

**WEST ROUTT FIRE PROTECTION DISTRICT**

Financial Statements

December 31, 2024

# WEST ROUTH FIRE PROTECTION DISTRICT

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## Independent Auditor's Report

The Board of Directors  
West Routt Fire Protection District  
Routt County, Colorado

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and major fund of the West Routt Fire Protection District (the District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with U.S. generally accepted accounting principles (GAAP).

#### ***Basis for Opinions***

We conducted our audit in accordance with U.S. generally accepted auditing standards (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 District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

In performing an audit in accordance with GAAS, we:

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

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

### **Report on Summarized Comparative Financial Information**

We have previously audited the District's December 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 8, 2024. In our opinion, the summarized comparative financial information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Required Supplementary Information**

GAAP requires that the General Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual on page 26, and the defined benefit pension plan schedules on pages 27-31 as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted Management's Discussion and Analysis that GAAP requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

*Catterson + Company, P.C.*

Steamboat Springs, Colorado  
July 11, 2025

**WEST ROUTT FIRE PROTECTION DISTRICT**  
**Statement of Net Position**  
**December 31, 2024**  
(with summarized financial information as of December 31, 2023)

	<u>2024</u>	<u>2023</u>
	Governmental Activities	Governmental Activities
<b>Assets:</b>		
Cash	\$ 1,125,661	\$ 743,097
Accounts receivable, net	46,625	54,151
Due from other governments	6,841	4,947
Prepaid expenses	53,016	51,808
Property taxes receivable	1,255,409	1,235,740
Other assets	10,878	8,350
Capital assets, net	1,596,350	1,697,732
Net pension assets:		
Agent employer defined benefit plan	1,344,843	1,108,677
<b>Total assets</b>	<b>5,439,623</b>	<b>4,904,502</b>
<b>Deferred Outflows of Resources:</b>		
Deferred outflows related to pensions	651,354	773,613
<b>Total deferred outflows of resources</b>	<b>651,354</b>	<b>773,613</b>
<b>Liabilities:</b>		
Accounts payable and accrued expenses	41,995	23,099
Accrued interest payable	10,636	11,954
Noncurrent liabilities:		
Due within one year:		
Lease purchase obligations	78,318	75,809
Compensated absences	9,598	-
Due in more than one year:		
Lease purchase obligations	461,571	539,890
Net pension liability:		
Cost-sharing defined benefit plan	-	31,218
<b>Total liabilities</b>	<b>602,118</b>	<b>681,970</b>
<b>Deferred Inflows of Resources:</b>		
Deferred property taxes	1,255,409	1,235,740
Deferred inflows related to pensions	216,533	278,507
<b>Total deferred inflows of resources</b>	<b>1,471,942</b>	<b>1,514,247</b>
<b>Net Position:</b>		
Net investment in capital assets, net of debt	1,056,461	1,082,033
Restricted for:		
Emergencies	50,105	44,887
Scholarships	4,797	5,324
Pensions	1,779,664	1,603,783
Unrestricted	1,125,890	745,871
<b>Total net position</b>	<b>\$ 4,016,917</b>	<b>\$ 3,481,898</b>

See accompanying notes to the financial statements.

**WEST ROUNT FIRE PROTECTION DISTRICT**  
**Statement of Activities**  
**For the Year Ended December 31, 2024**  
(with summarized financial information for the year ended December 31, 2023)

Functions/Programs	2024			Net (Expense) Revenue and Change in Net Position	2023 Net (Expense) Revenue and Change in Net Position
	Expenses	Program Revenues			
		Charges for Services	Capital Grants and Contributions		
<b>Governmental activities:</b>					
Fire	\$ 95,379	\$ 107,022	\$ -	\$ 11,643	\$ 3,989
EMS	532,446	137,480	16,200	(378,766)	(303,768)
Administration	415,922	-	-	(415,922)	(320,609)
Buildings and grounds	35,671	-	-	(35,671)	(60,449)
Unallocated depreciation	121,193	-	-	(121,193)	(124,866)
Interest on capital lease obligation	19,681	-	-	(19,681)	(22,152)
Pension expense (revenue)	(83,572)	-	-	83,572	58,961
Total governmental activities	<u>\$ 1,136,720</u>	<u>\$ 244,502</u>	<u>\$ 16,200</u>	<u>(876,018)</u>	<u>(768,894)</u>
<b>General revenues:</b>					
Taxes:					
Property				1,324,764	1,112,833
Specific ownership				76,763	78,186
Other				9,510	11,770
Total general revenues				<u>1,411,037</u>	<u>1,202,789</u>
Change in net position				535,019	433,895
Net position, beginning of year				<u>3,481,898</u>	<u>3,048,003</u>
Net position, end of year				<u>\$ 4,016,917</u>	<u>\$ 3,481,898</u>

See accompanying notes to the financial statements.

**WEST ROUTH FIRE PROTECTION DISTRICT**  
**General Fund**  
**Balance Sheet**  
**December 31, 2024**  
(with summarized financial information as of December 31, 2023)

	2024	2023
<b>Assets:</b>		
Cash	\$ 1,125,661	\$ 743,097
Accounts receivable, net	46,625	54,151
Due from other governments	6,841	4,947
Prepaid expenses	53,016	51,808
Property taxes receivable	1,255,409	1,235,740
Other assets	10,878	8,350
Total assets	\$ 2,498,430	\$ 2,098,093
<b>Liabilities, deferred inflows of resources, and fund balances:</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 41,995	\$ 23,099
Total liabilities	41,995	23,099
<b>Deferred inflows of resources:</b>		
Deferred property taxes	1,255,409	1,235,740
Total deferred inflows of resources	1,255,409	1,235,740
<b>Fund balances:</b>		
Non-spendable	53,016	51,808
Restricted for:		
Emergencies	50,105	44,887
Scholarships	4,797	5,324
Unassigned	1,093,108	737,235
Total fund balances	1,201,026	839,254
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,498,430	\$ 2,098,093

See accompanying notes to the financial statements.

**WEST ROUTT FIRE PROTECTION DISTRICT**  
**Reconciliation of the General Fund Balance Sheet**  
**to the Statement of Net Position**  
**December 31, 2024**

General fund balance	\$	1,201,026
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore are not reported as assets in the general fund.		1,596,350
Net pension assets are not financial resources and, therefore are not reported as assets in the general fund.		1,344,843
Long-term liabilities are not due and payable in the current period and, therefore are not reported as liabilities in the general fund. Long-term liabilities and related deferred items consist of:		
Compensated absences		(9,598)
Lease purchase obligations		(539,889)
Accrued interest payable		(10,636)
Net pension liabilities		-
Deferred outflows related to pension		651,354
Deferred inflows related to pension		(216,533)
		(216,533)
Governmental activities net position	\$	4,016,917

See accompanying notes to the financial statements.

**WEST ROUTT FIRE PROTECTION DISTRICT**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended December 31, 2024**  
**(with summarized financial information for the year ended December 31, 2023)**

	2024	2023
<b>Revenues:</b>		
Taxes:		
Property	\$ 1,324,764	\$ 1,112,833
Specific ownership	76,763	78,186
Charges for services:		
Ambulance, net of allowance of \$146,830 and \$170,221, respectively	137,480	158,563
Fire protection	-	3,158
Emergency, fire and ambulance for coal mine	107,022	131,734
Grants	16,200	-
Other	9,510	11,770
Total revenues	1,671,739	1,496,244
<b>Expenditures:</b>		
Fire	95,379	130,903
EMS	532,446	462,331
Administration	465,831	368,944
Buildings and grounds	35,671	60,449
Capital outlay	19,811	109,551
Volunteer pension plan contribution	64,021	57,718
Debt service:		
Principal	75,809	73,381
Interest	20,999	23,428
Total expenditures	1,309,967	1,286,705
Change in fund balance	361,772	209,539
Fund balance, beginning of year	839,254	629,715
Fund balance, end of year	\$ 1,201,026	\$ 839,254

See accompanying notes to the financial statements.

**WEST ROUTH FIRE PROTECTION DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in**  
**General Fund Balance to the Statement of Activities**  
**For the Year Ended December 31, 2024**

Change in general fund balance	\$	361,772
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>The general fund reports capital outlays as expenditures; however, they are capitalized and depreciated in the statement of activities.</p>		(101,382)
<p>In the general fund, expenditures for the defined benefit pension plans are measured by the amount of financial resources used, whereas in the statement of activities, they are measured as the liability is accrued according to actuarial estimates. This is the amount the net pension asset, net pension liability and related deferred inflows and outflows changed in the current year.</p>		207,099
<p>The issuance of long-term debt provides current financial resources to the general fund, while the repayment of principal of long-term debt consumes the current financial resources of the general fund. Neither transaction, however, has any effect on net position:</p>		
Principal repayments on lease purchase obligation		75,810
Accrued interest payable		1,318
Compensated absences		(9,598)
		(9,598)
Change in net position of governmental activities	\$	535,019

See accompanying notes to the financial statements.

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 1: Summary of Significant Accounting Policies**

The West Routt Fire Protection District (the District) was incorporated in Routt County, Colorado as a local government entity under Colorado Revised Statutes (CRS) to provide fire protection and ambulance services to western Routt County, Colorado.

The District's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for the establishment of GAAP in governmental entities. The following summary of the more significant accounting policies of the District is presented to assist the reader in interpreting these financial statements and should be viewed as an integral part of this report.

*Reporting Entity*

The reporting entity consists of (a) the primary government, i.e., the District, and (b) organizations for which the District is financially accountable. The District does not have any component units for which it is financially accountable.

*Measurement Focus and Basis of Accounting*

The government-wide financial statements use a flow of economic resources measurement focus to determine net income and financial position. The accounting principles used are similar to those applicable to businesses in the private sector and maintained on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Governmental fund financial statements use a current financial resources measurement focus and are maintained on the modified accrual basis of accounting. Revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the current period. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues collected within 60 days after year end to be available and thus recognizes them as revenues in the current year. Ambulance charges for services are reported at the estimated net realizable amounts from transported persons, third party payers, and others for services rendered.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

*Financial Statement Presentation*

Government-wide Financial Statements

The statement of net position and the statement of activities report information about the nonfiduciary activities of the District. The District's primary activities are categorized as governmental activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are clearly identified with a specific program. Program revenues include (a) charges for services and (b) grants and contributions that are restricted for the operating or capital requirements of a specific program. All taxes and other revenues not meeting the criteria for classification as program revenues are reported as general revenues.

Fund Financial Statements

The fund financial statements report information about the District's funds.

The District reports the following major governmental fund:

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

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 1: Summary of Significant Accounting Policies (continued)**

*Fund Balance Presentation*

Fund balances of the governmental fund are classified as follows:

- Non-spendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.
- Committed – includes amounts that can be spent only for specific purposes pursuant to constraints imposed by formal action of the District. Such formal action may be in the form of an ordinance or resolution and may only be modified or rescinded by a subsequent formal action.
- Assigned – includes amounts that are intended by the District to be used for specific purposes but are neither restricted nor committed. Assignments may be made only by the Board of Directors.
- Unassigned – represents the residual positive balance within the General Fund, which has not been restricted, committed or assigned.

*Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position*

Cash

The District's cash includes cash on hand and demand deposits.

Accounts Receivable

The District's accounts receivable consists primarily of charges for ambulance services. The District estimates an allowance for uncollectible accounts based on review of trends in collection percentages and insurance coverage of the transported persons.

As of December 31, 2024 and 2023, the District's net accounts receivable was as follows:

	<u>2024</u>	<u>2023</u>
Accounts receivable	\$ 95,625	\$ 111,151
Allowance for uncollectible accounts	<u>(49,000)</u>	<u>(57,000)</u>
	<u>\$ 46,625</u>	<u>\$ 54,151</u>

Capital Assets

Capital assets include land, buildings, vehicles and equipment. Capital assets are defined by the District as assets with an initial individual cost of \$2,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

	<u>Years</u>
Buildings	40
Equipment	3-20
Vehicles	10-20

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 1: Summary of Significant Accounting Policies (continued)**

*Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)*

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until that time. The District's deferred outflows of resources relate to the recording of the net pension assets/liabilities.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District's deferred inflows of resources consist of unavailable revenues from property taxes and from the recording of the net pension assets/liabilities.

*Compensated Absences*

District policy allows full time employees to accumulate personal time off (PTO) up to a maximum of 40 days for administrative personnel or 960 hours for line personnel. Accumulated, unused PTO is disbursed to employees upon resignation or termination of employment at 33% of the accrued PTO.

*Property Taxes*

Property taxes are levied on December 15 of each year and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The Routt County Treasurer's office collects property taxes and remits collections to the District monthly. In accordance with GAAP, the assessed but uncollected property taxes have been recorded as receivable and as deferred inflows of resources as property taxes are assessed in one year as a lien on the property but not collected by the District until the subsequent year.

*Pensions*

For purposes of measuring the net pension assets/liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fire & Police Statewide Defined Benefit Plan (SWDB) and the Volunteer Firefighters' Pension Fund and additions to/deductions from each plan's fiduciary net position have been determined on the same basis as they are reported by the Fire & Police Pension Association of Colorado (FPPA). 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.

*Use of Estimates*

The preparation of financial statements in conformity with GAAP requires the District'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 expenses during the reporting period. Actual results could differ from those estimates.

*Comparative Financial Statements*

The financial statements include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the District's audited financial statements for the year ended December 31, 2023, from which the summarized information was derived.

**WEST ROUTT FIRE PROTECTION DISTRICT**  
**Notes to Financial Statements**  
**December 31, 2024**  
(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 2: Stewardship, Compliance and Accountability**

*Budgetary Information*

Annual budgets are adopted on a basis consistent with GAAP for the General Fund.

The District conforms to the following procedures, in compliance with CRS, Title 29, Article 1, in establishing the budgetary data reflected in the financial statements:

- Prior to October 15, the District's management submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted by the Board of Directors to obtain taxpayer comments.
- Prior to December 31, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level. Revisions that alter the total expenditures must be approved by the Board of Directors.
- All appropriations lapse at the end of each fiscal year.

The District did not adopt any supplemental appropriations during the year.

*Compliance*

The District did not have expenditures in excess of appropriations for the year ended December 31, 2024.

*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 tax spending, revenue and debt limitations that apply to the State of Colorado and all local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for allowable increases based upon inflation and local growth. Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue more than the fiscal year spending limit must be refunded unless the voters approve retention of such revenue.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR requires local governments to establish emergency reserves. These reserves must be at least 3% of fiscal year spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The District has reserved \$50,105 of the December 31, 2024 General Fund balance for this purpose.

The District's voters passed a ballot question in 1999 that permanently lifted TABOR restrictions on the amount of revenue that the District can collect and retain.

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

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 3: Cash**

*Deposits*

The carrying amount of the District's deposits as of December 31, 2024 and 2023 was \$1,125,660 and \$743,097, respectively, and bank balances were \$1,126,779 and \$745,554, respectively. Of the bank balances, \$500,000 at both December 31, 2024 and 2023 was covered by federal deposit insurance and \$626,779 and \$245,554, respectively, was uninsured but collateralized in accordance with provisions of the Colorado Public Deposit Protection Act (PDPA).

The PDPA requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit more than federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The collateral pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must equal or exceed 102% of the aggregate uninsured deposits.

**Note 4: Capital Assets**

Capital asset activity for the year ended December 31, 2024 is summarized below:

	Beginning Balance	Additions	Retirements	Ending Balance
<b>Governmental activities:</b>				
Land	\$ 62,040	\$ -	\$ -	\$ 62,040
Other capital assets:				
Buildings	1,048,182	-	-	1,048,182
Vehicles	2,328,781	-	-	2,328,781
Equipment	815,809	19,811	-	835,620
Total other capital assets at cost	<u>4,192,772</u>	<u>19,811</u>	<u>-</u>	<u>4,212,583</u>
Less accumulated depreciation for:				
Buildings	(693,730)	(19,201)	-	(712,931)
Vehicles	(1,232,168)	(79,104)	-	(1,311,272)
Equipment	(631,182)	(22,888)	-	(654,070)
Total accumulated depreciation	<u>(2,557,080)</u>	<u>(121,193)</u>	<u>-</u>	<u>(2,678,273)</u>
Other capital assets, net	<u>1,635,692</u>	<u>(101,382)</u>	<u>-</u>	<u>1,534,310</u>
Governmental activities capital assets, net	<u>\$ 1,697,732</u>	<u>\$ (101,382)</u>	<u>\$ -</u>	<u>\$ 1,596,350</u>

**WEST ROUTT FIRE PROTECTION DISTRICT**  
**Notes to Financial Statements**  
**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 5: Long-Term Liabilities**

The District has the following long-term liabilities outstanding as of December 31, 2024:

Equipment Lease Purchase Agreements

On January 26, 2017, the District entered into an \$860,696 equipment lease purchase agreement with Community First National Bank. Proceeds of the lease were used to purchase a rescue ladder truck which the District took delivery of in 2018. The original lease term expired December 31, 2017 and the District has fifteen optional annual renewal terms. If all renewal terms are exercised, the lease requires annual payments of \$75,330 including interest at 3.444% beginning June 1, 2018 through June 1, 2032.

On March 11, 2021, the District entered into a \$100,000 equipment lease purchase agreement with Community First National Bank. Proceeds of the lease, along with insurance recovery monies, are to be used to purchase a pumper truck to replace a truck impaired in December 2020. The original lease term expired December 31, 2021 and the District has four optional annual renewal terms. If all renewal terms are exercised, the lease requires annual payments of \$21,478 including interest at 3.00% through September 1, 2025.

Long-term liability activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Lease purchase obligations:</b>					
Lease purchase obligation (2017)	\$ 574,568	\$ -	\$ (55,542)	\$ 519,026	\$ 57,455
Lease purchase obligation (2021)	41,131	-	(20,268)	20,863	20,863
	<u>615,699</u>	<u>-</u>	<u>(75,810)</u>	<u>539,889</u>	<u>78,318</u>
<b>Other liabilities:</b>					
Compensated absences	-	9,598	-	9,598	9,598
	<u>-</u>	<u>9,598</u>	<u>-</u>	<u>9,598</u>	<u>9,598</u>
	<u>\$ 615,699</u>	<u>\$ 9,598</u>	<u>\$ (75,810)</u>	<u>\$ 549,487</u>	<u>\$ 87,916</u>

Aggregate debt service requirements of the equipment lease purchase obligations as of December 31, 2024, assuming future annual appropriation of lease purchase payments, is as follows:

	Principal	Interest	Total
2025	\$ 78,318	\$ 18,489	\$ 96,807
2026	59,433	15,897	75,330
2027	61,480	13,850	75,330
2028	63,598	11,732	75,330
2029	65,788	9,542	75,330
2030-2032	211,272	14,716	225,988
Total	<u>\$ 539,889</u>	<u>\$ 84,226</u>	<u>\$ 624,115</u>

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 6: Governmental Fund Balances**

The District has restricted fund balance as of December 31, 2024 for the following:

- Emergency reserve required by TABOR
- Donations restricted for scholarships

The District has no committed or assigned fund balances as of December 31, 2024.

When expenditures are incurred and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

**Note 7: Pension Plans**

*Fire and Police Statewide Defined Benefit Plan*

Plan Description

The SWDB is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the SWDB may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The SWDB became effective January 1, 1980.

Employers once had the option to elect to withdraw from the SWDB, but a change in state statutes permitted no further withdrawals after January 1, 1988.

CRS Title 31, Article 31 grants the authority to establish and amend the benefit terms to the FPPA Board of Directors. The FPPA issues a publicly available financial report that can be obtained at [www.fppaco.org](http://www.fppaco.org).

Benefits Provided

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

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

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 7: Pension Plans (continued)**

*Fire and Police Statewide Defined Benefit Plan (continued)*

Contributions

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

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increased 0.5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions increase 0.5% annually beginning in 2021 through 2023 to a total of 13.0% of pensionable earnings. In 2023, members of the SWDB plan and their employers are contributing at the rate of 12.0% and 9.5%, respectively, of pensionable earnings for a total contribution rate of 21.5%.

The contribution rate for members and employers of affiliated social security employers is 6.00% and 4.75%, respectively, of pensionable earnings for a total contribution rate of 10.75% in 2021. Per the 2014 member election, members of the affiliate social security group had their required 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.

Contributions to the SWDB from the District were \$59,506 and \$48,335, respectively, for the years ended December 31, 2024 and 2023.

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

As of December 31, 2024 and 2023, the District reported a liability (asset) of \$0 and \$31,218, respectively, for its proportionate share of the collective net pension asset of the SWDB. The net pension asset was measured as of December 31, 2023 and 2022, respectively, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The District's proportion of the net pension asset was based on the District's contributions to the SWDB for the years ended December 31, 2023 and 2022 relative to the total contributions of participating employers to the SWDB. As of December 31, 2023 and 2022, the District's proportion was 0.042932% and 0.035169%, respectively.

For the years ended December 31, 2024 and 2023, the District recognized pension expense (revenue) of \$31,925 and \$28,608, respectively. As of December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 81,761	\$ 3,928
Changes of assumptions or other inputs	47,425	-
Net difference between projected and actual investment earnings	58,697	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	885
Contributions subsequent to the measurement date	59,506	-
Total	<u>\$ 247,389</u>	<u>\$ 4,813</u>

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 7: Pension Plans (continued)**

*Fire and Police Statewide Defined Benefit Plan (continued)*

\$59,506 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,		
2024	\$	31,744
2025		48,087
2026		68,778
2027		10,797
2028		11,606
Thereafter		12,058
	\$	<u>183,070</u>

Actuarial Assumptions

The actuarial valuations for the SWDB were used to determine the total pension liability and actuarially determined contributions for the year ended December 31, 2023. The valuations used the following actuarial assumptions and other inputs:

	<u>Total Pension Liability</u>	<u>Actuarial Determined Contributions</u>
Actuarial valuation date	January 1, 2024	January 1, 2023
Actuarial method	Entry age normal	Entry age normal
Amortization method	N/A	Level % of payroll, open
Amortization period	N/A	30 years
Long-term investment rate of return, net	7.0%	7.0%
Projected salary increases *	4.25% - 11.25%	4.25% - 11.25%
Cost of living adjustments (COLA)	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 for males and females, amount-weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, and then projected with the MP-2020 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60% multiplier. 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 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 area adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

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

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 7: Pension Plans (continued)**

*Fire and Police Statewide Defined Benefit Plan (continued)*

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 SWDB's target asset allocation as of December 31, 2023 are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	35%	8.33%
Equity Long/Short	6%	7.27%
Private Markets	34%	10.31%
Fixed Income - Rates	10%	5.35%
Fixed Income - Credit	5%	5.89%
Absolute Return	9%	6.39%
Cash	1%	4.32%
Total	<u>100%</u>	

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

As of the measurement period ending December 31, 2023, the COLA assumption, which was previously 0%, was revised to reflect the true nature of the FPPA Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with the FPPA Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption of greater than 0%, then a COLA assumption of 0% will be used and a net pension liability will be reported.

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 7.00%; the municipal bond rate is 3.77% (based on the weekly rate closest to but not later than the measurement date of the "state and local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00%.

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 7: Pension Plans (continued)**

*Fire and Police Statewide Defined Benefit Plan (continued)*

Sensitivity of the District's Proportionate Share of the Collective Net Pension Liability to Changes in the Discount Rate

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

Discount Rate:	Sensitivity of the NPL/(NPA)		
	6.00%	7.00%	8.00%
Proportionate share of the NPL/(NPA)	<u>\$ 240,735</u>	<u>\$ -</u>	<u>\$ -</u>

Plan Fiduciary Net Position

Detailed information about the SWDB's fiduciary net position is available in the separately issued FPPA financial report.

*Volunteer Firefighters Pension Fund*

Plan Description

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

The District contributes, on behalf of its volunteers, to an agent multiple-employer defined benefit pension plan included in the PERS. Title 31, Article 30 of CRS, as amended, establishes basic benefit provisions under the plan. The Plan covers 33 members at the measurement date of December 31, 2023.

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 7: Pension Plans (continued)**

*Volunteer Firefighters Pension Fund (continued)*

Benefits Provided

The following were the benefit provisions used to determine the total pension liability as of December 31, 2023 (measurement date of the plan):

1. Normal Retirement Benefit at Age 50 with 20 years of Service (monthly):	
a. Regular	\$750.00
b. Extended Service Amount Per Year of Service	\$0.00
2. Vested Retirement Benefit (monthly):	
a. With 10 to 20 Years of Service Amount Per Year of Service per Minimum Vesting Years	\$37.50
b. Minimum Vesting Years	10
3. Disability Retirement Benefit (monthly):	
a. Short Term Disability for line of duty injury Amount payable for not more than 1 year	\$375.00
b. Long Term Disability for line of duty injury Lifetime Benefit	\$750.00
4. Survivor Benefits (monthly):	
a. Following Death before Retirement Eligible; Due to death in line of duty as volunteer firefighter	\$375.00
b. Following Death after Normal Retirement	\$375.00
c. Following Death after Normal Retirement with Extended Service Amount Per Year of Service	\$0.00
d. Following Death after Vested Retirement with 10 to 20 Years of Service Amount Per Year of Service per Minimum Vesting Years	\$18.75
e. Following Death after Disability Retirement	\$375.00
f. Optional Survivor Benefit Following Death before or after Retirement Eligible; Due to death on or off duty as a volunteer firefighter (Purchase of Life Insurance Required)	\$0.00
5. Funeral Benefits (Required Benefit):	
a. Funeral Benefit Lump Sum, one time only	\$100.00

Contributions

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2021, determines the contribution amounts for 2022 and 2023.

The contribution to the Plan from the District was \$64,021 and \$57,718 for the years ended December 31, 2024 and 2023, respectively. Plan members do not make contributions.

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 7: Pension Plans (continued)**

*Volunteer Firefighters Pension Fund (continued)*

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

As of December 31, 2024 and 2023, the District reported a net pension asset of \$1,344,843 and \$1,108,677, respectively. The net pension asset was measured as of December 31, 2023 and 2022, respectively, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

For the years ended December 31, 2024 and 2023, the District recognized pension expense (revenue) of (\$115,497) and (\$87,569), respectively. As of December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual investment earnings	339,944	211,720
Contribution subsequent to the measurement date	64,021	-
 Total	 \$ 403,965	 \$ 211,720

\$64,021 reported as deferred outflows of resources related to pensions resulting from the District's contribution subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,		
2025	\$	6,150
2026		43,488
2027		95,949
2028		(17,363)
	\$	128,224
	\$	128,224

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 7: Pension Plans (continued)**

*Volunteer Firefighters Pension Fund (continued)*

Actuarial Assumptions

The following methods and assumptions were used to determine contribution rates to the Plan as of December 31, 2023:

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

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2023, are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return</u>
Cash	1.00%	4.32%
Fixed Income - Rates	10.00%	5.35%
Fixed Income - Credit	5.00%	5.89%
Absolute Return	9.00%	6.39%
Long Short	6.00%	7.27%
Global Equity	35.00%	8.33%
Private Markets	34.00%	10.31%
Total	<u>100.00%</u>	

**WEST ROUTT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 7: Pension Plans (continued)**

*Volunteer Firefighters Pension Fund (continued)*

Single Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.77% (based on the weekly rate closest to but not later than the measurement date of the "state and local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00%. December 31, 2123 is the end of the projection period for which projected benefit payments are fully funded.

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

The following represents the net pension asset of the Plan calculated using the discount rate of 7.0%, as well as what the net pension 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:

Discount Rate:	Sensitivity of the NPL/(NPA)		
	6.00%	7.00%	8.00%
Net pension asset	<u>\$ (1,121,616)</u>	<u>\$ (1,344,843)</u>	<u>\$ (1,534,499)</u>

**Note 8: Agreement to Continue Provision of Services**

The District has an agreement with a coal mining business (Twentymile Mine) whereby the District will continue to provide emergency, fire and ambulance services to Twentymile Mine. The payment for these services is equal to the equivalent of real property and personal property taxes that Twentymile Mine would pay if it were located within the District's boundaries. The agreement is effective for tax years 2018 and 2019 and will automatically renew annually unless terminated with six months written notice by either party. Revenues earned by the District under this agreement were \$107,022 and \$131,734, respectively, for the years ended December 31, 2024 and 2023.

**Note 9: Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District maintains commercial insurance for these risks by participation in an insurance pool. Settled claims have not exceeded coverage in the past three fiscal years.

The District is a member in the Colorado Special Districts Property and Liability Pool (the Pool). The Pool creates an opportunity for members to control their own insurance costs through the joint pooling of resources, making it possible to self-insure property, liability and workers' compensation insurance. The Pool is member-owned, and all surplus revenues support the stabilization of rates, coverage enhancements, innovation, and technology to bring the most value to its members. The Pool provides property, liability, workers' compensation and associated coverage, and claims and risk management services to its members. The District has not had losses of a material amount in any of the preceding three years.

**WEST ROUNT FIRE PROTECTION DISTRICT**

**Notes to Financial Statements**

**December 31, 2024**

(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 9: Risk Management (continued)**

The Pool has contracted with a third party to operate, administer and manage the Pool. In the event aggregated losses incurred by the Pool exceed amounts recoverable from the reinsurance contracts and capital and surplus accumulated by the Pool, the Pool may require additional contributions from its members.

**Note 10: Subsequent Events**

The District has evaluated subsequent events through July 11, 2025, the date these financial statements were available to be issued.

**WEST ROUTT FIRE PROTECTION DISTRICT**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance
<b>Revenues:</b>				
Taxes:				
Property	\$ 1,226,906	\$ 1,226,906	\$ 1,324,764	\$ 97,858
Specific ownership	50,000	50,000	76,763	26,763
Charges for services:				
Ambulance, net of allowance of \$146,830	(15,000)	(15,000)	137,480	152,480
Fire protection	6,000	6,000	-	(6,000)
Emergency, fire and ambulance for coal mine	105,000	105,000	107,022	2,022
Grants	-	-	16,200	16,200
Other	500	500	9,510	9,010
<b>Total revenues</b>	<b>1,373,406</b>	<b>1,373,406</b>	<b>1,671,739</b>	<b>298,333</b>
<b>Expenditures:</b>				
Fire:				
Wages and benefits	23,200	23,200	19,375	3,825
Operations	91,800	66,800	76,004	(9,204)
Capital outlay	10,000	5,000	4,410	590
EMS:				
Wages and benefits	499,750	499,750	475,979	23,771
Operations	67,800	67,800	56,467	11,333
Capital outlay	9,500	9,500	15,401	(5,901)
Administration:				
Wages and benefits	345,307	397,307	378,016	19,291
Treasurer fees	34,000	34,000	39,747	(5,747)
Professional fees	15,000	15,000	36,995	(21,995)
Other	12,300	10,300	11,073	(773)
Buildings and grounds:				
Utilities	25,000	25,000	22,721	2,279
Other	30,500	15,500	12,950	2,550
Capital outlay	5,000	-	-	-
Volunteer pension plan contribution	64,021	64,021	64,021	-
Contingency	43,000	43,000	-	43,000
Debt service:				
Principal	75,811	75,811	75,809	2
Interest	20,999	20,999	20,999	-
<b>Total expenditures</b>	<b>1,372,988</b>	<b>1,372,988</b>	<b>1,309,967</b>	<b>63,021</b>
Excess of revenues over expenditures	418	418	361,772	<b>\$ 361,354</b>
Fund balance, beginning of year	839,254	839,254	839,254	
Fund balance, end of year	<b>\$ 839,672</b>	<b>\$ 839,672</b>	<b>\$ 1,201,026</b>	

**WEST ROUNT FIRE PROTECTION DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share**  
**of the Net Pension Liability (Asset)**  
**FPPA Statewide Defined Benefit Pension Plan (SWDB)**  
**Last 10 Years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
District's proportion of the net pension liability	0.04293%	0.03517%	0.03630%	0.03569%	0.03582%
District's proportionate share of the net pension liability (asset)	\$ -	\$ 31,218	\$ (196,745)	\$ (77,486)	\$ (20,257)
District's covered payroll	\$ 595,058	\$ 508,787	\$ 308,901	\$ 292,132	\$ 327,184
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.00%	6.14%	-63.69%	-26.52%	-6.19%
Plan fiduciary net position as a percentage of the total pension liability	100.0%	97.6%	116.2%	106.7%	101.9%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.03781%	0.04173%	0.0477%	0.0455%	0.0420%
District's proportionate share of the net pension liability (asset)	\$ 47,803	\$ (60,028)	\$ 17,248	\$ (803)	\$ (47,361)
District's covered payroll	\$ 294,363	\$ 301,602	\$ 299,402	\$ 244,284	\$ 248,850
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	16.24%	-19.90%	5.76%	-0.33%	-19.03%
Plan fiduciary net position as a percentage of the total pension liability	95.2%	106.3%	98.2%	100.1%	106.8%

**WEST ROUTT FIRE PROTECTION DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District Contributions**  
**FPPA Statewide Defined Benefit Pension Plan (SWDB)**  
**Last 10 Years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 59,506	\$ 48,335	\$ 27,801	\$ 24,842	\$ 26,175
Contributions in relation to the contractually required contribution	<u>\$ (59,506)</u>	<u>\$ (48,335)</u>	<u>\$ (27,801)</u>	<u>\$ (24,842)</u>	<u>\$ (26,175)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 595,058	\$ 508,787	\$ 308,901	\$ 292,132	\$ 327,184
Contributions as a percentage of covered payroll	10.00%	9.50%	9.00%	8.50%	8.00%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 23,549	\$ 24,128	\$ 23,952	\$ 19,543	\$ 19,908
Contributions in relation to the contractually required contribution	<u>\$ (23,549)</u>	<u>\$ (24,128)</u>	<u>\$ (23,952)</u>	<u>\$ (19,543)</u>	<u>\$ (19,908)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 294,363	\$ 301,602	\$ 299,402	\$ 244,284	\$ 248,850
Contributions as a percentage of covered payroll	8.00%	8.00%	8.00%	8.00%	8.00%

**WEST ROUTT FIRE PROTECTION DISTRICT**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Multiyear**  
**FPPA Volunteer Firefighter Defined Benefit Pension Plan**  
**Last 10 Years**

Measurement period ending December 31,	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total Pension Liability</b>					
Service Cost	\$ 9,767	\$ 12,011	\$ 12,011	\$ 14,552	\$ 14,552
Interest on the Total Pension Liability	155,112	155,056	156,585	160,187	161,355
Benefit Changes	-	-	-	-	-
Difference between Expected and Actual Experience	-	(2,940)	-	(33,351)	-
Assumption Changes	-	25,543	-	-	-
Benefit Payments	<u>(185,100)</u>	<u>(190,350)</u>	<u>(190,538)</u>	<u>(192,600)</u>	<u>(192,600)</u>
Net Change in Total Pension Liability	(20,221)	(680)	(21,942)	(51,212)	(16,693)
Total Pension Liability - Beginning	<u>2,302,066</u>	<u>2,302,746</u>	<u>2,324,688</u>	<u>2,375,900</u>	<u>2,392,593</u>
Total Pension Liability - Ending	<u>\$ 2,281,845</u>	<u>\$ 2,302,066</u>	<u>\$ 2,302,746</u>	<u>\$ 2,324,688</u>	<u>\$ 2,375,900</u>
<b>Plan Fiduciary Net Position</b>					
Employer Contributions	\$ 57,718	\$ 58,287	\$ 56,791	\$ 55,245	\$ 54,025
Net Investment Income	321,928	(302,774)	498,830	401,729	400,783
Benefit Payments	(185,100)	(190,350)	(190,538)	(192,600)	(192,600)
Pension Plan Administrative Expense	(11,101)	(8,728)	(8,772)	(7,357)	(9,201)
State of Colorado supplemental discretionary payment	32,500	32,500	32,500	65,000	-
Net Change in Plan Fiduciary Net Position	<u>215,945</u>	<u>(411,065)</u>	<u>388,811</u>	<u>322,017</u>	<u>253,007</u>
Plan Fiduciary Net Position - Beginning	<u>3,410,743</u>	<u>3,821,808</u>	<u>3,432,997</u>	<u>3,110,980</u>	<u>2,857,973</u>
Plan Fiduciary Net Position - Ending	<u>\$ 3,626,688</u>	<u>\$ 3,410,743</u>	<u>\$ 3,821,808</u>	<u>\$ 3,432,997</u>	<u>\$ 3,110,980</u>
Net Pension Liability (Asset)	\$ (1,344,843)	\$ (1,108,677)	\$ (1,519,062)	\$ (1,108,309)	\$ (735,080)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	158.94%	148.16%	165.97%	147.68%	130.94%
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

**WEST ROUTT FIRE PROTECTION DISTRICT**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Multiyear**  
**FPPA Volunteer Firefighter Defined Benefit Pension Plan**  
**Last 10 Years**

Measurement period ending December 31,	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>					
Service Cost	\$ 17,688	\$ 17,688	\$ 12,155	\$ 12,155	\$ 12,576
Interest on the Total Pension Liability	158,659	159,065	153,155	152,869	163,459
Benefit Changes	-	-	-	-	-
Difference between Expected and Actual Experience	108,545	-	33,838	-	(159,701)
Assumption Changes	95,029	-	48,885	-	-
Benefit Payments	<u>(184,850)</u>	<u>(179,584)</u>	<u>(164,589)</u>	<u>(157,950)</u>	<u>(156,725)</u>
Net Change in Total Pension Liability	195,071	(2,831)	83,444	7,074	(140,391)
Total Pension Liability - Beginning	<u>2,197,522</u>	<u>2,200,353</u>	<u>2,116,909</u>	<u>2,109,835</u>	<u>2,250,226</u>
Total Pension Liability - Ending	<u>\$ 2,392,593</u>	<u>\$ 2,197,522</u>	<u>\$ 2,200,353</u>	<u>\$ 2,116,909</u>	<u>\$ 2,109,835</u>
<b>Plan Fiduciary Net Position</b>					
Employer Contributions	\$ 62,650	\$ 65,761	\$ 63,747	\$ 68,598	\$ 70,000
Net Investment Income	1,298	381,495	136,237	48,442	167,924
Benefit Payments	(184,850)	(179,584)	(164,589)	(157,950)	(156,725)
Pension Plan Administrative Expense	(8,389)	(8,430)	(4,320)	(4,928)	(4,233)
State of Colorado supplemental discretionary payment	32,500	32,500	32,500	32,500	32,500
Net Change in Plan Fiduciary Net Position	<u>(96,791)</u>	<u>291,742</u>	<u>63,575</u>	<u>(13,338)</u>	<u>109,466</u>
Plan Fiduciary Net Position - Beginning	<u>2,954,764</u>	<u>2,663,022</u>	<u>2,599,447</u>	<u>2,612,785</u>	<u>2,503,319</u>
Plan Fiduciary Net Position - Ending	<u>\$ 2,857,973</u>	<u>\$ 2,954,764</u>	<u>\$ 2,663,022</u>	<u>\$ 2,599,447</u>	<u>\$ 2,612,785</u>
Net Pension Liability (Asset)	\$ (465,380)	\$ (757,242)	\$ (462,669)	\$ (482,538)	\$ (502,950)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	119.45%	134.46%	121.03%	122.79%	123.84%
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

**WEST ROUTH FIRE PROTECTION DISTRICT**  
**Required Supplementary Information**  
**Schedule of Contributions Multiyear**  
**FPPA Volunteer Firefighter Defined Benefit Pension Plan**  
**Last 10 Years**

Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	\$ -	\$ 102,500	\$ (102,500)	N/A	N/A
2015	\$ -	\$ 101,098	\$ (101,098)	N/A	N/A
2016	\$ -	\$ 96,247	\$ (96,247)	N/A	N/A
2017	\$ -	\$ 98,261	\$ (98,261)	N/A	N/A
2018	\$ -	\$ 95,150	\$ (95,150)	N/A	N/A
2019	\$ -	\$ 54,025	\$ (54,025)	N/A	N/A
2020	\$ -	\$ 120,245	\$ (120,245)	N/A	N/A
2021	\$ -	\$ 89,291	\$ (89,291)	N/A	N/A
2022	\$ -	\$ 90,787	\$ (90,787)	N/A	N/A
2023	\$ -	\$ 90,218	\$ (90,218)	N/A	N/A

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