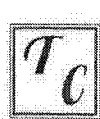


Annual Financial Report

**Southeast Weld Fire Protection District**

Keenesburg, Colorado

For the Year Ended December 31, 2023



*Tim*  
*Chavies & Associates, Inc.*

*Certified Public Accountants*  
*1707 61st Avenue, Suite 101*  
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# SOUTHEAST WELD FIRE PROTECTION DISTRICT

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December 31, 2023

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
The Southeast Weld Fire Protection District  
Keenesburg, Colorado

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of The Southeast Weld Fire Protection District, State of Colorado as of and for the years ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of The Southeast Weld Fire Protection District, State of Colorado 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Southeast Weld Fire Protection District, State of Colorado, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on 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 Southeast Weld Fire Protection District, State of Colorado'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 Southeast Weld Fire Protection District, State of Colorado's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-8, budgetary comparison information on pages 39-43, the Schedule of Changes in Net Pension Liability / Asset and Related Ratios on Page 44, the Schedule of Contributions on page 45, and the Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions on page 46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Greeley, Colorado  
June 7, 2024

*Tim Chavies & Associates, Inc*  
Tim Chavies & Associates, Inc.  
Certified Public Accountants

# SOUTHEAST WELD FIRE PROTECTION DISTRICT

KEENESBURG, ROGGEN, AND PROSPECT VALLEY, COLORADO

December 31, 2023

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Southeast Weld Fire Protection District's (the "District") annual financial report presents management's discussion and analysis of the District's financial performance for the year ended December 31, 2023. The Management Discussion and Analysis ("MD&A") should be read in conjunction with the District's financial statements, including the notes to financial statements and supplemental information that immediately follow this section.

### Organization and Purpose of District

The District is a special purpose organization established in 1954 as a political subdivision of the State of Colorado that provides public safety, Fire and Ambulance Service to the citizens of Southeast Weld County and Northern Adams County, consisting of approximately 492 square miles principally in the rural and urban areas of Keenesburg, Roggen, and Prospect Valley, Colorado. Five elected persons comprising the Board of Directors manage the Fire District.

Expenditures of the District's General Fund consist of administration, training of fire fighters and volunteers, fire equipment and stations maintenance, emergency medical services, and capital outlay. Expenditures of the District are financed primarily by general property tax revenue from an annual mill levy and earnings on investments. The annual mill levy of 10.293 was paid to the General Fund.

An allocation of \$304,670 was transferred to the Firemen's Pension Fund.

This Pension Fund provides retirement benefits to volunteer firefighters through a defined benefit plan, known as the Firemen's Pension Fund of the Southeast Weld Fire Protection District. The Plan is managed and administered by a separate Board of Trustees consisting of the District's Board of Directors plus two members elected by the membership. The Firemen's Pension Board signed an agreement with Colotrust to invest a portion of its funds with the goal of diversifying the portfolio, minimizing risk and improving asset returns for the success of the Firemen's Pension Fund.

Expenditures of the District Firemen's Pension Fund were financed, as stated above; primarily by a general fund allocation budgeted by the Board. Secondly, funds from the State of Colorado Department of Local Affairs that matches 90% of the District's contribution up to a maximum of .5 mill of the District's previous year's net assessed valuation.

### Financial Highlights

The property tax revenue for 2023 was generated from taxable property with the 2022 gross total assessed value certification of \$1,054,659,740 and \$21,065,760 in Weld and Adams County, respectively. The District established a mill levy of 10.293 for the General Fund. Other significant matters are as follows:

- The net position of the District increased by \$7,782,304 during 2023, compared to prior year increase of \$3,868,039. The difference is due to an increase in property tax revenue, specific ownership taxes, earnings on investments and other revenue.
- The District capitalized \$922,017 of property, equipment, and construction in progress, and recorded depreciation/amortization of \$422,270 during 2023. In 2022 the District capitalized \$1,820,476 and recorded depreciation of \$473,053. See Table 5 for detailed information.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

- The District's revenues derived from general property taxes accounted for \$11,036,340 in revenue, compared to prior year of \$5,992,293 or 88.28% and 85.81% of all revenues for each year. Specific ownership tax and interest on delinquent taxes, net of abatements, impact fee, interest earned, other income accounted for \$1,465,233 in 2023 and \$991,241 in 2022 for total revenues of \$12,501,573 and \$6,983,534 respectively. The District's expenditures, excluding depreciation and amortization, amounted to \$4,624,196 in 2023 and \$3,658,612 in 2022. See Table 2.

### Overview of the Financial Statements

This annual report consists of three parts-*Management's Discussion and Analysis* (this section), the *basic financial statements and required supplemental information*. The basic financial statements include two kinds of statements that present different views of the District.

The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operation in more detail than the government wide statements. The fund financial statements are composed of government fund statements which tell how basic services were financed in the short term, as well as what remains for future spending.

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

Other Supplementary information provides certain required information concerning the District's progress in funding its obligation to provide pension benefits to its firefighters. Also included are budgetary comparison schedules for all annually budgeted nonmajor special revenue, debt service, capital projects funds, and Firemen's Pension Fund.

### The Statement of Net Position and the Statement of Activities

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

These two statements report the District's net position and changes in them. Net position is the difference between assets and deferred outflows and liabilities and deferred inflows, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. To assess the overall health of the District, you need to consider additional non-financial factors including the condition of the District's buildings and other equipment.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE  
NET POSITION  
TABLE 1**

	12/31/2023	12/31/2022	Change	% Change
<b>ASSETS</b>				
Current	\$ 28,948,889	\$ 20,059,918	\$ 8,888,971	44.31%
Noncurrent:				
Net pension asset	-	-	-	0.00%
Lease receivable	-	286,772	(286,772)	-100.00%
Restricted assets	43,940	81,835	(37,895)	-46.31%
Capital assets - net	5,088,912	4,744,914	343,998	7.25%
<b>Total Assets</b>	<b>34,081,741</b>	<b>25,173,439</b>	<b>8,908,302</b>	
<b>Total Deferred Outflows</b>	<b>1,784,622</b>	<b>1,123,205</b>	<b>661,417</b>	<b>58.89%</b>
<b>LIABILITIES</b>				
Current	372,172	57,912	314,260	542.65%
Noncurrent	1,999,930	616,878	1,383,052	224.20%
<b>Total Liabilities</b>	<b>2,372,102</b>	<b>674,790</b>	<b>1,697,312</b>	
<b>DEFERRED INFLOWS</b>				
Unearned revenue - property taxes	12,296,855	11,072,443	1,224,412	11.06%
Unavailable revenue - lease receivable	-	404,539	(404,539)	-100.00%
Deferred inflows related to pensions	23,501	753,271	(729,770)	-96.88%
<b>Total Deferred Inflows</b>	<b>12,320,356</b>	<b>12,230,253</b>	<b>90,103</b>	
<b>NET POSITION</b>				
Net investment in capital assets	5,038,512	4,687,314	351,198	7.49%
Restricted	445,883	302,435	143,448	47.43%
Unrestricted	15,689,510	8,401,852	7,287,658	86.74%
<b>Total Net Position</b>	<b>\$ 21,173,905</b>	<b>\$ 13,391,601</b>	<b>\$ 7,782,304</b>	

The District's net position was \$21,173,905 for the year ended December 31, 2023. Of this amount, \$15,689,510 was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Board's ability to use the net position for day-to-day operations. Our analysis above focuses on the net position (Table 1) and changes in net position (Table 2) below of the District's governmental activities.

Significant change in net capital assets was caused by capital assets purchased of \$922,017 less depreciation and amortization expense of \$422,270.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

A summary of total District revenues, expenses and changes in net position is presented in the table below.

**CHANGES IN NET POSITION  
TABLE 2**

	12/31/2023	12/31/2022	Change	% Change
<b>REVENUES</b>				
Taxes:				
General property	\$ 11,036,340	\$ 5,992,293	\$ 5,044,047	84.18%
Specific ownership	476,651	358,214	118,437	33.06%
Interest on delinquent taxes	2,578	2,817	(239)	-8.48%
Other revenues	243,247	494,531	(251,284)	-50.81%
Interest income	726,208	148,303	577,905	389.68%
Net increase (dec) in FMV of investment	16,549	(12,624)	29,173	-231.09%
<b>Total Revenues</b>	<b>12,501,573</b>	<b>6,983,534</b>	<b>5,518,039</b>	
Proceeds from sale of assets	204,251	58,500	145,751	249.15%
Contributions	11,879	11,111	768	6.91%
Lease income	104,132	69,421	34,711	50.00%
Rental income	6,000	6,500	(500)	-7.69%
Grant proceeds	-	-	-	0.00%
Net pension increase (decrease)	935	870,638	(869,703)	-99.89%
<b>Total Other Financing Sources</b>	<b>327,197</b>	<b>1,016,170</b>	<b>(688,973)</b>	
<b>PROGRAM EXPENSES</b>				
Public Safety	4,624,196	3,658,612	965,584	26.39%
Depreciation	422,270	473,053	(50,783)	-10.74%
<b>Total Program Expenses</b>	<b>5,046,466</b>	<b>4,131,665</b>	<b>914,801</b>	
<b>Increase (Decrease) in Net Position</b>	<b>\$ 7,782,304</b>	<b>\$ 3,868,039</b>	<b>\$ 3,914,265</b>	

Increase in Net Position was due to increases in property taxes, specific ownership taxes and an increase in interest earned.

**GOVERNMENTAL ACTIVITIES  
COST OF SERVICES  
TABLE 3**

	2023	2022	Change
Fire protection services	\$ 4,624,196	\$ 3,658,612	\$ 965,584
Depreciation and amortization	422,270	473,053	(50,783)
<b>Total Governmental Activities</b>	<b>\$ 5,046,466</b>	<b>\$ 4,131,665</b>	<b>\$ 914,801</b>

This table displays, by function, the total costs of services provided for 2023 compared to 2022. Since the District has no program revenue to net against cost, it is reported at full cost.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Financial Analysis of the District's Funds

#### Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by law and covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that certain revenues have been properly used.

#### Governmental Funds

Most of the District's basic services are reported in governmental funds which generally focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash, and all other financial assets that can readily be converted to cash. The governmental fund statements provided a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental fund statement that explains the relationship (or differences) between them.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**  
**TABLE 4**

	Fund Balance		Increase	Change
	12/31/2023	12/31/2022	Decrease	
General Fund	\$ 16,331,002	\$ 8,900,831	\$ 7,430,171	83.48%

As the District completed this year, our Fund reported a fund balance of \$16,331,002 which is a \$7,430,171 increase from last year. Decrease in purchases of capital assets of \$922,017 in 2023, compared to \$1,820,476 in 2022.

#### General Fund Budgetary Highlights

The District's 2023 General Fund operating budget was adopted by the Governing Board on December 8, 2022. As adopted, projected expenditures and other financing uses totaled \$11,329,943 (including additional appropriations of \$0) and budgeted revenues totaled \$11,329,943. Actual expenditures were \$5,553,413, and revenues/transfers in were \$12,501,573.

#### Capital Asset and Debt Administration

At December 31, 2023, the District had \$9,688,762 in a broad range of capital assets, including land, buildings, furniture, equipment, lease assets and construction in progress. District's capitalization threshold is \$5,000.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### CAPITAL ASSETS

TABLE 5

	12/31/2023	12/31/2022	Change	% Change
Land	\$ 269,187	\$ 200,565	\$ 68,622	34.21%
Construction in progress	1,617,871	1,617,871	-	100.00%
Land improvements	157,789	87,794	69,995	79.73%
Buildings and improvements	2,299,223	2,132,862	166,361	7.80%
Vehicles	4,247,528	3,807,539	439,989	11.56%
Equipment	1,097,164	999,987	97,177	9.72%
Furniture and fixtures	-	-	-	0.00%
Lease assets	-	341,020	(341,020)	-100.00%
<b>Total Capital Assets</b>	<b>9,688,762</b>	<b>9,187,638</b>	<b>501,124</b>	
Accumulated depreciation/amortization	(4,599,850)	(4,442,724)	(157,126)	
<b>Net Capital Assets</b>	<b>\$ 5,088,912</b>	<b>\$ 4,744,914</b>	<b>\$ 343,998</b>	

Total capital assets increase by \$501,124, which included \$922,017 in purchases and \$420,893 in dispositions.

#### Long Term Debt at Year End

In 2021, the District purchased property under an installment agreement payable over 9 years.

The Southeast Weld Fire Protection District (District) management is committed to fiscal responsibility and has judicially managed the finances of the District to a debt free status. However, as future growth within the District's boundaries continues to grow, so will the financial liabilities of the District to provide public safety (fire protection) to the citizens of Southeast Weld County and Northern Adams County.

#### **Future Budget Considerations**

The District continues to experience significant increases in dispatched emergency calls and low volunteer turnout. This subsequently requires an increase in operating expenses and capital asset expenditures for full time fire fighters, vehicles and equipment. Fire and medical training along with equipment upgrades insures a better ISO rating. During the April 2022, regular meeting the Board accepted Public Protection Classification (PPC) Summary Reports for renewed ISO (Insurance Services Office) ratings. The Town of Keenesburg received a PPC Class 2 (previously having a Class 2 rating). Rural areas within five road miles of any of our fire stations received PPC Class 2 rating (previously having Class 4 ratings).

The District has twenty-nine (29) full-time employees (Fire Chief, Administrative Assistant, Officers, and firefighters) and two (2) reserves who volunteer to allow for a 48/96 schedule and PTO. Duties include fire-fighting, EMS services, equipment and facilities maintenance, building inspections, and other duties required by the 2018 International Fire Code (adopted in 2019) and emergency medical services compliance required by regulatory agencies.

The financial impact to the District to implement these requirements is presently being evaluated to determine how and when such expenditures need to be incurred and from what sources funds are available.

#### **Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Casey Neill, Board President of the Southeast Weld Fire Protection District at 95 W. Broadway Avenue, Keenesburg, Colorado 80643.

***BASIC FINANCIAL STATEMENTS***

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**SOUTHEAST WELD FIRE PROTECTION DISTRICT***Statement of Net Position*

December 31, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 522,351	\$ 509,492
Cash with counties	34,325	29,915
Investments:		
Annuities	-	-
Local government investment pools	16,042,306	8,293,444
Receivables:		
Property taxes	12,296,855	11,072,443
Other accounts	2,867	8,969
Accrued interest	-	-
Lease, current portion	-	92,845
Prepaid expenditures	50,185	52,810
<b>Total Current Assets</b>	<b>28,948,889</b>	<b>20,059,918</b>
<b>Noncurrent Assets</b>		
Net pension asset	-	-
Lease receivable, net of current portion	-	286,772
<b>Restricted Assets:</b>		
Cash and cash equivalents	4,020	65,142
Investments	39,920	16,693
<b>Total Restricted Assets</b>	<b>43,940</b>	<b>81,835</b>
<b>Capital Assets:</b>		
Capital assets, not being depreciated	1,887,058	1,818,436
Capital assets, being depreciated - net	3,201,854	2,761,315
Lease assets, being amortized - net	-	165,163
<b>Total Capital Assets - Net</b>	<b>5,088,912</b>	<b>4,744,914</b>
<b>Total Noncurrent Assets</b>	<b>5,132,852</b>	<b>5,113,521</b>
<b>Total Assets</b>	<b>34,081,741</b>	<b>25,173,439</b>
<b>DEFERRED OUTFLOWS</b>		
Deferred outflows related to pensions	1,784,622	1,123,205
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts payable	354,619	41,422
Deposits	1,920	1,920
Accrued payroll taxes payable	4,293	4,514
Due to other funds	-	-
Funds held in trust for others	4,140	2,856
Current portion of long-term debt	7,200	7,200
<b>Total Current Liabilities</b>	<b>372,172</b>	<b>57,912</b>
<b>Noncurrent Liabilities</b>		
Net pension liability	1,956,730	566,478
Installment note	50,400	57,600
Less: portion due within one year	(7,200)	(7,200)
<b>Total Noncurrent Liabilities</b>	<b>1,999,930</b>	<b>616,878</b>
<b>Total Liabilities</b>	<b>2,372,102</b>	<b>674,790</b>
<b>DEFERRED INFLOWS</b>		
Unearned revenue - property taxes	12,296,855	11,072,443
Unavailable revenue - lease receivable	-	404,539
Deferred inflows related to pensions	23,501	753,271
<b>Total Deferred Inflows</b>	<b>12,320,356</b>	<b>12,230,253</b>
<b>NET POSITION</b>		
Net investment in capital assets	5,038,512	4,687,314
Restricted	445,883	302,435
Unrestricted	15,689,510	8,401,852
<b>Total Net Position</b>	<b>\$ 21,173,905</b>	<b>\$ 13,391,601</b>

See accompanying notes to basic financial statements

**SOUTHEAST WELD FIRE PROTECTION DISTRICT***Statement of Activities*

For the Year Ended December 31, 2023 and 2022

	2023	2022
<b>Expenditures:</b>		
Administration	\$ 3,582,850	\$ 2,860,035
Fire fighting	469,793	310,574
Fire prevention	-	933
Fire training	23,260	18,436
Equipment repair	87,011	84,900
Fire communications	31,391	28,047
Fire stations and buildings	117,072	94,246
Emergency medical services	8,149	8,789
Pension fund allocation	304,670	252,652
Depreciation and amortization	422,270	473,053
<b>Total Expenses</b>	<b>5,046,466</b>	<b>4,131,665</b>
<b>Revenues:</b>		
Taxes:		
General property taxes	11,036,340	5,992,293
Specific ownership taxes	476,651	358,214
Interest on delinquent taxes	2,578	2,817
Other revenues	243,247	494,531
Interest income	726,208	148,303
Net increase (decrease) in the fair market value of investments	16,549	(12,624)
<b>Total Revenues</b>	<b>12,501,573</b>	<b>6,983,534</b>
<b>Other Financing Sources (Uses):</b>		
Proceeds from sale of assets	204,251	58,500
Contributions	11,879	11,111
Lease income	104,132	69,421
Rental income	6,000	6,500
Grant proceeds	-	-
Insurance proceeds	-	-
Pension net increase (decrease)	935	870,638
<b>Total Other Financing Sources (Uses)</b>	<b>327,197</b>	<b>1,016,170</b>
<b>Net Change in Net Position</b>	<b>7,782,304</b>	<b>3,868,039</b>
Net Position - beginning of year	13,391,601	9,523,562
<b>Net Position - end of year</b>	<b>\$ 21,173,905</b>	<b>\$ 13,391,601</b>

See accompanying notes to basic financial statements

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

Governmental Funds

Balance Sheet

December 31, 2023 and 2022

	Total Governmental Funds		
	General Fund	2023	2022
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 522,351	\$ 522,351	\$ 509,492
Cash with counties	34,325	34,325	29,915
Investments:			
Annuities	-	-	-
Local government investment pools	16,042,306	16,042,306	8,293,444
Receivables:			
Property taxes	12,296,855	12,296,855	11,072,443
Other accounts	2,867	2,867	8,969
Accrued interest	-	-	-
Lease, current portion	-	-	92,845
Prepaid expenditures	50,185	50,185	52,810
<b>Total Current Assets</b>	<b>28,948,889</b>	<b>28,948,889</b>	<b>20,059,918</b>
<b>Noncurrent Assets:</b>			
Lease receivable, net of current portion	-	-	286,772
Restricted cash and cash equivalents	4,020	4,020	65,142
Restricted investments	39,920	39,920	16,693
<b>Total Noncurrent Assets</b>	<b>43,940</b>	<b>43,940</b>	<b>368,607</b>
<b>Total Assets</b>	<b>28,992,829</b>	<b>28,992,829</b>	<b>20,428,525</b>
<b>DEFERRED OUTFLOWS</b>			
Grant expenditures paid in advance of meeting timing requirements	-	-	-
<b>Total Assets and Deferred Outflows</b>	<b>\$ 28,992,829</b>	<b>\$ 28,992,829</b>	<b>\$ 20,428,525</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 354,619	\$ 354,619	\$ 41,422
Deposits	1,920	1,920	1,920
Accrued payroll taxes payable	4,293	4,293	4,514
Due to other funds	-	-	-
Funds held in trust for others	4,140	4,140	2,856
<b>Total Current Liabilities</b>	<b>364,972</b>	<b>364,972</b>	<b>50,712</b>
<b>Total Liabilities</b>	<b>364,972</b>	<b>364,972</b>	<b>50,712</b>
<b>DEFERRED INFLOWS</b>			
Unearned revenue - property taxes	12,296,855	12,296,855	11,072,443
Unavailable revenue - lease receivable	-	-	404,539
<b>Total Deferred Inflows</b>	<b>12,296,855</b>	<b>12,296,855</b>	<b>11,476,982</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>12,661,827</b>	<b>12,661,827</b>	<b>11,527,694</b>
<b>FUND BALANCE</b>			
Nonspendable - prepaid	50,185	50,185	52,810
Restricted - tabor	401,943	401,943	220,600
Restricted - impact fees	43,940	43,940	81,835
Committed	-	-	-
Assigned	-	-	-
Unassigned	15,834,934	15,834,934	8,545,586
<b>Total Fund Balance</b>	<b>16,331,002</b>	<b>16,331,002</b>	<b>8,900,831</b>
<b>Total Liabilities , Deferred Inflows and Fund Balance</b>	<b>\$ 28,992,829</b>	<b>\$ 28,992,829</b>	<b>\$ 20,428,525</b>

See accompanying notes to basic financial statements

**SOUTHEAST WELD FIRE PROTECTION DISTRICT***Governmental Funds**Reconciliation of the Balance Sheet to the Statement of Net Position*

December 31, 2023 and 2022

	2023	2022
<b>Total Governmental Fund Balance</b>	<b>\$ 16,331,002</b>	<b>\$ 8,900,831</b>
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund:		
Capital assets, net of depreciation and amortization	5,088,912	4,744,914
Net pension asset and deferred outflows/inflows of resources related to pension plan is not recorded in the governmental funds but is recorded in the statement of net position	(195,609)	(196,544)
The net effect of various miscellaneous transactions involving capital assets is to decrease net position (i.e. sales, disposals and trade-ins)	-	-
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:		
Installment note	(50,400)	(57,600)
<b>Net Position of Governmental Activities</b>	<b>\$ 21,173,905</b>	<b>\$ 13,391,601</b>

See accompanying notes to basic financial statements

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Governmental Funds*

*Statement of Revenues, Expenditures and Changes in Fund Balance*

For the Year Ended December 31, 2023 and 2022

	General Fund	Total Governmental Funds	
		2023	2022
<b>REVENUES:</b>			
<b>Operating Revenues:</b>			
Property taxes	\$ 11,036,340	\$ 11,036,340	\$ 5,992,293
Specific ownership taxes	476,651	476,651	358,214
Interest on delinquent taxes	2,578	2,578	2,817
Other revenues	243,247	243,247	494,531
<b>Total Operating Revenues</b>	<b>11,758,816</b>	<b>11,758,816</b>	<b>6,847,855</b>
<b>Investment Income:</b>			
Interest income	726,208	726,208	148,303
Net increase (decrease) in the fair value of investments	16,549	16,549	(12,624)
<b>Total Investment Income</b>	<b>742,757</b>	<b>742,757</b>	<b>135,679</b>
<b>Total Revenues</b>	<b>12,501,573</b>	<b>12,501,573</b>	<b>6,983,534</b>
<b>Expenditures:</b>			
Administration	3,582,850	3,582,850	2,860,035
Fire fighting	469,793	469,793	310,574
Fire prevention	-	-	933
Fire training	23,260	23,260	18,436
Equipment repair	87,011	87,011	84,900
Fire communications	31,391	31,391	28,047
Fire stations and buildings	117,072	117,072	94,246
Emergency medical services	8,149	8,149	8,789
Capital Outlay	922,017	922,017	1,820,476
Pension fund allocation	304,670	304,670	252,652
Debt service:			
Principal	7,200	7,200	7,200
Interest	-	-	-
<b>Total Expenditures</b>	<b>5,553,413</b>	<b>5,553,413</b>	<b>5,486,288</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>6,948,160</b>	<b>6,948,160</b>	<b>1,497,246</b>
<b>Other Financing Sources (Uses):</b>			
Proceeds from sale of assets	360,000	360,000	58,500
Contributions	11,879	11,879	11,111
Lease income	104,132	104,132	69,421
Rental income	6,000	6,000	6,500
Grant proceeds	-	-	-
Insurance proceeds	-	-	-
Loan proceeds	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>482,011</b>	<b>482,011</b>	<b>145,532</b>
<b>Net Change in Fund Balance</b>	<b>7,430,171</b>	<b>7,430,171</b>	<b>1,642,778</b>
Fund Balance - beginning of year	8,900,831	8,900,831	7,258,053
<b>Fund Balance - end of year</b>	<b>\$ 16,331,002</b>	<b>\$ 16,331,002</b>	<b>\$ 8,900,831</b>

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Governmental Funds*

*Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities*

For the Year Ended December 31, 2023 and 2022

	Total Governmental Funds	
	2023	2022
<b>Net change in fund balance - total governmental funds</b>	<b>\$ 7,430,171</b>	<b>\$ 1,642,778</b>
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital assets sold	(155,749)	-
Capital asset purchases capitalized	922,017	1,820,476
Depreciation expense	(391,010)	(438,951)
Amortization expense	(31,260)	(34,102)
Net pension asset and deferred outflows/inflows of resources related to pension plan is not recorded in the governmental funds but is recorded in the statement of net position	935	870,638
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Donated capital assets	-	-
Loan proceeds provide current financial resources to the governmental funds and repayment of debt principal is an expenditure in the governmental funds, but the proceeds increase and repayment reduces long-term liabilities in the statement to net position:		
Long-term debt payments	7,200	7,200
Long-term debt proceeds	-	-
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 7,782,304</b>	<b>\$ 3,868,039</b>

**SOUTHEAST WELD FIRE PROTECTION DISTRICT****Fiduciary Funds- Firemen's Pension Fund****Statement of Fiduciary Net Position**

December 31, 2023 and 2022

	Pension	Total Fiduciary Funds	
		2023	2022
<b>ASSETS</b>			
Cash and cash equivalents	\$ 165,424	\$ 165,424	\$ 133,574
Investments:			
Annuities	157,500	157,500	315,000
Local government investment pools	1,906,579	1,906,579	1,653,903
Investments, at fair value	307,527	307,527	292,372
Receivables:			
Accrued interest	402	402	785
Other	-	-	-
Prepays	-	-	-
Due from other funds	-	-	-
<b>Total Assets</b>	<b>2,537,432</b>	<b>2,537,432</b>	<b>2,395,634</b>
<b>LIABILITIES</b>			
Due to other funds	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position Restricted for Pension Benefits</b>	<b>\$ 2,537,432</b>	<b>\$ 2,537,432</b>	<b>\$ 2,395,634</b>

See accompanying notes to basic financial statements

**SOUTHEAST WELD FIRE PROTECTION DISTRICT****Fiduciary Funds - Firemen's Pension Fund****Statement of Changes in Fiduciary Net Position**

For the Year Ended December 31, 2023 and 2022

	Pension	Total Fiduciary Funds	
		2023	2022
<b>ADDITIONS</b>			
<b>Operating Revenues:</b>			
Contributions - state	\$ 27,885	\$ 27,885	\$ 27,885
Contributions - employer	304,670	304,670	252,652
Other revenues	-	-	-
<b>Total Operating Revenues</b>	<b>332,555</b>	<b>332,555</b>	<b>280,537</b>
<b>Investment Income:</b>			
Interest income	98,089	98,089	37,558
Net increase (decrease) in fair value of investments	19,280	19,280	(15,907)
Net realized gain (loss) on investments	-	-	1,838
<b>Investment Income - Net</b>	<b>117,369</b>	<b>117,369</b>	<b>23,489</b>
<b>Total Additions</b>	<b>449,924</b>	<b>449,924</b>	<b>304,026</b>
<b>DEDUCTIONS</b>			
Administration	308,126	308,126	275,580
Capital outlay	-	-	-
Contingency Reserve	-	-	-
<b>Total Deductions</b>	<b>308,126</b>	<b>308,126</b>	<b>275,580</b>
<b>Net Increase in Net Position</b>	<b>141,798</b>	<b>141,798</b>	<b>28,446</b>
<b>NET POSITION RESTRICTED FOR PENSION BENEFITS</b>			
Beginning of year	2,395,634	2,395,634	2,367,188
<b>End of Year</b>	<b>\$ 2,537,432</b>	<b>\$ 2,537,432</b>	<b>\$ 2,395,634</b>

***NOTES TO THE BASIC FINANCIAL STATEMENTS***

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## SOUTHEAST WELD FIRE PROTECTION DISTRICT

### *Notes to the Basic Financial Statements*

December 31, 2023

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Southeast Weld Fire Protection District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

#### **Reporting Entity**

The District was incorporated April 26, 1954 as a special purpose government established pursuant to the statutes of the State of Colorado to provide public safety (fire protection services) to the citizens of Southeast Weld County and Northern Adams County, Colorado. The District has fire stations in Keenesburg, Roggen and Prospect Valley, Colorado. These statutes provide that the chairman of the elected Board of Directors is the chief administrative officer and that the Board of Directors shall be the policy-making authority.

The District is a primary government that has a separately elected governing board and is legally separate, as well as financially independent of other state and local governments. The primary government may appoint a simple majority of the organization's governing board or have the ability to impose its will on the organization. A component unit may be a financial benefit or burden to the primary government and which is a legally separate organization of which the elected officials of the primary government are financially accountable. The District does not have any component units.

The Firemen's Pension Fund exclusively benefits the primary government and is governed by the board comprised substantially of the primary government's elected governing board. The primary government approves the budget of the Firemen's Pension Fund and is reported as a fiduciary trust fund.

#### **New Accounting Pronouncements**

GASB Statement No 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This statement establishes standards of accounting and financial reporting for PPPs and APAs for governments and supersedes Statement No. 60 – *Accounting and Financial Reporting for Service Concession Arrangements*. Implementation had no impact to the District's financial statements.

GASB Statement No 96, *Subscription-Based Information Technology Arrangements*. This statement establishes standards of accounting and financial reporting for SBITAs arrangements. Implementation had no impact on the District's financial statements.

GASB Statement No 99, *Omnibus 2022*. This statement establishes and amends accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, the transition from LIBOR, the Supplemental Nutrition Assistance Program (SNAP), nonmonetary transactions, pledges of future revenues, the focus of government-wide financial statements; SBITAs, PPPs and terminology. Implementation had no impact on the District's financial statements.

# SOUTHEAST WELD FIRE PROTECTION DISTRICT

## Notes to the Basic Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Basic Financial Statements

**Government-Wide Financial Statements** consist of Statement of Net Position and Statement of Activities, these statements report information about the reporting entity as a whole. These statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, the assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period earned while expenses are recognized in the period the liability is incurred, regardless of the timing of the related cash flows.

**Governmental Fund Financial Statements** consist of Balance Sheet and Statement of Revenue, Expenditures and Changes in Fund Balance for all major governmental funds and non-major funds aggregated. These statements are presented on the “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are recognized when received in cash, except for revenues subject to accrual (generally 60 days after year-end) are recognized when due.

The District reports the following fund financial statements:

**General Fund** (major) is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. When both committed and unassigned resources are available for use, it is the District’s policy to use the committed resources first, then the unassigned resources as they are needed.

**A Fiduciary Fund (Pension)** accounts for activities of the Firemen’s Pension Fund and is used for retirement annuity payments for the District’s volunteer firefighters.

Required supplementary information includes Management’s Discussion and Analysis which includes an analytical overview of the District’s financial activities and a budgetary comparison statement that compares the adopted and modified budget with actual results.

#### Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report a separate section for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements represent a consumption or acquisition of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until that time.

Lease-related amounts are recognized at the inception of the lease in which the District is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

# SOUTHEAST WELD FIRE PROTECTION DISTRICT

## *Notes to the Basic Financial Statements*

December 31, 2023

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **Leases**

The District recognizes and measures its leases in accordance with GASB Statement No 87, *Leases*. The District is a lessor of multiple vehicles subject to mutual covenants and conditions. The District determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The District recognizes a lease receivable and deferred revenue at the commencement date of the lease. The lease receivable is initially and subsequently recognized based on the present value of its future lease payments. The discount rate is the implicit rate and lease payments are recognized on a straight-line basis over the lease term.

The District has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the District is reasonably certain to exercise. The District recognize lease cost association with short-term leases on a straight-line basis over the lease term.

Beginning January 1, 2022, lease receivable and related deferred revenue of lease receivable have been presented.

#### **Budgets and Budgetary Accounting**

An annual budget and appropriation resolution are adopted by the District in accordance with the Colorado State Statutes. The budget for the General Fund is prepared on a basis consistent with generally accepted accounting principles, except capital outlays are treated as expenditures.

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

- On or about November 1, the board submits a proposed General Fund budget for the fiscal year commencing January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments. Prior to December 15, the District certifies the levy to the Board of County Commissioners.
- Prior to December 31, the budget is legally adopted by the District. Colorado law requires that the General Fund have a legally adopted budget and total expenditures cannot exceed the amount appropriated. Appropriations lapse at the end of the fiscal year, but appropriations may be increased prior to the end of the fiscal year provided that the increase is offset by unanticipated resources.

The District incurred expenditures in excess of appropriations in the Fiduciary Fund (Pension) for the year ended December 31, 2023, which may be in violation of the Local Government Budget Law.

#### **Encumbrances**

Encumbrances are commitments under purchase orders, contracts, and other commitments (as opposed to expenditures) and are shown in the governmental fund types as committed fund balance for subsequent fiscal year's expenditures.

#### **Cash and Cash Equivalents**

For purposes of the basic financial statements, the District considers cash equivalents to be highly liquid short-term investments that are readily convertible to known amounts of cash and mature within three months of the date they are acquired.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments**

Investments are carried at fair value plus accrued interest with net appreciation or depreciation on investments included in earnings on investments. See Note 3 for further discussion.

**Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**Capital Assets**

Capital assets, which include land, buildings and improvements, equipment, vehicle, and infrastructure assets, are reported in the governmental-wide financial statements. The District records its property and equipment at historical cost. Contributed capital assets are valued at their estimated fair value on the date donated. Maintenance and repairs are charged to current period operating expenses, whereas additions and improvements are capitalized. Upon retirement or other disposition of property and equipment, the costs and related accumulated depreciation are removed from the respective accounts and any gains or losses are included in operations. Interest costs relating to construction are capitalized. During years ended December 31, 2023 and 2022, no interest was capitalized. The District capitalizes property and equipment with a unit value of \$5,000 or more.

Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	30 to 40
Equipment	5 to 10

As a result of the implementation of Statement No. 34, the District is accounting for infrastructure and capital assets on its financial statements. The government-wide financial statements include those assets that were completed during the fiscal year-end, considered construction in progress or purchased or constructed in prior years.

**Construction in Progress**

Construction in progress includes the purchase price of two Pierce Enforcer PUC Pumpers that are scheduled to be delivered in February, 2025.

**Use of Estimates**

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

**Compensated Absences**

All full-time employees are granted annual vacation leave in varying amounts depending upon the length of continuous service and classification. Vacation time cannot be accumulated from one year to another. Paid time off (PTO) is accrued at a rate of 4 hours each month from date of hire; under no circumstances shall an employee accrue more than 288 hours. Employees have no property interest in accrued PTO and accrued but unused PTO is forfeited upon termination or separation of employment.

# SOUTHEAST WELD FIRE PROTECTION DISTRICT

## Notes to the Basic Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Restricted Assets

Restricted assets include emergency services impact fees collected per residential dwelling unit and a dollar amount per square foot for commercial and other non-residential development. See Note 18 for further discussion.

#### Equity - Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

#### Equity - Fund Balance

In the governmental funds, fund balances 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, or unassigned. The following classifications describe the relative strength of spending constraints:

- (1) **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.
- (2) **Restricted Fund Balance** – the portion of fund balance that is constrained to be used for a specific purpose by external parties (creditors, grantors, or contributors), enabling legislation or constitutional provisions.
- (3) **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, District Board. The constraint may be removed or changed only through formal action of District's Board through approval of resolutions.
- (4) **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 District Board 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.
- (5) **Unassigned Fund Balance** – the residual portion of fund balance that does not meet any of the criteria described above. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

If more than one classification of fund balances is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Article X, Section 20, of the Colorado Constitution contains several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The District believes that it is in compliance with the requirements of the amendment. However, the District has made certain interpretations of the amendment's language in order to determine its compliance.

In 1997, the registered voters of the District approved a ballot issue allowing the District to be governed by prior State law regarding retention and limitation of revenues to a five and one-half (5 ½) percent increase per year as determined by the division of local governments for year 1999, also to be effective for all years thereafter.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

In November 2003, the registered voters of the District approved an increase in the General Fund mill levy of 2.50 mills for a total of 5.764 mills. Then in November 2015, the registered voters of the District approved an increase in the General Fund mill levy of 2.00 mills for a total of 7.764 mills.

In November 2018, the registered voters of the District approved an increase in the General Fund mill levy of 2.50 mills for a total mill levy of 10.264. Registered voters also approved for the District to adjust its mill levy to offset any resulting decrease in revenue only if the residential assessment rate is reduced below the current rate established pursuant to Section 3 of Article X of the Colorado Constitution.

The Amendment also requires the local government to reserve three (3) percent of total expenditures for emergencies in 1995 and years thereafter. (The definition of an “emergency”, under the Amendment is restricted to natural events, but excludes “economic conditions, revenue shortfalls, or District salary or fringe benefit increase.”) Accordingly, the District has reviewed the existing reserves and determined that a minimum of three (3) percent or \$401,943 and \$220,600 existed at December 31, 2023 and 2022, respectively, to comply with the provision of the Amendment.

**NOTE 3 - CASH DEPOSITS AND INVESTMENTS**

Cash deposits and investments are reported in the financial statements as follows:

	2023			2022		
	General Fund	Pension Fund	Total	General Fund	Pension Fund	Total
Cash and cash equivalents	\$ 522,351	\$ 165,424	\$ 687,775	\$ 509,492	\$ 133,574	\$ 643,066
Cash with county treasurer's	34,325	-	34,325	29,915	-	29,915
Investments:						
Certificates of deposit	-	-	-	-	-	-
Annuities	-	157,500	157,500	-	315,000	315,000
Local govt investment pools	16,042,306	1,906,579	17,948,885	8,293,444	1,653,903	9,947,347
Investments at fair value	-	307,527	307,527	-	292,372	292,372
Restricted:						
Cash and cash equivalents	4,020	-	4,020	65,142	-	65,142
Local govt investment pools	39,920	-	39,920	16,693	-	16,693
<b>Total</b>	<b>\$ 16,642,922</b>	<b>\$ 2,537,030</b>	<b>\$19,179,952</b>	<b>\$ 8,914,686</b>	<b>\$ 2,394,849</b>	<b>\$11,309,535</b>

Cash deposits and investments consist of the following:

	2023			2022		
	General Fund	Pension Fund	Total	General Fund	Pension Fund	Total
Cash on hand and deposit	\$ 34,325	\$ -	\$ 34,325	\$ 29,915	\$ -	\$ 29,915
Bank accounts	526,371	165,424	691,795	574,634	133,574	708,208
Investments	16,082,226	2,371,606	18,453,832	8,310,137	2,261,275	10,571,412
<b>Total</b>	<b>\$16,642,922</b>	<b>\$ 2,537,030</b>	<b>\$19,179,952</b>	<b>\$ 8,914,686</b>	<b>\$ 2,394,849</b>	<b>\$11,309,535</b>

# SOUTHEAST WELD FIRE PROTECTION DISTRICT

## Notes to the Basic Financial Statements

December 31, 2023

### NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

#### Cash Deposits

As of December 31, 2023, the carrying amount of the District's deposits was \$691,795 and the corresponding bank balance was \$669,335.

**Custodial Credit Risk** is the risk that, in the event of the failure of a bank failure, the government's deposits may not be returned to it. District bank accounts at year-end were entirely covered by federal depository insurance or by eligible collateral maintained by another financial institution or held by the District's custodial banks in its name under provisions of the Colorado Public Deposit Protection Act (CPDPA). The CPDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate uninsured deposits.

The State Regulatory Commissions for banks are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

#### Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which a political subdivision 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
- Local government investment pools

Maturities of investments at December 31, 2023 were as follows:

	Rating	Investment Maturities in Years				Total
		Less than 1	1 to 5	6 to 10	More than 10	
Certificates of deposit		\$ -	\$ -	\$ -	\$ -	\$ -
Annuities		-	157,500	-	-	157,500
Local govt investment pools:						
Colostrust Prime and Plus+	AAAm	9,865,466	-	-	-	9,865,466
Colostrust EDGE	AAAf	8,123,339	-	-	-	8,123,339
Investments at fair value		-	307,527	-	-	307,527
<b>Total Investments</b>		<b>\$ 17,988,805</b>	<b>\$ 465,027</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,453,832</b>

The District's policy is to hold investments until maturity and to invest its funds in a manner which will provide for the highest investment return consistent with the preservation of principal and provision of the liquidity necessary for daily cash flow demands.

**Interest Rate Risk** is the risk that changes in interest rate will adversely affect the fair value of an investment. The District investment portfolio does not contain investments that exceed the five-year limitation imposed by Colorado Statutes.

## SOUTHEAST WELD FIRE PROTECTION DISTRICT

### *Notes to the Basic Financial Statements*

December 31, 2023

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#### **NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)**

##### **Investments (continued)**

**Credit Risk** is the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligations to the District. The District's investment policy follows Colorado Revised Statutes.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of a District's investment in a single issuer. The District has no such policy limiting how much can be with one financial institution.

**Custodial Credit Risk** is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investment or related collateral securities that are in the possession of an outside party. The District had custodial credit risk for its investments at December 31, 2023.

**Foreign Currency Risk** is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value, as a result of changes in foreign currency exchange rates. The District has no policy for foreign currency risk since all are in the form of U.S. Securities.

**Local Governmental Investment Pools**, the District had investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST), a local government investment pool, comprised of three funds: COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE. PRIME invests only in U.S. Treasury and government agencies, while PLUS+ invests in U.S. Treasury, government agencies and in the highest-rated commercial paper. These two investment pools are rated AAAM by S&P Global Ratings and operate similar to a money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. EDGE invests in money market instruments and medium-term notes and is rated AAAF by Fitch Ratings. EDGE is characterized by a higher weighted average maturity (beyond 60 days) and a longer target duration than either PRIME or PLUS+. As an investment pool, COLOTRUST operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. The Trust is exempt from registration with the Securities and Exchange Commission. For more information on COLOTRUST call (303) 864-7474 or go to [www.colotrust.com](http://www.colotrust.com).

**Fair Value of Investments**, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There are three levels of inputs that may be used to measure fair value, as follows:

*Level 1:* Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

*Level 2:* Inputs other than quoted prices in Level 1 that are observable for the asset or liability either directly or indirectly.

*Level 3:* Unobservable inputs that cannot be corroborated by observable market data.

The District's investment in COLOTRUST PRIME and PLUS+ is measured at net asset value, equal to \$1.00 per share. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. There is not an investment component to be valued under GASB Statement 72, *Fair Value Measurement and Application*. COLOTRUST EDGE does not seek to maintain a stable net asset value.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

**NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investment Income**

	2023			2022		
	General Fund	Pension Fund	Total	General Fund	Pension Fund	Total
Interest income	\$ 726,208	\$ 98,089	\$ 824,297	\$ 148,303	\$ 37,558	\$ 185,861
Net increase (decrease) in the fair value of investments	16,549	19,280	35,829	(12,624)	(15,907)	(28,531)
Net realized gain (loss) on sale of investments	-	-	-	-	1,838	1,838
<b>Net Investment Income</b>	<b>\$ 742,757</b>	<b>\$ 117,369</b>	<b>\$ 860,126</b>	<b>\$ 135,679</b>	<b>\$ 23,489</b>	<b>\$ 159,168</b>

The net increase (decrease) in the fair value of investments represents the difference in fair value from one year to the next. This figure will vary year to year depending on the fair market value of the investments at year end and is not a budgetary item.

**NOTE 4 – JOINT VENTURE**

The District participates with various Districts, cities, fire protection district and Adams County, Colorado in the Emergency Telephone Services Authority (Authority) organized in 1986, which provides emergency 911 dialing services to telephone customers within the District’s boundaries. On dissolution of the Authority, the net assets will be shared proportionately to the contributions made by each participant. The District has not made and is not required to contribute to the Authority. The Authority is governed by a five-member board of directors chosen by the Adams County, Colorado Board of Commissioners of which two must be from special districts. The Authority is primarily funded through a monthly surcharge to each customer’s telephone bill.

**NOTE 5 - ASSESSMENTS**

Property taxes are attached as an enforceable lien on property as of January 1. Taxes are certified by Weld and Adams Counties, Colorado. The counties send invoices and collect the District’s property taxes. Property taxes are recognized as receivables and deferred revenues when levied and as revenue when due for collection in the following year.

The fiscal year assessments calendar is as follows:

Lien Date	January 1
Assessment Date	November 1
Assessment bills mailed	January 1
First installment due	February 28
Second installment due	June 15
If paid in full, due	April 30
Tax sale – delinquent assessments	November 15

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

**NOTE 6 – CAPITAL ASSETS**

The following is a summary of capital assets as of December 31, 2023

	Beginning Balance, as restated	Additions	Retirements	Ending Balance
<b>Governmental Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$ 200,565	\$ 68,622	\$ -	\$ 269,187
Construction in progress	1,617,871	-	-	1,617,871
<b>Total Capital Assets, not being depreciated</b>	<b>1,818,436</b>	<b>68,622</b>	<b>-</b>	<b>1,887,058</b>
<b>Capital Assets, being depreciated:</b>				
Land improvements	87,794	69,995	-	157,789
Building and improvements	2,132,862	166,361	-	2,299,223
Vehicles	3,807,539	519,862	(79,873)	4,247,528
Equipment	999,987	97,177	-	1,097,164
Furniture and fixtures	-	-	-	-
<b>Total Capital Assets, being depreciated</b>	<b>7,028,182</b>	<b>853,395</b>	<b>(79,873)</b>	<b>7,801,704</b>
<b>Less Accumulated Depreciation for:</b>				
Land improvements	(38,271)	(4,554)	-	(42,825)
Building and improvements	(781,807)	(86,777)	-	(868,584)
Vehicles	(2,541,082)	(266,759)	58,027	(2,749,814)
Equipment	(905,707)	(32,920)	-	(938,627)
Furniture and fixtures	-	-	-	-
<b>Total Accumulated Depreciation</b>	<b>(4,266,867)</b>	<b>(391,010)</b>	<b>58,027</b>	<b>(4,599,850)</b>
<b>Total Capital Assets, being depreciated - Net</b>	<b>2,761,315</b>	<b>462,385</b>	<b>(21,846)</b>	<b>3,201,854</b>
<b>Lease Assets, being amortized:</b>				
Vehicles	341,020	-	(341,020)	-
<b>Total Lease Assets, being amortized</b>	<b>341,020</b>	<b>-</b>	<b>(341,020)</b>	<b>-</b>
<b>Less Accumulated Amortization for:</b>				
Vehicles	(175,857)	(31,260)	207,117	-
<b>Total Accumulated Amortization</b>	<b>(175,857)</b>	<b>(31,260)</b>	<b>207,117</b>	<b>-</b>
<b>Total Lease Assets, being amortized - Net</b>	<b>165,163</b>	<b>(31,260)</b>	<b>(133,903)</b>	<b>-</b>
<b>Capital Assets - Net</b>	<b>\$ 4,744,914</b>	<b>\$ 499,747</b>	<b>\$ (155,749)</b>	<b>\$ 5,088,912</b>

Depreciation expense was charged to governmental functions as follows:

Administration	\$ 6,667
Fire communications	8,477
Fire stations and buildings	375,866
<b>Total Depreciation Expense</b>	<b>391,010</b>

Amortization expense was charged to governmental functions as follows:

Fire stations and buildings	31,260
<b>Total Amortization Expense</b>	<b>\$ 31,260</b>

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

**NOTE 7 - LEASE**

**District as Lessor**

On May 10, 2022, the District (Lessor) entered into a Lease-Purchase Agreement with (PVMC) (Lessee), for the Lease-Purchase of two (2) vehicles for \$50,000 per year per vehicle. One Lease-Purchase is for three (3) years and the other is for seven (7) years, the Lessee has the option to purchase the vehicles at the end of each year. The lease does not have a provision for additional renewal terms.

On December 11, 2023, Lessee exercised their option to purchase the two vehicles.

The following is a schedule of future minimum lease income to be received under the lease that has an initial or remaining non-cancelable lease term in excess of one year as of December 31, 2023.

Year Ending December 31	Amount
2024	\$ -
2025	\$ -
2026	\$ -
2027	\$ -
2028	\$ -
Thereafter	\$ -

**NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS**

A summary of interfund activities at December 31, 2023 were as follows:

	Interfund Receivable	Interfund Payable	Transfers In	Transfers Out
<b>Governmental Activities:</b>				
General Fund	\$ -	\$ -	\$ -	\$ -
<b>Total Governmental Activities</b>	-	-	-	-
<b>Fiduciary Activities:</b>				
Pension Fund	-	-	-	-
<b>Total Fiduciary Activities</b>	-	-	-	-
<b>Total</b>	\$ -	\$ -	\$ -	\$ -

**NOTE 9 - RISK FINANCING**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and subcontractors, and natural disasters. The District purchases commercial insurance for most risks of loss. As of December 31, 2023, and 2022, the District did not have any liabilities in excess of insurance limits. Claims have not exceeded insurance coverage in the prior three years.

**NOTE 10 - CONTINGENCIES**

In the opinion of the District's management and counsel, there is no material pending or threatened litigation, claims, and assessments. Furthermore, the District's management and counsel are unaware of any unasserted possible claims or assessments that are probable of assertion and must be disclosed as of December 31, 2023 and 2022.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

**NOTE 11 – LONG-TERM DEBT**

**Installment Note Payable**

On March 5, 2021, the District entered into an Installment Sale Purchase Agreement for Land and Quonset located at 70 South Elm Street, Keenesburg, Colorado. The agreement provides for nine annual principal payments of \$7,200 at an annual effective interest rate is 0.00%. The first payment of \$7,200 is due on March 5, 2022, with annual payments thereafter until March 5, 2030. No prepayment of principal is allowed per the agreement.

Future minimum payments under the Installment Sale Purchase Agreement:

Year	Principal	Interest	Total
2024	\$ 7,200	\$ -	\$ 7,200
2025	7,200	-	7,200
2026	7,200	-	7,200
2027	7,200	-	7,200
2028	7,200	-	7,200
2029-2030	14,400	-	14,400
<b>Total</b>	<b>\$ 50,400</b>	<b>\$ -</b>	<b>\$ 50,400</b>

**Other Debt and Line of Credit**

The District has no other debt or unused lines of credit.

**Changes in Long-Term Debt**

Notes for Direct Borrowings	12/31/2022	Additions	Reductions	12/31/2023	Due Within One Year
<b>Governmental Activities:</b>					
General Fund	\$ 57,600	\$ -	\$ (7,200)	\$ 50,400	\$ 7,200
<b>Total Governmental Activities</b>	<b>57,600</b>	<b>-</b>	<b>(7,200)</b>	<b>50,400</b>	<b>7,200</b>
<b>Fiduciary Activities:</b>					
Pension Fund	-	-	-	-	-
<b>Total Fiduciary Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>\$ 57,600</b>	<b>\$ -</b>	<b>\$ (7,200)</b>	<b>\$ 50,400</b>	<b>\$ 7,200</b>

**NOTE 12 – FIREMEN’S PENSION**

**Plan Description**

The Firemen’s Pension Plan of the Southeast Weld Fire Protection District (Pension Plan) is a defined Benefit Plan managed and administered by a separate Board of Trustees. The Board consists of seven members, the five Board of Directors of the District and two elected members from fire District. Amended and restated rules and bylaws of the Firemen’s Pension Plan were adopted on December 16, 2016. The plan is for the exclusive benefit of the membership (volunteer firefighters) of the District and their beneficiaries and is a closed plan.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

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**NOTE 12 – FIREMEN’S PENSION (CONTINUED)**

**Benefit Provisions**

Benefits are payable upon normal retirement to volunteer firefighters at age 50 who have met the credited service requirement period of 10 years in volunteer fire fighting for a fire protection district. A volunteer firefighter must maintain a minimum training participation in the fire department for thirty-six hours each year to qualify for a year of credit. Benefits of \$420 per month (effective 08/01/2007) are prorated for firefighters with 10 to 30 years of credited service. Benefits up to \$630 per month (effective 08/01/2007) are payable to firefighters with 30 or more years of service. A surviving spouse receives a monthly benefit equal to 50% of the benefit being paid to the retiree.

On August 8, 2011, the Pension Board approved to increase the benefit payments by 25% (effective 10/01/2011).

On August 12, 2015, Pension Board approved to increase benefit payments to a \$125.00 increased level where \$650.00/20 (years of service) is calculated for payment with a cap of \$975.00 per month for those earning 30 or more years of service (effective 01/01/2016).

On August 10, 2017, Pension Board approved to increase benefit payments to a \$150.00 increased level where \$750.00/20 (years of service) is calculated for payment with a cap of \$1,125.00 per month for those earning 30 or more years of service (effective 01/01/2018).

On August 15, 2019, Pension Board approved to increase benefit payments for 10 to 30 years of service to \$900.00 times years of service divided by 20 with a cap of \$1,350.00 per month for those earning 30 or more years of service (effective 01/01/2020).

On August 17, 2023, Pension Board approved to increase benefit payments by \$200 for 20 years of service, less than 20 or over 30 years of service is pro-rated at \$55 per year. (effective 09/01/2023).

**System Description**

The Pension Board self-manages the pension funds. The Pension Board is responsible for ensuring that the Account Assets are invested in only those specifically authorized by the “Volunteer Firefighter Pension Act”.

**Membership**

Plan membership at December 31 consisted of the following:

Inactive members or beneficiaries currently receiving benefits  
Inactive members entitled to but not yet receiving benefits  
Active members not entitled to benefits

	2023	2022
	31	28
	4	5
	1	2
	<b>36</b>	<b>35</b>
Covered payroll	N/A	N/A

# SOUTHEAST WELD FIRE PROTECTION DISTRICT

## Notes to the Basic Financial Statements

December 31, 2023

### NOTE 12 – FIREMEN’S PENSION (CONTINUED)

#### Actuarial Assumptions

The total pension liability (asset) was determined by an actuarial valuation on January 1, 2023, using the following key actuarial assumptions:

Actuarial cost method	Entry age normal - level dollar
Amortization method	Level dollar, closed for unfunded; open for surplus
Remaining amortization period	6 years for unfunded; 30 years for surplus
Asset valuation method	Market value of assets
Inflation	2.25%
Salary increases	N/A
Investment rate of return	3.75%
Cost of living adjustment	None
Retirement age	Later of age 50 or 10 years of service
Turnover	15% per year for less than 5 years of service; 8% for 5-9 years of service; none assumed after 9 years of service.
Mortality	PUB-2010 General Employee and Healthy Retiree Tables for Safety Employees with Generational Projection using MP2021
Changes in actuarial assumptions	The methods and assumptions used are the same as those used for prior valuation, with the exception for mortality improvement assumption was updated to projection scale MP-2021

#### Investments

Investments at December 31 consisted of the following:

	2023		2022	
Annuities	\$ 157,500	6.64%	\$ 315,000	13.93%
Investments at fair value	307,527	12.97%	292,372	12.93%
Local government investment pools	1,906,579	80.39%	1,653,903	73.14%
<b>Total Investments</b>	<b>\$ 2,371,606</b>	<b>100.00%</b>	<b>\$ 2,261,275</b>	<b>100.00%</b>

#### Plan Contribution

Funding of accrued pension benefits is accomplished primarily through contributions from the State of Colorado, and the District. Currently the State matches 90% of District contributions up to a maximum of 0.5 mills on the assessed valuation. For 2023 and 2022, these contributions amounted to \$332,555 and \$280,537, respectively. Colorado statutes provide those benefits are payable only to the extent of assets available in the Firemen’s Pension Plan.

#### 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 and 2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa or higher credit rating as of the measurement date. The long-term expected rate of return on pension plan investments is 3.75%; the municipal bond rate is 1.84%; and the resulting Single Discount Rate is 3.75%.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

**NOTE 12 – FIREMEN’S PENSION (CONTINUED)**

**Sensitivity to Single Discount Rate Assumption**

The following presents the plan’s net pension liability / (asset), calculated using a Single Discount Rate of 3.75%, as well as what the plan’s net pension liability / (asset) would be if it were calculated using a Single Discount Rate that is 1 percent lower or 1 percent higher:

	1% Decrease <b>2.75%</b>	Current Rate <b>3.75%</b>	1% Increase <b>4.75%</b>
<b>Pension Plan's Net Pension Liability / (Asset)</b>	<b>\$ 2,278,658</b>	<b>\$ 1,765,269</b>	<b>\$ 1,343,976</b>

**Changes in Net Pension Liability / (Asset)**

	Total Pension Liability (a.)	Increase (Decrease) Plan Fidiciary Net Position (b.)	Net Pension Liability (Asset) (a.) - (b.)
<b>Changes for the year:</b>			
Service cost	\$ 9,964	\$ -	\$ 9,964
Interest on the total pension liability	146,052	-	146,052
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	250,775	-	250,775
Effect of assumptions changes or inputs	8,395	-	8,395
Benefit payments	(275,580)	(275,580)	-
Employer contributions	-	280,537	(280,537)
Member contributions	-	-	-
Net investment income	-	23,489	(23,489)
Administrative expenses	-	-	-
<b>Net change in total pension liability</b>	<b>139,606</b>	<b>28,446</b>	<b>111,160</b>
Total pension liability (asset) - beginning	4,021,297	2,367,188	1,654,109
<b>Total Pension Liability (Asset) - Ending</b>	<b>\$ 4,160,903</b>	<b>\$ 2,395,634</b>	<b>\$ 1,765,269</b>

Plan fidiciary net position as a % of total pension liability	57.57%
Covered payroll	N/A
Net pension liability as a % of covered payroll	N/A

**Deferred Outflows/Inflows of Resources by Source**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
Pension contributions subsequent to measurement date	\$ 275,580	\$ -	\$ 275,580
Difference between expected and actual experiences	162,992	-	162,992
Assumption changes	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	-
<b>Total</b>	<b>\$ 438,572</b>	<b>\$ -</b>	<b>\$ 438,572</b>

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

**NOTE 12 – FIREMEN’S PENSION (CONTINUED)**

**Deferred Outflows/Inflows of Resources by Source (continued)**

The \$275,580 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023.

**Deferred Outflows/Inflows of Resources by Year to be recognized in Future**

<u>Year Ending December 31</u>	<u>Net Deferred Outflows/ (Inflows) of Resources</u>
2024	\$ 68,038
2025	54,533
2026	27,348
2027	13,073
2028	-
Thereafter	-
<b>Total</b>	<b>\$ 162,992</b>

**NOTE 13 – STATEWIDE DEFINED BENEFIT PENSION PLAN**

**Plan Description**

The Statewide Defined Benefit Plan (SWDB) 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 service are auxiliary to fire protection. 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 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 and Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA’s website at: <http://www.fppaco.org>. The District enrolls all full-time firefighters in SWBD.

**Benefits**

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

The annual normal retirement benefit is 2 percent of the average of the member’s highest 3 years’ pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered 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 can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

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**NOTE 13 – STATEWIDE DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Benefits (continued)**

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least 5 years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member’s average highest 3 years’ pensionable earnings for each year of credited service up to 10 years, plus 2.5 percent for each year of service thereafter.

**Plan Contributions**

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

Contribution rates at December 31, 2022 are as follows:

	<b>Member</b>	<b>Employer</b>
Statewide Defined Benefit Plan (SWBD)	12.00%	9.00%
Statewide Death and Disability Plan (SWD&D) *	1.60%	1.60%
	<b>13.60%</b>	<b>10.60%</b>

Member contributions to SWBD will increase 0.5% annually through 2022 to a total of 12.0% of pensionable earnings. Employer contributions to SWBD will increase 0.5% annually beginning in 2021 through 2030 to a total of 13.0% of pensionable earnings.

Contribution rates for members and employers of affiliated social security employers:

	<b>Member</b>	<b>Employer</b>
Statewide Defined Benefit Plan (SWBD)	6.00%	4.50%
Statewide Death and Disability Plan (SWD&D) *	1.60%	1.60%
	<b>7.60%</b>	<b>6.10%</b>

Member contributions to SWBD will increase 0.25% annually through 2022 to a total of 6.0% of pensionable earnings. Employer contributions to SWBD will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of pensionable earnings.

**Pension Liability (Asset)**

At December 31, 2023, the District reported \$191,461 for its proportionate share of the net pension liability (asset). The net pension liability was measured as of December 31, 2022, and the total net pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability was based on the District’s share of contributions relative to the contributions of all participants.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

**NOTE 13 – STATEWIDE DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Deferred Outflows/Inflows of Resources by Source**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
Pension contributions subsequent to measurement date	\$ 253,044	\$ -	\$ 253,044
Difference between expected and actual experiences	414,447	23,501	390,946
Assumption changes	245,288	-	245,288
Net difference between projected and actual earnings on pension plan investments	433,271	-	433,271
<b>Total</b>	<b>\$ 1,346,050</b>	<b>\$ 23,501</b>	<b>\$ 1,322,549</b>

The \$253,044 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022.

**Deferred Outflows/Inflows of Resources by Year to be recognized in Future**

Year Ending December 31	Net Deferred Outflows/ (Inflows) of Resources
2022	\$ 100,851
2023	182,685
2024	257,931
2025	357,008
2026	73,874
Thereafter	97,156
<b>Total</b>	<b>\$ 1,069,505</b>

**Actuarial Assumptions**

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

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2023	January 1, 2022
Actuarial method	Entry Age Normal	Entry Age Normal
Amortization method	N/A	Level % of Payroll, Open
Amortization period	N/A	30 Years
Long-term investment rate of return *	7.00%	7.00%
Projected salary increases *	4.25% - 11.25%	4.25% - 11.25%
Cost of living adjustments (COLA)	0.00%	0.00%
* Includes inflation at	2.50%	2.50%

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 pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

## SOUTHEAST WELD FIRE PROTECTION DISTRICT

### Notes to the Basic Financial Statements

December 31, 2023

#### NOTE 13 – STATEWIDE DEFINED BENEFIT PENSION PLAN (CONTINUED)

##### Investments

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

The FPPA Board Members serve as the fiduciaries for the Funds and are responsible for the investment of the Funds, or the selection of investment options available to defined contribution, deferred compensation and self-directed DROP plan members. As fiduciaries, the FPPA Board Members are required to discharge their duties solely in the interest of fund participants and beneficiaries. The Board has established investment policies and allocates assets, or selects investment options, based upon member characteristics, plan provisions, and the financial requirements of the Funds, in addition to considering the risk/reward trade-offs of various investments.

The Association has established long range statements of investment objectives and policies for managing and monitoring the Funds. The investment policies establish investment objectives and define the responsibilities of the fiduciaries with respect to the Funds, their investment authority under Colorado law, the level of acceptable risk for investments, investment allocation targets, investment performance objectives, and guidelines within which outside investment managers must operate.

The assets in the Fire & Police Members' Benefit Investment Fund are managed primarily by professional investment management firms. Similarly, investment options offered to defined contribution and deferred compensation plan members are typically pooled investment vehicles managed by professional money managers.

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

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

## SOUTHEAST WELD FIRE PROTECTION DISTRICT

### Notes to the Basic Financial Statements

December 31, 2023

#### NOTE 13 – STATEWIDE DEFINED BENEFIT PENSION PLAN (CONTINUED)

##### Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects 1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and 2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits). The long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

##### Sensitivity to Single Discount Rate Assumption

The following presents the District's proportionate share of the net pension liability / (asset), calculated using a Single Discount Rate of 7.00%, as well as what the District's plan's net pension liability / (asset) would be if it were calculated using a Single Discount Rate that is 1 percent lower or 1 percent higher:

	1% Decrease <u>6.00%</u>	Current Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
<b>Pension Plan's Net Pension Liability / (Asset)</b>	<b>\$ 1,319,908</b>	<b>\$ 191,461</b>	<b>\$ (743,258)</b>

##### Pension Plan Fiduciary Net Position

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

For the year ended December 31, 2023, the contributions recognized as part of pension expense for each Plan were as follows:

	<u>Firemen's Pension</u>	<u>Statewide Deferred Benefit Pension</u>	<u>Total</u>
<b>Contributions - Employer</b>	<b>\$ 304,670</b>	<b>\$ 253,044</b>	<b>\$ 557,714</b>

#### NOTE 14 – DEFERRED COMPENSATION TRUST AGREEMENT

As of May 14, 2012, the District executed an Adoption Agreement to establish a Model FPPA Deferred Compensation Plan (Plan) to provide deferred compensation and retirement benefits to Employees under Internal Revenue Code Section 457. Plan participation is voluntary and assets are held in trust for the exclusive benefit of participants

Investments are managed by the plan's administrator under several different investment options, or combinations thereof. The choice of the investment option(s) is made by the participants. The District has no management control over the assets of the plan. Accordingly, the assets of the plan are not included in these financial statements.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the participants. The District has no liability for losses under the plan.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

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**NOTE 15 – AMBULANCE SERVICE AGREEMENT**

On November 21, 2019, the District entered into an Ambulance Service Agreement with the Brighton Community Hospital Association dba Platte Valley Medical Center (PVMC), collectively, the “Parties”. Under this agreement the “Parties” contract for the provision by PVMC of emergency medical services personnel, equipment, and medical-billing and collection efforts.

On March 17, 2022, the District entered into an Ambulance Service Agreement with PVMC. This agreement supersedes the Agreement dated November 21, 2019.

**NOTE 16 – SHORT-TERM DEBT**

The District had no short-term debt obligations and had no borrowing during the years ending December 31, 2023 and 2022.

	12/31/2022	Additions	Reductions	12/31/2023
Short-Term Debt	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Other Debt and Line of Credit**

The District has no other debt or unused lines of credit.

**NOTE 17 – RELATED PARTY TRANSACTIONS**

The District does business with a board of directors’ company. A director is the co-owner of H2 Enterprises LLC, a company that does land reclamation services within the Keenesburg area and nationwide. The amounts paid to H2 Enterprises LLC was \$48,760 and \$863 in 2023 and 2022, respectively. There were no balances due to H2 Enterprises LLC at December 31, 2023 or 2022.

**NOTE 18 – INTERGOVERNMENTAL AGREEMENT – EMERGENCY SERVICES IMPACT FEES**

The District obtained an Impact Fee Study dated May 12, 2020 to evaluate the nexus between new development within the District’s jurisdictional boundaries and the projected impact that such development has on the District’s Capital Facilities (“Nexus Study”). The Nexus Study recommended an Impact Fee schedule for both residential and non-residential development at a level no greater than necessary to defray the impacts of new development.

On May 14, 2022, the District’s Board of Directors adopted a Resolution approving the Impact Fee Schedule recommended by the Nexus Study and signed Intergovernmental Agreements with the Town of Keenesburg and Adams County for the assessment, collection and remittance of emergency services impact fees.

Colorado law specifies the following requirements for impact fees: a) they are a one-time payment levied on new development; b) funds can only be used for capital infrastructure projects that have a five-year life and no funds can be diverted for operations, maintenance, repair, or facility replacement; c) revenue must be segregated from other revenue and used for the purposes for which it was collected; d) fee must be imposed on all forms of development and cannot be limited to one type of land use; e) revenue must be used for capital infrastructure expansion and no funds can be used for correcting existing system deficiencies; and f) there must be a reasonable expectation of benefit by the fee payer.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Notes to the Basic Financial Statements*

December 31, 2023

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**NOTE 18 – INTERGOVERNMENTAL AGREEMENT – EMERGENCY SERVICES IMPACT FEES (CONTINUED)**

As of December 31, 2023 and 2022, the District collected \$27,525 and \$33,084, respectively in impact fees. The District maintains separate accounts for these funds and had remaining funds classified as Restricted Assets at December 31, 2023 and 2022 in the amount of \$43,940 and \$81,835, respectively.

**NOTE 19 – SUBSEQUENT EVENTS**

The District has evaluated events and transactions occurring subsequent to the end of the fiscal year for potential recognition or disclosure through June 7, 2024, the date on which the financial statements were issued, and did identify events or transactions that would have a material impact on the financial statements.

***REQUIRED SUPPLEMENTAL INFORMATION***

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**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Schedule of Revenues*

*Budget to Actual - General Fund (unaudited)*

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

<i>Non-GAAP Budgetary Basis</i>	<b>2023</b>				<b>2022 Actual</b>
	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)	
<b>REVENUES:</b>					
<b>Operating Revenues:</b>					
Property taxes	\$ 11,072,443	\$ 11,072,443	\$ 11,036,340	\$ (36,103)	\$ 5,992,293
Specific ownership taxes	200,000	200,000	476,651	276,651	358,214
Interest on delinquent taxes	500	500	2,578	2,078	2,817
Special fire protection services	-	-	182,400	182,400	298,518
Standby	1,000	1,000	1,575	575	750
Permits	15,000	15,000	18,375	3,375	29,700
Impact fees	25,000	25,000	27,525	2,525	33,084
Other income	3,000	3,000	13,372	10,372	132,479
<b>Total Operating Revenues</b>	<b>11,316,943</b>	<b>11,316,943</b>	<b>11,758,816</b>	<b>441,873</b>	<b>6,847,855</b>
<b>Investment Income:</b>					
Interest income	12,000	12,000	726,208	714,208	148,303
Net increase (decrease) in the fair value of investments	1,000	1,000	16,549	15,549	(12,624)
<b>Total Investment Income</b>	<b>13,000</b>	<b>13,000</b>	<b>742,757</b>	<b>729,757</b>	<b>135,679</b>
<b>Miscellaneous Revenues:</b>					
Proceeds from sale of assets	-	-	360,000	360,000	58,500
Contributions	-	-	11,879	11,879	11,111
Lease income	-	-	104,132	104,132	69,421
Rental income	-	-	6,000	6,000	6,500
Grant proceeds	-	-	-	-	-
Insurance proceeds	-	-	-	-	-
Loan proceeds	-	-	-	-	-
<b>Total Miscellaneous Revenues</b>	<b>-</b>	<b>-</b>	<b>482,011</b>	<b>482,011</b>	<b>145,532</b>
<b>Total Revenues</b>	<b>\$ 11,329,943</b>	<b>\$ 11,329,943</b>	<b>\$ 12,983,584</b>	<b>\$ 1,653,641</b>	<b>\$ 7,129,066</b>

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Schedule of Expenditures*

*Budget to Actual - General Fund (unaudited)*

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

2023

<b>Non-GAAP Budgetary Basis</b>	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)	<b>2022 Actual</b>
<b>Administration:</b>					
Board compensation	\$ 5,500	\$ 5,500	\$ 3,800	\$ 1,700	\$ 4,400
Reserve staff	-	-	-	-	-
Training officer wages	2,500,000	2,500,000	2,507,206	(7,206)	2,074,719
Payroll taxes	30,000	30,000	42,420	(12,420)	36,116
FPPA Pension and AD&D	260,000	260,000	253,044	6,956	197,041
Subsidies to fire departments	13,000	13,000	14,996	(1,996)	10,573
Colorado FF heart and circulatory	700	700	707	(7)	707
Health insurance	500,000	500,000	408,409	91,591	286,789
Nondurable supplies (office)	13,000	13,000	20,156	(7,156)	18,786
Durable supplies	25,000	25,000	46,426	(21,426)	31,455
Advertising and legal notices	500	500	142	358	1,407
Telephone	15,000	15,000	10,542	4,458	14,504
ISP internet service	20,000	20,000	15,600	4,400	14,118
Legal	15,000	15,000	6,319	8,681	4,053
IT services	10,000	10,000	3,640	6,360	-
Auditing	17,625	17,625	17,625	-	16,775
Consulting fee	10,000	10,000	2,543	7,457	9,718
Paychex	7,500	7,500	7,177	323	6,489
Actuary study	13,000	13,000	12,315	685	3,000
Budgeting	2,500	2,500	2,300	200	2,300
Election	3,000	3,000	-	3,000	172
4th of July display	10,000	10,000	13,700	(3,700)	9,500
Miscellaneous	20,000	20,000	23,468	(3,468)	14,937
Membership dues	5,000	5,000	1,810	3,190	2,744
Background and drug tests	1,600	1,600	2,117	(517)	1,741
Insurance	7,000	7,000	100	6,900	3,596
Contract services	-	-	-	-	-
Contract services other	4,000	4,000	734	3,266	4,433
Treasurer's fee	178,280	178,280	165,554	12,726	89,962
<b>Total Administration</b>	<b>3,687,205</b>	<b>3,687,205</b>	<b>3,582,850</b>	<b>104,355</b>	<b>2,860,035</b>
<b>Fire Fighting:</b>					
Insurance - disability and workers comp	90,000	90,000	60,121	29,879	47,632
Firefighting supplies	20,000	20,000	15,161	4,839	8,834
Durable supplies	121,000	121,000	291,032	(170,032)	167,533
Fuel	45,000	45,000	36,884	8,116	37,071
Miscellaneous	750	750	713	37	-
Insurance	41,000	41,000	57,987	(16,987)	40,525
Physicals and vaccinations	10,000	10,000	7,895	2,105	8,979
<b>Total Fire Fighting</b>	<b>327,750</b>	<b>327,750</b>	<b>469,793</b>	<b>(142,043)</b>	<b>310,574</b>
<b>Fire Prevention:</b>					
Supplies	1,500	1,500	-	1,500	933
<b>Total Fire Prevention</b>	<b>1,500</b>	<b>1,500</b>	<b>-</b>	<b>1,500</b>	<b>933</b>
<b>Fire Training:</b>					
Supplies	7,000	7,000	164	6,836	5,855
Education	15,000	15,000	23,096	(8,096)	12,581
<b>Total Fire Training</b>	<b>22,000</b>	<b>22,000</b>	<b>23,260</b>	<b>(1,260)</b>	<b>18,436</b>

(continued on next page)

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Schedule of Expenditures*

*Budget to Actual - General Fund (unaudited) (continued)*

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)	2022 Actual
<b>Non-GAAP Budgetary Basis</b>					
<b>Equipment Repairs:</b>					
Vehicle repairs	\$ 125,000	\$ 125,000	\$ 87,011	\$ 37,989	\$ 84,900
Equipment repairs	-	-	-	-	-
<b>Total Equipment Repairs</b>	125,000	125,000	87,011	37,989	84,900
<b>Fire Communications:</b>					
Emergency phone services	-	-	-	-	-
Fire communications	35,000	35,000	31,391	3,609	28,047
<b>Total Fire Communications</b>	35,000	35,000	31,391	3,609	28,047
<b>Fire Stations and Buildings:</b>					
Nondurable supplies	15,000	15,000	19,373	(4,373)	13,928
Durable supplies	16,500	16,500	10,377	6,123	3,425
Utilities	34,000	34,000	39,914	(5,914)	36,198
Repairs and maintenance	35,000	35,000	47,151	(12,151)	40,695
Miscellaneous	1,000	1,000	257	743	-
Insurance	7,100	7,100	-	7,100	-
<b>Total Fire Stations and Buildings</b>	108,600	108,600	117,072	(8,472)	94,246
<b>Emergency Medical Services:</b>					
Nondurable supplies	9,500	9,500	4,525	4,975	4,731
Durable supplies	5,000	5,000	152	4,848	88
Physician advisor fees	2,000	2,000	2,000	-	2,000
Education	5,000	5,000	1,472	3,528	1,970
Vaccinations	-	-	-	-	-
<b>Total Emergency Medical Services</b>	21,500	21,500	8,149	13,351	8,789
<b>Capital Outlay:</b>					
Administration	60,000	60,000	62,949	(2,949)	-
Fire fighting	-	-	38,630	(38,630)	89,453
Fire stations and buildings	150,000	150,000	820,438	(670,438)	1,731,023
Emergency medical services	-	-	-	-	-
<b>Total Capital Outlay</b>	210,000	210,000	922,017	(712,017)	1,820,476
<b>Debt Service:</b>					
Principal payments on debt	7,200	7,200	7,200	-	7,200
Interest paid	-	-	-	-	-
<b>Total Debt Service</b>	7,200	7,200	7,200	-	7,200
<b>Pension Fund Allocation</b>	247,145	247,145	304,670	(57,525)	252,652
<b>Contingency Reserve</b>	6,537,043	6,537,043	-	6,537,043	-
<b>Total Expenditures</b>	\$ 11,329,943	\$ 11,329,943	\$ 5,553,413	\$ 5,776,530	\$ 5,486,288

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

Reconciliation of Budgetary Basis to GAAP Basis

Budget to Actual - **General Fund** (unaudited)

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

2023

<b>Non-GAAP Budgetary Basis</b>	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)	2022 Actual
<b>REVENUES:</b>					
Operating revenues	\$ 11,316,943	\$ 11,316,943	\$ 11,758,816	\$ 441,873	\$ 6,847,855
Investment income	13,000	13,000	742,757	729,757	135,679
Miscellaneous revenues	-	-	-	-	-
<b>Total Revenues</b>	<b>11,329,943</b>	<b>11,329,943</b>	<b>12,501,573</b>	<b>1,171,630</b>	<b>6,983,534</b>
<b>EXPENDITURES:</b>					
Administration	3,687,205	3,687,205	3,582,850	104,355	2,860,035
Fire fighting	327,750	327,750	469,793	(142,043)	310,574
Fire prevention	1,500	1,500	-	1,500	933
Fire training	22,000	22,000	23,260	(1,260)	18,436
Equipment repair	125,000	125,000	87,011	37,989	84,900
Fire communications	35,000	35,000	31,391	3,609	28,047
Fire stations and buildings	108,600	108,600	117,072	(8,472)	94,246
Emergency medical services	21,500	21,500	8,149	13,351	8,789
Capital outlay	210,000	210,000	922,017	(712,017)	1,820,476
Debt service	7,200	7,200	7,200	-	7,200
Pension fund allocation	247,145	247,145	304,670	(57,525)	252,652
Contingency Reserve	6,537,043	6,537,043	-	6,537,043	-
<b>Total Expenditures</b>	<b>11,329,943</b>	<b>11,329,943</b>	<b>5,553,413</b>	<b>5,776,530</b>	<b>5,486,288</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>-</b>	<b>-</b>	<b>6,948,160</b>	<b>6,948,160</b>	<b>1,497,246</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from sale of assets	-	-	360,000	360,000	58,500
Contributions	-	-	11,879	11,879	11,111
Lease income	-	-	104,132	104,132	69,421
Rental income	-	-	6,000	6,000	6,500
Grant proceeds	-	-	-	-	-
Insurance proceeds	-	-	-	-	-
Loan proceeds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>482,011</b>	<b>482,011</b>	<b>145,532</b>
<b>Net change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>7,430,171</b>	<b>\$ 7,430,171</b>	<b>1,642,778</b>
Fund Balance - beginning of year			<b>7,258,053</b>		<b>7,258,053</b>
<b>Fund Balance - end of year</b>			<b>14,688,224</b>		<b>8,900,831</b>
<b>Reconciliation of Budgetary Basis to GAAP Basis:</b>					
Net change in Fund Balance			7,430,171		1,642,778
Capital assets sold			(155,749)		-
Capital asset purchases capitalized			922,017		1,820,476
Depreciation on capital assets			(391,010)		(438,951)
Amortization on capital assets			(31,260)		(34,102)
Long-term debt payments			7,200		7,200
Long-term debt proceeds			-		-
Net pension asset (liability)			935		870,638
<b>Net Change in Net Position</b>			<b>\$ 7,782,304</b>		<b>\$ 3,868,039</b>

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Schedule of Revenues & Expenditures*

*Budget to Actual - Firemen's Pension Fund (unaudited)*

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

<b>Non-GAAP Budgetary Basis</b>	<b>2023</b>				<b>2022 Actual</b>
	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)	
<b>REVENUES:</b>					
<b>Operating Revenues:</b>					
State fire pension contribution	\$ 27,885	\$ 27,885	\$ 27,885	\$ -	\$ 27,885
Employer contribution	247,145	247,145	304,670	57,525	252,652
Other revenues	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>275,030</b>	<b>275,030</b>	<b>332,555</b>	<b>57,525</b>	<b>280,537</b>
<b>Investment Income:</b>					
Interest income	10,000	10,000	98,089	88,089	37,558
Net increase (decrease) in the fair value of investments	-	-	19,280	19,280	(15,907)
<b>Total Investment Income</b>	<b>10,000</b>	<b>10,000</b>	<b>117,369</b>	<b>107,369</b>	<b>21,651</b>
<b>Total Revenues</b>	<b>285,030</b>	<b>285,030</b>	<b>449,924</b>	<b>164,894</b>	<b>302,188</b>
<b>EXPENDITURES:</b>					
<b>Administration:</b>					
Pension trust administration fee	-	-	3,456	(3,456)	-
Benefit payments	285,030	285,030	304,670	(19,640)	275,580
<b>Total Administration</b>	<b>285,030</b>	<b>285,030</b>	<b>308,126</b>	<b>(23,096)</b>	<b>275,580</b>
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contingency Reserve</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>285,030</b>	<b>285,030</b>	<b>308,126</b>	<b>(23,096)</b>	<b>275,580</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>-</b>	<b>-</b>	<b>141,798</b>	<b>141,798</b>	<b>26,608</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from sale of assets	-	-	-	-	1,838
Transfers from other funds	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,838</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>141,798</b>	<b>\$ 141,798</b>	<b>28,446</b>
Fund Balance - beginning of year			<b>2,395,634</b>		2,367,188
<b>Fund Balance - end of year</b>			<b>\$ 2,537,432</b>		<b>\$ 2,395,634</b>

# SOUTHEAST WELD FIRE PROTECTION DISTRICT

## Schedule of Changes in Net Pension Liability / (Asset) and Related Ratios

### Firemen's Pension Fund

For The Last 10 Years (to be built prospectively)

Measurement Date Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Total Pension Liability</b>										
Service Cost	9,964	9,745	7,873	6,561	13,086	12,767	17,799	14,376	14,025	N/A
Interest on the Total Pension Liability	146,052	150,374	172,474	147,474	130,827	133,951	139,478	114,619	116,574	N/A
Effect of Plan Changes	-	-	-	660,927	440,802	-	-	612,727	-	N/A
Difference between Expected and Actual Experience	250,775	-	(21,662)	-	(55,732)	-	(68,643)	-	-	N/A
Assumption Changes	8,395	-	296,961	-	82,071	-	-	-	-	N/A
Benefit Payments	(275,580)	(275,550)	(284,478)	(237,488)	(231,750)	(201,500)	(211,250)	(174,562)	(174,300)	N/A
<b>Net Change in Total Pension Liability</b>	<b>139,606</b>	<b>(115,431)</b>	<b>171,168</b>	<b>577,474</b>	<b>379,304</b>	<b>(54,782)</b>	<b>(122,616)</b>	<b>567,160</b>	<b>(43,701)</b>	<b>-</b>
<b>Total Pension Liability - Beginning</b>	<b>4,021,297</b>	<b>4,136,728</b>	<b>3,965,560</b>	<b>3,388,086</b>	<b>3,008,782</b>	<b>3,063,564</b>	<b>3,186,180</b>	<b>2,619,020</b>	<b>2,662,721</b>	<b>-</b>
<b>Total Pension Liability - Ending (a)</b>	<b>4,160,903</b>	<b>4,021,297</b>	<b>4,136,728</b>	<b>3,965,560</b>	<b>3,388,086</b>	<b>3,008,782</b>	<b>3,063,564</b>	<b>3,186,180</b>	<b>2,619,020</b>	<b>-</b>
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	280,537	243,980	275,873	104,835	151,935	176,247	162,565	57,885	159,000	N/A
Pension Plan Net Investment Income	23,489	17,359	(27,338)	42,385	(87,529)	79,091	64,595	79,965	80,746	N/A
Benefit Payments	(275,580)	(275,550)	(284,478)	(237,488)	(231,750)	(201,500)	(211,250)	(174,562)	(174,300)	N/A
Pension Plan Administrative Expense	-	-	-	(1,120)	(15,747)	(208)	(4,805)	(5,136)	(4,633)	N/A
<b>Net Change in Plan Fiduciary Net Position</b>	<b>28,446</b>	<b>(14,211)</b>	<b>(35,943)</b>	<b>(91,388)</b>	<b>(183,091)</b>	<b>53,630</b>	<b>11,105</b>	<b>(41,848)</b>	<b>60,813</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>2,367,188</b>	<b>2,381,399</b>	<b>2,417,342</b>	<b>2,508,730</b>	<b>2,691,821</b>	<b>2,638,191</b>	<b>2,627,086</b>	<b>2,668,934</b>	<b>2,608,121</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>2,395,634</b>	<b>2,367,188</b>	<b>2,381,399</b>	<b>2,417,342</b>	<b>2,508,730</b>	<b>2,691,821</b>	<b>2,638,191</b>	<b>2,627,086</b>	<b>2,668,934</b>	<b>-</b>
<b>Net Pension Liability/(Asset) -Ending (a)-(b)</b>	<b>1,765,269</b>	<b>1,654,109</b>	<b>1,755,329</b>	<b>1,548,218</b>	<b>879,356</b>	<b>316,961</b>	<b>425,373</b>	<b>559,094</b>	<b>(49,914)</b>	<b>N/A</b>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	57.57%	58.87%	57.57%	60.96%	74.05%	89.47%	86.12%	82.45%	101.91%	N/A
Covered Payroll (1)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll (1)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) The members of the plan are volunteers, so as such there is no covered payroll.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Schedule of Contributions*

Firemen's Pension Fund

For The Last 10 Years

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution (1) *	Contribution Deficiency (Excess) (d.) = (b.) - (c.)	Covered Payroll (2) **	Actual Contribution as a % of Covered Payroll (f.)
(a.)	(b.)	(c.)		(e.)	(f.)
2022	274,509	280,537	(6,028)	N/A	N/A
2021	274,509	243,980	30,529	N/A	N/A
2020	125,633	275,873	(150,240)	N/A	N/A
2019	125,633	104,835	20,798	N/A	N/A
2018	58,445	151,935	(93,490)	N/A	N/A
2017	58,445	176,247	(117,802)	N/A	N/A
2016	16,494	162,565	(146,071)	N/A	N/A
2015	16,494	57,885	(41,391)	N/A	N/A
2014	62,361	159,000	(96,639)	N/A	N/A
2013	62,361	120,300	(57,939)	N/A	N/A

\* Includes both District and State Fire pension contribution.

\*\* The members of the plan are volunteers, so as such there is no covered payroll.

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

**Valuation Date:** January 1, 2023

**Timing** Actuarially determined contribution amount is calculated biannually as December 31st of the fiscal year in which the contributions are calculated.

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal - Level Dollar
Amortization Method	Level Dollar - Closed for unfunded; Open for surplus
Remaining Amortization Period	8 years for unfunded; 30 years for surplus
Asset Valuation Method	Market Value of Assets
Inflation	2.25%
Salary Increases	N/A
Investment Rate of Return	3.75%
Cost of living adjustment	None
Retirement Age	Later of age 50 or 10 years of service
Turnover	15% per year for less than 5 years of service; 8% for 5-9 years of service; none assumed after 9 years of service
Mortality	PUB-2010 General Employee and Healthy Retiree Table for Safety Employees with Generational Projection using MP2021.

**SOUTHEAST WELD FIRE PROTECTION DISTRICT**

*Schedule of Proportionate Share of the Net Pension Liability and  
Schedule of Contributions*

Fire and Police Pension Association of Colorado (FPPA)  
For The Last 10 Years (to be built prospectively)

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Fiscal Year Ending December 31	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.0021570%	0.0020069%	0.0019473%	0.0017326%	0.0015119%	0.0015326%	0.0000807%	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset)	\$ 191,461	\$ (1,087,631)	\$ (422,763)	\$ (97,987)	\$ 191,140	\$ (220,489)	\$ 45,652	N/A	N/A	N/A
District's covered payroll	\$ 1,876,656	\$ 1,615,635	\$ 1,564,100	\$ 1,276,950	\$ 1,012,725	\$ 896,463	\$ 646,600	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	10.20%	-67.32%	-27.03%	-7.67%	18.87%	-24.60%	7.06%	N/A	N/A	N/A
Plan fiduciary net position as a percentage of total pension liability (asset)	97.60%	116.20%	106.70%	101.90%	95.20%	106.30%	98.21%	N/A	N/A	N/A

**SCHEDULE OF CONTRIBUTIONS**

Fiscal Year Ending December 31	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	168,899	137,329	125,128	102,156	81,018	71,717	51,728	N/A	N/A	N/A
Contribution in relation to the contractually required contribution	(168,899)	(137,329)	(125,128)	(102,156)	(81,018)	(71,717)	(51,728)	N/A	N/A	N/A
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 1,876,656	\$ 1,615,635	\$ 1,564,100	\$ 1,276,950	\$ 1,012,725	\$ 896,463	646,600	N/A	N/A	N/A
Contributions as a percentage of covered payroll	9.00%	8.50%	8.00%	8.00%	8.00%	8.00%	8.00%	N/A	N/A	N/A