deferred Inflows of Resources			
Leases	48,321	-	48,321
Deferred revenue- Other taxes	79,217	-	79,217
Deferred revenue—property taxes	13,110,853	-	13,110,853
Total deferred inflows of resources	<u>13,238,391</u>	<u>-</u>	<u>13,238,391</u>
Fund Balances			
Restricted for:			
TABOR emergencies	395,602	-	395,602
Assigned for:			
Capital reserve	-	3,564,964	3,564,964
Unassigned	5,971,202	-	5,971,202
Total fund equity	<u>6,366,804</u>	<u>3,564,964</u>	<u>9,931,768</u>
Total liabilities, deferred inflows of resources and fund equity	<u>\$ 19,931,356</u>	<u>\$ 3,564,964</u>	<u>\$ 23,496,320</u>
Fund Balances - Total Governmental Funds	\$ 6,366,804	\$ 3,564,964	\$ 9,931,768
Amounts reported for governmental activities in the statement of net position are excluded from the governmental fund balance because:			
Capital assets used in governmental activities are not current financial resources and are excluded from the funds.			
Governmental capital assets			
Less accumulated depreciation			12,566,802
Deferred outflows are not current assets or financial resources; and deferred inflows are not due and payable in the current period and therefore are not reported in the fund balance sheet.			
Deferred outflows related to pension			4,015,449
Deferred outflows related to OPEB			3,751
Deferred inflows related to pension			(735,402)
Deferred inflows related to OPEB			(20,118)
Some assets and liabilities, including net pension asset, net pension liability and compensated absences are not available or due and payable in the current period and therefore are not reported in the fund balance sheet.			
Net pension asset			2,626,542
Net pension liabilities			(1,283,431)
Net OPEB liability			(17,179)
Compensated absences			<u>(557,780)</u>
Net position of governmental activities			<u>\$ 26,530,402</u>

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

Colorado River Fire Protection District
Statement of Revenues, Expenditures,
and Changes in Fund Balances- Governmental Funds
December 31, 2023

	General Fund	Capital Projects	Total Governmental Funds
Revenues			
Taxes	\$ 8,310,502	\$ -	\$ 8,310,502
EMS charges for services, net	1,040,498	-	1,040,498
Wildland and hazard	3,156,885	-	3,156,885
Service income	15,157	-	15,157
Interest	348,018	190,097	538,115
Grant	111,513	-	111,513
Other income	125,561	-	125,561
	<u>13,108,134</u>	<u>190,097</u>	<u>13,298,231</u>
Expenditures			
General Overhead:			
Salaries and benefits expense	8,537,282	-	8,537,282
Pensions / retirement expense	659,676	-	659,676
Insurance	265,327	-	265,327
Computer, equipment and software expense	254,391	-	254,391
Station expenses	230,680	-	230,680
Treasurer and tax fees	191,949	-	191,949
Professional service fees	118,009	-	118,009
General overhead	88,568	-	88,568
Health and wellness expenses	60,239	-	60,239
Recruitment and assessment expense	13,706	-	13,706
Staff appreciation expense	12,411	-	12,411
Strategic planning expense	11,930	-	11,930
Staff development and conference	8,615	-	8,615
Board of Directors expense	6,600	-	6,600
Banking and merchant fees	2,268	-	2,268
Community appreciation expense	777	-	777
Honor guard expense	492	-	492
Operations:			
Operations expense	908,879	-	908,879
Vehicle and apparatus expense	220,440	-	220,440
Operational training expense	129,747	-	129,747
Fire prevention and education expense	6,772	-	6,772
Training center / grounds expense	3,562	-	3,562
Capital Outlay	-	621,112	621,112
	<u>11,732,320</u>	<u>621,112</u>	<u>12,353,432</u>
Net change in fund balances	<u>1,375,814</u>	<u>(431,015)</u>	<u>944,799</u>
Fund balances:			
Beginning of the year	<u>4,990,990</u>	<u>3,995,979</u>	<u>8,986,969</u>
End of the year	<u>\$ 6,366,804</u>	<u>\$ 3,564,964</u>	<u>\$ 9,931,768</u>

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

Colorado River Fire Protection District
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
December 31, 2023

Net change in fund balance—total governmental funds	\$ 944,799
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.	
Current year depreciation	(736,492)
Capital outlay- capitalized portion	621,112
Compensated absences not payable from current resources are not reported as expenditures in the current year. In the Statement of Activities these costs represent expenses of the current year.	
Current year increase in accrued compensated absences	(91,673)
Changes in net pension and OPEB assets, liabilities, deferred outflows and deferred inflows do not use current financial resources and are excluded from the funds.	
Pension	459,832
OPEB	<u>5,110</u>
Change in net position of governmental activities	<u>\$ 1,202,688</u>

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

Colorado River Fire Protection District

Notes to Financial Statements

December 31, 2023

1. Definition of Reporting Entity

Colorado River Fire Protection District (the “District”), located in Garfield County, Colorado, is organized pursuant to provisions set forth in the Colorado Special District Act. The governing body consists of a five-member Board of Directors which is elected by the registered voters within the District. The objective of the District is to provide for the preservation of life and protection of property from and during such fires and/or other emergencies as may occur within the fire protection district. In December 2013, the District combined the boundaries of Rifle Fire Protection District and Burning Mountains Fire Protection District and all of Rifle Fire Protection District’s and Burning Mountains Fire Protection District’s assets and liabilities were transferred to Colorado River Fire Protection District.

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations that are fiscally dependent, i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District, or are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Based on the above criteria, there are no other organizations that would be considered component units of the District.

The District is not a component unit of any other governmental entity.

2. Summary of Significant Accounting Policies

The financial statements of the Colorado River Fire Protection District (District) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the District's accounting policies are described below.

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. For the most part, the effect of interfund activity has been removed from these statements.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The fund financial statements report detailed information about the District. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when 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.

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

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

The District reports the following major governmental funds:

General Fund

The General Fund is the District's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. The major revenue sources are local property taxes and charges for services. Expenditures include all costs associated with the daily operations of the District.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

Capital Projects Fund

The Capital Projects Fund is the District's capital outlay fund and is used to account for major capital outlay purchases. The major revenue sources are interest earned, grants and transfers from the general fund. Expenditures include all costs associated with the purchase of major capital outlay.

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

Budgets and Budgetary Accounting

The District's Board of Directors follow these procedures in establishing the budgetary data reflected in the financial statements:

Prior to October 15, the administrator submits to the District's Board of Directors a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain the taxpayers' comments.

Prior to December 15, the budget is legally enacted through passage of a resolution.

Formal budgetary integration is employed as a management control device during the year.

A budget is adopted for the General Fund and Capital Projects Fund. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Appropriations lapse at the end of each calendar year.

The District may authorize supplemental appropriations during the year.

In the current year, actual expenditures in the General Fund were in line with budgeted appropriations and in the Capital Fund actual expenditures were less than budgeted appropriations.

Property Taxes

Property taxes are levied on December 22 of each year and attach as an enforceable lien on property as of January 1. Taxes are due as of January 1 of the following year and are payable in full by June 15 if paid in installments, or April 30 with a single payment. Taxes are delinquent as of June 16. If the taxes are not paid within subsequent statutory periods, the property will be sold at public auction. The County bills and collects the property taxes and remits collections to the District on a monthly basis. No provision has been made for uncollected taxes, in that the District's experience indicates that all material amounts will be collected and paid to the District.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, trails, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Infrastructure assets have been capitalized on a prospective basis, from 2004. Infrastructure prior to 2004 will not be capitalized. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of four years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Property and equipment of the District is depreciated using the straight-line method over the following estimated useful lives:

Equipment	5 - 15 years
Infrastructure	7 - 50 years

Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and the noncurrent portion of long-term liabilities that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year end are considered to have been made with current available financial resources.

Leases

The District is a lessor for noncancellable leases of property and equipment. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements related to these leases.

At the commencement of a lease the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. The deferred inflow of resources is recognized as revenue over the of the lease term.

Colorado River Fire Protection District

Notes to Financial Statements (continued)

December 31, 2023

2. Summary of Significant Accounting Policies (continued)

Net Position and Fund Balance

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, including infrastructure, 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 are not restricted for any project or other purpose. A deficit will require future funding.

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable fund balance* - The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.
- *Restricted fund balance* - The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.
- *Committed fund balance* - The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.
- *Assigned fund balance* - The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.
- *Unassigned fund balance* – amounts that are available for any purpose; positive amounts are reported only in the general fund.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

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

The District establishes fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget.

Compensated Absences

Full-time employees of the District are allowed to accumulate unused paid time off. Upon termination of employment with the District, an employee is compensated for all accrued paid time off at the current rate of pay if these benefits have matured.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources represents a consumption of net assets that applies to future periods, and a deferred inflow of resources represents an acquisition of net assets that applies to future periods. Both deferred outflows and inflows are reported in the Statement of Net Position but are not recognized in the financial statements as revenues and expenses until the period to which they relate.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New Accounting Pronouncements

The District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements. GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The District determined the impacts of implementation to be immaterial to the financial statements.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

3. Cash and Investments

Custodial Credit Risks – Deposits

Colorado state statutes govern the entity’s deposits of cash. For deposits in excess of federally insured limits, Colorado Revised Statutes (CRS) 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. As of December 31, 2023, the District had cash deposits with a bank balance of \$1,190,894 and a carrying balance of \$1,002,689. The District’s bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the District’s custodial banks under provisions of the Colorado Public Depository Act.

Summary of Cash

Cash and Cash equivalents	
Cash deposits in bank - General Fund	\$ 1,002,689
Cash with County	<u>79,217</u>
Total cash	<u>\$ 1,081,906</u>

Investments

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

- obligations of the United States and certain U.S. government agency securities,
- certain international agency securities,
- general obligation and revenue bonds of U.S. local government entities,
- bankers’ acceptances of certain banks,
- commercial paper,
- written repurchase agreements collateralized by certain authorized securities,
- certain money market funds,
- guaranteed investment contracts, and
- local government investment pools.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

3. Cash and Investments (continued)

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.

Interest Rate Risk

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investments is the means of limiting exposure to fair value losses arising from increasing interest rates.

The District's investment policy is not more restrictive than State statutes. The District's investments are concentrated in local government investment pools, U.S. government and agency securities, and bank CDs.

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Net Asset Value</u>
COLOTRUST	Weighted average under 60 days	\$ 9,068,598

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust offers shares in three portfolios, COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE. The three portfolios differ in the types of the investments held, but all invest in investments allowed by Colorado statutes for local governments. COLOTRUST PRIME AND COLOTRUST PLUS+ invest in securities with a weighted average maturity of 60 days or less, while COLOTRUST EDGE invests in securities with a weighted average maturity of less than five years. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to be, and are not, registered with the SEC.

COLOTRUST's PRIME and PLUS+ funds are rated AAAM by Standard & Poor's rating service. The COLOTRUST EDGE fund is rated AAAf/S1 by FitchRatings rating service. As of December 31, 2023, all COLOTRUST balances held by the District were invested in COLOTRUST PLUS+. COLOTRUST records its investments at net asset value and the District records its investment in COLOTRUST at fair value. There are no unfunded commitments, the redemption frequency is daily for COLOTRUST PRIME and COLOTRUST PLUS+, and weekly for COLOTRUST EDGE. There is no redemption notice period.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

4. Property Taxes

Revenue Recognized in 2023

Local property taxes levied in 2022 and collected in 2023 were recognized as revenue in these financial statements as shown below:

	Assessed Valuation	Amount of Taxes		Collected	Percent Collected
		Mill Levy	Levied		
General Fund	\$ 855,824,670	9.102	\$ 7,771,733	\$ 7,730,339	99.5%

Property Taxes Receivable and Unearned Revenue

Local property taxes levied in 2023 but not collectible until 2024 are shown as property taxes receivable and unearned revenue on the balance sheet in the amount of the assessed taxes less estimated uncollectible amounts.

	Assessed Valuation	Mill Levy	Estimated Percent Collectible	Property Taxes Receivable	Deferred Revenue
General Fund	\$ 1,180,945,110	11.102	100%	\$ 13,110,853	\$ 13,110,853

5. Lease Receivable

The District entered into an agreement to lease space at their Interagency Fire Station to another organization, on October 1, 2006 for a 20-year term ending on October 30, 2026. The District receives annual payments at an interest rate determined using the risk-free rate (20-year treasury rate) of 2.05%, since the incremental borrowing rate could not be determined. For the year ended December 31, 2023, the District recorded \$25,044 in lease revenue and \$1,783 in lease interest, which are included in Other Income. The lease receivable and related deferred inflow of resources as of December 31, 2023 was \$51,429 and \$48,321, respectively.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

6. Capital Assets

The following table presents capital assets activity of the District for the year ended December 31, 2023:

	Balance December 31, 2022	Transfers/ Additions	Transfers/ Retirements	Balance December 31, 2023
Capital assets, not being depreciated:				
Land	\$ 2,194,034	\$ -	\$ -	\$ 2,194,034
Total capital assets, not being depreciated	<u>2,194,034</u>	<u>-</u>	<u>-</u>	<u>2,194,034</u>
Capital assets, being depreciated:				
Buildings	12,069,759	76,635	-	12,146,394
Equipment	2,458,330	544,477	(62,305)	2,940,502
Land improvements	<u>40,771</u>	<u>-</u>	<u>-</u>	<u>40,771</u>
Total capital assets, being depreciated	<u>14,568,860</u>	<u>621,112</u>	<u>(62,305)</u>	<u>15,127,667</u>
Less accumulated depreciation for:				
Buildings	(3,602,237)	(298,400)	-	(3,900,637)
Equipment	(437,704)	(438,092)	62,305	(813,491)
Land improvements	<u>(40,771)</u>	<u>-</u>	<u>-</u>	<u>(40,771)</u>
Total accumulated depreciation	<u>(4,080,712)</u>	<u>(736,492)</u>	<u>62,305</u>	<u>(4,754,899)</u>
Total capital assets, being depreciated, net	<u>10,488,148</u>	<u>(115,380)</u>	<u>-</u>	<u>10,372,768</u>
Capital assets, net	<u>\$ 12,682,182</u>	<u>\$ (115,380)</u>	<u>\$ -</u>	<u>\$ 12,566,802</u>

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities:

Fire protection/EMS services	\$ <u>736,492</u>
Total depreciation expense—governmental activities	\$ <u>736,492</u>

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

7. Compensated Absences Payable

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

	Balance December 31, 2022	Additions	Retirements	Balance December 31, 2023	Due Within One Year
Governmental activities:					
Compensated absences	\$ 466,107	\$ 611,039	\$ (519,366)	\$ 557,780	\$ 557,780
Total long-term liabilities	<u>\$ 466,107</u>	<u>\$ 611,039</u>	<u>\$ (519,366)</u>	<u>\$ 557,780</u>	<u>\$ 557,780</u>

8. Pensions

The District currently maintains four (4) separate pension and retirement plans. The various plans are discussed in the below footnotes and cover paid participating firefighters, paid administrative personnel and all volunteer firefighters.

In the Statement of Net Position, all net pension liabilities and assets have been aggregated and reported as follows:

	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Rifle 7306-5 volunteer plan	\$ 2,626,542	\$ -	\$ 745,035	\$ 457,301
Burning Mountains 7247-5 Volunteer Plan	-	652,330	525,786	204,106
FPPA Plan	-	369,428	2,605,140	45,346
PERA Plan	-	261,673	139,488	28,649
Totals	<u>\$ 2,626,542</u>	<u>\$ 1,283,431</u>	<u>\$ 4,015,449</u>	<u>\$ 735,402</u>

As of December 31, 2023, the deferred inflows and outflows of resources resulting from all pension plans are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ 2,013,653
Difference between actual and expected experience	799,684
Changes in assumptions	473,287
Changes in proportionate share	92,960
Contributions received after the measurement date	635,865
Total deferred outflows of resources	<u>\$ 4,015,449</u>

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

8. Pensions (continued)

Deferred inflows of resources:	
Difference between actual and projected investment earnings	\$ 661,408
Difference between actual and expected experience	46,650
Changes in proportionate share	<u>27,344</u>
Total deferred outflows of resources	<u><u>\$ 735,402</u></u>

Deferred outflows of resources of \$635,865, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

2024	\$	122,867
2025		436,823
2026		697,480
2027		1,043,563
2028		165,298
Thereafter		<u>178,151</u>
Total	<u>\$</u>	<u><u>2,644,182</u></u>

The total pension plan income for 2023 was \$176,03.

9. Defined Benefit Plan—FPPA

Summary of Significant Accounting Policies

Pensions. The District contributes to the Statewide Defined Benefit Pension Plan (SWDB Plan), a cost-sharing multiple-employer defined benefit pension plan, which is administered by the Colorado Fire and Police Pension Association (FPPA). The net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB Plan have been determined using the economic resources measurement focus and the accrual basis of accounting.

General Information about the Pension Plan

Plan Description. The SWDB Plan is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado 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 Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

9. Defined Benefit Plan—FPPA (continued)

The Plan became effective January 1, 1980. As of January 1, 2023, Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan (SRP) and the Statewide Defined Benefit Plan becomes the Defined Benefit Component of the Statewide Retirement Plan.

The SWDB assets are included in the Fire & Police Members' Benefit Investment Fund and assets. Assets from the Deferred Retirement Option Plan (DROP), Money Purchase Component, and Separate Retirement Account assets from eligible retired members are in the Fire & Police Members' Self-Directed Investment Fund.

The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.

Benefits Provided. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for 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% of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% 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 Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the SWDB Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and ranges from 0% to the higher of 3% of Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

9. Defined Benefit Plan—FPPA (continued)

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

In 2014, the members elected to increase member contribution rate to SWDB plan beginning in 2015. Member contributions rates increased 0.5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions increased 0.5% annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings. In 2022, members of the SWDB plan and their employers are contributing at the rate of 12.0% and 9.0%, respectively, of pensionable earnings for a total contribution rate of 21.0%.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. 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% and 4.5%, respectively, of pensionable earnings for a total contribution rate of 10.5% in 2021. Per the 2014 member election, members of the affiliate social security group will have their required contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6% of pensionable earnings. Employer contributions are at 4% and 4.25% in 2020 and 2021, respectively. Employer contributions will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of pensionable earnings.

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

At December 31, 2023, the District reported a liability of \$369,428 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, 2023. The District's proportion of the net pension liability was based on the District's contributions to the SWDB Plan for the calendar year 2022 relative to the total contributions of participating employers to the SWDB Plan.

At December 31, 2022, the District's proportion was 0.416205 percent, which was an increase of 0.008305 percent from its proportion measurement as of December 31, 2021.

For the year ended December 31, 2023, the District recognized pension expense of \$310,375. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

9. Defined Benefit Plan—FPPA (continued)

	Deferred Outflows of resources	Deferred Inflows of resources
Difference between expected and actual experience	799,684	45,346
Changes of assumptions or other inputs	473,287	-
Net difference between projected and actual earnings on pension plan investments	836,005	-
Net change in proportionate share	92,960	-
Contributions subsequent to the measurement date	403,205	-
Total	2,605,141	45,346

\$403,205 is reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability in the year December 31, 2024. Other amounts report as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2024	\$ 212,325
2025	370,224
2026	517,325
2027	713,266
2028	165,298
Thereafter	<u>178,152</u>
	<u>\$ 2,156,590</u>

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

Actuarial Valuation Date:	January 1, 2022
Actuarial Method:	Entry Age Normal
Amortization Method:	Level % of Payroll, Open
Amortization Period:	30 Years
Long-term Investment Rate of Return, net*:	7.00%
Projected Salary Increases*:	4.25%- 11.25%
Cost of Living Adjustment (COLA):	0%
*Includes Inflation at:	2.5%

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

9. Defined Benefit Plan—FPPA (continued)

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The preretirement 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 MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is .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 & Company, 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%). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022 are summarized in the following table:

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

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

9. Defined Benefit Plan—FPPA (continued)

The discount rate used to measure the total pension liability was 7.00%. 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 funding policy, which establishes the contractually required rates under Colorado statutes.

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

Discount Rate. Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plans' 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 rate 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%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15); and the resulting Single Discount Rate is 7.00%.

Sensitivity of the District's net pension liability/(asset) to changes in the single discount rate. The following presents the plan's net pension liability (asset), calculated using a single discount rate of 7.00%, as well as what the plan's net position liability (asset) would be if it were calculated using a single discount rate that is one percent lower (6.00%) or one percent higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Decrease (7.00%)	1% Decrease (8.00%)
Proportionate share of the net pension liability (asset)	2,546,789	369,428	(1,434,131)

Pension Plan Fiduciary Net Position. Detailed information about the SWDB Plan's fiduciary net position is available in FPPA's annual comprehensive financial report which can be obtained at www.fppaco.org.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

10. Defined Contribution Plan

Part-time and eligible employees of the District elected to withdraw from the Colorado Statewide Defined Benefit Plan, a defined benefit plan, administered by the Fire and Police Pension Association of Colorado (FPPA). The state legislation allowing the withdrawal states that the alternate pension plan must be a money purchase plan. The replacement plan is a 401(a) Money Purchase Plan administered by FPPA. Each participant has an individual account with FPPA into which all contributions flow.

The participants are offered various investment options through the plan and are allowed to invest all moneys in their account at their own discretion among options. The District may amend, modify, or terminate the plan, upon approval of such amendment, modification, or termination of 65% of the active participants, provided that no amendment or modification shall reduce the account balances of any participant accrued to the date of the change.

Employees covered by the plan are eligible to participate from the date of employment. The plan defines the District and participant contributions at 8.00 percent each. The District's contributions for each participant are fully vested after five years. District contributions for, and the interest forfeited by, employees who leave employment before five years of services are used to reduce the District obligation to contribute.

The employer contributions to the plan for the year ended December 31, 2023 was \$4,925.

11. Deferred Compensation Plan—FPPA

The District adopted a deferred compensation plan (457 Plan) as defined under the Internal Revenue Code Section 457. Participants may defer up to the lesser of \$19,500 or 100% of the participant's includable compensation. Participants over age 50 are eligible to contribute \$7,500 more than the \$22,500 limit due to a catch-up provision in the plan. The 457 Plan allows District employees to make an elective deferral of a portion of their earned compensation to the 457 Plan.

The 457 Plan is a multi-employer plan administered by Fire and Police Pension Association of Colorado (FPPA). The 457 Plan trustee may amend the 457 Plan. For the year ended December 31, 2023, participating employees contributed \$40,760.

12. Statewide Death and Disability Plan

Death and disability benefits are provided by the District under the Statewide Death and Disability Plan (SD&D Plan), which is administered by FPPA. SD&D benefits and obligations to contribute are established, and may be amended, by Colorado State statute.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

12. Statewide Death and Disability Plan (continued)

The SD&D Plan is a multi-employer, cost sharing plan that is primarily funded by the State of Colorado for firefighters hired prior to January 1, 1997. For firefighters hired after this date the District currently pays 2.6% of their payroll to the SD&D Plan. The percentage contribution amount varies depending on actuarial experience. The SD&D Plan solely provides death and disability payments to participants. In 2023, the District contributed \$150,705.

13. Defined Benefit Pension Plan—PERA

Summary of Significant Accounting Policies

Pensions. The District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA).

The net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position (FNP) of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the District are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2022. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

13. Defined Benefit Pension Plan—PERA (continued)

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The service retirement benefit is limited to 100% of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions provision as of December 31, 2023: Eligible employees of the District and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LTDTF are established under C.R.S. § 24-51-401, et seq. and § 24-51-413.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

13. Defined Benefit Pension Plan—PERA (continued)

Employee contribution requirements for the period January 1, 2022 through December 2023 are summarized in the table below:

	January 1, 2022 through June 30, 2022	July 1, 2022 through December 31,	January 1, 2023 through June 30, 2023	July 1, 2023 through December 31, 2023
Employer contribution ¹	8.50%	9.00%	9.00%	9.00%

¹ Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101 (42).

The employer contribution requirements for all employees are summarized in the table below:

	2023
Employer Contribution Rate	11.00%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount Apportioned to the LGDTF	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C. R. S. § 24-51-51-411	1.50%
Defined Contribution Supplement as Specified in C.R.S § 24-51-415	0.06%
Total Employer Contribution Rate to the LGDTF	13.74%

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Colorado River Fire Protection District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the District were \$32,660 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 liability of \$261,673 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 (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

13. Defined Benefit Pension Plan—PERA (continued)

The proportion of the net pension asset was based on the District’s contributions to the LGDTF for the calendar year 2022 relative to the total contributions of participating employers.

At December 31, 2022, the Colorado River Fire Protection District proportion was 0.0026100, which was a decrease of 0.003015 from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the District recognized pension income of 63,109. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows of resources	Inflows of resources
Difference between expected and actual experience	-	1,305
Net difference between projected and actual earnings on pension plan investments	106,828	-
Net change in proportionate share	-	27,344
Contributions subsequent to the measurement date	32,660	-
Total	139,488	28,649

\$32,660 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension asset in the year ending 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 (income) as follows:

Year ended December 31:

2024	\$ (37,578)
2025	14,059
2026	39,104
2027	62,594
	<u>\$ 78,179</u>

Actuarial assumptions. The total pension liability (asset) in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	3.20-11.30%

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

13. Defined Benefit Pension Plan—PERA (continued)

Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (compounded annually)	1.00%
PERA Benefit structure hired after 12/31/06 ¹	Financed by the AIR

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The TPL for the LGDTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members were based upon the PubG-2010 Employee Table with generation projections using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projections using scale MP-2019.
- **Females:** 87% of the rates prior to 80 and 107% of the rates for ages 80 and older, with generational projections using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projections using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projections using scale MP-2019.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

13. Defined Benefit Pension Plan—PERA (continued)

Disabled mortality assumptions for members were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projections using scale MP-2019.

The actuarial assumptions used in the December 31, 2021, valuations were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors were considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

13. Defined Benefit Pension Plan—PERA (continued)

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Discount Rate. The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

13. Defined Benefit Pension Plan—PERA (continued)

Sensitivity of the District's proportionate share of the net Pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate (measured in thousands):

	1% Decrease (6.25%)	Current Decrease (7.25%)	1% Decrease (8.25%)
Proportionate share of the net pension liability (asset)	439,284	261,673	112,984

Pension plan fiduciary net position. Detailed information about the LGDTF’s fiduciary net position is available in PERA’s ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

14. Other Post-Employment Healthcare Benefits—PERA

Summary of Significant Accounting Policies

OPEB. The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB Fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net positions (FNP) and additions to/deductions form the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan description. Eligible employees of the District are provided with OPEB through the HCTF - a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C. R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

14. Other Post-Employment Healthcare Benefits—PERA (continued)

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit.

For members who retire having service credit with employers in the Denver Public Schools ("DPS") Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund ("DPS HCTF"). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 *et seq.* specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending on which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure. The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. §24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

14. Other Post-Employment Healthcare Benefits—PERA (continued)

Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$2,424 for the year ended December 31, 2023.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2023, Colorado River Fire Protection District reported a liability of \$17,179 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TOL liability to December 31, 2022. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the District's proportion was 0.002104%, which was a decrease of .000159% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, Colorado River Fire Protection District recognized OPEB income of \$2,686. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

14. Other Post-Employment Healthcare Benefits—PERA (continued)

	Outflows of resources	Inflows of resources
Difference between expected and actual experience	1	4,155
Changes of assumptions or other inputs	276	1,896
Net difference between projected and actual earnings on pension plan investments	1,050	-
Net change in proportionate share	-	14,067
Contributions subsequent to the measurement date	2,424	-
Total	3,751	20,118

\$2,424 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses (income) as follows:

Year ended December 31:

2024	\$ (4,264)
2025	(5,849)
2026	(4,294)
2027	(3,013)
2028	(1,199)
Thereafter	(172)
	<u>\$ (18,791)</u>

Actuarial assumptions. The TOL in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 %
Real wage growth	0.70 %
Wage inflation	3.00 %
Salary increases, including wage inflation	3.20% - 11.30%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 %
Discount rate	7.25 %
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 %

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

14. Other Post-Employment Healthcare Benefits—PERA (continued)

PERACare Medicare plans	6.00% in 2022 gradually decreasing to 4.50% in 2030
Medicare Part A premiums	3.75% in 2022, gradually increasing to 4.50 % in 2029,

The TOL for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (TriCounty Health), effective December 31, 2022.

As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-69	3.0%	1.5%
70	2.9%	1.6%
71	1.6%	1.4%
72	1.4%	1.5%
73	1.5%	1.6%
74	1.5%	1.5%
75	1.5%	1.4%
76	1.5%	1.5%
77	1.5%	1.5%
78	1.5%	1.6%
79	1.5%	1.5%
80	1.4%	1.5%
81 and older	0.0%	0.0%

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

14. Other Post-Employment Healthcare Benefits—PERA (continued)

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$ 1,704	\$ 1,450	\$ 583	\$ 496	\$ 1,923	\$ 1,634
70	\$ 1,976	\$ 1,561	\$ 676	\$ 534	\$ 2,229	\$ 1,761
75	\$ 2,128	\$ 1,681	\$ 728	\$ 575	\$ 2,401	\$ 1,896

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$ 6,514	\$ 5,542	\$ 4,227	\$ 3,596	\$ 6,752	\$ 5,739
70	\$ 7,553	\$ 5,966	\$ 4,901	\$ 3,872	\$ 7,826	\$ 6,185
75	\$ 8,134	\$ 6,425	\$ 5,278	\$ 4,169	\$ 8,433	\$ 6,657

The 2022 Medicare Part A premium is \$499 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

14. Other Post-Employment Healthcare Benefits—PERA (continued)

The PERA benefit structure health care costs trend rates used to measure the TOL are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021, valuation for the determination of the total pension liability for each of the Division Trust funds as shown below, reflect generational mortality and were applied, as applicable, in the determination for the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employees of these Division Trust Funds participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

14. Other Post-Employment Healthcare Benefits—PERA (continued)

Disabled mortality assumptions for members were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.
- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

Actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and updated annually by the PERA Board's actuary, as discussed above.

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

14. Other Post-Employment Healthcare Benefits—PERA (continued)

Several factors were considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare PART A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare PART A trend rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	\$19,916	\$17,179	\$17,708

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

14. Other Post-Employment Healthcare Benefits—PERA (continued)

Discount rate. The discount rate used to measure the TOL was 7.25%. The projections of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022 measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's FNP was projected to be available to make all future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District 's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate (measured in thousands).

	1% Decrease (6.25%)	Current Decrease (7.25%)	1% Decrease (8.25%)
Proportionate share of the net pension liability (asset)	19,916	17,179	14,839

OPEB plan fiduciary net position. Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

15. Volunteer Firefighters' Pension Plans

Summary of Significant Accounting Policies

Pensions. The District has established two Volunteer Firefighters' Pension Plans (the "Volunteer Plans"), agent multiple-employer defined benefit pension funds administered by the Colorado Fire & Police Pension Association ("FPPA").

These plans are delineated as Rifle Fire Protection District 7306-5 Volunteer Plan and Burning Mountains Fire Protection District 7247-5 Volunteer Plan. The net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pension, pension expense (income), information about the fiduciary net position and additions to/deductions from the fiduciary net position of the Volunteer Plans have been determined using the economic resources measurement focus

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan Description. Any firefighter who has both attained the age of fifty and completed twenty years of active service shall be eligible for a monthly pension. Additionally, any firefighter that has reached the age of fifty with at least ten years of service will receive a pension benefit that is prorated for year of creditable volunteer service between 10 and 20 years. A firefighter who is disabled in the line of duty whose disability is of such character and magnitude as to deprive the firefighter of earning capacity and extends beyond one year, shall be compensated in an amount determined by the Pension Board.

The Volunteer Plans also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute. FPPA issues an annual, publicly-available financial report that includes the assets of the Volunteer Plans. That report may be obtained on FPPA's website at http://www.fppaco.org/annual_reports.htm.

Funding Policy. An actuary is used to determine the annual required contribution (ARC) necessary to maintain the actuarial soundness of the Volunteer Plans. Colorado law requires the State to make an annual contribution to the Volunteer Plans. Because the District's monthly benefit amount is over \$300, the State's annual contribution is calculated as the highest State contribution made between 1998 and 2001. The District may make additional contributions to support the plan.

The actuarial study as of January 1, 2023, indicated that the current levels of contributions to the fund are adequate to support on an actuarially sound basis the prospective benefits for the present Volunteer Plans.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

15. Volunteer Firefighters' Pension Plans (continued)

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

At December 31, 2023 the District reported a net pension asset of \$2,626,542 for the Rifle Fire Protection District 7306-5 plan. The net pension asset was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2023.

For the year ended December 31, 2023, the District recognized pension income related to this plan of \$204,576. At December 31, 2023, the District reported deferred outflow of resources related to pension from the following sources:

	Outflows of resources	Inflows of resources
Net difference between projected and actual earnings on pension plan investments	745,035	457,301
Total	745,035	457,301

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Year ended December 31:

2024	\$ (34,033)
2025	36,978
2026	98,531
2027	186,258
	<u>\$ 287,734</u>

At December 31, 2023 the District reported a net pension liability of \$652,330 for the Burning Mountains Fire Protection District 7247-5 plan. The net pension liability was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2023.

For the year ended December 31, 2023, the District recognized pension expense related to this plan of \$102,417. At December 31, 2023, the District reported deferred outflow of resources related to pension from the following sources:

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

15. Volunteer Firefighters' Pension Plans (continued)

	Outflows of resources	Inflows of resources
Net difference between projected and actual earnings on pension plan investments	325,786	204,106
Contributions subsequent to the measurement date	200,000	-
Total	525,786	204,106

\$200,000 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Year ended December 31:

2024	\$ (17,847)
2025	15,562
2026	42,520
2027	81,445
	<u>\$ 121,680</u>

Actuarial Assumptions. Method, and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Dollar, Open*
Remaining Amortization Period:	20 years
Asset Valuation Method:	5-Year smoothed market
Inflation:	2.50%
Salary Increases:	N/A
Investment Rate of Return:	7.00%
Retirement Age:	50% per year of eligibility until 100% at age 65

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

15. Volunteer Firefighters' Pension Plans (continued)

Mortality:

Pre-retirement: 2006 central rates from RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.

Post-retirement: 2006 central rates from RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females project to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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

Plan memberships as of January 1, 2023 was as follows:

Membership by type	Rifle Fire Protection District 7306-5 Volunteer Plan	Burning Mountains Fire Protection District 7247-5 Volunteer Plan
Retirees and beneficiaries	34	36
Inactive, Nonretired members	3	5
Active members	2	0
Total	39	41

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 addition expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022 are summarized in the following table:

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

15. Volunteer Firefighters' Pension Plans (continued)

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	35.0%	8.93%
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%
Total	100.0%	

The discount rate used to measure the total pension liability was 7.00%. 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 Volunteer Plans 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.

Sensitivity of the District's net pension liability (asset) to changes in the discount rate. The following presents the net pension liability (asset) calculation using the discount rate of 7.00%, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate (measured in thousands).

Rifle Fire Protection District 7306-5 Volunteer Plan	1% Decrease (6.00%)	Current Decrease (7.00%)	1% Decrease (8.00%)
Proportionate share of the net pension liability (asset)	(2,359,638)	(2,626,542)	(2,853,975)

Burning Mountain Protection District 7247-5 Volunteer Plan	1% Decrease (6.00%)	Current Decrease (7.00%)	1% Decrease (8.00%)
Proportionate share of the net pension liability (asset)	935,376	652,330	411,488

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

15. Volunteer Firefighters' Pension Plans (continued)

FPPA System Description. The FPPA administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available annual comprehensive financial report that can be obtained at <http://www.fppaco.org>.

16. Contingencies

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue. The amendment also requires that reserves be established for declared emergencies, with 3% of fiscal year spending required.

The District has no authorized but unissued debt subject to the amendment's limitations. Based on fiscal year spending for 2023, \$395,602 of the year-end fund balance in the General Fund will be reserved for emergencies.

In May, 1996, the registered voters of the Colorado River Fire Protection District voted to allow the District to collect, retain and expend all revenues and other funds collected in 1996 and each subsequent year thereafter, for capital projects and other district services without limiting in any year the amount of the other revenues that may be collected and expended by the Colorado River Fire Protection District in excess of the limits of Article X, Section 20 of the Colorado Constitution.

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

17. Tax Abatements

During 2018, Garfield County ("County") signed two property tax abatement agreements with oil and gas companies related to misreported production revenues. The County agreed to refund the companies for overpayment of taxes related to errors identified by the companies in the volumes and revenues of natural gas reported in prior years. The cost to the District in 2023 related to these refunds, including interest, was \$9,488.

Colorado River Fire Protection District
Notes to Financial Statements (continued)
December 31, 2023

18. Risk Management

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Claims made against the District and losses incurred by the District are covered by commercial insurance for all major areas. There have been no significant reductions in insurance coverage in the current year and settlement amounts, if any, have not exceeded insurance coverage for any of the three preceding years.

19. Subsequent Events

The District has evaluated events subsequent to December 31, 2023 through the date the financial statements were available to be issued.

During its 2024 Legislative Session, the Colorado Legislature enacted Senate Bill 24-233 (“SB-233”), which Governor Polis signed into law. SB-233 makes substantial cuts in the assessment rates that will be applied to the actual value of residential and commercial property in tax year 2024 and future tax years. SB-233 also reduces the actual value of certain classifications of property before the reduced assessment rates are applied. These reductions will result in the District receiving less property tax revenue than it would have otherwise received commencing in 2025. It is possible that, as has occurred over the last several years, the fair market value of residential and commercial properties will increase and/or oil and gas production will increase by so much that the property tax revenue generated will more than make up for the property tax revenue lost through the reductions imposed by SB-233.

SB-233 also puts in place a 5.5% cap on total property tax revenue growth that local governments, like the District, may receive year-over-year. Commencing in tax year 2025, if the District’s total property tax revenue for 2026 is projected to grow by more than 5.5% of the total property tax revenue the District received in 2025, the District would be required to reduce its property tax rate (mill levy) to a level that ensures the District’s property tax revenue increase in 2026 would not exceed 5.5% of the total property tax revenue it received in 2025. Moreover, the Statewide election in November of 2024 will contain ballot measures that seek to further reduce property taxes. One such ballot measure, Proposition 50, would put in place a constitutional 4% cap on annual property tax revenue growth for local governments, including the District. If Proposition 50 passes, then SB24-233 will not take effect. The District believes that its recent voter-approved property tax rate increase will enable to District to withstand the potential loss in property tax revenue under either SB24-233 or Proposition 50, or any other property tax reduction measure; however, until the November 2024 election occurs, it is not possible to determine which property tax revenue reduction law will apply to the District and how the reductions in property tax revenue will impact the District in the 2024 tax year and future tax years.

Colorado River Fire Protection District

Required Supplementary Information

Colorado River Fire Protection District
Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund (Budget and Actual)
December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues				
Taxes	\$ 8,119,233	\$ 8,310,502	\$ 8,310,502	\$ -
EMS charges for services, net	1,013,556	1,040,498	1,040,498	-
Wildland and hazard	1,851,000	3,156,885	3,156,885	-
Service income	12,545	15,157	15,157	-
Interest	85,000	348,018	348,018	-
Grant	108,429	111,513	111,513	-
Other income	<u>46,743</u>	<u>125,561</u>	<u>125,561</u>	<u>-</u>
Total Revenues	<u>11,236,506</u>	<u>13,108,134</u>	<u>13,108,134</u>	<u>-</u>
Expenditures				
General Overhead:				
Salaries and benefits expense	7,257,043	8,537,282	8,537,282	-
Pensions / retirement expense	659,380	659,676	659,676	-
Insurance	302,449	265,327	265,327	-
Computer, equipment and software expen	234,214	254,391	254,391	-
Station expenses	243,700	230,680	230,680	-
Treasurer and tax fees	205,171	191,949	191,949	-
Professional service fees	112,500	118,009	118,009	-
General overhead	87,050	88,568	88,568	-
Health and wellness expenses	49,000	60,239	60,239	-
Recruitment and assessment expense	37,000	13,706	13,706	-
Staff appreciation expense	22,500	12,411	12,411	-
Strategic planning expense	20,000	11,930	11,930	-
Staff development and conference	25,000	8,615	8,615	-
Board of Directors expense	12,750	6,600	6,600	-
Banking and merchant fees	2,700	2,268	2,268	-
Community appreciation expense	5,000	777	777	-
Honor guard expense	5,000	492	492	-
Community Cares expense	4,000	-	-	-
Volunteer benefits	15,000	-	-	-
Election expense	2,500	-	-	-
Operations:				
Operations expense	895,796	908,879	908,879	-
Vehicle and apparatus expense	261,950	220,440	220,440	-
Operational training expense	156,500	129,747	129,747	-
Fire prevention and education expense	19,900	6,772	6,772	-
Training center / grounds expense	<u>8,500</u>	<u>3,562</u>	<u>3,562</u>	<u>-</u>
Total Expenditures	<u>10,644,603</u>	<u>11,732,320</u>	<u>11,732,320</u>	<u>-</u>
Excess Revenue Over (Under)				
Expenditures	<u>591,903</u>	<u>1,375,814</u>	<u>1,375,814</u>	<u>-</u>
Net change in fund balance	591,903	1,375,814	1,375,814	-
Fund Balance—Beginning of year	<u>5,045,311</u>	<u>4,990,990</u>	<u>4,990,990</u>	<u>-</u>
Fund Balance—End of Year	<u>\$ 5,637,214</u>	<u>\$ 6,366,804</u>	<u>\$ 6,366,804</u>	<u>\$ -</u>

Colorado River Fire Protection District
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability (Asset) and Related Ratios
Statewide FPPA Pension Plan

Measurement Period Ended*	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Asset as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)
12/31/2023	0.40%	\$ 369,428	\$ 3,569,687	10.3%	97.6%
12/31/2022	0.41%	\$ (2,210,545)	\$ 3,197,323	-69.1%	116.2%
12/31/2021	0.35%	\$ (764,073)	\$ 2,758,725	-27.7%	106.7%
12/31/2020	0.41%	\$ (229,205)	\$ 2,986,171	-7.7%	101.9%
12/31/2019	0.51%	\$ 644,932	\$ 3,409,510	18.9%	95.2%
12/31/2018	0.52%	\$ (749,440)	\$ 2,942,059	-25.5%	106.3%
12/31/2017	0.49%	\$ 177,757	\$ 2,614,397	6.8%	98.2%
12/31/2016	0.55%	\$ (9,694)	\$ 2,581,439	-0.4%	100.1%
12/31/2015	0.54%	\$ (610,745)	\$ 2,792,346	-21.9%	106.8%
12/31/2014	0.55%	\$ (489,255)	\$ 2,975,839	-16.4%	105.8%

* The data provided in this schedule is based as of the measurement date of the District's net pension liability, which is as of the beginning of the year.

Colorado River Fire Protection District
Required Supplementary Information
Schedule of Employer Contributions
Statewide FPPA Pension Plan
As of Measurement Period Ended

Measurement Period Ended*	Actuarially Required Contributions	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2023	\$ 403,205	\$ 403,205	\$ -	\$ 4,121,410	10%
12/31/2022	\$ 325,894	\$ 325,894	\$ -	\$ 3,569,687	9%
12/31/2021	\$ 279,113	\$ 279,113	\$ -	\$ 3,197,323	9%
12/31/2020	\$ 226,148	\$ 235,130	\$ 8,982	\$ 2,758,725	9%
12/31/2019	\$ 238,957	\$ 256,778	\$ 17,821	\$ 2,986,171	9%
12/31/2018	\$ 273,366	\$ 294,428	\$ 21,062	\$ 3,409,510	9%
12/31/2017	\$ 243,766	\$ 237,633	\$ (6,133)	\$ 2,942,059	8%
12/31/2016	\$ 209,152	\$ 209,152	\$ -	\$ 2,614,397	8%
12/31/2015	\$ 206,515	\$ 206,515	\$ -	\$ 2,581,439	8%
12/31/2014	\$ 223,388	\$ 223,388	\$ -	\$ 2,792,346	8%

Colorado River Fire Protection District
Required Supplementary Information
Schedules of Proportionate Share of the Net Pension Liability and
OPEB Liability (Asset) and Related Ratios

Colorado PERA - Pension

Measurement Period Ended*	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)
12/31/2023	0.261%	\$ 261,673	\$ 213,514	122.6%	83.0%
12/31/2022	0.291%	\$ (24,963)	\$ 216,643	-11.5%	101.5%
12/31/2021	0.460%	\$ 240,922	\$ 326,618	73.8%	90.9%
12/31/2020	0.503%	\$ 367,855	\$ 373,789	98.4%	86.3%
12/31/2019	0.535%	\$ 672,533	\$ 376,947	178.4%	76.0%
12/31/2018	0.440%	\$ 490,003	\$ 277,621	176.5%	79.4%
12/31/2017	0.495%	\$ 668,498	\$ 288,729	231.5%	73.6%
12/31/2016	0.046%	\$ 697,351	\$ 356,203	195.8%	76.9%
12/31/2015	0.065%	\$ 582,526	\$ 356,125	163.6%	80.7%
12/31/2014	0.046%	\$ 375,347	\$ 243,342	154.2%	81.8%

Colorado PERA - OPEB

Measurement Period Ended*	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Actual Covered Payroll	OPEB Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total OPEB Liability
12/31/2023	0.002%	\$ 17,179	\$ 213,514	8.0%	38.6%
12/31/2022	0.002%	\$ 19,517	\$ 216,643	9.0%	39.4%
12/31/2021	0.004%	\$ 33,562	\$ 326,618	10.3%	32.8%
12/31/2020	0.004%	\$ 43,297	\$ 373,789	11.6%	24.5%
12/31/2019	0.004%	\$ 56,443	\$ 376,947	15.0%	17.0%
12/31/2018	0.003%	\$ 44,442	\$ 277,621	16.0%	17.5%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

* The data provided in this schedule is based as of the measurement date of the District's net pension liability, which is as of the beginning of the year.

Colorado River Fire Protection District
Required Supplementary Information
Schedules of Employer Contributions
As of Measurement Period Ended
PERA Pension Plan and OPEB Plan

Colorado PERA - Pension

<u>Measurement Period Ended*</u>	<u>Actuarially Required Contributions</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/ (Deficiency)</u>	<u>Actual Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2023	\$ 32,660	\$ 32,660	\$ -	\$ 237,695	13.74%
12/31/2022	\$ 28,764	\$ 28,764	\$ -	\$ 213,514	13.47%
12/31/2021	\$ 28,596	\$ 28,596	\$ -	\$ 216,643	13.20%
12/31/2020	\$ 41,687	\$ 41,687	\$ -	\$ 326,618	12.76%
12/31/2019	\$ 48,377	\$ 48,377	\$ -	\$ 373,789	12.94%
12/31/2018	\$ 47,797	\$ 47,797	\$ -	\$ 376,947	12.68%
12/31/2017	\$ 35,217	\$ 35,217	\$ -	\$ 277,621	12.69%
12/31/2016	\$ 36,611	\$ 36,611	\$ -	\$ 288,729	12.68%
12/31/2015	\$ 45,167	\$ 45,167	\$ -	\$ 356,230	12.68%
12/31/2014	\$ 45,157	\$ 45,157	\$ -	\$ 356,125	12.68%

Colorado PERA - OPEB

<u>Measurement Period Ended*</u>	<u>Actuarially Required Contributions</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/ (Deficiency)</u>	<u>Actual Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2023	\$ 2,424	2,424	\$ -	\$ 237,695	1.02%
12/31/2022	\$ 2,178	2,178	\$ -	\$ 213,514	1.02%
12/31/2021	\$ 2,210	2,210	\$ -	\$ 216,643	1.02%
12/31/2020	\$ 3,332	3,332	\$ -	\$ 326,618	1.02%
12/31/2019	\$ 3,813	3,813	\$ -	\$ 373,789	1.02%
12/31/2018	\$ 3,845	3,845	\$ -	\$ 376,947	1.02%
12/31/2017	\$ 2,832	2,832	\$ -	\$ 277,621	1.02%

Note: These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

Colorado River Fire Protection District
Required Supplementary Information
Schedule of Employer Contributions
Rifle Volunteer Firefighters' Pension Plan
As of Measurement Period Ended

<u>Measurement Period Ended*</u>	<u>Actuarially Required Contributions</u>	<u>Actual Contributions</u>	<u>Contribution Excess/(Deficiency)</u>	<u>Actual Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2023	\$ -	\$ -	\$ -	N/A	N/A
12/31/2022	\$ -	\$ -	\$ -	N/A	N/A
12/31/2021	\$ -	\$ -	\$ -	N/A	N/A
12/31/2020	\$ -	\$ -	\$ -	N/A	N/A
12/31/2019	\$ -	\$ -	\$ -	N/A	N/A
12/31/2018	\$ -	\$ -	\$ -	N/A	N/A
12/31/2017	\$ -	\$ -	\$ -	N/A	N/A
12/31/2016	\$ -	\$ 50,000	\$ 50,000	N/A	N/A
12/31/2015	\$ -	\$ 236,751	\$ 236,751	N/A	N/A
12/31/2014	\$ -	\$ 460,795	\$ 460,795	N/A	N/A

* Includes both employer and State of Colorado Supplemental Discretionary Payment

Colorado River Fire Protection District
Required Supplementary Information
Schedule of Employer Contributions
Burning Mountain Volunteer Firefighters' Pension Plan
As of Measurement Period Ended

<u>Measurement Period Ended*</u>	<u>Actuarially Required Contributions</u>	<u>Actual Contributions</u>	<u>Contribution Excess/(Deficiency)</u>	<u>Actual Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2023	\$ 65,106	\$ 80,929	\$ 15,823	N/A	N/A
12/31/2022	\$ 58,639	\$ 111,858	\$ 53,219	N/A	N/A
12/31/2021	\$ 58,639	\$ 80,929	\$ 22,290	N/A	N/A
12/31/2020	\$ 58,639	\$ 80,929	\$ 22,290	N/A	N/A
12/31/2019	\$ 49,359	\$ 80,929	\$ 31,570	N/A	N/A
12/31/2018	\$ 49,359	\$ 50,000	\$ 641	N/A	N/A
12/31/2017	\$ 92,694	\$ 80,929	\$ (11,765)	N/A	N/A
12/31/2016	\$ 92,694	\$ 468,429	\$ 375,735	N/A	N/A
12/31/2015	\$ 116,592	\$ 230,929	\$ 114,337	N/A	N/A
12/31/2014	\$ 116,592	\$ 478,479	\$ 361,887	N/A	N/A

* Includes both employer and State of Colorado Supplemental Discretionary Payment

Colorado River Fire Protection District
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Rifle Volunteer Pension Fund
Last 10 Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Measurement period ended December 31,									
Total pension liability									
Service cost	\$ 3,791	\$ 3,791	\$ 1,957	\$ 1,957	\$ 7,082	\$ 7,082	\$ 7,687	\$ 7,687	\$ 7,453
Interest	198,366	202,261	201,403	205,951	219,189	222,007	228,124	232,163	230,538
Changes of benefit terms	-	-	77,487	-	(39,879)	-	(139,205)	-	98,350
Difference between expected and actual expenditures	(55,085)	-	-	-	107,374	-	93,301	-	(6,499)
Assumption changes	26,579	-	-	-	(271,069)	(262,401)	(279,646)	(307,240)	-
Benefit payments	(258,344)	(264,917)	(273,928)	(271,857)	(271,069)	(262,401)	(279,646)	(307,240)	(309,315)
Net change in total pension liability	(84,693)	(58,865)	6,919	(63,949)	22,697	(33,312)	(89,739)	(67,390)	20,527
Total pension liability - Beginning	2,958,930	3,017,795	3,010,876	3,074,825	3,052,128	3,085,440	3,175,179	3,242,569	3,222,042
Total pension liability - Ending (a)	2,874,237	2,958,930	3,017,795	3,010,876	3,074,825	3,052,128	3,085,440	3,175,179	3,242,569
Plan fiduciary net position									
Employer contributions	-	-	-	-	-	-	50,000	200,000	424,044
Employee contributions	-	-	-	-	-	-	-	-	-
Net investment income	(501,566)	829,342	671,032	689,822	3,655	684,417	249,309	84,449	304,757
Benefit payments	(258,344)	(264,917)	(273,928)	(271,857)	(271,069)	(262,401)	(279,646)	(307,240)	(309,315)
Administrative expense	(10,354)	(10,181)	(8,523)	(11,335)	(9,680)	(10,670)	(7,706)	(9,268)	(7,391)
State of Colorado supplemental discretionary payment	-	-	-	-	-	-	-	36,751	36,751
Net change in plan fiduciary net position	(770,264)	554,244	388,581	406,630	(277,094)	411,346	11,957	4,692	448,846
Plan fiduciary net position - beginning	6,271,043	5,716,799	5,328,218	4,921,588	5,198,682	4,787,336	4,775,379	4,770,687	4,321,841
Plan fiduciary net position - end (b)	5,500,779	6,271,043	5,716,799	5,328,218	4,921,588	5,198,682	4,787,336	4,775,379	4,770,687
District's net pension asset - ending (a)-(b)	(2,626,542)	(3,312,113)	(2,699,004)	(2,317,342)	(1,846,763)	(2,146,554)	(1,701,896)	(1,600,200)	(1,528,118)
Plan fiduciary net position as a percentage of the total pension asset	191.38%	211.94%	189.44%	176.97%	160.06%	170.33%	155.16%	150.40%	147.13%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Note 2: The data provided in this schedule is based as of the measurement date of the District's net pension liability.

Colorado River Fire Protection District
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Burning Mountain Volunteer Pension Fund
Last 10 Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Measurement period ended December 31,									
Total pension liability									
Service cost	\$ 199,799	\$ 204,545	\$ 198,972	\$ 203,480	\$ 215,806	\$ 219,824	\$ 224,353	\$ 227,329	\$ 224,056
Interest	-	-	-	-	-	-	-	-	93,077
Changes of benefit terms	70,371	-	150,967	-	(30,112)	-	(105,812)	-	(15,512)
Difference between expected and actual expenditures	20,625	-	-	-	114,361	-	90,604	-	-
Assumption changes	(272,349)	(272,349)	(268,375)	(267,395)	(273,399)	(273,399)	(273,399)	(275,771)	(262,869)
Benefit payments	18,446	(67,804)	81,564	(63,915)	26,656	(53,575)	(56,661)	(40,849)	53,490
Net change in total pension liability									
Total pension liability - Beginning	2,988,136	3,055,940	2,974,376	3,038,291	3,011,635	3,065,210	3,121,871	3,162,720	3,109,230
Total pension liability - Ending (a)	3,006,582	2,988,136	3,055,940	2,974,376	3,038,291	3,011,635	3,065,210	3,121,871	3,162,720
Plan fiduciary net position									
Employer contributions	50,000	50,000	50,000	50,000	50,000	50,000	437,500	200,000	447,550
Net investment income	(219,845)	369,214	301,158	325,483	2,451	344,119	116,753	37,731	136,320
Benefit payments	(272,349)	(272,349)	(268,375)	(267,395)	(273,399)	(273,399)	(273,399)	(275,771)	(262,869)
Administrative expense	(10,896)	(10,416)	(8,417)	(11,126)	(9,250)	(10,106)	(3,752)	(5,435)	(3,534)
State of Colorado supplemental discretionary payment	30,929	61,858	30,929	30,929	30,929	30,929	30,929	30,929	30,929
Net change in plan fiduciary net position	(422,161)	198,307	105,295	127,891	(199,269)	141,543	308,031	(12,546)	348,396
Plan fiduciary net position - beginning	2,776,413	2,578,106	2,472,811	2,406,778	2,606,047	2,464,504	2,156,473	2,169,019	1,820,623
Plan fiduciary net position - end (b)	2,354,252	2,776,413	2,578,106	2,534,669	2,406,778	2,606,047	2,464,504	2,156,473	2,169,019
District's net pension liability - ending (a)-(b)	652,330	211,723	477,834	439,707	631,513	405,588	600,706	965,398	993,701
Plan fiduciary net position as a percentage of the total pension liability	78.30%	92.91%	84.36%	85.22%	79.21%	86.53%	80.40%	69.08%	68.58%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Note 2: The data provided in this schedule is based as of the measurement date of the District's net pension liability.

Colorado River Fire Protection District

Supplementary Information

Colorado River Fire Protection District
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Capital Projects Fund (Budget and Actual)
December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Interest	\$ 35,000	\$ 190,097	\$ 155,097
Grants	<u>807,529</u>	<u>-</u>	<u>(807,529)</u>
Total Revenues	<u>842,529</u>	<u>190,097</u>	<u>(652,432)</u>
Expenditures:			
Capital outlay	<u>1,585,457</u>	<u>621,112</u>	<u>964,345</u>
Total Expenditures	<u>1,585,457</u>	<u>621,112</u>	<u>964,345</u>
Excess Revenue Over (Under)			
Expenditures	<u>(742,928)</u>	<u>(431,015)</u>	<u>311,913</u>
Net change in fund balances	(742,928)	(431,015)	311,913
Fund Balance—Beginning of year	<u>2,775,094</u>	<u>3,995,979</u>	<u>1,220,885</u>
Fund Balance—End of Year	<u>\$ 2,032,166</u>	<u>\$ 3,564,964</u>	<u>\$ 1,532,798</u>