

STRASBURG FIRE PROTECTION DISTRICT NO. 8

STRASBURG, COLORADO

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT

December 31, 2023

**STRASBURG FIRE PROTECTION DISTRICT NO. 8
STRASBURG, COLORADO**

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Green & Associates LLC

Certified Public Accountants & Business Consultants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Strasburg Fire Protection District No. 8

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Strasburg Fire Protection District No. 8 as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Strasburg Fire Protection District No. 8's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of Strasburg Fire Protection District No. 8 as of December 31, 2023, and the respective changes in financial position and the respective budgetary comparison for the general fund 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 Strasburg Fire Protection District No. 8 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 opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Strasburg Fire Protection District No. 8'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.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 of the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Strasburg Fire Protection District No. 8'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 Strasburg Fire Protection District No. 8'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, and the FPPA - SWDB and Volunteer pension information, as listed in the table of contents, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Strasburg Fire Protection District No. 8's basic financial statements. The Schedule of Changes in Net Position – Budget and Actual – Pension Fund is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Schedule of Changes in Net Position – Budget and Actual – Pension Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Gunn + Associates LLC

July 25, 2024
Fort Collins, Colorado

STRASBURG FIRE PROTECTION DISTRICT NO. 8

Management Discussions and Analysis

As management of the Strasburg Fire Protection District, (the “District”), we offer readers of the District’s financial statements this narrative summary of the financial activities of the District for the fiscal year ended December 31, 2023.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2023

- At December 31, 2023, the District’s governmental funds reported a combined fund balance of \$1,988,343, an increase of \$204,944 in comparison to the prior year. Of this amount, \$1,697,624, or 86%, is available for spending at the government’s discretion (unassigned fund balance).
- Total government-wide revenue increased \$230,702 due to several factors including an increase in investment earnings as well as an increase in EMS grants and other miscellaneous income.
- Total government-wide expenses decreased by \$285,089, or approximately 18%, from prior year due to a decline in expenses related to the volunteer pension plan.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District’s basic financial statements. The District’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The statement of net position presents information on all the District’s assets, liabilities, and deferred inflows/outflows of resources with the difference between the them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include fire, medical, and inspection. There are no business-type activities at the District.

The District’s government-wide statements can be found on pages 1 to 2 of this report.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with legal requirements. All funds of the District can be divided into two categories: governmental funds and fiduciary funds. The District does not have any proprietary funds.

GOVERNMENTAL FUNDS

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

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

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

The basic governmental fund financial statements can be found on pages 3 to 6 of this report.

FIDUCIARY FUNDS

The District maintains one fiduciary fund, the pension fund, to account for resources held in trust for retirees and beneficiaries covered under the District's Volunteer Pension Plan. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is an accrual basis.

The basic fiduciary fund financial statements can be found on pages 7 to 8 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 9 to 27 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's Pension Fund. Required supplementary information can be found on pages 28 to 33. This report also presents certain supplementary information which includes a budgetary comparison schedule for the Pension Fund on page 34.

FINANCIAL ANALYSIS OF OVERALL GOVERNMENT-WIDE STATEMENTS

As noted earlier, net position over time may serve as a useful indicator of the District's financial position.

Strasburg Fire Protection District's Net Position

	<u>2023</u>	<u>2022</u>	<u>Dollar Increase (Decrease)</u>
Assets			
Current and other assets	\$ 3,423,917	\$ 3,090,869	\$ 333,048
Capital assets	<u>1,132,435</u>	<u>984,353</u>	<u>148,082</u>
Total Assets	<u>4,556,352</u>	<u>4,075,222</u>	<u>481,130</u>
Deferred outflows of resources	<u>271,275</u>	<u>157,452</u>	<u>113,823</u>
Liabilities			
Long-term liabilities	530,215	547,208	(16,993)
Other liabilities	<u>47,365</u>	<u>37,839</u>	<u>9,526</u>
Total Liabilities	<u>577,580</u>	<u>585,047</u>	<u>(7,467)</u>
Deferred inflows of resources	<u>1,644,953</u>	<u>1,533,620</u>	<u>111,333</u>
Net Position:			
Net investment in capital assets	1,132,435	984,353	148,082
Restricted	173,295	251,698	(78,403)
Unrestricted	<u>1,299,364</u>	<u>877,956</u>	<u>421,408</u>
Total Net Position	<u>\$ 2,605,094</u>	<u>\$ 2,114,007</u>	<u>\$ 491,087</u>

Current and other assets increased by \$333,048 from prior year primarily due to an increase in cash as the result of current year earnings on a fund basis. Capital assets increased \$148,082 from the prior year due to current year capital additions. Deferred inflows of resources increased \$113,823 from prior year primarily as the result of an increase in deferred pension amounts related to SWDB Plan. Deferred outflows of resources increased \$111,333 due to the increase in the deferred property tax revenue as a result of the increase in assessed valuations for amounts to be collected in 2024.

As of December 31, 2023, approximately 43% of the District's net position reflects its investment in capital assets, which includes land, fire stations, vehicles, equipment and furniture. The District uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. A portion of the District's net position, 7%, represents resources that are subject to restrictions including Colorado Constitutional restrictions and capital expenditures. The remaining unrestricted net position, \$1,299,364 or 50% may be used to meet the District's ongoing obligations. At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position. This same situation held true in the prior year. Overall, the District's net position increased \$491,087 from the prior year.

Strasburg Fire Protection District's Change in Net Position

	2023	2022	Dollar Increase (Decrease)
Revenues:			
Program revenues:			
Emergency medical services	\$ 273,680	\$ 214,511	\$ 59,169
Operating grants and contributions	57,994	50,329	7,665
General revenues:			
Property taxes	1,108,583	1,123,668	(15,085)
Specific ownership taxes	76,274	77,079	(805)
Impact fees	65,550	44,638	20,912
Investment earnings	47,457	2,514	44,943
Miscellaneous	153,608	39,705	113,903
Total revenues	1,783,146	1,552,444	230,702
Expenses:			
Operating expenses:			
Firefighting and inspection	1,154,461	1,487,674	(333,213)
Emergency medical services	137,598	89,474	48,124
Total expenses	1,292,059	1,577,148	(285,089)
Change in net position	491,087	(24,704)	515,791
Net position- beginning of the year	2,114,007	2,138,711	(24,704)
Net position - end of the year	\$ 2,605,094	\$ 2,114,007	\$ 491,087

Total revenues increased \$230,702 in 2023 as compared to 2022. The increase is partially due to interest earned on amounts invested in Colotrust during the year. Additionally, there was an increase in EMS revenue as a result of an increase in the EMS supplemental grant and miscellaneous revenue from the sales of assets and insurance proceeds. Expenses decreased \$285,089. In the prior year, the volunteer pension plan had a significant expense due to changes in assumptions. In the current year, the volunteer pension plan activity resulted in a net benefit. The net of this activity resulted in an increase in current year net position of \$515,791 compared to 2022.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental funds. At the end of 2023, unassigned fund balance was \$1,697,624, this was an increase of \$77,454 compared to prior year. The increase was primarily the result of an increase in the EMS supplemental grant of \$38,465 and insurance proceeds received in the current year. The remainder of the fund balance is either nonspendable in form, \$17,424, restricted for enabling legislation, \$51,000, restricted for capital growth, \$116,596, restricted contributions, \$5,699, or committed for apparatus replacement, \$100,000.

GENERAL FUND BUDGETARY HIGHLIGHTS

In total, the District budgeted revenue in the amount of \$1,484,832 but instead earned revenue of \$1,732,230. The increase of \$247,398 was the result of increases in most revenue sources with the largest increase related to net medical services as the District does not budget for the EMS supplemental grant. In total, the District originally budgeted to spend \$1,926,389 with actual expenditures of \$1,585,946. The largest savings were related to salaries, payroll taxes and benefits and capital expenditures. Salaries, payroll taxes and benefits were under budget as the budget included a full-time chief salary. However, the District filled the position with a part-time chief. The District was under budget on capital projects due to crew quarters being behind schedule. Budget details can be found on page 6.

CAPITAL ASSETS

The District's investment in capital assets for its governmental activities as of December 31, 2023 amounted to \$1,132,435, net of accumulated depreciation. This investment in capital assets includes land, fire stations, vehicles, equipment and furniture. The increase in capital assets of \$148,082 for the current fiscal year was due to capital additions exceeding depreciation in the current year as the District invested in equipment, vehicles and crew quarters.

Additional information as well as a detailed classification of the District's net capital assets can be found in the Notes to the Financial Statements starting on page 17.

NEXT YEAR'S BUDGET

The District's general fund balance at the end of the 2023 fiscal year totaled \$1,988,343. The District has appropriated \$2,628,340 for 2024 spending which includes a large capital project of \$655,000 for crew quarters and \$275,000 for a new ambulance.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Strasburg Fire Protection District at P.O. Box 911, Strasburg, Colorado 80136.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Net Position
December 31, 2023

	Total Governmental Activities
Assets:	
Cash and investments	\$ 1,779,724
Restricted cash and investments	122,295
Receivables:	
Due from county treasurer	5,356
EMS accounts receivable, net	77,834
Other receivable	66,496
Property tax receivable	1,354,788
Prepaid expense	17,424
Capital assets, not being depreciated	203,269
Capital assets, net of accumulated depreciation	929,166
Total assets	4,556,352
Deferred outflows of resources:	
Deferred outflows related to pensions	271,275
Total deferred outflows of resources	271,275
Liabilities:	
Accounts payable	36,339
Accrued liabilities	11,026
Compensated absences	
Due within one year	3,982
Net pension liability	526,233
Total liabilities	577,580
Deferred inflows of resources:	
Deferred inflows related to pensions	290,165
Unavailable revenue - property taxes	1,354,788
Total deferred inflows of resources	1,644,953
Net position:	
Net investment in capital assets	1,132,435
Restricted for emergencies	51,000
Restricted for capital improvements	116,596
Restricted for contributions	5,699
Unrestricted	1,299,364
Total net position	\$ 2,605,094

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Activities
For the Year Ended December 31, 2023

	Program Revenues			Net (expense) revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Functions/Programs:					
Primary government:					
Governmental activities:					
Firefighting and inspection	\$ 1,154,461	\$ -	\$ 57,994	\$ -	\$ (1,096,467)
Emergency medical services	137,598	273,680	-	-	136,082
Total Primary Government	<u>\$ 1,292,059</u>	<u>\$ 273,680</u>	<u>\$ 57,994</u>	<u>\$ -</u>	<u>(960,385)</u>
General revenues:					
Property taxes					1,108,583
Specific ownership taxes					76,274
Impact fees					65,550
Investment earnings					47,457
Insurance proceeds					57,132
Gain on sale of capital assets					58,660
Miscellaneous					37,816
Total general revenues					<u>1,451,472</u>
Change in net position					491,087
Net position - beginning of year					<u>2,114,007</u>
Net position - end of year					<u>\$ 2,605,094</u>

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Balance Sheet
Governmental Funds - General Fund
December 31, 2023

	Total Governmental Funds
Assets:	
Cash and investments	\$ 1,779,724
Restricted cash and investments	122,295
Due from county treasurer	5,356
EMS accounts receivable, net of allowance	77,834
Other receivables	66,496
Property tax receivable	1,354,788
Prepaid expense	17,424
Total assets	\$ 3,423,917
Liabilities:	
Accounts payable	\$ 36,339
Accrued payroll liabilities	11,026
Total liabilities	47,365
Deferred inflows of resources:	
Unavailable revenue - receivables	33,421
Unavailable revenue - property taxes	1,354,788
Total deferred inflows of resources	1,388,209
Fund balance:	
Nonspendable, prepaids	17,424
Restricted for enabling legislation	51,000
Restricted for capital improvements	116,596
Restricted contributions	5,699
Committed for apparatus replacement	100,000
Unassigned	1,697,624
Total fund balance	1,988,343
Total liabilities, deferred inflows of resources and fund balance	\$ 3,423,917
Amounts reported for governmental activities in the statement of net position are different because:	
Total fund balance - governmental funds	\$ 1,988,343
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,132,435
Deferred outflows related to pensions are not financial resources and therefore are not reported in the funds.	271,275
Deferred inflows related to pensions are not financial resources and therefore are not reported in the funds.	(290,165)
Revenues in the statement of activities that do not provide current financial resources are unavailable for the funds.	33,421
Long-term liabilities, including earned benefits payable and net pension liabilities, are not due and payable in the current period and therefore are not reported in the funds.	(530,215)
Net position of governmental activities	\$ 2,605,094

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds - General Fund
For the Year Ended December 31, 2023

	Total Governmental Funds
Revenues:	
Property tax	\$ 1,108,583
Specific ownership tax	76,274
Investment earnings	47,457
Impact fees	65,550
Grant income	60,298
Medical services, net of uncollectible	279,120
Insurance proceeds	57,132
Miscellaneous revenue	37,816
Total revenues	<u>1,732,230</u>
Expenditures:	
Current:	
Salaries, payroll taxes and benefits	619,996
Professional fees	112,479
Treasurer's fees	16,651
Firefighting	163,507
EMS services and fees	91,493
Insurance	80,651
Buildings	30,837
Equipment and repairs	89,050
Events	18,138
Volunteer Pension contribution	65,000
Office and administration	34,792
Capital Outlay:	
Capital expenditures	263,352
Total expenditures	<u>1,585,946</u>
Excess (deficiency) of revenues over expenditures	<u>146,284</u>
Other financing sources (uses):	
Sale of capital assets	58,660
Total other financing sources (uses)	<u>58,660</u>
Net change in fund balance	204,944
Fund balance - beginning of year	<u>1,783,399</u>
Fund balance - end of year	<u><u>\$ 1,988,343</u></u>

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023

Net change in fund balance of the governmental funds \$ 204,944

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

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives as depreciation expense. This is the amount
by which capital outlay exceeded depreciation expense in the current year. 148,082

Revenues in the statement of activities that do not provide current
financial resources are not reported as revenues in the funds. (7,744)

Governmental funds report pension contributions as expenditures,
however, pension expense is reported in the statement of activities. This
is the amount by which pension contributions exceed pension expense. 129,758

Some expenses reported in the statement of activities do not require the
use of current financial resources and therefore, are not recorded as
expenditures in governmental funds. 16,047

Change in net position of governmental activities \$ 491,087

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget
and Actual - General Fund
For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Property tax	\$ 1,119,583	\$ 1,108,583	\$ (11,000)
Specific ownership tax	55,979	76,274	20,295
Investment earnings	1,320	47,457	46,137
Impact fees	44,450	65,550	21,100
Grant income	25,000	60,298	35,298
Medical services, net of uncollectible	207,500	279,120	71,620
Insurance proceeds	-	57,132	57,132
Miscellaneous revenue	31,000	37,816	6,816
Total revenues	1,484,832	1,732,230	247,398
Expenditures:			
Current:			
Salaries, payroll taxes and benefits	720,708	619,996	100,712
Professional fees	88,000	112,479	(24,479)
Treasurer's fees	16,794	16,651	143
Firefighting	222,415	163,507	58,908
EMS services and fees	49,600	91,493	(41,893)
Insurance	59,000	80,651	(21,651)
Buildings	23,600	30,837	(7,237)
Equipment and repairs	88,150	89,050	(900)
Events	20,000	18,138	1,862
Volunteer pension contribution	65,000	65,000	-
Office and administration	38,475	34,792	3,683
Capital Outlay:			
Capital expenditures	534,647	263,352	271,295
Total expenditures	1,926,389	1,585,946	340,443
Excess (deficiency) of revenues over expenditures	(441,557)	146,284	587,841
Other financing sources (uses):			
Sale of capital assets	-	58,660	58,660
Total other financing sources (uses)	-	58,660	58,660
Net change in fund balance	(441,557)	204,944	646,501
Fund balance - beginning of year	1,703,894	1,783,399	79,505
Fund balance - end of year	\$ 1,262,337	\$ 1,988,343	\$ 726,006

The accompanying notes are an integral part of this financial statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Net Position
Fiduciary Fund
December 31, 2023

	Pension Fund
Assets:	
Cash and investments	\$ 665,566
Grant receivable - state	44,420
Total assets	709,986
Liabilities:	
Accrued liabilities	259
Total liabilities	259
Net position:	
Restricted for pension	709,727
Total net position	\$ 709,727

The accompanying notes are an integral part of this statement.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Statement of Changes in Net Position
Fiduciary Fund
For the Year Ended December 31, 2023

	Pension Fund
Additions:	
Contributions:	
District contribution	\$ 65,000
State contribution	44,420
Total contributions	<u>109,420</u>
Investment activity:	
Interest and dividends	21,156
Net investment earnings	<u>21,156</u>
Total additions	<u>130,576</u>
Deductions:	
Pension benefits	97,200
Professional fees	10,500
Administration	270
Total deductions	<u>107,970</u>
Change in net position	22,606
Net position - beginning of year	<u>687,121</u>
Net position - end of year	<u><u>\$ 709,727</u></u>

The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The accounting policies of the Strasburg Fire Protection District No. 8 (the District) conform to accounting principles generally accepted in the United States of America as applicable to governments (US GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of such significant policies consistently applied in the preparation of the financial statements.

Reporting Entity

The District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide fire protection and medical support for parts of Adams and Arapahoe counties within Strasburg, Colorado. The District operates under an elected five-person board of directors.

The District complies with GASB Pronouncements which establish standards for defining and reporting on the financial reporting entity. It defines component units as legally separate entities for which the officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The District has no component units as defined by the GASB.

Basis of Presentation

The accompanying financial statements are presented in accordance with GASB Statement No. 34.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though fiduciary and component unit fiduciary funds are excluded from the government-wide financial statements since the resources of the fiduciary and component unit fiduciary funds are not available to the District.

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. Governmental activities of the District are normally supported by property taxes, ownership taxes, and charges for services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by general and program revenues. Direct expenses are those that are clearly identifiable within a specific function or program. Program revenues include 1) fees or charges to citizens and other governmental entities that receive or directly benefit from services provided by a given function or program, and 2) grants, contributions and other revenues that are restricted to use in the operational or capital requirements of a specific function or program. Other revenues not directly related to a particular function or program, if any, are reported separately as general revenues.

1. **Summary of Significant Accounting Policies (continued)**

Basis of Presentation (continued)

The effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for governmental and fiduciary funds are presented.

The District reports the following governmental fund:

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

The District reports the following fiduciary fund:

Pension Fund - accounts for transactions relating to assets held by the District in the capacity of trustee for its pension plan for vested volunteer firefighters.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current *financial* resources or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues available if they are collected within 60 days of the end of the current fiscal period with the exception of grant revenues. A six-month availability period is used for grant revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The exceptions to this general rule are that principal and interest on general long-term debt and expenditures related to compensated absences are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds.

The pension fund is reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Deposits and Investments

Non-negotiable certificates of deposits are stated at cost or amortized cost. Investments, with a maturity in excess of one year when purchased, are reported at fair value.

Grants and Other Receivables

Revenue from government grants is deemed to be earned when the District incurs costs or other expenditures which satisfy the terms imposed by the respective grant contracts. Accounts receivable consist of ambulance revenues earned, reduced by the estimated portion that is expected to be uncollectible. Allowances for uncollectible accounts receivable are based upon historical trends and aging.

Fair Value

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. The District categorizes its fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; level 2 inputs are significant other observable inputs; and level 3 inputs are significant unobservable inputs. At December 31, 2023, the District did not hold any investments required to be reported under fair value.

Property Taxes

Property taxes are levied on December 15 of each year and attach as an enforceable lien on property as of January 1. At the option of the taxpayer, property taxes may be paid in full or in two equal installments. The first of such installment is to be paid as of February 28 and the second installment to be paid no later than June 15. If elected to be paid in full, amount is to be paid no later than April 30. If payments are not made timely, delinquent interest accrues. If the taxes are not paid within subsequent statutory periods, the property tax lien will be sold at public auction. The Counties bill and collect the property taxes and remit collections to the District on a monthly basis. No provision has been made for uncollected taxes, as all taxes are deemed collectible.

Property taxes are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. These amounts are recorded as revenue in the subsequent year when they are available or collected.

Interfund Receivables/Payables

Activity between funds that represent outstanding balances between funds are reported as "due to/from other funds". The outstanding balances between the funds result mainly from the time lag between the dates that (1) the interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

1. **Summary of Significant Accounting Policies (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Prepaid items

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. The cost of the prepaid item is recorded as an expense when consumed rather than when purchased.

Capital Assets

Capital assets, which include buildings and improvements, fire and EMS vehicles and equipment, and furniture and other equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of \$2,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. Capital expenditures for projects are capitalized as constructed.

Normal maintenance and repairs that do not add value to assets or materially extend the life of the assets are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the capital assets. Depreciation is reported as a current charge in the statement of activities.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10-30
Fire and EMS vehicles and equipment	5-20
Furniture and other equipment	5-15

Compensated Absences

The District permits employees to accumulate earned but unused vacation time, subject to certain limits in amount. Accumulated, unpaid time is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has one item that qualifies for reporting in this category, *deferred outflows of resources related to pensions*. See Notes 5 and 6 for additional information.

1. **Summary of Significant Accounting Policies (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Deferred Outflows/Inflows of Resources (continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as inflow of resources (revenue) until that time frame. The District has three items that qualify for reporting in this category, *unavailable revenue - property taxes*, *unavailable revenue - receivables*, and *deferred inflows related to pensions*. See Note 5 and Note 6 for additional information on pensions. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted – net position, a flow assumption must be made about the order in which resources are considered to be applied. Although not included in a formal policy, the District considers restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Policies

In the fund financial statements, governmental funds report aggregate amounts for five classes of fund balances on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not spendable in form which includes items such as prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the District's highest level of decision-making authority, the Board of Directors. This constraint may be removed or changed only through formal action of the Board of Directors.

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Fund Balance Policies (continued)

Assigned fund balance. This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes but are neither restricted nor committed. Unlike commitments, assignments generally only exist temporarily. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority. As of December 31, 2023, the District has not adopted a policy designating District personnel to determine amounts to be assigned.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. Although not included in a formal policy, the District considers decreases in fund balance to first reduce committed, then assigned, and then unassigned balances, in that order.

Impact Fees

The District collects impact fees on new development which is restricted for certain capital expenditures. For the year ended December 31, 2023, the District received \$65,550, in impact fees. The District properly restricts the unspent impact fees. The amount restricted as of December 31, 2023 amounted to \$116,596.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Stewardship, Compliance, and Accountability

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with US GAAP. State law requires the District to adopt annual appropriated budgets for all funds.

The District conforms to the following procedures, in compliance with Colorado Revised Statutes, in establishing the budgetary data reflected in the financial statements:

On or before October 15 of each year, the District's accountant submits to the Board of Directors a recommended budget which details the necessary property taxes needed along with other available revenues to meet the District's operating requirements.

2. Stewardship, Compliance, and Accountability (continued)

Budgets and Budgetary Accounting (continued)

After a required publication of "Notice of Proposed Budget" and a public hearing, the District adopts the proposed budget and an appropriating resolution, which legally appropriates expenditures for the upcoming year.

Prior to December 15, the District computes and certifies to the County Commissioners a rate of levy that derives the necessary property taxes as computed in the proposed budget. The budget and appropriating resolution are adopted prior to December 15.

After adoption of the budget resolution, the District may make the following changes: (a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; (b) it may approve supplemental appropriations to the extent of revenues in excess of the estimated revenues in the budget; (c) it may approve emergency appropriations; and (d) it may approve the reduction of appropriations for which originally estimated revenues are insufficient. The budget is only amended in conformity with Colorado Revised Statutes which allows the District to amend the budget and adopt a supplementary appropriation if money for a specific purpose, other than ad valorem taxes, becomes available to meet a contingency.

The level of control in the budget at which expenditures exceeded appropriations is at the fund level. All appropriations lapse at year end.

TABOR Amendment - Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20 commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. Spending and revenue limits are determined based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service and federal grants). The District has restricted a portion of its December 31, 2023 year-end fund balance in the General Fund for emergencies as required under TABOR of \$51,000, which is the approximate required reserve at December 31, 2023.

The District's management believes it is in compliance with the provisions of TABOR, as it is currently understood. However, TABOR is complex and subject to interpretation. Many of the provisions may not become fully understood without judicial review.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2023

3. Detailed Notes on the Funds

Deposits and Investments

As of December 31, 2023, cash and investments are classified in the accompanying financial statements as follows:

Government-wide Statement of Net Position:		
Cash and investments		\$ 1,779,724
Restricted cash and investments		<u>122,295</u>
Total Government-wide Statement of Net Position		1,902,019
Fiduciary Fund Statement of Net Position:		
Cash and investments		<u>665,566</u>
		<u>\$ 2,567,585</u>

The District has not adopted a formal investment policy, however, it does follow Colorado state statutes regarding investments. The following is a summary of deposits and investments held by the District as of December 31, 2023:

Type	<u>Government- wide</u>	<u>Fiduciary Fund</u>	<u>Carrying Value</u>
Deposits with financial institutions	\$ 756,510	\$ 97,965	\$ 854,475
Certificates of deposit	108,543	69,857	178,400
Colostrust Plus+	<u>1,036,966</u>	<u>497,744</u>	<u>1,534,710</u>
Total	<u>\$ 1,902,019</u>	<u>\$ 665,566</u>	<u>\$ 2,567,585</u>

Custodial Credit Risk: The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at a minimum of 102% of the aggregate uninsured deposits.

As of December 31, 2023, the District's governmental cash deposits (not including certificates of deposit) had a carrying value of \$756,510 with corresponding bank balances of \$769,982 of which \$250,000 is federally insured at each institution. The District has deposits in the amount of \$493,333 which are in excess of FDIC coverage. As required by CRS, these deposits are collateralized under PDPA. The District's certificates of deposit are not in excess of FDIC coverage.

As of December 31, 2023, the District's fiduciary fund cash deposits had a carrying value of \$97,965 with corresponding bank balances of \$98,415, all of which are federally insured. The District's fiduciary fund certificates of deposit are not in excess of FDIC coverage.

Interest Rate Risk: As a means of limiting exposure to fair value losses arising from rising interest rates, State law prohibits the District from holding investments with excessive maturities. The District limits its investments to savings accounts and certificates of deposit thus the District avoids interest rate risk.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2023

3. Detailed Notes on the Funds (continued)

Deposits and Investments (continued)

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The District follows the general provisions of the Colorado Revised Statutes (CRS). CRS specify investment instruments meeting defined rating and risk criteria in which local governmental entities may invest. The allowed investments may include but are not limited to certain money market funds and certain certificates of deposit.

Accounts Receivable

As of December 31, 2023, EMS accounts receivable consisted of the following:

EMS receivable	\$ 189,121
Less: allowance for uncollectible accounts	(111,287)
EMS accounts receivable, net	<u>\$ 77,834</u>

Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 45,000	\$ -	\$ -	\$ 45,000
Construction-in-progress	12,225	146,044	-	158,269
Total capital assets not being depreciated	<u>57,225</u>	<u>146,044</u>	<u>-</u>	<u>203,269</u>
Capital assets being depreciated:				
Buildings and improvements	501,279	12,313	-	513,592
Fire and EMS vehicles and equipment	2,164,664	82,093	(448,190)	1,798,567
Furniture and other equipment	120,832	22,902	-	143,734
Total capital assets being depreciated	<u>2,786,775</u>	<u>117,308</u>	<u>(448,190)</u>	<u>2,455,893</u>
Less accumulated depreciation for:				
Buildings and improvements	(223,281)	(21,221)	-	(244,502)
Fire and EMS vehicles and equipment	(1,608,257)	(82,600)	448,190	(1,242,667)
Furniture and other equipment	(28,109)	(11,449)	-	(39,558)
Total accumulated depreciation	<u>(1,859,647)</u>	<u>(115,270)</u>	<u>448,190</u>	<u>(1,526,727)</u>
Total capital assets being depreciated, net	<u>927,128</u>	<u>2,038</u>	<u>-</u>	<u>929,166</u>
Capital assets, net	<u>\$ 984,353</u>	<u>\$ 148,082</u>	<u>\$ -</u>	<u>\$ 1,132,435</u>

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

Governmental activities:	
Firefighting and inspection	\$ 69,165
Emergency medical services	46,105
Total depreciation expense – governmental activities	<u>\$ 115,270</u>

4. Other Information

Risk Management

The District is exposed to various risks of loss related to workers compensation, general liability, unemployment, torts, theft of, damage to, and destruction of assets, and errors and omissions. The District has acquired commercial coverage for these risks and claims, if any, and are not expected to exceed the commercial insurance coverage. Settled claims have not exceeded commercial coverage in the last three years.

5. State Fire and Police Pension Plan

The District provides post-retirement pension benefits through the Statewide Defined Benefit Plan (SWDB Plan) which is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time 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 SWDB Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The SWDB Plan became effective January 1, 1980. As of January 1, 2023, the Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan (SRP Plan) and the Statewide Defined Benefit Plan became the Defined Benefit Component of the SRP Plan.

Colorado statutes assign the authority to establish benefit provisions to the state legislature. The SWDB Plan assets are included in the Fire & Police Member's Benefit Investment Fund and assets. Assets from the Deferred Retirement Option Plan, Money Purchase Component, and Separate Retirement Accounts assets from eligible retired members are in the Fire & Police Members' Self-Directed Investment Fund.

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

Description of Benefits: A member is eligible for normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2% of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security Employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the SWDB Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0% to the higher of 3% or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

5. State Fire and Police Pension Plan (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% as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the SWDB Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5% for each year thereafter.

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

In 2014, the members elected to increase their member contribution rate to the SWDB Plan beginning in 2015. Member contribution rates will increase .5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions will increase .5% annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings.

In 2023, members of the SWDB Plan and their employers contributed at the rate of 12% and 9%, respectively, of pensionable earnings for a total contribution rate of 21%. In 2022, members of the SWDB Plan and their employers contributed at the rate of 12% and 9%, respectively, of pensionable earnings for a total contribution rate of 21%. Contributions to the pension plan from the District were \$30,056 for the year ended December 31, 2023.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. Contribution rates for members and employers of affiliated social security employers are established by member election.

Pension Liability/(Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension: At December 31, 2022, the District reported a pension liability of \$38,782 for its proportionate share of the SWDB net pension liability. The net pension liability/(asset) was measured as of December 31, 2022, and the total pension liability/(asset) used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of January 1, 2023. The District's proportion of the net pension asset was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2022, the District's proportion was .043693%, which was an increase of .023601% from its proportion measured at December 31, 2021.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2023

5. State Fire and Police Pension Plan (continued)

For the year ended December 31, 2022, the District recognized pension expense of \$21,325. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Change in proportionate share	\$ -	\$ 79,096
Difference between expected and actual experience	83,950	4,760
Net difference between projected and actual earnings on plan investments	87,763	-
Changes of assumptions or other inputs	49,685	-
Contributions subsequent to the measurement date	30,056	-
Total	\$ <u>251,454</u>	\$ <u>83,856</u>

Contributions of \$30,056 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	
2024	\$ 11,039
2025	27,341
2026	42,205
2027	61,830
2028	4,363
Thereafter	(9,236)
Total	\$ <u>137,542</u>

Actuarial Assumptions: The actuarial valuations for the SWDB Plan were used to determine the total pension and actuarially determined contributions for the year ending December 31, 2022. The most recent experience study was completed in 2022. The valuations used the following actuarial assumption and other inputs:

	<u>Total pension liability</u>	<u>Actuarial Determined Contributions</u>
Actuarial valuation date	January 1, 2023	January 1, 2022
Actuarial method	Entry age normal	Entry age normal
Amortization method	N/A	Level % of payroll, open
Amortization period	N/A	30 years
Long-term investment rate of return*	7.0%	7.0%
Projected salary increases*	4.25% - 11.25%	4.25%-11.25%
Cost of living adjustment (COLA)	0%	0.0%
* Includes inflation at	2.5%	2.5%

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2023

5. State Fire and Police Pension Plan (continued)

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

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

At least every 5 years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

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

Asset class	Target allocation	Long-term Expected Rate of Return
Global equity	35%	8.93%
Equity long/short	6%	7.47%
Private markets	34%	10.31%
Fixed income -rates	10%	5.45%
Fixed income – credit	5%	6.90%
Absolute return	9%	6.49%
Cash	1%	3.92%
Total	100%	

Discount Rate: The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA Board's funding policy, which establishes the contractually required rates under Colorado Statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

5. State Fire and Police Pension Plan (continued)

Sensitivity of the District’s proportionate share of the net pension liability (asset) to changes in the discount rate: The following presents the District’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0%, as well as what the District’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

1% Decrease 6.0%	Current Discount Rate 7.0%	1 % Increase 8.0%
\$ 267,359	\$ 38,782	\$ (150,554)

Pension Plan Fiduciary Net Position: FPPA’s financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA. Employer contributions in FPPA’s financial statements are recognized in the period the contributions are due. Detailed information about the SWDB Plan’s fiduciary net position is available in FPPA’s annual comprehensive financial report which can be obtained at <http://www.fppaco.org>.

6. Volunteer Firefighters’ Pension Plan

The Volunteer Firefighter’s Pension Plan (the “Volunteer Plan”) is a single-employer defined benefit pension plan administered by the District that provides retirement income for volunteer firefighters in recognition of their service to the District. The plan is managed with oversight by a seven-member Board of Trustees, consisting of five elected District officials and two eligible volunteer firefighters. The Volunteer Plan does not issue separate stand-alone statements. Volunteer Plan information from the latest actuarial report may be obtained by contacting the Strasburg Fire Protection District, 56281 E. Colfax Avenue, Strasburg, CO 80136.

The Volunteer Plan’s financial statements, shown as a pension trust fund in the District’s statements, are prepared using the economic resources measurement focus and accrual basis of accounting. Employer contributions, benefit payments, and refunds are recognized when due. Volunteer Plan investments are reported at fair market value. Administrative costs are financed through contributions and investment income. As of January 1, 2022, the Volunteer Plan is closed to new members.

Plan Membership: For the year ended December 31, 2023, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	21
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	<u>1</u>
	<u>22</u>

Description of Benefits: Effective July 1, 2017, the Volunteer Plan, as established and amended by the plan’s Board of Trustees, increased its monthly pension for volunteers from \$250 to \$300 for those who have satisfied the normal age and service requirements. Effective February 1, 2022, the monthly pension payments were increased again from \$300 to \$450. The Volunteer Plan further provides death benefits and a partial pension (50% of the amount the volunteer has earned) for surviving spouses. The normal age and service requirement is the latest date a volunteer reaches 50 years of age or completes 20 years of service.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2023

6. Volunteer Firefighters' Pension Plan (continued)

Contributions: The Volunteer Plan is funded by the District's general fund and the State of Colorado. The District is required to contribute at a rate to maintain the actuarial soundness of the plan as set by statute. The contribution requirements of the District are established under Title 31, Article 30 of CRS, as amended. The District and the State of Colorado contributed \$65,000 and \$44,420, respectively, for the year ended December 31, 2023.

Investments: The Volunteer Plan's policy allows the Volunteer Plan to invest in interest-bearing obligations of the United States, interest-bearing bonds of Colorado, general obligations bonds of municipalities, in any depository enumerated in §24-75-603, C.R.S., and secured as provided in §11-10.5-101, et seq., C.R.S., and §11-47-101, et seq., or in such other investments authorized by C.R.S. It is the policy of the Volunteer Board to pursue an investment strategy that allows for preservation of the Volunteer Plan. As of December 31, 2023, the Volunteer Plan investments consist of money market funds and certificates of deposit insured under FDIC and collateralized as required under CRS.

For the year ended December 31, 2023, the annual money-weighted rate of return, net of investment expense was 3.179%.

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of January 1, 2023 with a measurement date of December 31, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial method	Entry age, normal
Amortization method	Level dollar, open
Remaining amortization period	20 years
Asset valuation method	Market value
Inflation rate	Implicit
Investment rate of return	1.00%
Discount rate	3.77%
Projected salary increases	n/a
Cost of living adjustment (COLA)	None

In the current year valuation, the investment rate of return has been updated from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023.

Retirement age 50 and 20 years of service with 50% probability for ages 50-64 and 100% probability at age 65. Assumed 90% of members were married.

Pre-retirement mortality valuations were determined using Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, projected with the MP -2020 Ultimate project scale. Post-retirement mortality healthy retirees and beneficiaries valuations were determined using Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the ultimate values of the MP-2020 projection scale. Post-retirement mortality disabled retiree valuations were determined using Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, set forward five years projected with the MP-2020 Ultimate project scale with a minimum probability of 3.5% for males and 2.5% for females.

6. Volunteer Firefighters' Pension Plan (continued)

Long-term expected rate of return: The long-term investment rate of return on pension plan investments is assumed to be the same as the municipal bond rate of 3.77% as the Volunteer Plan is entirely invested in short-term assets.

The actuarial valuation uses the assumptions and methods applicable for volunteer fire plans that were adopted as a result of the 2022 Experience Study as used by FPPA. The mortality assumptions have been updated since the prior valuations as a result of the 2022 Experience Study. The assumptions are similar to the assumption set used to value volunteer fire districts in Colorado that are associated with FPPA.

Actuarial Cost Method: Under the entry age normal actuarial cost method, the Normal Cost is computed as the level dollar amount which, if paid from the earliest time each member would have been eligible to join the plan if it then existed (thus, entry age) until his retirement or termination, would accumulate with interest at the rate assumed in the valuation to a fund sufficient to pay all benefits under the plan. The normal cost for the plan is determined by summing the normal cost of all members.

The Actuarial Accrued Liability under this method at any point in time is the theoretical amount of the fund that should have been accumulated had annual contributions been made in prior years equaling to the normal cost. The Unfunded Actuarial Accrued Liability/(Surplus) is the excess of the actuarial accrued liability over the actuarial value of the plan assets as of the valuation date.

Under this method, experience gains and losses (i.e., decreases or increases in accrued liabilities), attributable to deviations in experience from the actuarial assumptions, adjust the unfunded actuarial accrued liability.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension: The net pension liability was measured at December 31, 2023 with an actuarial valuation as of January 1, 2023 and rolled forward to a measurement date of December 31, 2023.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2023

6. Volunteer Firefighters' Pension Plan (continued)

The components of the net pension liability of Volunteer Plan at December 31, 2023 is as follows:

Total pension liability:	
Service cost	\$ 824
Interest	47,248
Change in benefit terms	-
Difference between expected and actual experience	-
Assumptions changes	31,988
Benefit payments, including lump sums	(97,200)
Net change in total pension liability	<u>(17,140)</u>
Total pension liability - beginning	1,214,318
Total pension liability - ending	<u>\$ 1,197,178</u>
Plan fiduciary net position:	
Contributions – employer	\$ 65,000
Contributions - member	-
Net investment income	21,138
Benefit payments	(97,200)
Pension plan administrative expense	(10,770)
State of Colorado supplemental discretionary payment	44,420
Other	-
Net change in plan fiduciary net position	<u>22,588</u>
Plan fiduciary net position – beginning	687,139
Plan fiduciary net position – ending	<u>\$ 709,727</u>
Net pension liability	<u>\$ 487,451</u>
Plan fiduciary net position as a percentage of total pension liability	<u>59.28%</u>

For the year ended December 31, 2023, the District recognized pension benefit for the Volunteer Plan of \$56,027. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to the Volunteer Plan from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Difference between expected and actual experience	\$ -	\$ 58,456
Changes of assumptions or other inputs	16,313	147,835
Difference between projected and actual earnings on plan investments	3,508	-
Total	<u>\$ 19,821</u>	<u>\$ 206,309</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	
2024	\$ (99,819)
2025	(83,463)
2026	(355)
2027	(2,851)
Total	<u>\$ (186,488)</u>

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2023

6. Volunteer Firefighters' Pension Plan (continued)

Discount Rate: A Single Discount Rate of 3.77% was used to measure the total pension liability. This Single Discount Rate was based on a municipal bond rate of 3.77%. The projection of cash flows used to determine the Single Discount Rate assumed that employer contributions will be made at current rates. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance all future benefit payments.

For purposes of this valuation, the municipal bond rate is 3.77% which is based on Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023 which holds fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt bonds.

Sensitivity of Pension Liability: The following presents the District's net pension liability calculated using the Single Discount Rate of 3.77%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77%) or 1-percentage-point higher (4.77%) than the current rate:

1% Decrease 2.77%	Current Discount Rate 3.77%	1 % Increase 4.77%
\$ 615,604	\$ 487,451	\$ 379,896

7. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Differences between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position

The governmental funds balance sheet includes reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide statement of net position. Explanation of the reconciling items is as follows:

Capital assets of \$2,659,162 less accumulated depreciation of \$1,526,727 or a net book value of \$1,132,435 are not financial resources and therefore are not reported in the funds.

Deferred outflows related to pensions are not financial resources and therefore are not reported in the governmental funds.

Deferred outflows – SWDB Plan	\$ 251,454
Deferred outflows – Volunteer Plan	19,821
Net adjustment	<u>\$ 271,275</u>

Deferred inflows related to pensions are not financial resources and therefore are not reported in the governmental funds.

Deferred inflows – SWDB Plan	\$ (83,856)
Deferred inflows – Volunteer Plan	(206,309)
Net adjustment	<u>\$ (290,165)</u>

Revenues in the statement of activities that do not provide current financial resources are unavailable in the funds.

Unavailable revenue – EMS	<u>\$ 33,421</u>
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STRASBURG FIRE PROTECTION DISTRICT NO. 8
Notes to Financial Statements
December 31, 2023

7. Reconciliation of Government-Wide and Fund Financial Statements (continued)

Explanation of Differences between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position (continued)

Long-term liabilities (compensated absences and net pension liability) are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences	\$ (3,982)
Net pension liability – SWDB Plan	(38,782)
Net pension liability – Volunteer Plan	(487,451)
Net adjustment	<u>\$ (530,215)</u>

Explanation of Differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. Explanation of the reconciling items is as follows:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The details of this difference are as follows:

Depreciation expense –firefighting and prevention	\$ (69,165)
Depreciation expense –emergency medical services	(46,105)
Capital outlay	263,352
Net adjustment	<u>\$ 148.082</u>

Some revenues reported in the statement of activities do not provide current financial resources and therefore, are not recorded as revenues in governmental funds. The details of the difference are as follows:

Grant revenue	\$ (2,304)
EMS revenue	(5,440)
Net adjustment	<u>\$ (7,744)</u>

Governmental funds report pension contributions as expenditures, however, pension expense is reported in the statement of activities. This is the amount by which pension contributions exceed pension expense.

Contributions to the volunteer plan	\$ 65,000
Contributions to the SWDB plan	30,056
Pension expense volunteer plan	56,027
Pension income SWDB plan	(21,325)
Net adjustment	<u>\$ 129,758</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not recorded as expenditures in governmental funds. The change in compensated absences amounted to \$16,047.

REQUIRED SUPPLEMENTARY INFORMATION

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Contributions and Related Ratios - SWDB Plan
Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily required contribution	\$ 30,056	\$ 33,040	\$ 14,389	\$ 12,454	\$ 15,715	\$ 10,839	\$ 9,545	\$ 7,948	\$ 9,191	\$ 8,589
Contributions in relation to the statutorily required contribution	30,056	33,040	14,389	12,454	15,715	10,839	9,545	7,948	9,191	8,589
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 316,565	\$ 367,075	\$ 169,282	\$ 155,675	\$ 196,438	\$ 135,488	\$ 119,313	\$ 99,350	\$ 114,888	\$ 107,363
Contribution as a percentage of covered payroll	9.5%	9.0%	8.5%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of the District Proportionate Share of the Net Pension Liability/(Asset)- SWDB Plan
Last Ten Fiscal Years*

Fiscal year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan measurement date, December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportionate (percentage) of the net pension liability/(asset)	0.043693%	0.020092%	0.020043%	0.025964%	0.020085%	0.020582%	0.019603%	0.023699%	0.022852%	0.029865%
District's proportionate share of the net pension liability/(asset)	37,782	(108,883)	(43,514)	(14,684)	25,392	(29,610)	7,083	(418)	(25,790)	(26,705)
Districts' covered payroll	316,565	367,075	169,282	155,675	196,438	135,488	119,313	99,350	114,888	107,363
District's proportionate share of the net pension liability/(asset) as a percentage of the covered payroll	-11.93%	29.66%	25.70%	9.43%	-12.93%	21.85%	-5.94%	0.42%	22.45%	24.87%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	97.6%	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%	105.8%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the SWDB Plan. Covered payroll is presented based on the fiscal year.

NOTES:

The total pension liability as of December 31, 2023, actuarial valuation was determined using the following actuarial assumptions:

Actuarial Valuation Date	January 1, 2023
Measurement Date	December 31, 2022
Actuarial cost method	Entry age normal
Amortization method	N/A
Amortization period	N/A
Long-term investment rate of return**	7.00%
Projected salary increases	4.25% to 11.25%
Cost of living adjustment	None
**Includes inflation at	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 to 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.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Changes in the Plan's Net Pension Liability and Related Ratios -
Volunteer Pension Plan
Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability:								
Service cost	\$ 824	\$ 29,786	\$ 28,316	\$ 25,649	\$ 25,649	\$ 23,281	\$ 23,601	\$ 19,670
Interest	47,248	20,460	22,201	30,592	30,702	31,913	32,007	26,733
Changes in benefit terms	-	525,304	-	-	-	-	196,584	-
Difference between expected and actual experience	-	(99,525)	-	(103,515)	-	(25,445)	-	-
Assumption changes	31,988	(313,879)	24,043	101,483	-	(13,295)	-	-
Benefit payments, including lump sums	(97,200)	(89,550)	(57,300)	(58,500)	(62,400)	(60,750)	(57,200)	(49,125)
Net change in total pension liability	(17,140)	72,596	17,260	(4,291)	(6,049)	(44,296)	194,992	(2,722)
Total pension liability - beginning	1,214,318	1,141,722	1,124,462	1,128,753	1,134,802	1,179,098	984,106	986,828
Total pension liability - ending	\$ 1,197,178	\$ 1,214,318	\$ 1,141,722	\$ 1,124,462	\$ 1,128,753	\$ 1,134,802	\$ 1,179,098	\$ 984,106
Plan fiduciary net position:								
Contributions - employer	\$ 65,000	\$ 64,575	\$ 60,139	\$ 64,575	\$ 71,901	\$ 59,134	\$ 47,072	\$ 53,145
Contributions - member	-	-	-	-	-	-	-	-
Net investment income	21,138	53	1,716	2,851	615	1,373	1,184	1,225
Benefit payments	(97,200)	(89,550)	(57,300)	(58,500)	(62,400)	(60,750)	(57,200)	(49,125)
Pension plan administrative expense	(10,770)	(4,500)	(10,838)	(4,612)	(10,005)	(4,550)	(9,900)	-
State of Colorado supplemental discretionary payment	44,420	40,771	40,853	36,417	35,680	31,963	33,550	28,607
Other	-	-	(1,149)	(638)	-	-	-	-
Net change in plan fiduciary net position	22,588	11,349	33,421	40,093	35,791	27,170	14,706	33,852
Plan fiduciary net position - beginning	687,139	675,790	642,369	602,276	566,485	539,315	524,609	490,757
Plan fiduciary net position - ending	\$ 709,727	\$ 687,139	\$ 675,790	\$ 642,369	\$ 602,276	\$ 566,485	\$ 539,315	\$ 524,609
Net pension liability	\$ 487,451	\$ 527,179	\$ 465,932	\$ 482,093	\$ 526,477	\$ 568,317	\$ 639,783	\$ 459,497
Plan fiduciary net position as a percentage of the total pension liability	59.28%	56.59%	59.19%	57.13%	53.36%	49.92%	45.74%	53.31%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan's net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* Information earlier than 2016 was not available.

Notes to Schedule:

Retiree and beneficiary benefits were increased effective July 1, 2017 and January 1, 2022.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Plan Contributions - Volunteer Pension Plan
Last 10 Fiscal Years*

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution**	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2016	50,528	81,752	(31,224)	n/a	n/a
2017	49,442	80,622	(31,180)	n/a	n/a
2018	49,442	91,097	(41,655)	n/a	n/a
2019	69,694	107,581	(37,887)	n/a	n/a
2020	69,694	100,992	(31,298)	n/a	n/a
2021	82,083	100,992	(18,909)	n/a	n/a
2022	82,083	105,346	(23,263)	n/a	n/a
2023	65,363	109,420	(44,057)	n/a	n/a

* Information earlier than 2016 was not available.

** Includes both employer and State of Colorado Supplemental Discretionary Payment.

Valuation Date:

January 1, 2023

Notes

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years and used for two fiscal years.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, open
Remaining amortization period	20 years
Asset valuation method	Market value
Inflation	Implicit
Salary increases	N/A
Investment rate of return	1.00%
Retirement age	50% rate assumed until age 65 at which 100% retirement is assumed.
Mortality	Pub-2010 Public Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the ultimate values of the MP-2020 projection scale.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of the Net Pension Liability - Volunteer Pension Plan
Last 10 Fiscal Years*

Fiscal Year Ending December 31,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2016	984,106	524,609	459,497	53.31%	n/a	n/a
2017	1,179,098	539,315	639,783	45.74%	n/a	n/a
2018	1,134,802	566,485	568,317	49.92%	n/a	n/a
2019	1,128,753	602,275	526,478	53.36%	n/a	n/a
2020	1,124,462	642,369	482,093	57.13%	n/a	n/a
2021	1,141,722	675,790	465,932	59.19%	n/a	n/a
2022	1,214,318	687,139	527,179	56.59%	n/a	n/a
2023	1,197,178	709,727	487,451	59.28%	n/a	n/a

* Information earlier than 2016 was not available.

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Investment Returns - Volunteer Pension Plan
Last 10 Fiscal Years*

	<u>Annual Return</u>
Annual money-weighted rate of return, net of investment expense:	
Fiscal year ending December 31, 2016	0.120%
Fiscal year ending December 31, 2017	0.219%
Fiscal year ending December 31, 2018	0.257%
Fiscal year ending December 31, 2019	0.102%
Fiscal year ending December 31, 2020	0.444%
Fiscal year ending December 31, 2021	0.313%
Fiscal year ending December 31, 2022	0.008%
Fiscal year ending December 31, 2023	3.179%

* Information earlier than 2016 was not available.

OTHER SUPPLEMENTARY INFORMATION

STRASBURG FIRE PROTECTION DISTRICT NO. 8
Schedule of Changes in Net Position - Budget and Actual - Pension Fund
For the Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Additions:			
District contribution	\$ 65,000	\$ 65,000	\$ -
State contribution	36,000	44,420	8,420
Investment income	1,500	21,156	19,656
Total revenues	<u>102,500</u>	<u>130,576</u>	<u>28,076</u>
Deductions:			
Pension payments	97,200	97,200	-
Professional fees	11,000	10,500	500
Administration	100	270	(170)
Total expenditures	<u>108,300</u>	<u>107,970</u>	<u>330</u>
Change in net position	<u>\$ (5,800)</u>	<u>\$ 22,606</u>	<u>\$ 28,406</u>