



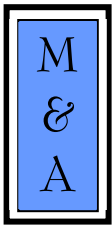
Roaring Fork Fire Rescue Authority

**Financial Statements
December 31, 2023**

**Roaring Fork Fire Rescue Authority
Financial Statements
December 31, 2023**

Table of Contents

	Page
INDEPENDENT AUDITOR'S REPORT	A1 – A3
Management's Discussion and Analysis	B1 – B4
Basic Financial Statements:	
Statement of Net Position	C1
Statements of Revenues, Expenses and Changes in Fund Net Position	C2
Statement of Cash Flows	C3
Notes to the Financial Statements	D1 – D23
Required Supplementary Information:	
Schedules of Authority's Proportionate Share of Net Pension Asset/Liability	E1
Schedules of Authority Contributions	E2
Notes to the Required Supplementary Information	E3 – E4
Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Funds Available - Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis	F1 – F2



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

CHAPEL SQUARE, BLDG C
245 CHAPEL PLACE, SUITE 300
P.O. Box 5850, AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM
MAIN OFFICE: (970) 845-8800
FACSIMILE: (970) 845-8108
E-MAIL: MCMAHAN@MCMAHANCPA.COM

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Roaring Fork Fire Rescue Authority
Carbondale, Colorado**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of Roaring Fork Fire Rescue Authority (the "Authority"), as of and for the year ended December 31, 2023, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Roaring Fork Fire Rescue Authority, as of December 31, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinions

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

Emphasis of Matter

The beginning net position was restated as discussed in note IV.D. to the financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The Roaring Fork Fire Rescue Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
MATTHEW D. MILLER, CPA

AVON: (970) 845-8800
ASPEN: (970) 544-3996
FRISCO: (970) 668-3481

INDEPENDENT AUDITORS REPORT
To the Board of Directors
Roaring Fork Fire Rescue Authority
Carbondale, Colorado

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with U.S. GAAS, we:

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

INDEPENDENT AUDITORS REPORT
To the Board of Directors
Roaring Fork Fire Rescue Authority
Carbondale, Colorado

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Roaring Fork Fire Rescue Authority's basic financial statements. The budgetary comparisons in Section F are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparisons are 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. Such 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 U.S. GAAS. In our opinion, the information in Section F is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Comparative Information

We have previously audited the Authority's 2022 financial statements and, in our report dated June 21, 2023, we expressed an unmodified opinion on those financial statements. In our opinion, the comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which is has been derived.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
June 27, 2024



MANAGEMENT'S DISCUSSION AND ANALYSIS

**Roaring Fork Fire Rescue Authority
Management's Discussion and Analysis
December 31, 2023**

As management of the Roaring Fork Fire Rescue Authority, (the "Authority"), we offer readers of the Authority's financial statements this narrative summary of the financial activities of the Authority for the fiscal year ended December 31, 2023.

The Management's Discussion and Analysis (the MD&A) should be read in conjunction with the Authority's financial statements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's general purpose financial statements. The Authority's general purpose financial statements are comprised of two components: 1) financial statements; and 2) notes to the financial statements. These components are discussed below.

The Authority was formed on December 18, 2017 pursuant to creating by an intergovernmental agreement between Basalt and Rural Fire Protection District ("BRFPD") and Snowmass-Wildcat Fire Protection District ("SWFPD"). The Authority is a separate legal entity whose boundaries cover the combined territory of BRFPD and SWFPD. Operations of BRFPD and SWFPD were combined under the Authority on January 1, 2019. At this time, all BRFPD's and SWFPD's employees became employees of the Authority and all BRFPD's and SWFPD's capital assets were transferred to the Authority along with the first quarterly installment to fund operations.

Financial Statements: The financial statements of the Authority are presented as a special purpose government engaged only in business type activities - providing fire protection services.

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

The *Statement of Revenues, Expenses and Changes in Net Position* present information that reflects how the Authority's net position changed during the past year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* report the Authority's cash flows from operating, capital and related financing, and investing activities.

The Authority's financial statements can be found on pages C1 through C3 of this report.

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

**Roaring Fork Fire Rescue Authority
Management's Discussion and Analysis
December 31, 2023
(continued)**

Financial Analysis of the Authority

Roaring Fork Fire Rescue Authority's Net Position

	2023	2022
Assets:		
Current assets	10,390,278	9,808,670
Capital assets, net	28,732,284	28,452,595
Net pension assets	16,966	2,051,901
Total Assets	39,139,528	40,313,166
Deferred Outflows of Resources:		
Pension related deferred outflows	2,072,833	1,175,213
Total Deferred Outflows of Resources	2,072,833	1,175,213
Liabilities:		
Current liabilities	234,299	253,750
Long-term liabilities	565,135	287,580
Total Liabilities	799,434	541,330
Deferred Inflows of Resources:		
Pension related deferred inflows	118,568	1,333,834
Total Deferred Inflows of Resources	118,568	1,333,834
Net Position:		
Net investment in capital assets	28,732,284	28,452,595
Restricted:		
Pensions	16,966	2,051,901
Impact fees	392,666	578,046
Capital projects	1,174,987	2,097,900
Unrestricted	9,977,456	6,432,773
Total Net Position	40,294,359	39,613,215

Approximately 71% of the Authority's net position reflects its investment in capital assets, which includes land, fire stations, vehicles and equipment, less debt outstanding related to capital assets. The Authority uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. The Authority currently has no debt, as capital assets were either contributed or purchased with available funds.

At the end of 2023, the Authority is able to report positive balances in all categories of net position. Overall, the Authority's net position increased during 2023.

**Roaring Fork Fire Rescue Authority
Management's Discussion and Analysis
December 31, 2023
(continued)**

Financial Analysis of the Authority (continued)

Roaring Fork Fire Rescue Authority's Net Position

	2023	2022
Revenues:		
Operating revenues:		
Charges for services	2,369,285	2,340,517
Transfers from BRFPD	3,556,084	3,568,426
Transfers from SWFPD	3,466,460	3,530,832
Non-operating revenues:		
Transfers from SWFPD restricted for capital purposes	382,724	386,475
Interest and investment income	325,829	46,452
Grants and donations	106,124	45,658
Special event income	31,960	20,340
Employee rentals	163,676	108,158
Wildfire contracts	212,240	279,230
EMS supplemental	92,472	76,860
Gain (loss) on sale of capital assets	5,662	37,976
Other non-operating revenues	41,399	233,578
Pension revenue (expense) and changes in deferrals	(186,403)	439,165
Capital contributions:		
Contributed capital assets:		
Basalt Rural Fire Protection District	-	2,172,883
Contributed impact fees restricted for capital:		
Basalt Rural Fire Protection District	80,000	-
Contributed cash:		
Basalt Rural Fire Protection District	128,157	-
Snowmass-Wildcat Fire Protection District	1,062,103	-
Total Revenues	11,837,772	13,286,550
Expenses:		
Operating Expenses:		
Administration	1,776,659	1,630,109
Fire prevention	689,476	637,212
Operations	6,641,399	6,389,795
Vehicle maintenance and repair	380,285	344,163
Non-operating expenses:		
Depreciation	1,668,809	1,552,124
Total Expenses	11,156,628	10,553,403
Change in Net Position	681,144	2,733,147
Net Position - Beginning of Year (as restated)	39,613,215	36,880,068
Net Position - End of Year	40,294,359	39,613,215

**Roaring Fork Fire Rescue Authority
Management's Discussion and Analysis
December 31, 2023
(continued)**

Financial Analysis of the Authority (continued)

Operating transfers from BRFPD and SWFPD were the most significant source of revenues, accounting for 59% of the total revenues. Other charges for services accounted for 20% of total revenues.

Non-operating revenues totaled \$1,175,683.

When compared to 2022, overall revenues decreased by \$1,448,778 mainly due a decrease in contributed capital assets.

When compared to 2022, overall expenses increased by \$603,225 mainly due to an increase in administration expense of \$146,550 and an increase in personnel expenses, which includes wages, payroll taxes and benefits, of \$428,734.

Budget Variances

In 2023, revenues exceeded budget expectations by \$1,429,518. The favorable variance is mainly due to the Authority budgeting conservatively.

Actual expenditures were \$598,863 less than budgeted. The favorable variance is mainly due to less capital expenditures than budgeted as well as less operations expenditures than budgeted.

Capital Asset Administration

At December 31, 2023, the Authority's capital assets, net of accumulated depreciation, totaled \$28,732,284. In 2023, the Authority capitalized \$1,948,498 of new assets, and reported depreciation expense in the amount of \$1,668,809. Additional information on the Authority's capital assets can be found in the Notes to the Financial Statements in section D of this report.

2024 Budget Considerations

In 2024, the Authority approved budgeted revenues of \$12,231,195 and budgeted expenditures of \$13,183,016, which includes capital additions of \$590,000.

REQUESTS FOR INFORMATION

This report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Authority's Administrative Offices, 1089 JW Drive, Carbondale, Colorado 81623.



BASIC FINANCIAL STATEMENTS

Roaring Fork Fire Rescue Authority
Statement of Net Position
December 31, 2023
(With Comparative Actual Amounts as of December 31, 2022)

	2023	2022 (as restated)
Assets:		
Cash and cash equivalents - Unrestricted	9,053,174	7,684,448
Investments	-	1,118,162
Receivables, net of allowance for uncollectibles:		
Accounts	1,283,518	712,307
Other	53,586	292,528
Prepaid expenses	-	1,225
Capital assets	36,172,476	34,223,977
Accumulated depreciation	(7,440,192)	(5,771,382)
Net pension asset - defined benefit plan	-	1,598,289
Net pension asset - hybrid plan	16,966	453,612
	39,139,528	40,313,166
Deferred Outflows of Resources:		
Pension related deferred outflows - defined benefit plan	1,855,008	1,011,582
Pension related deferred outflows - hybrid plan	217,825	163,631
	2,072,833	1,175,213
	41,212,361	41,488,379
Liabilities:		
Current Liabilities:		
Accounts payable	18,715	44,814
Accrued payroll and taxes	202,490	202,464
Deposits	13,094	6,472
	234,299	253,750
Non-current Liabilities:		
Compensated absences	300,780	287,580
Net pension liability - defined benefit plan	264,355	-
	565,135	287,580
	799,434	541,330
Deferred Inflows of Resources:		
Pension related deferred inflows - defined benefit plan	101,896	1,181,212
Pension related deferred inflows - hybrid plan	16,672	152,622
	118,568	1,333,834
Net Position:		
Net investment in capital assets	28,732,284	28,452,595
Restricted for:		
Pensions	16,966	2,051,901
Impact fees	392,666	578,046
Capital projects	1,174,987	2,097,900
Unrestricted	9,977,456	6,432,773
	40,294,359	39,613,215

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

Roaring Fork Fire Rescue Authority
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended 2022)

	2023	2022
		(as restated)
Operating Revenues:		
Charges for services	2,369,285	2,340,517
Transfers from Basalt Rural Fire Protection District	3,556,084	3,568,426
Transfers from Snowmass-Wildcat Fire Protection District	3,466,460	3,530,832
Wildfire contracts	212,240	279,230
EMS supplemental	92,472	76,860
Total Operating Revenues	9,696,541	9,795,865
Operating Expenses:		
Administration	1,776,659	1,630,109
Fire prevention	689,476	637,212
Operations	6,641,399	6,389,795
Vehicle maintenance and repair	380,285	344,163
Total Operating Expenses	9,487,819	9,001,279
Operating Income (Loss)	208,722	794,586
Non-operating Revenues (Expenses):		
Transfers from Snowmass-Wildcat Fire Protection District restricted for capital purposes	382,724	386,475
Interest and investment income	325,829	46,452
Grants and contributions	106,124	45,658
Special event income	31,960	20,340
Employee rentals	163,676	108,158
Gain (loss) on sale of capital assets	5,662	37,976
Other non-operating revenues	41,399	233,578
Pension revenue (expense) and changes in deferrals	(186,403)	439,165
Depreciation	(1,668,809)	(1,552,124)
Total Non-operating Revenues (Expenses)	(797,838)	(234,322)
Income (Loss) Before Capital Contributions	(589,116)	560,264
Capital Contributions:		
Contributed capital assets:		
Basalt Rural Fire Protection District	-	2,172,883
Contributed impact fees restricted for capital:		
Basalt Rural Fire Protection District	80,000	-
Contributed cash:		
Basalt Rural Fire Protection District	128,157	-
Snowmass-Wildcat Fire Protection District	1,062,103	-
Total Capital Contributions	1,270,260	2,172,883
Change in Net Position	681,144	2,733,147
Net Position - Beginning of Year (as restated)	39,613,215	36,880,068
Net Position - End of Year	40,294,359	39,613,215

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

Roaring Fork Fire Rescue Authority
Statement of Cash Flows
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended 2022)

	2023	2022
		(as restated)
Cash Flows From Operating Activities:		
Cash received from customers and others	2,341,728	2,078,266
Cash received from Basalt Rural Fire Protection District	3,556,084	3,568,426
Cash received from Snowmass-Wildcat Fire Protection District	3,466,460	3,530,832
Cash payments for goods and services	(2,951,269)	(3,007,144)
Cash payments to employees and for benefits	(6,548,197)	(6,198,903)
Net Cash Provided (Used) by Operating Activities	(135,194)	(28,523)
Cash Flows From Non-capital Financing Activities:		
Cash received from grants and contributions	106,124	45,658
Cash received from employee rentals	170,298	107,030
Cash received from special events	31,960	20,340
Other cash receipts	41,399	233,578
Net Cash Provided (Used) by Non-capital Financing Activities	349,781	406,606
Cash Flows From Capital and Related Financing Activities:		
Proceeds from sale of capital assets	5,662	37,976
Contributed cash	1,270,260	-
Transfers restricted for capital purposes	382,724	386,475
Cash paid for capital acquisitions	(1,948,498)	(1,030,552)
Net Cash Provided (Used) by Capital and Related Financing Activities	(289,852)	(606,101)
Cash Flows From Investing Activities:		
Interest income received	312,385	39,777
Cash received from sale of investments	1,131,606	105,636
Net Cash Provided (Used) by Investing Activities	1,443,991	145,413
Net Increase (Decrease) in Cash and Cash Equivalents	1,368,726	(82,605)
Cash and Cash Equivalents - Beginning of Year	7,684,448	7,767,053
Cash and Cash Equivalents - End of Year	9,053,174	7,684,448
Represented by Balance Sheet Captions:		
Cash and cash equivalents - Unrestricted	9,053,174	7,684,448
Cash and Cash Equivalents - End of Year	9,053,174	7,684,448
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	208,722	794,586
Adjustments:		
(Increase) decrease in accounts receivable	(332,269)	(618,341)
(Increase) decrease in prepaid expenses	1,225	9,150
Increase (decrease) in accounts payable	(26,098)	(147,705)
Increase (decrease) in accrued payroll	26	(58,766)
Increase (decrease) in compensated absences	13,200	(7,447)
Total Adjustments	(343,916)	(823,109)
Net Cash Provided (Used) by Operating Activities	(135,194)	(28,523)
Non-cash Investing, Capital, and Financing Activities:		
Contribution of capital assets	-	2,172,883

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



NOTES TO THE FINANCIAL STATEMENTS

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023

I. Summary of Significant Accounting Policies

Roaring Fork Fire Rescue Authority (the “Authority”) was formed December 18, 2017 pursuant to creating by an intergovernmental agreement between Basalt and Rural Fire Protection District and Snowmass-Wildcat Fire Protection District (the “parties”). The Authority is a separate legal entity whose boundaries cover the combined territory of the parties. Operations of both parties were combined under the Authority on January 1, 2019. At this time, all parties’ employees became employees of the Authority and all parties’ capital assets were transferred to the Authority along with the first quarterly installment to fund operations.

The Authority is governed by six appointed directors, who each cast one vote on matters that come before the board. Each party will appoint three directors. The purposes of the Authority are to provide fire rescue services on behalf of the parties, take assignment of all existing assets of the parties unless otherwise specifically exempt by the agreement, and to employ, supervise, and manage all employees and volunteers of the parties.

The Authority’s financial statements are prepared in accordance with generally accepted accounting principles (“GAAP”). The Governmental Accounting Standards Board (“GASB”) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the Authority are discussed below.

A. Reporting Entity

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

Based on the criteria above, the Authority is not financially accountable for any other entity nor is the Authority a component unit of any other government.

B. Fund Accounting

The Authority uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions and activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The Authority uses a proprietary fund-type, an enterprise fund, to account for its activity, providing fire protection services to residents within the Authority’s boundaries. Enterprise funds are used to account for operations (a) which are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Proprietary funds use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Financial Statement Presentation

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

D. Financial Statement Accounts and Accounting Policies

1. Cash, Cash Equivalents and Investments

For purposes of the Statements of Cash Flows, the Authority considers cash on hand, demand deposits, U.S. government obligations and other highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Investments are stated at fair value or net asset value. The change in value of investments is recognized as an increase or decrease to investment assets and investment income.

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts. At December 31, 2023, the Authority established an allowance for doubtful accounts in the amount of \$167,548 (2022 – \$72,989) to estimate uncollectible accounts.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts and Accounting Policies (continued)

4. Capital Assets

Capital assets, which include land, construction in progress, vehicles, equipment, buildings and improvements, are reported in the financial statements. The Authority defines capital assets as assets with an initial cost of \$5,000 or more. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

Each of the participating parties contributed their capital assets to the Authority at no cost to the Authority.

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

Vehicles, equipment, buildings and improvements, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Vehicles & Equipment	5 - 25
Buildings & Improvements	5 - 50

In the event of the dissolution of the Authority, the assets assigned to the Authority by each party will be returned to the assigning party. Assets acquired by the Authority and other financial assets will be liquidated and conveyed to each party in proportion to the total amounts paid to the Authority by each party during the term of the agreement.

5. Pensions

The Authority participates in the Statewide Defined Benefit Plan and the Statewide Hybrid Plan, both administered by the Fire and Police Pension Association of Colorado ("FPPA"). The Statewide Defined Benefit Plan is a cost-sharing multiple-employer defined benefit pension plan. The Statewide Hybrid Plan is comprised of two components: Defined Benefit and Money Purchase. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts and Accounting Policies (continued)

6. Compensated Absences

The Authority permits employees to accumulate earned but unused vacation time, subject to certain limits in amount. Accumulated, unpaid time is accrued when incurred in the statement of net position.

7. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial 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 Authority has two items that qualify for reporting in this category, which are the pension-related deferred outflow of the defined benefit pension plan and pension-related deferred outflow of the hybrid pension plan reported in the statement of net position.

In addition to liabilities, the statement of financial 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 an inflow of resources (revenue) until that time. The Authority has two items that qualify for reporting in this category, which are the pension-related deferred inflow of the defined benefit pension plan and pension-related deferred inflow of the hybrid pension plan reported in the statement of net position.

8. Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. 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 and increased by any unspent proceeds from related borrowings. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted.

9. Use of Estimates

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

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts and Accounting Policies (continued)

10. Restricted and Unrestricted Resources

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

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

In the fall of each year, the Authority's Board of Directors formally adopts a budget with appropriations for the ensuing year pursuant to the Colorado Local Budget Law. The budget is adopted on a non-GAAP basis and is reconciled to GAAP in Section E of this report. Expenditures may not legally exceed appropriations and all appropriations lapse at year-end.

As required by Colorado statutes, the Authority followed the required timetable noted below in preparing, approving, and enacting its budget for 2023:

1. The Authority submitted, on or before October 15, 2022, a recommended budget that detailed the necessary revenues to meet the Authority's operating requirements.
2. On or prior to December 31, 2022, after a required publication of "Notice of Budget" and a public hearing, the Authority adopted the proposed budget and a resolution that legally appropriated expenditures for the upcoming year.
3. After adoption of the budget resolution, the Authority may make the following changes: a) it may approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; b) it may approve emergency appropriations; and c) it may approve the reduction of appropriations for which originally estimated revenues are insufficient.

B. TABOR 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.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from state and local governments, are excluded from the provisions of TABOR. The Authority's management believes its operations qualify for this exclusion.

The Authority believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits and qualification as an enterprise, will require judicial interpretation.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

The Authority's deposits are entirely covered by the Federal Deposit Insurance Corporation ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures depositors up to \$250,000 for all accounts. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amounts of the Authority's cash and cash equivalents were \$6,534,628 as of December 31, 2023.

Interest Rate Risk. The Authority coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than two years from the purchase date. As a result of limited length of maturities the Authority has limited its interest rate risk.

Credit Risk. The Authority's investment policy limits investments to those authorized by State statutes. The Authority's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

The investment policy permits investments in the following types of obligations:

- U.S. Treasury Obligations – U.S. Treasury bills and notes. Federally insured mortgages and student loans.
- Shares of a local government surplus funds trust (Colorado Trust, Government Asset Pool) established under the provisions of 24-74-701, CRS, as amended.
- Money market funds authorized under CRS, 24-75-601.1(l)(k) and rated in the highest category by a nationally recognized rating agency.

Concentration of Credit Risk. According to the Authority's investment policy, the maximum amount deposited in any one local government surplus fund shall not exceed \$6,000,000.

At December 31, 2023, the Authority had the following cash and investments with the following maturities:

	December 31, 2023			
	Standard & Poors Rating	Carrying Amounts	Maturities	
			Less than one year	One to five years
<i>Deposits:</i>				
Checking	Not rated	5,823,082	5,823,082	-
Money market	Not rated	503,551	503,551	-
Government investment pools	AAAm	2,726,541	2,726,541	-
Total		9,053,174	9,053,174	-

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

The investment pool represents investments in the Colorado Government Liquid Asset Trust (“COLOTRUST”) which is a 2a7-like pool. The Authority has no regulatory oversight for the pool. At December 31, 2023 the Authority had \$2,726,541 in Colotrust. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The trust operates similarly to a money market fund, measured at net asset value, and each share is equal to \$1.00. Investments consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owed are held by the Federal Reserve Bank in an account maintained for the custodial bank.

Fair Value of Investments - The Authority measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

Unrealized gains / losses were \$0, which reflects the change in fair market value of investments. At December 31, 2023, the Authority had the following recurring measurements:

Investments Measured at Net Asset Value	Total
Colotrust	2,726,541

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

B. Capital Assets

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

	Beginning Balance	Additions	Decreases	Ending Balance
Capital assets, not being depreciated:	(as restated)			
Land	364,985	-	-	364,985
Construction in progress	-	23,633	-	23,633
Total capital assets, not being depreciated	364,985	23,633	-	388,618
Capital assets, being depreciated:				
Buildings & Improvements	26,220,092	1,498,944	-	27,719,036
Vehicles & Equipment	7,638,901	425,921	-	8,064,822
Total capital assets being depreciated	33,858,993	1,924,865	-	35,783,858
Less accumulated depreciation for:				
Buildings & Improvements	(2,911,047)	(790,006)	-	(3,701,053)
Vehicles & Equipment	(2,860,336)	(878,803)	-	(3,739,139)
Total accumulated depreciation	(5,771,383)	(1,668,809)	-	(7,440,192)
Total capital assets, being depreciated, net	28,087,610	256,056	-	28,343,666
Total capital assets, net	28,452,595	279,689	-	28,732,284

Fully depreciated assets totaled \$713,756 for the year ended December 31, 2023.

C. Long-Term Liabilities

Long-term liabilities activity for the year ended December 31, 2023 was as follows:

	1/1/23 Beginning Balance	Additions	Reductions	12/31/23 Ending Balance	Due Within One Year
Compensated absences	287,580	13,200	-	300,780	-
Net pension liabilities/(assets):					
Defined benefit plan	(1,598,289)	1,862,644	-	264,355	-
Total	(1,310,709)	1,875,844	-	565,135	-

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

1. FPPA Statewide Defined Benefit Plan

Plan Description. The Plan is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (“New Hires”), provided they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The plan became effective January 1, 1980. As of January 1, 2023, Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan (SRP) and the Statewide Defined Benefit Plan becomes the Defined Benefit Component of the Statewide Retirement Plan.

The plan assets are included in the Fire & Police Members’ Benefit Investment Fund and the Fire & Police Members’ Self-Director Investment Fund (for Deferred Retirement Option Plan (“DRO”) assets and Separate Retirement Account assets from eligible retired members).

The plan is administered by the Fire & Police Members’ Benefit Investment Fund and the Fire & Police Pension Association of Colorado (“FPPA”). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA’s website at <http://FPPAco.org>.

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 the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5% annually through 2022 to a total of 12.0% of pensionable earnings. Employer contributions increase 0.5% annually beginning in 2021 through 2030 to a total of 13.0% of pensionable earnings. In 2022, members of SWDB plan and their employers are contributing at a rate of 12.0% and 9.0%, respectively, of base salary for a total contribution rate of 21.0%.

Contributions from members and employers of plans reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Contributions (continued). The contribution rate for members and employers of affiliated social security employers is 6.0% and 4.5%, respectively, of pensionable earnings for a total contribution rate of 10.5% in 2021. Per the 2014 member election, members of the affiliated social security group had their required member contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6% of pensionable earnings. Employer contributions will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of pensionable earnings.

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

The annual normal retirement benefit is 2.0% of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0.0% to the higher of 3.0% or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Net Pension Liability. At December 31, 2023, the Authority reported \$264,355 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. The Authority's proportionate share of the net pension liability was based on Authority's contributions to the Plan for the calendar year 2022 relative to the total contributions of participating employers to the Plan.

At December 31, 2023, the Authority's proportionate share was 0.297827%, as compared to 0.294923% at December 31, 2022.

For the year ended December 31, 2023, the Authority recognized pension income of \$60,099. At December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	572,235	32,448
Changes of assumptions or other inputs		-
Net difference between projected and actual earnings on pension plan investments	338,673 598,225	-
Difference between actual and reported contributions recognized	-	649
Changes in proportionate share of contributions	93,552	68,799
Contributions subsequent to the measurement date	252,323	-
Total	1,855,008	101,896

Contributions subsequent to the measurement date of December 31, 2022, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction/(increase) of the net pension liability/(asset) in the year ended December 31, 2024.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Net Pension Liability (continued). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:	
2024	137,318
2025	252,181
2026	361,756
2027	501,972
2028	111,783
Thereafter	135,779
	1,500,789

Actuarial Assumptions. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs:

	Total Pension Liability	Actuarially Determined Contributions
Actuarial Valuation Date	January 1, 2023	January 1, 2022
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate*	7.0%	7.0%
Projected Salary Increases	4.25% to 11.25%	4.25% to 11.25%
Cost of Living Adjustments	0.0%	0.0%
* Includes Inflation at	2.5%	2.5%

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

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5%).

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

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	35%	8.93%
Equity Long/Short	6%	7.47%
Illiquid Alternatives	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 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 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.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Discount Rate. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.0%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.0%.

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

	1% Decrease (6.0%)	Assumption (7.0%)	1% Increase (8.0%)
Collective pension liability/(asset)	611,906,660	88,760,968	(344,572,997)
Proportionate share of net pension liability/(asset)	1,822,421	264,355	(1,026,230)

Pension plan fiduciary net position. Detailed information about the Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at http://www.fppaco.org/annual_reports.htm.

Collective Pension Expense for the Plan Year Ended December 31, 2022

Service Cost	412,891
Interest on the Total Pension Liability	714,527
Current-Period Benefit Changes	18,290
IRC 414(h)(2) Employer-paid Member Contributions	(310,301)
Member Purchases of Service Credit	(72,080)
Projected Earnings on Plan Investments	(820,657)
Pension Plan Administrative Expense	15,723
Other Changes in Plan Fiduciary Net Position	(21)
Recognition of Outflow of Resources due to Liabilities	170,808
Recognition of Outflow of Resources due to Assets	80,172
Total Pension Plan Expense	209,352

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan

Plan Description. The Statewide Hybrid Plan (SWH) was established January 1, 2004 as a cost-sharing multiple-employer pension plan covering full-time firefighters and police officers from departments that elect coverage. The Plan may also cover clerical staff, other fire district personnel whose services are auxiliary to fire protection, or chiefs who have opted out of the Statewide Defined Benefit Plan. As of January 1, 2023, the Statewide Hybrid Plan and Statewide Defined Benefit Plan have merged to form the Statewide Retirement Plan (SRP) and the Statewide Hybrid Plan becomes the Hybrid Component of the Statewide Retirement Plan.

The SWH is comprised of two components: Defined Benefit and Money Purchase. With the latter component, members have the option of choosing among various investment options offered by an outside investment manager. Employers may not withdraw from the Plan once affiliated.

The Plan assets associated with the Defined Benefit Component are included in the Fire & Police Members' Benefit Investment Fund and the Plan assets associated with the Money Purchase Component and Deferred Retirement Option Plan ("DROP") assets are included in the Fire & Police Members' Self-Directed Investment Fund.

Contributions. The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. The members of this Plan and their employers are currently each contributing at the rate determined by the individual employer, however, the rate for both employer and members must be at least 8.0% of the member's pensionable earnings. Effective January 1, 2023, the minimum required contribution rate for both employers and members will increase 0.125% annually through 2030 to reach a final minimum required contributions rate of 9% for both employers and members. The amount allocated to the Defined Benefit Component is set annually by the FPPA Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2021 through June 30, 2022 was 14.1%. The Defined Benefit Component contribution rate from July 1, 2022 through December 31, 2022 was 14.8%. Effective January 1, 2023 the Defined Benefit Component contribution rate is set at 13.9%.

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

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

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan (continued)

The annual normal pension of the Defined Benefit Component is 1.5% of the average of the member's highest three years' pensionable earnings for each year of credited service. For service credit granted through December 31, 2022, the benefit factor used to calculate the member's retirement benefit is 1.9% of the average of the member's highest three years' pensionable earnings. This change in benefit factor was also applied to retired members effective January 1, 2023 as part of the formation of the Statewide Retirement Plan. Benefits paid to retired members of the Defined Benefit Component are evaluated and may be re-determined annually on October 1. The amount of any increase is based on the Board's discretion.

A member is eligible for early retirement within the Defined Benefit Component after attainment of age 50 with at least five years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, a member may elect to have all contributions, along with 5% as interest, returned as a lump sum distribution from the Defined Benefit Component. Alternatively, a member with at least five years of accredited service may leave contributions with the Defined Benefit Component of the Plan and remain eligible for a retirement pension at age 55 equal to 1.5% of the average of the member's highest three years' pensionable earnings for each year of credited service.

Net Pension Liability. At December 31, 2023, the Authority reported \$16,966 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2022, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2023. The Authority's proportionate share of the net pension asset was based on Authority's contributions to the Plan for the calendar year 2022 relative to the total contributions of participating employers to the Plan.

At December 31, 2023, the Authority's proportionate share was 1.163257%, as compared to 1.196242% at December 31, 2022.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan (continued)

For the year ended December 31, 2023, the Authority recognized pension expense of \$246,502. At December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	74,630	-
Changes of assumptions or other inputs	19,401	-
Net difference between projected and actual earnings on pension plan investments	69,240	-
Changes in proportionate share of contributions	32,497	16,672
Contributions subsequent to the measurement date	22,057	-
Total	217,825	16,672

Contributions subsequent to the measurement date of December 31, 2022, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction/(increase) of the net pension liability/(asset) in the year ended December 31, 2024.

Net Pension Liability (continued). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:

2024	46,391
2025	35,458
2026	37,281
2027	50,188
2028	7,750
Thereafter	2,028
	<u>179,096</u>

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan (continued)

Actuarial Assumptions. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs:

	<u>Total Pension Liability</u>	<u>Actuarially 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*	7.0%	7.0%
Projected Salary Increases	4.25% to 11.25%	4.25% to 11.25%
Cost of Living Adjustments	0.0%	0.0%
* Includes Inflation at	2.5%	2.5%

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5%).

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan (continued)

Actuarial Assumptions (continued). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Global Equity	35%	8.93%
Equity Long/Short	6%	7.47%
Illiquid Alternatives	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	<u>100%</u>	

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 Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWH Defined Benefit Component plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.0%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.0%.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

III. Detailed Notes on All Funds (continued)

D. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Hybrid Plan (continued)

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

	1% Decrease (6.0%)	Assumption (7.0%)	1% Increase (8.0%)
Collective pension liability/(asset)	11,012,799	(1,458,447)	(11,920,749)
Proportionate share of net pension liability/(asset)	128,107	(16,966)	(138,669)

Pension plan fiduciary net position. Detailed information about the Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at http://www.fppaco.org/annual_reports.htm.

Collective Pension Expense for the Plan Year Ended December 31, 2022

Service Cost	21,421
Interest on the Total Pension Liability	63,585
Current-Period Benefit Changes	245,511
IRC 414(h)(2) Employer-paid Member Contributions	(10,270)
Member Purchases of Service Credit	(23,842)
Projected Earnings on Plan Investments	(94,528)
Pension Plan Administrative Expense	1,700
Recognition of Outflow of Resources due to Liabilities	43,113
Recognition of Outflow of Resources due to Assets	9,358
Total Pension Plan Expense	256,048

IV. Other Information

A. Retirement Plans

1. FPPA Statewide Death and Disability Plan

Plan Description. The Statewide Death and Disability Plan ("SWDD") is a cost-sharing multiple-employer defined benefit death and disability plan covering full-time employees of substantially all fire and police departments in Colorado, administered by FPPA. As of August 5, 2003, the Plan may include part-time police and fire employees. Contributions to the SWDD are used for the payment of death and disability benefits. Employers who are covered by Social Security may elect supplementary coverage by the Plan. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Defined Benefit System and the SWDD. The SWDD was established in 1980 pursuant to the Colorado Revised Statutes.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

IV. Other Information (continued)

A. Retirement Plans (continued)

1. FPPA Statewide Death and Disability Plan (continued)

The Plan assets are included in the Fire & Police Members' Benefit Investment Fund Long-Term Pool. The Long-Term Pool is designed primarily for open plans with a longer time horizon, higher risk tolerance, and lower liquidity needs. The investment return assumption is 7%.

SWDD benefits provide 24-hour coverage, both on- and off-duty for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase plan.

In the case of an on-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire, but were still working. Death and disability benefits are free from state and federal taxes in the event that a member's disability is determined to be the result of an on-duty injury or an occupational disease.

Funding Policy. Prior to 1997, the SWDD was primarily funded by the State of Colorado (the "State"), whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of \$39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. During 2022, C.R.S. 31-31-811 was amended to provide additional payments from the State to the Plan on July 1, 2022 and July 1, 2023 of \$6,650,000 each.

Members hired on or after January 1, 1997, began contributing 2.4% of base salary to the SWDD as of January 1, 1997. Effective January 1, 2022, the contribution rate increased to 3.2% of base salary and may be increased 0.2% annually by the FPPA Board. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The contribution may be paid entirely by the Authority or member, or it may be split between the Authority and the member as determined at the local level. The Authority paid \$109,339 on-behalf of members to the SWDD in 2023.

FPPA issues a publicly available comprehensive annual financial report which includes additional information on the Statewide Death and Disability Plan. That report can be obtained at <https://www.fppaco.org/annual-reports.html>.

2. FPPA Section 457 Deferred Compensation Plan

The Authority adopted an IRC Section 457 deferred compensation plan administered by the Fire and Police Pension Association of Colorado ("FPPA"). Participants may defer up to the lesser of \$19,500 or 100% of the participant's includable compensation. Participants over age 50 are eligible to contribute more than the \$19,500 limit due to a catch-up provision in the plan. The Authority is neither the trustee nor the administrator and has no liability under the plan. The Authority contributed \$99,410 in 2023.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

IV. Other Information (continued)

A. Retirement Plans (continued)

3. Defined Contribution Money Purchase Retirement Plan

The Authority adopted the Roaring Fork Fire Rescue Authority Defined Contribution Money Purchase Retirement Plan and Trust (the "Trust") On January 1, 2019. This Trust is administered by ICMA. All non-responder personnel of the Authority are eligible to participate in the plan. The contribution rate for members is 8% of covered salaries, and for the Authority is 15% of covered salaries. For members that are grandfathered into FPPA plans, the Authority contribution rate ranges from 3% to 7%. The plan vests 20% after each year of service completed. Members are fully vested after 5 years of service are completed. The Authority contributed \$154,192 in 2023.

4. Fidelity Section 457 Deferred Compensation Plan

The Authority offers its non-responder personnel an additional voluntary deferred compensation plan created in accordance with IRC section 457 (the "457 Plan"). The plan is administered by Fidelity. All compensation deferred under the 457 Plan, together with all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for exclusive benefit of the participants and their designated beneficiaries. Compensation deferred under the 457 Plan is not available to participants until termination, retirement, death, or unforeseeable emergency.

Employees may elect to defer any percentage of their annual compensation, provided that the total annual contribution does not exceed limitations established by the Internal Revenue Service. The Authority does not contribute to this 457 plan.

5. Length of Service Award Program Volunteer Plan

In 2019, the Authority adopted a Length of Service Award Plan ("LOSAP") in accordance with exclusions listed under IRC section 457. All benefits earned under LOSAP, together with all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for exclusive benefit of the participants and their designated beneficiaries. The plan was established for the purpose of providing service awards to qualified volunteer firefighters and volunteer emergency medical technicians who do not participate in the FPPA Volunteer Pension Plan, as defined. Annually, the Authority determines eligible participants and amount of the service awards, although no award shall exceed \$3,000 for any given year of service. The Authority made contributions totaling \$0 to the plan for the year ended December 31, 2023, in accordance with established provisions.

The individual participants determine investment decisions within the LOSAP Plan and, therefore, the LOSAP Plan's investment concentration varies between participants. The Authority, as Trustee of the LOSAP Plan, has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the LOSAP Plan. Consequently, the LOSAP Plan is not part of the Authority's financial statements.

Roaring Fork Fire Rescue Authority
Notes to the Financial Statements
December 31, 2023
(continued)

IV. Other Information (continued)

B. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has acquired commercial coverage for these risks and claims, if any, are not expected to exceed the commercial insurance coverage.

The Authority participates in the Public Sector Health Care Group., currently with 13 local government members, for employee health and accident coverage. The plan self-insures up to \$65,000 per employee and carries commercial coverage for claims in excess of \$65,000.

C. Intergovernmental Agreements

1. Regional Emergency Dispatch Center

On January 1, 2019 the Authority entered into an intergovernmental agreement (IGA) with Pitkin County, the City of Aspen, Town of Snowmass Village, and the Town of Basalt, and the Special Districts of Aspen Fire Protection District, Aspen Ambulance District, and Carbondale and Rural Fire Protection District (the "Participating Members") for the operation, administration, and financial support of the Pitkin County Regional Emergency Dispatch Center (the "Center").

The Center is governed by a Communications Board comprised of individual Participating Members. The purpose of the Board is to provide representatives of the Participating Members with a means to offer advice, suggestions and recommendations to the Director and the County with respect to the operation and management of the Center to ensure the efficient operation of the Center. The Center will remain a department of Pitkin County.

The initial term of this IGA commenced on January 1, 2019, and is set to expire on December 31, 2023, with automatic five-year renewals. Annual operating costs of the Center including salaries, utilities, maintenance, insurance premiums and deductibles and any other expenses related to the operation and administration of the Center will be allocated to each Participating Member as set forth in the IGA.

During the year ended December 31, 2023, the Authority paid \$94,831 related to this agreement.

D. Restatement

The Authority has restated the beginning net position to correct overstated capital assets contributed from Basalt Rural Fire Protection District in 2022. The beginning net position has been decreased by \$151,910 to reflect this change.



REQUIRED SUPPLEMENTARY INFORMATION

Roaring Fork Fire Rescue Authority
Schedule of Authority's Proportionate Share of Net Pension Asset / Liability
Fire and Police Association of Colorado
Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Defined Benefit Plan:										
Authority's portion of the net pension liability/(asset)	0.297827%	0.294923%	0.284682%	0.294923%	0.337447%	0.335945%	0.328790%	0.306189%	0.280935%	0.232311%
Authority's proportionate share of the net pension liability/(asset)	\$ 264,355	\$ (1,598,289)	\$ (618,044)	\$ (170,591)	\$ 426,627	\$ (483,307)	\$ 118,805	\$ (5,396)	\$ 317,056	\$ 207,728
Authority's covered payroll	\$ 2,488,348	\$ 2,224,660	\$ 2,286,588	\$ 2,029,575	\$ 1,997,386	\$ 1,891,995	\$ 1,632,070	\$ 1,385,792	\$ 1,226,852	\$ 952,400
Authority's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	10.6%	-71.8%	-27.0%	-8.4%	21.4%	-25.5%	7.3%	-0.4%	25.8%	21.8%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	116.2%	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%	105.8%
Hybrid Plan:										
Authority's portion of the net pension liability/(asset)	1.163257%	1.196242%	1.174652%	1.201195%	1.103290%	1.237387%	1.246679%	1.685480%	1.765564%	1.574854%
Authority's proportionate share of the net pension liability/(asset)	\$ (16,966)	\$ (453,612)	\$ (323,090)	\$ (233,921)	\$ (152,292)	\$ (241,943)	\$ (135,704)	\$ (177,530)	\$ (209,392)	\$ (160,638)
Authority's covered payroll	\$ 214,137	\$ 202,530	\$ 199,510	\$ 191,687	\$ 176,647	\$ 189,204	\$ 161,220	\$ 221,963	\$ 218,556	\$ 203,741
Authority's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-7.9%	-224.0%	-161.9%	-122.0%	-86.2%	-127.9%	-84.2%	-80.0%	-95.8%	-78.8%
Plan fiduciary net position as a percentage of the total pension asset/(liability)	149.0%	149.0%	138.0%	130.1%	123.5%	138.9%	125.8%	129.4%	140.6%	139.0%

Roaring Fork Fire Rescue Authority
Schedule of Authority Contributions
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Defined Benefit Plan:										
Statutorily required contribution	\$ 217,950	\$ 217,950	\$ 188,072	\$ 182,927	\$ 162,366	\$ 160,390	\$ 150,455	\$ 136,101	\$ 113,095	\$ 86,331
Contributions in relation to the statutorily required contribution	(217,950)	(217,950)	(188,072)	(182,927)	(162,366)	(160,390)	(150,455)	(136,101)	(113,095)	(86,331)
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	\$ 2,488,348	\$ 2,488,348	\$ 2,224,660	\$ 2,286,588	\$ 2,029,575	\$ 1,997,386	\$ 1,891,995	\$ 1,632,070	\$ 1,385,792	\$ 1,226,852
Contributions as a percentage of covered payroll	8.8%	8.8%	8.5%	8.0%	8.0%	8.0%	8.0%	8.3%	8.2%	7.0%

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Hybrid Plan:										
Statutorily required contribution	\$ 214,137	\$ 214,137	\$ 202,530	\$ 199,510	\$ 191,687	\$ 176,647	\$ 189,204	\$ 161,220	\$ 221,963	\$ 218,556
Contributions in relation to the statutorily required contribution	(21,414)	(21,414)	(20,253)	(19,951)	(19,169)	(17,584)	(18,920)	(16,122)	(22,196)	(21,855)
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	\$ 214,137	\$ 214,137	\$ 202,530	\$ 199,510	\$ 191,687	\$ 176,647	\$ 189,204	\$ 161,220	\$ 221,963	\$ 218,556
Contributions as a percentage of covered payroll	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%

Roaring Fork Fire Rescue Authority
Notes to the Required Supplementary Information
December 31, 2023

I. Schedule of Authority's Proportionate Share of the Net Pension Liability/(Asset) – Statewide Defined Benefit Plan and Hybrid Plan

A. Changes to assumptions or other inputs

1. Changes Since the January 1, 2022 Actuarial Valuation are as Follows:

- No changes.

2. Changes Since the January 1, 2021 Actuarial Valuation are as Follows:

- No changes.

3. Changes Since the January 1, 2020 Actuarial Valuation are as Follows:

- No changes.

4. Changes Since the January 1, 2019 Actuarial Valuation are as Follows:

- No changes.

5. Changes Since the January 1, 2018 Actuarial Valuation are as Follows:

- For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.
- For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

6. Changes Since the January 1, 2017 Actuarial Valuation are as Follows:

- No changes.

7. Changes Since the January 1, 2016 Actuarial Valuation are as Follows:

- No changes.

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

Roaring Fork Fire Rescue Authority
Notes to the Required Supplementary Information
December 31, 2023
(continued)

I. Schedule of Authority's Proportionate Share of the Net Pension Liability/(Asset) – Statewide Defined Benefit Plan and Hybrid Plan (continued)

A. Changes to assumptions or other inputs (continued)

8. Changes Since the January 1, 2015 Actuarial Valuation are as Follows:

- Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except that is a three year set-forward, meaning a disabled member age 70 will be valued as if they were a 73 year old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

9. Changes Since the January 1, 2014 Actuarial Valuation are as Follows:

- For determining the total pension liability, the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB are used.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms

No changes during the years presented.

II. Notes to the Schedule of Authority Contributions – Statewide Defined Benefit Plan and Hybrid Plan

A. Changes to assumptions or other inputs

No changes during the years presented.

B. Changes of benefit terms.

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

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



SUPPLEMENTARY INFORMATION

Roaring Fork Fire Rescue Authority
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended 2022)

	2023			Final Budget	2022
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Charges for services	1,150,000	1,187,000	2,369,285	1,182,285	2,340,517
Interest and investment income	25,000	280,000	325,829	45,829	46,452
Grants and contributions	136,195	55,500	106,124	50,624	45,658
Special event income	20,000	30,000	31,960	1,960	20,340
Employee rentals	155,000	163,600	163,676	76	108,158
Wildfire income	75,000	210,000	212,240	2,240	279,230
EMS supplemental	95,000	92,000	92,472	472	76,860
Gain (loss) on sale of capital assets	-	-	5,662	5,662	37,976
Other	45,000	30,000	41,402	11,402	233,578
Transfers from Basalt Rural Fire Protection District	3,600,000	3,600,000	3,556,084	(43,916)	3,568,426
Transfers from Snowmass-Wildcat Fire Protection District	3,820,000	3,834,300	3,849,184	14,884	3,917,307
Contributed cash	-	1,112,260	1,270,260	158,000	-
Total Revenues	<u>9,121,195</u>	<u>10,594,660</u>	<u>12,024,178</u>	<u>1,429,518</u>	<u>10,674,502</u>
Expenditures:					
Administration:					
Salaries	885,048	926,048	899,791	26,257	826,982
Payroll taxes	14,546	14,546	12,944	1,602	13,450
Health benefits	304,500	360,500	306,542	53,958	279,417
Pension benefits	138,876	138,876	141,223	(2,347)	130,416
Workmen's compensation	115,000	115,000	91,651	23,349	84,291
Public relations	7,500	7,500	6,612	888	7,086
Office expenses	74,000	94,000	91,976	2,024	100,244
Fees	143,000	171,000	167,407	3,593	154,310
Wildland mitigation	20,000	72,530	72,000	530	18,000
Subtotal - Administration	<u>1,702,470</u>	<u>1,900,000</u>	<u>1,790,146</u>	<u>109,854</u>	<u>1,614,196</u>
Fire Prevention:					
Salaries	473,277	495,277	484,183	11,094	436,386
Payroll taxes	7,505	8,505	7,400	1,105	6,593
Health benefits	93,436	93,436	92,752	684	92,352
Pension benefits	69,400	74,182	69,669	4,513	64,400
Public relations	7,000	7,000	3,675	3,325	4,816
Office expenses	5,100	5,100	3,785	1,315	5,225
Equipment	42,500	42,500	19,401	23,099	19,448
Subtotal - Fire Prevention	<u>698,218</u>	<u>726,000</u>	<u>680,865</u>	<u>45,135</u>	<u>629,220</u>
Operations:					
Salaries	3,282,022	3,323,199	3,325,647	(2,448)	3,154,260
Payroll taxes	66,747	66,747	66,920	(173)	63,051
Health benefits	547,396	547,396	479,993	67,403	456,877
Pension benefits	465,326	473,326	465,537	7,789	412,064
Communications	170,500	170,500	159,230	11,270	197,247
Rent	36,000	36,000	34,463	1,537	31,143
Building maintenance	133,000	133,000	123,014	9,986	184,580
Utilities	228,500	228,500	203,874	24,626	203,078
Benefits	164,000	164,000	105,275	58,725	135,186
Repair and maintenance	140,000	193,000	219,599	(26,599)	156,373
Equipment and supplies	322,200	353,200	315,942	37,258	254,971
Staff development	238,800	238,800	121,386	117,414	244,189
COVID-19 direct expenses	-	-	15,091	(15,091)	54,993
Subtotal - Operations	<u>5,794,491</u>	<u>5,927,668</u>	<u>5,635,971</u>	<u>291,697</u>	<u>5,548,012</u>

(continued)

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

Roaring Fork Fire Rescue Authority
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended 2022)
(Continued)

	2023			2022	
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Expenditures (continued):					
Vehicle Maintenance and Repair:					
Salaries	94,510	96,510	89,408	7,102	84,594
Payroll taxes	1,570	1,570	1,462	108	1,405
Health benefits	12,972	12,972	13,818	(846)	13,400
Pension benefits	14,278	14,278	12,484	1,794	12,752
Repair and maintenance	140,000	167,000	165,708	1,292	150,464
Equipment and supplies	67,000	74,000	92,775	(18,775)	77,957
Subtotal - Vehicle Maintenance and Repair	<u>330,330</u>	<u>366,330</u>	<u>375,655</u>	<u>(9,325)</u>	<u>340,572</u>
Other:					
Capital outlay	1,313,500	2,110,000	1,948,498	161,502	1,030,552
Subtotal - Other	<u>1,313,500</u>	<u>2,110,000</u>	<u>1,948,498</u>	<u>161,502</u>	<u>1,030,552</u>
Total Expenditures	<u>9,839,009</u>	<u>11,029,998</u>	<u>10,431,135</u>	<u>598,863</u>	<u>9,162,552</u>
Excess (Deficiency) of Revenues Over Expenditures	(717,814)	(435,338)	1,593,043	2,028,381	1,511,950
Funds Available - Beginning of Year	<u>9,597,732</u>	<u>11,838,500</u>	<u>11,838,500</u>	-	<u>10,326,550</u>
Funds Available - End of Year	<u>8,879,918</u>	<u>11,403,162</u>	<u>13,431,543</u>	<u>2,028,381</u>	<u>11,838,500</u>
Reconciliation to GAAP Basis:					
Excess (deficiency) of revenues over expenditures			1,593,043		1,511,950
Contributed capital assets			-		2,172,883
Depreciation			(1,668,809)		(1,552,124)
Provision for uncollectible income			(991,985)		(876,726)
Pension expense and change in deferrals			(186,403)		439,165
Capitalized assets			1,948,498		1,030,552
Change in compensated absences			(13,200)		7,447
Change in Net Position - GAAP Basis			<u>681,144</u>		<u>2,733,147</u>

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