

**Mountain View Fire Protection District**  
**Boulder, Jefferson, and Weld Counties, Colorado**

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**Annual Financial Report and  
Independent Auditor's Report**


**December 31, 2022**


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## Independent Auditor's Report

To the Board of Directors  
Mountain View Fire Protection District

### Opinions

We have audited the accompanying financial statements of the governmental activities, and each major fund of Mountain View Fire Protection District, (“the District”), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds, of Mountain View Fire Protection District, as of December 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mountain View Fire Protection 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 opinion.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Mountain View Fire Protection District's ability to continue as a going concern for twelve months beyond the financial statements date, including any 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

### **Required Supplementary Information**

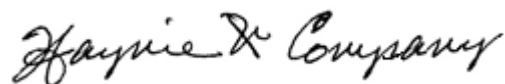
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule for the General Fund, and pension related schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required

by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Mountain View Fire Protection District's financial statements as a whole. The other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Haynie & Company".

Littleton, Colorado  
June 20, 2023

# **Mountain View Fire Protection District Management's Discussion and Analysis December 31, 2022**

This report is for the Mountain View Fire Protection District for the year ending December 31, 2022. The Management Discussion and Analysis (MD&A) is designed to provide an overview of the financial activities of the district during 2022 and the integration of those activities within the long-term financial programs and planning of the district. The MD&A should be read in conjunction with the district's financial statements.

## **Background Information**

The Fire District was established in 1961. At inception, the district served the Town of Mead and unincorporated areas of Boulder and Weld Counties. As the boundaries of the district continued to expand, as well as the consolidation of other town's fire departments, the agency evolved into a career agency. In 2020, the district signed an intergovernmental agreement with Rocky Mountain Fire Protection District to create a combined agency by January of 2021. Upon completion, the combined agency added 4 stations to the 8 stations Mountain View Fire currently operates and 48 additional staff serving a combined population of over 110,000. The predominate fund approach for the district is comprised of three basic funds, the General Fund, the Debt Service Fund which is used to account for expenditures funded by general obligation bonds for the District, the Capital Reserve Fund which is reserved for the capital improvement plan that may be funded over several years.

In November 2020, the District entered into an assignment and assumption of bond contracts between the district and Rocky Mountain Fire Protection District. The district assumed the debt as part of the merger agreement which states Mountain View Fire will own all Rocky Mountain Fire's assets and assume all their liabilities, including the bonds.

A ballot issue was passed on November 6, 2018, allowing the district to increase the mill levy from 11.747 to 16.247 mills beginning on January 1, 2019. This was the first increase in the district's mill levy since 2009. Ballot issue A was passed in the May 2020 election that allowed the district to adjust its mill levy to offset any decreased revenue caused by a reduction to the residential assessment rate.

## **Overview of Financial Statements**

This discussion and analysis are intended to serve as an introduction to the district's basic financial statements. The district's basic financial statements comprise two components: 1) government-wide financial statements and fund financial statements, and 2) notes to the financial statements.

### **Government-wide and Fund Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the district's finances, in a manner similar to a private sector business. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The fund financial statements present the district's financial position and results of operations using the traditional government modified accrual method of accounting, which accounts for the district's current financial resources. Unlike the

**Mountain View Fire Protection District  
Management's Discussion and Analysis  
December 31, 2022**

government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as the balances of spendable resources available at the end of the fiscal year.

The statement of net position, using the full accrual basis of accounting, presents information on all the district's assets and liabilities, with the difference between the two reported as net position. Over time, the comparison of changes in net position may serve as a useful indicator on whether the financial position of the district is improving, deteriorating, or maintaining status quo. In the case of the district, assets exceeded liabilities by \$95,347,548 at the close of the year.

The statement of activities provides information about the district's annual operating activities and how those activities affect net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Therefore, the revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The reconciliations of the district's financial statements reflect explanations of the specific differences between the government-wide and fund financial statements.

The budgetary comparison schedules include a comparison of actual revenues and expenditures with the final budget.

**Notes to the Financial Statements**

The notes to the financial statements provide additional required disclosures about the district, its accounting policies and practices, its financial position, operating activities, and other required information. The information included in these notes is essential to a full understanding of the information contained in the financial statements.

**Financial Efforts of 2022**

This section contains a condensed comparison of revenues and expenses, changes in net position and explanations for significant differences.

**Mountain View Fire Protection District  
Management's Discussion and Analysis  
December 31, 2022**

The following is a summary of the district's statements of net position as of December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
<b>Current Assets</b>		
Cash and cash equivalents	\$59,038,848	\$48,476,441
Property Tax receivable	44,706,764	35,087,320
Accounts receivable	334,879	467,417
Prepaid expenses	<u>805,460</u>	<u>322,342</u>
<b>Total current assets</b>	<u>104,885,951</u>	<u>84,353,520</u>
<b>Non-current assets</b>		
Capital assets — net	33,985,604	34,598,606
Pension asset—District's proportionate share of Defined Benefit Plans	<u>10,476,723</u>	<u>3,666,077</u>
<b>Total non-current assets</b>	<u>44,462,327</u>	<u>38,264,683</u>
<b>Deferred outflows of resources</b>		
Defined Benefit Plans	7,511,979	6,738,515
Deferred outflows related to OPEB	<u>28,568</u>	<u>13,734</u>
<b>Total deferred outflows of resources</b>	<u>7,540,547</u>	<u>6,752,249</u>
<b>Liabilities</b>		
Current liabilities	963,053	380,403
Bonds Payable	4,105,000	4,645,000
Noncurrent liabilities	691,845	641,414
Pension and OPEB liabilities	<u>876,258</u>	<u>1,681,147</u>
<b>Total liabilities</b>	<u>6,636,156</u>	<u>7,347,964</u>
<b>Deferred inflows of resources</b>		
Unearned revenue—property taxes	44,706,764	35,087,320
Deferred inflows related to pension plans	10,158,960	4,892,027
Deferred inflows related to OPEB	<u>39,397</u>	<u>39,102</u>
<b>Total deferred inflows of resources</b>	<u>54,905,121</u>	<u>40,018,449</u>
<b>Net Position</b>		
Net investment in capital assets	29,880,604	29,953,606
Restricted for emergencies	1,005,978	1,250,394
Unrestricted	<u>64,460,966</u>	<u>50,800,039</u>
<b>Total net position</b>	<u>\$95,347,548</u>	<u>\$82,004,039</u>



**Mountain View Fire Protection District  
Management's Discussion and Analysis  
December 31, 2022**

The following is a summary of the District's statements of activities for the years ended December 31, 2022 and 2021:

	<b>2022</b>	<b>2021</b>	<b>Dollar Change</b>
General Revenue:			
Property Taxes	\$34,837,390	\$37,334,819	(\$2,497,429)
Specific Ownership Taxes	1,977,064	1,919,057	58,007
TIF revenues	1,366,004	166,668	1,199,336
Investment Earnings	1,080,725	16,890	1,063,835
Charges for Services	3,901,144	2,398,120	1,503,024
Grant Revenue	64,294	123,548	(59,254)
Miscellaneous	584,369	416,114	168,255
Conveyance of assets from Rocky Mountain Fire, net	-	25,835,798	(25,835,798)
<b>Total Revenue</b>	<b>\$43,810,990</b>	<b>\$68,211,014</b>	<b>(\$24,400,024)</b>
Expenses:			
Fire-Protection-Operations	27,854,731	28,223,906	(369,175)
Interest and related costs on long-term debt	96,891	108,392	(11,501)
Depreciation	2,515,859	2,573,328	(57,469)
<b>Total Expenditures</b>	<b>30,467,481</b>	<b>30,905,626</b>	<b>(438,145)</b>
<b>Changes in Net Position</b>	<b>\$13,343,509</b>	<b>\$37,305,388</b>	<b>-\$23,961,879</b>
<b>Net Position - Beginning of Year</b>	<b>82,004,039</b>	<b>44,698,651</b>	<b>\$37,305,388</b>
<b>Net Position - End of Year</b>	<b>\$ 95,347,548</b>	<b>\$ 82,004,039</b>	<b>\$ 13,343,509</b>

# **Mountain View Fire Protection District Management's Discussion and Analysis December 31, 2022**

## **Material Changes:**

Total revenue in the statement of activities shows a loss of \$24,400,024. While this may appear to be a large variance, 2022 represents a return to “normal” revenues after the influx of cash reserves from the merger with Rocky Mountain Fire Protection District in 2021. The conveyance of assets, or cash reserves, was recorded as revenue in the 2021 financial statements.

## **General Fund:**

The general fund's purpose is to provide for the daily activities, salaries, expenses, and operating costs of the district. This fund provides for functional areas of the organization - administration, emergency services, recruitment & retention, fire prevention, communications, training, fleet maintenance, wildland/rescue, stations & grounds, and firefighter health & safety. The general fund also provides for such other items as insurance, utilities, and other costs the district incurs. The primary funding source for the general fund is taxation of real property. Other sources of income for the general fund include interest income on reserved funds, fees for plan reviews, fees for ambulance transports, specific ownership taxes and reimbursements for wildland deployments that cover some overhead costs.

The primary projects or program efforts for establishing funding during 2022 were:

1. Maintaining the current service level of the district.
2. Competitive salary and benefits packages to attract and retain skilled employees.
3. Replacement of outdated apparatus and equipment

## **Capital Assets and Debt Administration**

The Capital Reserve Fund was established to reserve funds for purchasing large ticket items that may take several years to save for. The primary funding source for the Capital Reserve Fund is the transfer of funds from the General Fund as designated by the Board of Directors of the Fire District. Investment in capital assets includes land, buildings, improvements, equipment, vehicles and firefighting and technology equipment. Payments for the purchase of firefighting and EMS equipment, tech rescue and hazmat equipment; payments for construction, major repairs and maintenance of facilities and the payment for the Communications Tower in Niwot are included in this fund.

**Mountain View Fire Protection District  
Management's Discussion and Analysis  
December 31, 2022**

The following is a summary of the district's investment in Capital Assets for the years ended December 31, 2022 and 2021:

**Capital Assets  
December 31, 2022 and 2021**

	<b>2022</b>	<b>2021</b>	<b>Variance</b>
Land - all stations	\$ 928,871	\$ 1,240,658	\$ (311,787)
Assets in process	653,663	-	653,663
Buildings/Improvements - all stations	28,905,947	28,517,105	388,842
Medical Equipment	914,779	800,611	114,168
Furniture and Equipment	2,155,328	1,553,980	601,348
Machinery and Equipment	2,631,160	2,461,238	169,922
Firefighting vehicles	10,333,003	10,333,003	-
Vehicles - other	1,760,211	1,678,754	81,457
<b>Total Capital Assets</b>	<b>48,282,962</b>	<b>46,585,349</b>	<b>1,697,613</b>
Less: accumulated depreciation	(14,297,358)	(11,986,743)	(2,310,615)
<b>Capital Assets, net of accumulated depreciation</b>	<b>\$33,985,604</b>	<b>\$34,598,606</b>	<b>\$ (613,002)</b>

Additional information on the district's capital assets can be found in Note 4 of this report.

**Long-term Debt**

The Fire District General Obligation Bond which was approved by the taxpayers of the district in 1991, was refunded in 2003 by a new General Obligation Bond and was fully retired in 2016. Rocky Mountain Fire voters passed a general obligation bond in 2009, that Mountain View Fire assumed the management of in 2020. As of December 31, 2022, there is a balance of \$4,105,000 remaining on the bond, set to be fully retired in 2029. Additional information can be found on page 20 of the audit report.

**Pension Activities**

The district offers four pension benefits; the pension funds managed by the Fire and Police Pension Association (FPPA) that provides a defined benefit pension for volunteer, old hire and current firefighters of the district and the pension fund managed by the Public Employer's Retirement Association (PERA) for administrative personnel. These pension funds administer the

# **Mountain View Fire Protection District Management's Discussion and Analysis December 31, 2022**

disbursement of benefits to retirees and the expenses of providing those benefits. Funding is provided by pension contributions from the district and employees. Additional funding is derived from the State Pension Grant for volunteer firefighters and from invested assets of the fund.

## **Economic Factors and Next Year's Budget**

Mountain View Fire's primary funding source is property taxes, accounting for 90% of available resources. Property values are influenced by economic factors such as interest rates, inflation, the housing market and business investment. Approximately 500 properties and \$607,000 of property tax revenue were lost during the devastating Marshall Fire in December of 2021. The only increase in property taxes for the 2023 budget came from the oil and gas category. While the number of active wells in Weld County has been steadily decreasing since 2015, the district will receive more revenue in 2023 than the past two years; the result of a rapid increase in oil and gas prices experienced at the end of 2021 and early 2022.

One challenge to developing the 2023 budget was the same faced by many local governments and businesses around the country: supply chain disruptions and steep inflation on necessary purchases for operations. Planned purchases of several capital assets had to be moved up in order to have them available when they are needed in the future. At the end of 2022, the wait time for an ambulance was 900+ days and 36% higher in price than the quoted price in 2021.

In addition, the Colorado legislature has passed short term bills over the past two years; namely SB21-293 and SB22-238, that have changed the calculation of property tax in the state. Both bills are intended to lower property taxes across all property types. The uncertainty over the calculation of revenue makes it a challenge to develop a financial plan for the future.

In 2022, the district received \$35,567,316 in property tax revenues net of tax increment financing (based on an assessed valuation for the district, as certified by the Assessors of Boulder County, Jefferson and Weld County, of \$2,297,916,501 and a mill levy rate of 16.247).

In 2023, the district anticipates general property tax revenue of \$44,116,644 net of tax increment financing (based on an assessed valuation for the district, as certified by the Assessors of Boulder County, Jefferson and Weld County, of \$2,715,368,365 and a mill levy rate of 16.247).

## **Summary**

The Mountain View Fire Protection District successfully placed into operation or completed all project or program efforts funded with the 2022 annual budget without going into a deficit.

**Mountain View Fire Protection District  
Management's Discussion and Analysis  
December 31, 2022**

**Requests for Information**

This report is designed to provide a general overview of the district's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Mountain View Fire Protection District  
Attn: Tonya Olson, Finance Director  
3561 N. Stagecoach Road  
Longmont, CO 80504

## **Basic Financial Statements**

**Mountain View Fire Protection District**  
**Statement of Net Position**  
**December 31, 2022**

	<b>Governmental Activities</b>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 59,038,848
Accounts receivable	334,879
Property taxes receivable	44,706,764
Prepaid expenses	805,460
Total current assets	104,885,951
Long-Term assets:	
Net pension asset	10,476,723
Capital assets, net	33,985,604
Total long-term assets	44,462,327
<b>Deferred Outflows of Resources</b>	
Deferred outflows related to pension	7,511,979
Deferred outflows related to OPEB	28,568
Total deferred outflows of resources	7,540,547
Total assets and deferred outflows of resources	\$ 156,888,825
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	\$ 584,401
Accrued liabilities	348,959
Accrued interest payable	29,693
Total current liabilities	963,053
Noncurrent liabilities:	
Net pension liability	764,733
Net OPEB liability	111,525
Accrued compensated absences	691,845
Due within one year	550,000
Due in more than one year	3,555,000
Total noncurrent liabilities	5,673,103
<b>Deferred Inflows of Resources</b>	
Deferred property tax revenue	44,706,764
Deferred inflows related to pension	10,158,960
Deferred inflows related to OPEB	39,397
Total deferred inflows of resources	54,905,121
<b>Net Position</b>	
Net investment in capital assets	29,880,604
Restricted for emergencies	1,005,978
Unrestricted	64,460,966
Total net position	95,347,548
Total liabilities, deferred inflows of resources, and net position	\$ 156,888,825

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

**Mountain View Fire Protection District**  
**Statement of Activities**  
**For the Year Ended December 31, 2022**

<u>Functions/Program Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
					<u>Governmental Activities</u>
Governmental activities					
Public safety	\$30,370,590	\$ 3,901,144	\$ -	\$ 64,294	\$ (26,405,152)
Interest and related cost on long-term debt	<u>96,891</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(96,891)</u>
Total governmental activities	<u>\$30,467,481</u>	<u>\$ 3,901,144</u>	<u>\$ -</u>	<u>\$ 64,294</u>	<u>\$ (26,502,043)</u>
<b>General revenues:</b>					
					34,837,390
					1,977,064
					1,366,004
					1,080,725
					193,896
					<u>390,473</u>
					<u>39,845,552</u>
					13,343,509
					<u>82,004,039</u>
					<u>\$ 95,347,548</u>

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



**Mountain View Fire Protection District**  
**Governmental Funds Balance Sheet**  
**December 31, 2022**

<b>Assets</b>	<b>General Fund</b>	<b>Capital Reserve Fund</b>	<b>Debt Service Fund</b>	<b>Total Governmental Funds</b>
Cash and cash equivalents	\$ 50,023,338	\$ 8,937,949	\$ 77,561	\$ 59,038,848
Accounts receivable	334,879	-	-	334,879
Property taxes receivable	44,116,644	-	590,120	44,706,764
Prepaid expenses	805,460	-	-	805,460
Due from other funds	33,354	3,030,193	7,030	3,070,577
<b>Total assets</b>	<b><u>\$95,313,675</u></b>	<b><u>\$ 11,968,142</u></b>	<b><u>\$ 674,711</u></b>	<b><u>\$ 107,956,528</u></b>
<b>Liabilities</b>				
Accounts payable	243,789	340,612	-	584,401
Accrued liabilities	348,959	-	-	348,959
Due to other funds	3,029,013	15,370	26,194	3,070,577
<b>Total liabilities</b>	<b><u>3,621,761</u></b>	<b><u>355,982</u></b>	<b><u>26,194</u></b>	<b><u>4,003,937</u></b>
<b>Deferred Inflows of Resources</b>				
Deferred property tax revenue	44,116,644	-	590,120	44,706,764
<b>Total deferred inflows of resources</b>	<b><u>44,116,644</u></b>	<b><u>-</u></b>	<b><u>590,120</u></b>	<b><u>44,706,764</u></b>
<b>Fund Balances</b>				
Nonspendable - prepaid items	805,460	-	-	805,460
Restricted for emergencies	1,005,978	-	-	1,005,978
Assigned	-	11,612,160	58,397	11,670,557
Unassigned	45,763,832	-	-	45,763,832
<b>Total fund balance</b>	<b><u>47,575,270</u></b>	<b><u>11,612,160</u></b>	<b><u>58,397</u></b>	<b><u>59,245,827</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$95,313,675</u></b>	<b><u>\$ 11,968,142</u></b>	<b><u>\$ 674,711</u></b>	<b><u>\$ 107,956,528</u></b>

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

**Mountain View Fire Protection District**  
**Reconciliation of the Governmental Fund Balance Sheet**  
**With the Government-Wide Statement of Net Position**  
**December 31, 2022**

**Fund Balances - Total Governmental Funds** \$ 59,245,827

Capital assets used in governmental activities are not current financial resources, and therefore, are not reported as assets in the governmental fund financial statements. In the statement of net position, the cost of these assets are capitalized and expensed over their useful lives through annual depreciation.

Governmental capital assets	48,282,962	
Less accumulated depreciation	<u>(14,297,358)</u>	33,985,604

Long-term liabilities such as bonds payable, accrued interest payable, and accrued compensated absences are not due and payable in the current period and are not reported as liabilities in the governmental fund financial statements.

Bonds payable		(4,105,000)
Accrued interest payable		(29,693)
Accrued compensated absences		(691,845)

Deferred outflows are not current financial resources, and deferred inflows are not due and payable in the current period and therefore are not reported in the governmental fund financial statements.

Deferred outflows related to pension		7,511,979
Deferred inflows related to pension		(10,158,960)
Deferred outflows related to OPEB		28,568
Deferred inflows related to OPEB		(39,397)

Net pension asset and liability and net OPEB liability, are not current financial resources or due and payable in the current period and therefore are not reported in the governmental fund financial statements.

Net pension asset		10,476,723
Net pension liability		(764,733)
Net OPEB liability		<u>(111,525)</u>

**Net position of governmental activities** **\$ 95,347,548**

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

**Mountain View Fire Protection District**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended December 31, 2022**

<b>Revenues</b>	<b>General Fund</b>	<b>Capital Reserve Fund</b>	<b>Debt Service Fund</b>	<b>Total</b>
Property tax	\$ 34,201,312	\$ -	\$ 636,078	\$ 34,837,390
Specific ownership tax	1,947,470	-	29,594	1,977,064
Tax increment financing	1,366,004	-	-	1,366,004
Fees for services	3,139,940	-	-	3,139,940
Investment earnings	913,281	164,582	2,862	1,080,725
Wildland revenue	761,204	-	-	761,204
Grant revenues	60,082	4,212	-	64,294
Other income	340,567	603,362	-	943,929
<b>Total Revenues</b>	<b>42,729,860</b>	<b>772,156</b>	<b>668,534</b>	<b>44,170,550</b>
<b>Expenditures</b>				
Salaries and wages	17,675,163	-	-	17,675,163
Overtime wages	1,670,457	-	-	1,670,457
Benefits	6,238,629	-	-	6,238,629
General operating supplies	1,067,845	-	-	1,067,845
Small equipment/tools	553,224	-	-	553,224
Non-capital tech expenditures	225,782	-	-	225,782
Non-capital fleet expenditures	282,774	-	-	282,774
General purchased services	1,072,018	-	-	1,072,018
Contract services	475,293	-	-	475,293
Training	128,066	-	-	128,066
Repairs/maintenance equipment	351,361	-	-	351,361
Repairs/maintenance buildings	376,213	-	-	376,213
Utilities	392,757	-	-	392,757
Other	-	123,480	10,294	133,774
Debt Service:				
Principal	-	-	540,000	540,000
Interest	-	-	100,797	100,797
Capital outlay	23,013	2,536,952	-	2,559,965
<b>Total Expenditures</b>	<b>30,532,595</b>	<b>2,660,432</b>	<b>651,091</b>	<b>33,844,118</b>
<b>Excess of Revenues over Expenditures</b>	<b>12,197,265</b>	<b>(1,888,276)</b>	<b>17,443</b>	<b>10,326,432</b>
<b>Other financing sources and (uses)</b>				
Transfers in (out)	(3,000,000)	3,000,000	-	-
Total other financing sources and (uses)	(3,000,000)	3,000,000	-	-
<b>Net Change in fund balance</b>	<b>9,197,265</b>	<b>1,111,724</b>	<b>17,443</b>	<b>10,326,432</b>
<b>Fund balances:</b>				
<b>Beginning of the year</b>	<b>38,378,005</b>	<b>10,500,436</b>	<b>40,954</b>	<b>48,919,395</b>
<b>End of the year</b>	<b>\$ 47,575,270</b>	<b>\$ 11,612,160</b>	<b>\$ 58,397</b>	<b>\$ 59,245,827</b>

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

**Mountain View Fire Protection District**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**And Changes In Fund Balances of Governmental Activities**  
**To The Statement of Activities**  
**December 31, 2022**

**Net change in fund balances - total Governmental Funds** \$ 10,326,432

Capital assets used in governmental activities are not current financial resources, and therefore, are not reported as assets in the governmental fund financial statements.

Capital outlay - capitalized portion	2,262,416
Less depreciation expense	(2,515,859)
Gain on disposal of capital assets	(359,560)

Long-term liabilities such as bonds payable, accrued interest payable, and accrued compensated absences are not due and payable in the current period and are not reported as liabilities in the governmental fund financial statements.

Bond principal payment	540,000
Change in accrued compensated absences	(50,431)
Change in accrued interest	3,906

Net pension and OPEB income (expense) relating to changes in account balances of the District's defined benefit retirement plans are recognized on the statement of activities and are not reflected as an expense on the fund financial statements.

3,136,605

**Change in net position of governmental activities** \$ 13,343,509

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

# **Mountain View Fire Protection District**

## **Notes to Financial Statements (continued)**

### **December 31, 2022**

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#### **1. Definition of Reporting Entity**

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The Mountain View Fire Protection District (the "District") was originally established as a special district to provide fire suppression, education and basic life medical support services to certain property owners within an area of Boulder and Weld Counties that covers approximately 240 square miles and includes portions of rural Longmont, Mead, Del Camino, Dacono, Erie, Brownsville, Niwot, Superior, and Eldorado Springs. On May 1, 1990, the District formally approved and adopted the name change to "Mountain View Fire Protection District" subsequent to the consolidation of the Longmont, Dacono and Erie volunteer fire departments.

The District operates under a governing Board of Directors and is considered a separate political subdivision of the State of Colorado providing fire protection services in portions of Boulder, Jefferson, and Weld Counties.

#### **2. Summary of Significant Accounting Policies**

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

The District's basic financial statements include the accounts and funds of all District operations. The accounting policies of the District conform to accounting principles generally accepted in the United States of America. The following is a summary of such significant policies:

##### **Principles Determining Scope of Reporting Entity**

The financial statements of the District consist only of the funds and account groups of the District. The District has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and election of the respective governing board.

# **Mountain View Fire Protection District**

## **Notes to Financial Statements (continued)**

### **December 31, 2022**

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## **2. Summary of Significant Accounting Policies (continued)**

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### **Basis of Accounting**

The modified accrual basis of accounting is used for all governmental fund types. The following are modifications of the accrual basis method:

- Expenditures, other than accrued interest on general long-term debt, are recognized at the same time the liabilities are incurred. Interest on long-term debt is recorded only when due.
  
- Revenue is recorded when received in cash except for revenue that is not received but is measurable and available and therefore susceptible to accrual.

### **Government-wide Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District. Governmental activities are generally supported by taxes, charges for services and intergovernmental revenues. There are no business-type activities in the District for the year.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

### **Fund Financial Statements**

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary.

The following funds were used by the District during 2022:

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 2. Summary of Significant Accounting Policies (continued)

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##### GOVERNMENTAL FUNDS

General Fund - To account for all financial resources except those required to be accounted for in another fund.

Capital Reserve Fund - To account for resources used for the acquisition and/or construction of capital facilities.

Debt Service Fund - To account for the proceeds from the issuance of general obligation bonds and the servicing of the related general long-term debt.

##### **Measurement Focus**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when the payment is due.

The major source of revenue susceptible to accrual is property tax, wildland revenue, ambulance revenue, and earnings on investments associated with the current fiscal period and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements, a reconciliation is presented that briefly explains the adjustments necessary to reconcile to ending net position and the change in net position.

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, ("GASB No. 33") the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying nonexchange transaction occurs, when an enforceable legal claim has arisen., when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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

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**Budgets and Budgetary Accounting**

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

1. Prior to October 31, the fire chief submits to the Board of Directors a proposed operating budget for each fund for the fiscal year commencing the following January 1. The operating budget for each fund includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the District Board of Directors to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted through passage of a resolution for each fund. The resolutions can be adjusted by the Board for unforeseen circumstances. Equal line item adjustments must be approved by the Board. The appropriation resolutions are reflected in each fund.
4. The Fire Chief is authorized to transfer amounts from contingency accounts, if any, to other accounts within the same fund.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. The District Board of Directors approves all expenditures, including any revisions that alter the total expenditures of any fund.
8. All appropriations for all funds lapse at year-end.
9. Budgeted line items for the different expenditures are for management use only.



**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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

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**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits and participation in local government investment pools. All cash equivalents have an original maturity date of less than three months.

**Investments**

Investments are stated at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

**Receivables**

In the government-wide financial statements, receivables, which primarily relate to ambulance fees and wildland reimbursements, are reported at their gross value and, when appropriate, are reduced by their estimated portion that is expected to be uncollectible. At December 31, 2022, management has determined an allowance for uncollectible receivables totaling \$333,500 was necessary, as there was uncertainty around the collectability of the ambulance fees.

Property taxes levied on December 31, 2022 are identified as property taxes receivable and deferred inflows of resources.

**Capital Assets**

Capital assets are recorded at cost. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, which are as follows:

Building/Improvements	10-25
Firefighting Equipment	5-10
Furniture and Equipment	3-10
Firefighting vehicles	25
Vehicles – Other	5

**Prepays Items**

Payment made to vendors for goods or services that will benefit periods beyond year-end are recorded as prepaid items or deposits in the government-wide and governmental fund financial statements and will be reported as expenditures in the following year. Because these assets do not represent current financial resources, they are included in the non-spendable fund balance.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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

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**Accrued Absences**

Accrued absences include unused vacation earned by employees as of December 31, 2022. Full time employees earn vacation at varying rates based on years of employment, up to a maximum annual benefit of 240 hours for administrative personnel with 21 or more years of active service. Line employees are allowed a maximum annual benefit of 360 hours with 21 or more years of active service.

Sick leave is earned and accumulated at the rate of 96 hours per year by full time employees and is not paid upon termination or retirement, with the exception of the Fire Chief.

**Interfund Transfers**

Transactions between funds that would be treated as revenues, expenditures or expenses if they involved external organizations are accounted for as revenues, expenditures or expenses in the funds involved. All other legally authorized fund transfers are treated as operating transfers and are included in the results of operations of governmental and trust type funds.

**Accrued Liabilities and Long-Term Obligations**

All payables accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and the noncurrent portion of long-term liabilities that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within 60 days after year-end are considered to have been made with current available financial resources.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources at the District primarily relate to pensions and other post-employment benefits.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources at the District primarily relate to property taxes and pensions and other post-employment benefits.

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 2. Summary of Significant Accounting Policies (continued)

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##### **Fund Balance**

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

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

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

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

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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## 2. Summary of Significant Accounting Policies (continued)

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### **Net Position**

In the government-wide financial statements, net position is classified in the following categories:

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

*Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Position* – This category represents the net position of the District, which are not restricted for any project or other purpose.

### **Estimates**

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

### **Revenue Recognition/Property Taxes**

Property taxes attach an enforceable lien on property as of January 1. Taxes are levied in December, payable in the following year in full by April 30, or in two equal installments due on the last day of February and June 15. The county treasurer bills and collects property taxes for all taxing entities within the county. The District is permitted to levy taxes for general governmental services, bond retirement and pension payments for volunteer firefighters. The combined tax rate to finance these services for the year ended December 31, 2022 was 16.247 per \$1,000 of assessed valuation for Weld, Boulder, and Jefferson counties. An additional mill levy of 1.210 per \$1,000 of assessed valuation for Boulder county is assessed specifically for the bond.

Property taxes receivable for the general fund totaled \$44,116,644, net of tax incremental financing, on an assessed valuation of \$2,715,368,365 for anticipated property tax revenues in Weld, Boulder, and Jefferson counties. Property taxes receivable for the debt service fund totaled \$590,120, net of tax incremental financing, on an assessed valuation of \$483,795,038 for anticipated property tax revenues in Boulder county.

Property tax receipts collected by the county treasurer each month are remitted to the District by the tenth day of the subsequent month.

# **Mountain View Fire Protection District**

## **Notes to Financial Statements (continued)**

### **December 31, 2022**

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#### **2. Summary of Significant Accounting Policies (continued)**

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Property tax revenues are recognized in the government-wide financial statements in the year that the property taxes are used to fund the operations of the District.

In the fund financial statements, property taxes are recognized in the year for which levied provided they become available and measurable. Property tax revenues are considered available when they become due or past due and are received by the District within 60 days of the end of the fiscal year.

#### **Pensions**

The District participated in the Statewide Defined Benefit Plan (“SWDB”). The plan is a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (“FPPA”). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the SWDB plan and additions to/deductions from the SWDB plan fiduciary net position have been determined on the same basis as they are reported by the 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.

The District participates in the Local Government Division Trust Fund (“LGDTF”), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (“PERA”). 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 LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments in PERA are reported at fair value.

#### **Other Post-Employment Benefits**

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

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

### 3. Deposits and Investments

#### *Custodial Credit Risks – Deposits*

Colorado state statutes govern the entity’s deposits of cash. For deposits in excess of federally insured limits, Colorado Revised Statutes (CRS) require the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act (PDPA) requires state regulators to certify eligible depositories for public deposit. PDPA requires the eligible depositories with public deposits in excess of the amounts insured by the Federal Deposit Insurance Corporation (FDIC) to create a single institutional collateral pool of obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the State. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the assets in the pool must be at least 102% of the uninsured deposits. As of December 31, 2022, the District had cash deposits with a bank balance of \$1,583,865 and a carrying balance of \$1,343,534.

#### *Investments*

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

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

As of December 31, 2022, the District had the following investments:

<b>Investments</b>	<b>Maturity Year</b>	<b>Fair Value</b>
COLOTRUST	Weighted average under 60 days	<u>\$ 57,533,444</u>

#### *Custodial Credit Risk - Investments*

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the District would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a specific policy for custodial credit risk.

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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### 3. Deposits and Investments (continued)

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#### *Interest Rate Risk*

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

#### *Local Government Investment Pools*

COLOTRUST – The District invested in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAsf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

The following is a reconciliation between the cash and investments recorded in the financial statements and the amounts reported in this footnote:

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**3. Deposits and Investments (continued)**

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Statement of net position:

Total cash and cash equivalents—Governmental Funds \$59,038,848

Cash and cash equivalents as of December 31, 2022, consist of the following:

Deposits with financial institutions	\$1,267,941
Local government investment pool	57,533,444
Cash with county treasurer	<u>237,463</u>
Total cash and cash equivalents	<u>\$ 59,038,848</u>

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**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**4. Capital Assets**

The following table presents capital assets activity of the District for the year ended December 31, 2022:

	Balance		Transfers/ Retirements	Balance
	December 31, 2021	Additions		December 31, 2022
Capital assets, not being depreciated:				
Land- all stations	\$ 1,240,658	\$ -	\$ (311,787)	\$ 928,871
Assets in process	<u>-</u>	<u>653,663</u>	<u>-</u>	<u>653,663</u>
Total capital assets, not being depreciated	<u>1,240,658</u>	<u>653,663</u>	<u>(311,787)</u>	<u>1,582,534</u>
Capital assets, being depreciated:				
Buildings/improvements				
- all stations	28,517,105	388,842	-	28,905,947
Medical equipment	800,611	256,587	(142,419)	914,779
Furniture & equipment	1,553,980	601,348	-	2,155,328
Machinery & equipment	2,461,238	231,718	(61,796)	2,631,160
Firefighting vehicles	10,333,003	-	-	10,333,003
Vehicles - other	<u>1,678,754</u>	<u>130,257</u>	<u>(48,800)</u>	<u>1,760,211</u>
Total capital assets, being depreciated	<u>45,344,691</u>	<u>1,608,752</u>	<u>(253,015)</u>	<u>46,700,428</u>
Less accumulated depreciation for:				
Buildings/improvements	(6,728,065)	(1,218,791)	-	(7,946,856)
Medical equipment	(420,248)	(84,966)	137,584	(367,630)
Furniture & equipment	(865,855)	(146,908)	-	(1,012,763)
Machinery & equipment	(789,587)	(220,866)	57,900	(952,553)
Firefighting vehicles	(2,253,594)	(595,337)	-	(2,848,931)
Vehicles - other	<u>(929,394)</u>	<u>(248,991)</u>	<u>9,760</u>	<u>(1,168,625)</u>
Total accumulated depreciation	<u>(11,986,743)</u>	<u>(2,515,859)</u>	<u>205,244</u>	<u>(14,297,358)</u>
Total capital assets, being depreciated, net	<u>33,357,948</u>	<u>(907,107)</u>	<u>(47,771)</u>	<u>32,403,070</u>
Capital assets, net	<u>\$34,598,606</u>	<u>\$ (253,444)</u>	<u>\$ (359,558)</u>	<u>\$33,985,604</u>

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**5. Long-Term Liabilities**

On November 9, 2020, the District entered into an assignment and assumption of bond contracts between the District and Rocky Mountain Fire Protection District. The District assumed the debt as part of the merger agreement which states Mountain View Fire will own all of Rocky Mountain Fire's assets and assume all of their liabilities. The assets became district property on January 1, 2021.

The general obligation bonds were issued September 17, 2019 for an original principal balance of \$5,690,000, and the current outstanding principal balance of the bonds is \$4,105,000 at December 31, 2022. The bonds are due serially on September 1, with interest of 2.170% payable semiannually on March 1 and September 1; these bonds mature on September 1, 2029.

The following is a summary of changes in long-term debt of the District for the year ended December 31, 2022:

	<b>Balance at December 31, 2021</b>	<b>Additions</b>	<b>Payments</b>	<b>Balance at December 31, 2022</b>	<b>Due Within One Year</b>
2019 General Obligation Bond	\$ 4,645,000	\$ -	\$ (540,000)	\$ 4,105,000	\$ 550,000
Total Bond Obligations	<u>\$ 4,645,000</u>	<u>\$ -</u>	<u>\$ (540,000)</u>	<u>\$ 4,105,000</u>	<u>\$ 550,000</u>

The annual requirements to amortize all debt outstanding as of December 31, 2022 are as follows:

<b>Year ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 550,000	\$ 89,079	\$ 639,079
2024	560,000	77,144	637,144
2025	575,000	64,992	639,992
2026	585,000	52,514	637,514
2027	600,000	39,820	639,820
2028-2029	<u>1,235,000</u>	<u>40,360</u>	<u>1,275,360</u>
Total	<u>\$ 4,105,000</u>	<u>\$ 363,909</u>	<u>\$ 4,468,909</u>

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**5. Long-Term Liabilities (continued)**

Long-term liability activity for compensated absences the year ended December 31, 2022, was as follows:

	Balance at December 31, 2021	Additions	Payments	Balance at December 31, 2022	Due Within One Year
Compensated Absences	\$ 641,414	108,320	57,799	\$ 749,734	\$ -

**6. Interfund Receivables and Payables**

Transfers to and from various funds are used to reimburse for costs associated with administrative and support related to operations, capital outlay, and debt service. The transfer to the capital service fund was budgeted in 2022.

	Due to			
	General Fund	Capital Reserve Fund	Debt Service Fund	
<b>Due From:</b>				
General Fund	\$ -	\$ 3,029,010	\$ 3	\$ 3,029,013
Capital Reserve Fund	8,343	-	7,027	15,370
Debt Service Fund	25,011	1,183	-	26,194
 Total	 <u>\$ 33,354</u>	 <u>\$ 3,030,193</u>	 <u>\$ 7,030</u>	 <u>\$ 3,070,577</u>

**7. Risk Management**

The District is exposed to various risks of loss related to various torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage.

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 8. Contract Services and Dispatch Revenues

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During 2017, the District entered into a one-year agreement, with four renewal options, with the National Renewable Energy Laboratory to provide contract fire protection services. During 2022, the District received \$166,394 related to this agreement.

The District functions as a cooperator with the Colorado State Forest Service to provide emergency response to State and National incidents. The District received \$761,204 from this agreement during 2022.

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#### 9. Pensions

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The District currently maintains five (5) separate pension and retirement plans. The plans cover paid participating firefighters hired prior to associating with FPPA ("Old Hires" prior to January 1, 1993), new hires, paid administrative personnel and all volunteer firefighters. On January 1, 1993, the District's local volunteer and "old hire" Pension Fund affiliated with the Fire and Police Pension Associations' (FPPA) Fire and Police Members' Benefit Fund under the Colorado Revised Statutes, 31-30-005(1)(k), as amended, at which time all plan assets were transferred to FPPA for administrative purposes. Under the FPPA affiliation agreement, the District is responsible for the collection and transmission of all contributions to the local Pension Fund. The FPPA is responsible for the physical safekeeping and investing of such contributions as well as for making the appropriate and legally authorized payments of pension benefits and other expenses of the plan.

The following tables present combining information relating to the District's Defined Benefit Pension Plans as of the year ended December 31, 2022:

	<b>Net Pension Liability/ (Asset)</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
FPPA SWDB Plan	\$ (10,163,386)	\$ 7,149,588	\$ 8,606,932
PERA Plan	(142,641)	315,318	1,236,254
Volunteer Plan - MVF	(170,696)	33,712	281,593
Volunteer Plan - RMF	596,831	4,398	26,990
Old Hire Plan	<u>167,902</u>	<u>8,963</u>	<u>7,191</u>
Combined	<u>\$ (9,711,990)</u>	<u>\$ 7,511,979</u>	<u>\$ 10,158,960</u>

In the Statement of Net Position, all net pension liabilities have been aggregated and separately reported from the net pension asset in the amount of \$10,476,723.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**9. Pensions (continued)**

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As of December 31, 2022, the deferred inflows and outflows of resources resulting from the combined pension plans are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ 47,073
Difference between actual and expected experience	2,917,285
Changes in assumptions	1,497,723
Changes in proportionate share	1,412,401
Contributions received after measurement date	<u>1,637,497</u>
Total deferred outflows of resources	<u>\$ 7,511,979</u>
Deferred inflows of resources:	
Difference between actual and expected experience	\$ 8,351,556
Difference between actual and expected earnings	239,421
Changes in proportionate share	<u>1,567,983</u>
Total deferred inflows of resources	<u>\$10,158,960</u>

Deferred outflows of resources of \$1,637,497, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

	2023	\$	(1,194,653)
	2024		(2,200,272)
	2025		(1,297,965)
	2026		(469,428)
	2027		572,845
	Thereafter		<u>304,995</u>
	Total	\$	(4,284,478)

**Volunteer Plan – Mountain View Fire**

***Plan Description***

The District has established the Volunteer Firefighters’ Pension Plan (the “Plan”), an agent multiple-employer Public Employee Retirement System (PERS) administered by the Fire and Police Pension Association of Colorado (“FPPA”) for plan investment and administration only. The District's active volunteer firefighters participate in a non-contributing pension plan administered by a Board of Trustees, which includes District Board members and volunteer firefighters.

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

#### 9. Pensions (continued)

At December 31, 2022, the District reported a net pension asset of \$170,696 for this Plan.

The net pension (asset) liability was measured as of December 31, 2021, and the total pension (asset) liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of January 1, 2021. Standard update procedures were used to roll forward the total pension liability to December 31, 2022.

For the year ended December 31, 2022, the District recognized pension income of (\$108,484). Plan membership as of January 1, 2021, was as follows:

Active members	0
Retirees and beneficiaries	67
Inactive, non-retired members	<u>9</u>
Total	76

#### ***Benefits Provided***

Any firefighter who has both attained the age of 50 and completed 20 years of active service shall be eligible for a monthly pension. Pro rata pensions would apply to volunteers who reached 50 years of age and had between 10 and 20 years of service.

A firefighter, who is disabled in the line of duty and whose disability is of such character and magnitude as to deprive the firefighter of earning capacity which extends beyond one year, shall be compensated in an amount determined by the Pension Board.

The Plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute.

#### ***Funding Policy***

The contributions are not actuarially determined. An actuary is used to determine the adequacy of contributions. The actuarial study as of January 1, 2021, indicated that the funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2121. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Total covered payroll for this plan for the measurement period ended December 31, 2021, was \$-0-. For the measurement period ended December 31, 2021, the District contributions were \$17,449 towards meeting the unfunded liability. In addition, the State of Colorado contribution was \$50,536.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**9. Pensions (continued)**

*Actuarial assumptions*

An actuarial valuation is performed every two years to determine the pension benefit obligation. The latest available actuarial valuation was performed as of January 1, 2021. The measurement date was December 31, 2021. The following assumptions were used in computing the pension benefit obligation for this plan:

	<b>Actuarially Determined Contributions</b>
Actuarial Valuation Date	January 1, 2021
Actuarial Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Amortization Period	20 years
Investment Rate of Return	7.00%
Asset Valuation Method	5-Year smoothed fair value
Retirement Age	50% per year of eligibility until 100% at age 65
Includes Inflation at	2.50%
Mortality	<p><b>Pre-retirement:</b> 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.</p> <p><b>Post-retirement:</b> 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.</p> <p><b>Disabled:</b> 2006 central rates from the RP-2014 Disabled 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.</p>

*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 1.84% (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15); and the resulting Single Discount Rate is 7.00%.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**9. Pensions (continued)**

***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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Nominal Rate of Return</b>
Global Public Equity	39%	8.23%
Long Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income	15%	9.26%
Absolute Return	10%	5.60%
Cash	2%	2.32%
Total	100%	

***Sensitivity***

The following presents the District's share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the District's share of the net pension liability would be if it were calculated using a discount rate this is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Net pension liability(asset)	\$42,494	(\$170,696)	(\$352,992)



# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 9. Pensions (continued)

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##### **Volunteer Plan – Rocky Mountain Fire**

###### ***Plan Description***

The District assumed the net pension liability of the Rocky Mountain Fire Protection District plan effective January 1, 2021. The District has established the Volunteer Firefighters' Pension Plan (the "Plan"), an agent multiple-employer Public Employee Retirement System (PERS) administered by the Fire and Police Pension Association of Colorado ("FPPA") for plan investment and administration only. The District's active volunteer firefighters participate in a non-contributing pension plan administered by a Board of Trustees, which includes District Board members and volunteer firefighters. As of December 31, 2021, the Plan has 25 retirees and beneficiaries, 1 inactive -nonretired members, and no active members.

At December 31, 2022, the District reported a net pension liability of \$596,831 for this Plan. For the year ended December 31, 2022, the District recognized pension income of \$11,469.

The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021. Standard update procedures were used to roll forward the total pension liability to December 31, 2022.

###### ***Benefits Provided***

Any firefighter who has both attained the age of 50 and completed 20 years of active service shall be eligible for a monthly pension. Pro rata pensions would apply to volunteers who reached 50 years of age and had between 10 and 20 years of service. A firefighter, who is disabled in the line of duty and whose disability is of such character and magnitude as to deprive the firefighter of earning capacity which extends beyond one year, shall be compensated in an amount determined by the Pension Board.

The Plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute.

###### ***Funding Policy***

The contributions are not actuarially determined. An actuary is used to determine the adequacy of contributions. The actuarial valuation as of January 1, 2021, indicated that the funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2024. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Total covered payroll for this plan for the measurement period ended December 31, 2021 was \$-0-. For the measurement period ended December 31, 2021, the District contributions were \$9,000 towards meeting the unfunded liability. In addition, the State of Colorado contribution was \$--.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**9. Pensions (continued)**

*Actuarial assumptions*

An actuarial valuation is performed every two years to determine the pension benefit obligation. The latest available actuarial valuation was performed as of January 1, 2021. The measurement date was December 31, 2020.

The following assumptions were used in computing the pension benefit obligation for this plan:

	<b>Actuarially Determined Contributions</b>
Actuarial Valuation Date	January 1, 2021
Actuarial Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Amortization Period	20 years
Investment Rate of Return	7.00%
Asset Valuation Method	5-Year smoothed fair value
Retirement Age	50% per year of eligibility until 100% at age 65
Includes Inflation at	2.50%
Mortality	<p><b>Pre-retirement:</b> 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.</p> <p><b>Post-retirement:</b> 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.</p> <p><b>Disabled:</b> 2006 central rates from the RP-2014 Disabled 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.</p>

*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 1.84% (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 2.30%.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**9. Pensions (continued)**

***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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Nominal Rate of Return</b>
Global Public Equity	39%	8.23%
Long Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income	15%	9.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
<b>Total</b>	<b>100%</b>	

***Sensitivity***

The following presents the District's share of the net pension liability calculated using the discount rate of 2.30 percent, as well as what the District's share of the net pension liability would be if it were calculated using a discount rate this is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<b>1% Decrease (1.30%)</b>	<b>Current Rate (2.30%)</b>	<b>1% Increase (3.30%)</b>
Net pension liability	\$ 701,056	\$596,831	\$511,356

**"Old Hire" Employee Plan – Mountain View Fire Plan Description**

The District's paid employees, hired prior to associating with FPPA, participate in a contributing pension plan administered by the Board of Trustees. As of the measurement date, there were no active paid firefighters, and one retired paid firefighter receiving monthly pension benefits from the plan.

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 9. Pensions (continued)

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At December 31, 2022, the District reported a net pension liability of \$167,902 for this Plan.

The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022. Standard update procedures were used to roll forward the total pension liability to December 31, 2022.

For the year ended December 31, 2022, the District recognized pension expense of \$61,244.

#### ***Benefits Provided***

Participants are eligible for retirement benefits upon reaching age 50 with 20 or more years of credit service, including partial credit for volunteer service. Retirement benefits are equal to 50% of the amount of the retiree's monthly regular salary as of the date of retirement plus, if the Board of Trustees authorizes such additional benefits, 50% of any increase in salary and longevity or additional pay based on length of service granted during the period of retirement to the rank occupied by the retiree. These benefits are established by State statute.

#### ***Funding Policy***

The actuarial valuation as of January 1, 2022, indicated that the funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2120. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Total covered payroll for this plan for the measurement period ended December 31, 2021 was \$-0-. For the measurement period ended December 31, 2021, the District contributions were \$20,800 towards meeting the unfunded liability.

#### ***Actuarial assumptions***

An actuarial valuation is performed every two years to determine the pension benefit obligation. The latest available actuarial valuation was performed as of January 1, 2022. The measurement date was December 31, 2021. The following assumptions were used in computing the pension benefit obligation for this plan:

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**9. Pensions (continued)**

	<b>Actuarially Determined Contributions</b>
Actuarial Valuation Date	January 1, 2020
Actuarial Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Amortization Period	20 years
Investment Rate of Return	4.50%
Asset Valuation Method	5-Year smoothed fair value
Retirement Age	Any remaining actives are assumed to retire immediately
Includes Inflation at	2.50%
Mortality	<p><b>Post-retirement:</b> For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.</p> <p><b>Disabled (pre-1980):</b> Post-retirement rates set forward for three years</p>

***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 4.50%; the municipal bond rate is 1.84% (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 4.50%.

***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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of rates of return for each major asset class included in the pension plan's target asset allocation as of the valuation date are summarized in the following table:

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**9. Pensions (continued)**

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Global Public Equity	10%	7.80%
Long Short	0%	6.90%
Private Capital	0%	10.5%
Fixed Income	80%	5.80%
Absolute Return	0%	5.60%
Cash	10%	0.10%
Total	100%	

***Sensitivity***

The following presents the District's share of the net pension liability calculated using the discount rate of 4.5 percent, as well as what the District's share of the net pension liability would be if it were calculated using a discount rate this is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (3.50%)	Current Rate (4.50%)	1% Increase (5.50%)
Net pension liability	\$180,730	\$ 167,902	\$156,029

**FPPA Statewide Defined Benefit Plan**

***Plan Description***

The District contributes to the Statewide Defined Benefit Plan, cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan ("SWDB") provides retirement benefits for members and beneficiaries. Colorado statutes assign the authority to establish benefit provisions to the state legislature.

The Statewide Defined Benefit Plan covers 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 1, 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.

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

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 9. Pensions (continued)

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The financial statements of the Statewide Defined Benefit Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

At December 31, 2022, the District reported a net pension asset of \$10,163,386 for this Plan.

The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022. Standard update procedures were used to roll forward the total pension liability to December 31, 2022.

For the year ended December 31, 2022, the District recognized pension income of (\$1,344,117).

#### ***Benefits Provided:***

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

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

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

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**9. Pensions (continued)**

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***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 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contribution rates will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2021, members of the SWDB plan and their employers are contributing at the rate 11.5 percent and 8.5 percent, respectively, of pensionable earnings for a total contribution rate of 20.0 percent.

For the year ended December 31, 2022, covered employees contributed \$1,833,771 on a base salary of \$15,257,118. The District contributed an additional \$1,375,232 to the plan on the covered employees' behalf.

***Actuarial assumptions***

The total pension liability and actuarially determined contributions as of the measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement for the fiscal year ending December 31, 2021. The valuations used the following actuarial assumptions and other inputs:

	<b>Total Pension Liability</b>	<b>Actuarial Determined Contributions</b>
Actuarial Valuation Date	January 1, 2022	January 1, 2021
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 years
Long-Term Investment Rate of Return	7.0%g	7.0%
Projected Salary Increases	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustments	0%	0%
Includes Inflation at	2.5%	2.5%



# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

#### 9. Pensions (continued)

##### *Discount Rate*

The discount rate used to measure the total pension liability was 7.0 percent. 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.

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 percent; the municipal bond rate is 1.84 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

##### *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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Rate of Return</b>
Global Equity	39.0%	8.23%
Equity Long/Short	8.0%	6.87%
Private Markets	26.0%	10.63%
Fixed Income	15.0%	9.26%
Absolute Return	10.0%	5.60%
Cash	2.0%	2.32%
Total	100.0%	

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**9. Pensions (continued)**

**Sensitivity:** The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the District’s proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate this is 1-percentage-point lower or 1-percentage-point higher than the current rate.

The net pension liability (asset) is impacted by a change in the discount rate as follows:

	<b>1% Decrease (6.00%)</b>	<b>Current Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Net pension liability (asset)	\$ (74,736,029)	\$ (541,933,763)	\$ (928,981,070)

**Administrative Personnel Plan**

***Plan Description***

The District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees’ Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Pension Liabilities and Pension Expense***

At December 31, 2021, the District reported \$142,641 for its proportionate share of the net pension asset. The net pension asset for the LGDTF was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the total pension liability to December 31, 2021. The District’s proportion of the net pension liability was Districts’ based on the District’s contributions to the LGDTF for the calendar year 2021 relative to the total contributions of participating employers.

Mountain View Fire Protection District’s proportion of the net pension asset was based on the District’ contributions to the LGDTF for the calendar year 2021 relative to the total contributions of participating employers to the LGDTF. At December 31, 2021, the District’s proportion was 0.16 percent, which was an increase of 0.0155% from its proportion measured as of December 31, 2020. For the year ended December 31, 2022, the District recognized pension income of \$252,563.

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 9. Pensions (continued)

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##### *Benefits provided*

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

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

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

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

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

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

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**9. Pensions (continued)**

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

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

***Contributions***

Eligible employees of the District and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of January 1, 2022 through December 31, 2022 summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employee contribution (all employees other than State	8.50%	9.00%

\*\*Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42). The employer contribution requirements for all employees other than State Troopers are summarized in the table below:

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**9. Pensions (continued)**

The employer contribution requirements for all employees other than State Troopers are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employer contribution rate	10.50%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%	(1.02)%
Amount apportioned to the LGDTF	9.48%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.03%	0.03%
<b>Total employer contribution rate to the LGDTF</b>	<b>13.21%</b>	<b>13.71%</b>

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the District were \$170,936 for the year ended December 31, 2022.

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

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

#### 9. Pensions (continued)

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20%–11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/	1.00%

PERA benefit structure hired after 12/31/06<sup>1</sup>

Financed by the AIR

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

The TPL as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

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

Pre-retirement mortality assumptions for members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

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

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

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 9. Pensions (continued)

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

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

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

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

#### *Discount rate*

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 9. Pensions (continued)

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- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered AI cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

#### ***Long-term Expected Return on Plan Assets***

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



# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

#### 9. Pensions (continued)

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

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives <sup>1</sup>	6.00%	4.70%
<b>Total</b>	<b>100.00%</b>	

<sup>1</sup> The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

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

#### *Sensitivity*

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate: (in '000's)

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 978,029	\$ (142,641)	\$ (1,080,032)

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 10. Other Post-Employment Benefits

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##### *Summary of Significant Accounting Policies OPEB*

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

##### *General Information about the OPEB Plan*

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

##### *Benefits provided*

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. The basis for the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**10. Other Post-Employment Benefits**

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

***Benefits***

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

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF.

***Contributions***

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and Mountain View Fire Protection District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Mountain View Fire Protection District were \$12,627 for the year ended December 31, 2021.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**10. Other Post-Employment Benefits (continued)**

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

At December 31, 2022, Mountain View Fire Protection District reported a liability of \$111,525 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020.

Mountain View Fire Protection District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF. At December 31, 2020, Mountain View Fire Protection District's proportion was 0.011% percent, which was an increase of 0.00047% from its proportion measured as of December 31, 2019. Standard update procedures were used to roll-forward the TOL to December 31, 2021. The District proportion of the net OPEB liability was based on District's contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, the District's proportion was 0.013%, which was a decrease of 0.0003% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, Mountain View Fire Protection District recognized OPEB expense \$570. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 170	\$ 26,444
Changes in assumptions or other inputs	2,309	6,050
Net difference between projected and actual earnings on plan investments	-	6,903
Change in proportionate share	13,135	-
Contributions after the measurement date	<u>12,954</u>	<u>-</u>
Total	<u>\$ 28,568</u>	<u>\$ 39,397</u>

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**10. Other Post-Employment Benefits (continued)**

\$12,954 reported as deferred outflows of resources related to OPEB, resulting from contributions after the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

2023	\$ (9,172)
2024	(10,095)
2025	(5,883)
2026	(963)
2027	1,954
Thereafter	377
Total	\$(23,783)

***Actuarial assumptions***

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.20%-11.30%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	4.50% for 2021, 6.00% in 2022 gradually decreasing to 4.50 percent in 2029
Medicare Part A premiums	3.75% for 2021, gradually rising to 4.50 percent in 2029

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**10. Other Post-Employment Benefits (continued)**

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2020, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2021 for the PERA Benefit Structure:

	<b>Initial Costs for Members without Medicare Part A</b>		
<b>Medicare Plan</b>	<b>Monthly Cost</b>	<b>Monthly Premium</b>	<b>Monthly Cost Adjusted to</b>
Medicare Advantage/Self-Insured Rx	\$633	\$230	\$591
Kaiser Permanente Medicare Advantage HMO	596	199	562

The 2021 Medicare Part A premium is \$471 (actual dollars) per month.

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums. The PERA benefit structure health care cost trend rates used to measure the TOL are summarized in the table below:

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**10. Other Post-Employment Benefits (continued)**

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Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2020, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

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

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

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

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

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

#### 10. Other Post-Employment Benefits (continued)

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

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

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

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

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

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



# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

#### 10. Other Post-Employment Benefits (continued)

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

***Sensitivity of the District's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.***

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare	3.50%	4.50%	5.50%
Ultimate PERACare Medicare	3.50%	4.50%	5.50%
Initial Medicare Part A trend	2.75%	3.75%	4.75%
Ultimate Medicare Part A	3.50%	4.50%	5.50%
Net OPEB Liability	\$108,323	\$111,525	\$115,235

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

**10. Other Post-Employment Benefits (continued)**

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

***Sensitivity of the District’s proportionate share of the net OPEB liability to changes in the discount rate.***

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$129,525	\$111,525	\$96,151

*OPEB plan fiduciary net position.* Detailed information about the HCTF’s FNP is available in PERA’s ACFR which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

# Mountain View Fire Protection District

## Notes to Financial Statements (continued)

### December 31, 2022

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#### 11. Voluntary Investment Program

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**Description** - Certain employees of the District who are members of the SWDB may voluntarily contribute to the Voluntary Investment Program (“457 Plan”), an Internal Revenue Code Section 457 defined contribution plan administered by FPPA. Plan participation is optional, and contributions are separate from others made to FPPA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the 457 Plan provisions to the State Legislature.

**Funding Policy** - The 457 Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$20,500 for calendar year 2022). For the year ended December 31, 2022 member contributions were \$777,026.

#### 12. TABOR Compliance

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Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer’s Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations, which apply to the State of Colorado and all local governments.

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 in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenues.

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.

Spending excludes spending from certain revenue and financial sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves. The District considers \$1,250,394 as designated for the TABOR's three percent Reserved for Emergency for 2022.

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rates, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

**Mountain View Fire Protection District**  
**Notes to Financial Statements (continued)**  
**December 31, 2022**

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**12. TABOR Compliance (continued)**

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The District levied 7.817 mills for property taxes to be collected in 2008. On November 4, 2008, district voters approved an increase in the existing mill levy by 3.93 mills, resulting in an increase to the mill levy to 11.747 mills. In 2018, the district voters approved an increase in the existing mill levy by 4.50 mills, resulting in the present mill levy of 16.247. The revenue from the increase will be used to offset a planned decrease in oil and gas revenue, replace equipment, fund major facility repairs, as well as build reserves.

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, the Amendment specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or irrevocably pledging present cash reserves for all future payments.

On November 4, 1997, District voters approved a ballot issue removing the related revenue and spending limitations of the TABOR Amendment without raising the existing mill levy of the general fund commencing fiscal year 1996 and continuing thereafter, as may be provided by law, for the purposes of defraying the costs of providing fire protection, rescue and emergency medical services

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an Enterprise will require judicial interpretation.

# **Mountain View Fire Protection District**

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**Required Supplementary Information**

**Mountain View Fire Protection District**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance—Actual and Budget**  
**Governmental Fund Type—General Fund**  
**December 31, 2022**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Property tax	\$ 35,519,575	\$ 35,567,316	\$ 47,741
Specific ownership tax	1,370,354	1,947,470	577,116
Charges for services	1,589,179	3,139,940	1,550,761
Grant revenue	-	60,082	60,082
Investment earnings	20,000	913,281	893,281
Wildland revenue	100,000	761,204	661,204
Other income	<u>43,000</u>	<u>340,567</u>	<u>297,567</u>
Total Revenues	<u>38,642,108</u>	<u>42,729,860</u>	<u>4,087,752</u>
<b>Expenditures:</b>			
Salaries and wages	19,044,503	17,675,163	1,369,340
Overtime wages	1,632,360	1,670,457	(38,097)
Benefits	7,371,595	6,238,629	1,132,966
General operating supplies	1,141,669	1,067,845	73,824
Small equipment/tools	706,674	553,224	153,450
Non-capital tech expenditures	242,625	225,782	16,843
Non-capital fleet expenditures	240,000	282,774	(42,774)
General purchased services	1,244,595	1,072,018	172,577
Contract services	596,203	475,293	120,910
Training	261,910	128,066	133,844
Repairs/maintenance equipment	291,914	351,361	(59,447)
Repairs/maintenance buildings	371,377	376,213	(4,836)
Utilities	495,531	392,757	102,774
Capital outlay	<u>18,000</u>	<u>23,013</u>	<u>(5,013)</u>
Total Expenditures	<u>33,658,956</u>	<u>30,532,595</u>	<u>3,126,361</u>
<b>Excess Revenue Over (Under)</b>			
<b>Expenditures</b>	<u>4,983,152</u>	<u>12,197,265</u>	<u>7,214,113</u>
<b>Other financing sources and (uses)</b>			
Transfers in (out)	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>-</u>
Total other financing sources and (uses)	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>-</u>
<b>Net Change in fund balance</b>	1,983,152	9,197,265	7,214,113
<b>Fund Balance—Beginning of year</b>	<u>39,060,265</u>	<u>38,378,005</u>	<u>(682,260)</u>
<b>Fund Balance—End of Year</b>	<u>\$ 41,043,417</u>	<u>\$ 47,575,270</u>	<u>\$ 6,531,853</u>

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

**Mountain View Fire Protection District**  
**Required Supplementary Information**  
**Schedules of Employer Contributions**  
**As of Measurement Period Ended**

**FPPA - Statewide Defined Benefit Plan**

<b>Year Ending</b>	<b>Statutorily Required Contributions</b>	<b>Actual Employer Contributions</b>	<b>Contribution Excess/(Deficiency)</b>	<b>Actual Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
12/31/2022	\$ 1,375,233	\$ 1,375,233	\$ -	\$ 15,257,118	9%
12/31/2021	1,269,336	1,269,336	-	15,102,206	8%
12/31/2020	735,198	735,198	-	9,271,596	8%
12/31/2019	696,885	696,885	-	8,220,382	8%
12/31/2018	662,589	662,589	-	8,444,272	8%

**Colorado PERA - Pension**

<b>Measurement Period Ended</b>	<b>Actuarially Required Contributions</b>	<b>Actual Employer Contributions</b>	<b>Contribution Excess/(Deficiency)</b>	<b>Actual Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
12/31/2022	\$ 170,936	\$ 170,936	\$ -	\$ 1,268,770	13%
12/31/2021	163,408	163,408	-	1,237,964	13%
12/31/2020	137,682	137,682	-	1,064,374	13%
12/31/2019	124,543	124,543	-	982,190	13%
12/31/2018	115,723	115,723	-	911,140	13%

Actuarially determined contributions rates are calculated as of January 1 of odd years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2019, determines the contribution amounts for 2020 and 2021.

**Old Hire Plan**

<b>Measurement Period Ended*</b>	<b>Actuarially Required Contributions</b>	<b>Actual Employer Contributions</b>	<b>Contribution Excess/(Deficiency)</b>	<b>Actual Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
12/31/2021	\$ 20,800	\$ 20,800	\$ -	-	N/A
12/31/2020	\$ 12,629	\$ 14,641	\$ 2,012	-	N/A
12/31/2019	\$ 12,629	\$ 12,629	\$ -	-	N/A
12/31/2018	\$ 3,295	\$ 3,295	\$ -	-	N/A
12/31/2017	\$ 3,295	\$ 3,295	\$ -	-	N/A
12/31/2016	\$ -	\$ 3,295	\$ 3,295	-	N/A
12/31/2015	\$ -	\$ -	\$ -	-	N/A
12/31/2014	\$ -	\$ -	\$ -	-	N/A
12/31/2013	\$ -	\$ 3,295	\$ 3,295	-	N/A

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

\* Actuarially determined contributions rates are calculated as of January 1 of odd years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2020, determines the contribution amounts for 2021 and 2022.

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

\*\* Ratio not applicable (N/A) since payroll is zero due to the plan covering volunteers.

**Mountain View Fire Protection District**  
**Required Supplementary Information**  
**Schedules of Employer Contributions**  
**As of Measurement Period Ended**

**Volunteer Plan - Mountain View Fire**

Measurement Year Ending	Actuarially Required Contributions	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Covered Payroll	Contributions as a Percentage of Covered Payroll
		***			**
12/31/2021	\$ 42,717	\$ 67,985	25,268	-	N/A
12/31/2020	\$ 42,717	\$ 53,344	10,627	-	N/A
12/31/2019	\$ 28,076	\$ 28,076	-	-	N/A
12/31/2018	\$ 28,076	\$ 28,076	-	-	N/A
12/31/2017	\$ 24,081	\$ 24,081	-	-	N/A
12/31/2016	\$ 24,081	\$ 24,081	-	-	N/A
12/31/2015	\$ 24,081	\$ 24,081	-	-	N/A
12/31/2014	\$ 37,367	\$ 37,367	-	-	N/A
12/31/2013	\$ 37,367	\$ 37,367	-	-	N/A

**Volunteer Plan - Rocky Mountain Fire**

Measurement Period Ended	Actuarially Required Contributions	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Covered Payroll	Contributions as a Percentage of Covered Payroll
		***			**
12/31/2021	\$ 29,978	\$ 9,000	\$ (20,978)	\$ -	N/A
12/31/2020	\$ 29,978	\$ 5,000	\$ (24,978)	\$ -	N/A
12/31/2019	\$ 18,150	\$ 9,500	(8,650)	-	N/A
12/31/2018	\$ 18,150	\$ 5,000	(13,150)	-	N/A
12/31/2017	\$ 18,150	\$ 5,000	(13,150)	-	N/A
12/31/2016	\$ 12,659	\$ -	(12,659)	-	N/A
12/31/2015	\$ 12,659	\$ -	(12,659)	-	N/A
12/31/2014	\$ 13,569	\$ 8,000	(5,569)	-	N/A
12/31/2013	\$ 13,569	\$ -	(13,569)	-	N/A
12/31/2012	\$ 10,162	\$ -	(10,162)	-	N/A

**Note:** This schedule is intended to show information for ten years. Additional years will be displayed as they become available. Actuarially determined contributions rates are calculated as of January 1 of odd years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2019, determines the contribution amounts for 2020 and 2021.

\*\* Ratio not applicable (N/A) since payroll is zero due to the plan covering volunteers.

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



**Mountain View Fire Protection District**  
**Required Supplementary Information**  
**Schedules of Proportionate Share of the Net Pension and OPEB Liabilities and Related Ratios**

**Statewide Defined Benefit Plan**

<u>Measurement Period Ended*</u>	<u>Proportion of the Net Pension Liability/(Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability/Asset</u>
12/31/2021	1.88%	\$ (10,163,386)	\$ 15,102,206	-67.3%	116.2%
12/31/2020	1.68%	\$ (3,666,077)	\$ 9,271,596	-39.5%	106.7%
12/31/2019	1.18%	\$ (668,445)	\$ 8,820,382	-7.6%	101.9%
12/31/2018	1.23%	\$ 1,563,196	\$ 8,444,272	18.5%	95.2%
12/31/2017	1.20%	\$ (1,728,386)	\$ 7,349,516	-23.5%	106.3%
12/31/2016	1.23%	\$ 442,771	\$ 6,565,250	6.7%	98.2%
12/31/2015	1.14%	\$ (20,132)	\$ 5,901,675	-0.3%	100.1%

**Colorado PERA - Pension**

<u>Measurement Period Ended*</u>	<u>Proportion of the Net Pension Liability/(Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Payroll</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
12/31/2021	0.17%	\$ (142,641)	\$ 1,237,964	-11.5%	101.49%
12/31/2020	0.15%	\$ 786,023	\$ 1,064,374	73.8%	90.9%
12/31/2019	0.14%	\$ 1,054,250	\$ 982,190	107.3%	86.3%
12/31/2018	0.13%	\$ 1,749,349	\$ 911,140	192.0%	76.0%
12/31/2017	0.16%	\$ 1,790,838	\$ 1,023,788	174.9%	79.4%
12/31/2016	0.18%	\$ 2,440,962	\$ 1,150,400	212.2%	73.6%
12/31/2015	0.21%	\$ 2,357,172	\$ 1,246,364	189.1%	76.9%

**Colorado PERA - OPEB**

<u>Measurement Period Ended*</u>	<u>Proportion of the Net OPEB Liability</u>	<u>Proportionate Share of the Net OPEB Liability</u>	<u>Actual Covered Payroll</u>	<u>Net OPEB Liability as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total OPEB Liability</u>
12/31/2021	0.01%	\$ 111,525	\$ 1,237,964	9.0%	39.4%
12/31/2020	0.01%	\$ 109,370	\$ 1,064,374	10.3%	32.8%
12/31/2019	0.01%	\$ 124,085	\$ 982,190	12.6%	24.5%
12/31/2018	0.01%	\$ 146,812	\$ 911,140	16.1%	17.0%
12/31/2017	0.01%	\$ 162,418	\$ 1,023,788	15.9%	17.5%

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

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

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

Measurement period ended December 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>								
Service cost	\$ -	\$ 1,087	\$ 1,087	\$ 1,223	\$ 1,223	\$ 4,783	\$ 4,783	\$ 6,642
Interest	163,309	169,806	173,035	187,557	190,362	183,755	186,343	189,244
Difference between expected and actual experience	-	(42,072)	-	(81,588)	-	41,849	-	(10,160)
Changes of assumptions	-	-	-	89,759	-	86,085	-	-
Benefit Payments	<u>(221,748)</u>	<u>(220,480)</u>	<u>(220,039)</u>	<u>(230,920)</u>	<u>(227,120)</u>	<u>(226,160)</u>	<u>(225,135)</u>	<u>(221,906)</u>
<b>Net change in total pension liability</b>	<b>(58,439)</b>	<b>(91,659)</b>	<b>(45,917)</b>	<b>(33,969)</b>	<b>(35,535)</b>	<b>90,312</b>	<b>(34,009)</b>	<b>(36,180)</b>
<b>Total pension liability - Beginning</b>	<b>2,441,981</b>	<b>2,533,640</b>	<b>2,579,557</b>	<b>2,613,526</b>	<b>2,649,061</b>	<b>2,558,749</b>	<b>2,592,758</b>	<b>2,628,938</b>
<b>Total pension liability - Ending (a)</b>	<b>2,383,542</b>	<b>2,441,981</b>	<b>2,533,640</b>	<b>2,579,557</b>	<b>2,613,526</b>	<b>2,649,061</b>	<b>2,558,749</b>	<b>2,592,758</b>
<b>Plan fiduciary net position</b>								
Employer contributions	17,449	28,076	28,076	28,076	24,081	37,367	37,367	37,367
Net investment income	341,596	279,062	301,606	2,326	315,112	116,767	43,542	158,185
Benefit payments	(221,748)	(220,480)	(220,039)	(230,920)	(227,120)	(226,160)	(225,135)	(221,906)
Administrative expense	(18,249)	(15,729)	(17,740)	(17,853)	(16,885)	(3,704)	(4,956)	(4,006)
State of Colorado supplemental discretionary payment	<u>50,536</u>	<u>25,268</u>	<u>-</u>	<u>55,303</u>	<u>-</u>	<u>33,630</u>	<u>33,630</u>	<u>27,109</u>
<b>Net change in plan fiduciary net position</b>	<b>169,584</b>	<b>96,197</b>	<b>91,903</b>	<b>(163,068)</b>	<b>95,188</b>	<b>(42,100)</b>	<b>(115,552)</b>	<b>(3,251)</b>
<b>Plan fiduciary net position - beginning</b>	<b>2,384,654</b>	<b>2,288,457</b>	<b>2,196,554</b>	<b>2,359,622</b>	<b>2,264,434</b>	<b>2,306,534</b>	<b>2,422,086</b>	<b>2,425,337</b>
<b>Plan fiduciary net position - end (b)</b>	<b>2,554,238</b>	<b>2,384,654</b>	<b>2,288,457</b>	<b>2,196,554</b>	<b>2,359,622</b>	<b>2,264,434</b>	<b>2,306,534</b>	<b>2,422,086</b>
<b>District's net pension liability - ending (a)-(b)</b>	<b>(170,696)</b>	<b>57,327</b>	<b>245,183</b>	<b>383,003</b>	<b>253,904</b>	<b>384,627</b>	<b>252,215</b>	<b>170,672</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>107.16%</b>	<b>97.65%</b>	<b>90.32%</b>	<b>85.15%</b>	<b>90.29%</b>	<b>85.48%</b>	<b>90.14%</b>	<b>93.42%</b>

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

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

**Mountain View Fire Protection District**  
**Required Supplementary Information**  
**Volunteer Pension Fund - Rocky Mountain Fire**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Last 10 Years**

Measurement period ended December 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>								
Service cost	\$ -	\$ -	\$ -	\$ 989	\$ 887	\$ 843	\$ 794	\$ 2,604
Interest	18,516	22,676	27,993	27,060	29,546	29,479	31,139	34,789
Difference between expected and actual experience	-	50,250	-	57,485	-	14,075	-	(11,096)
Changes of assumptions	(4,727)	85,716	78,770	(31,749)	34,105	26,695	18,029	57,362
Benefit Payments	<u>(49,560)</u>	<u>(47,960)</u>	<u>(62,660)</u>	<u>(50,283)</u>	<u>(47,840)</u>	<u>(52,682)</u>	<u>(43,350)</u>	<u>(44,293)</u>
<b>Net change in total pension liability</b>	(35,771)	110,682	44,103	3,502	16,698	18,410	6,612	39,366
<b>Total pension liability - Beginning</b>	847,562	736,880	692,777	689,275	672,577	654,167	647,555	608,189
<b>Total pension liability - Ending (a)</b>	811,791	847,562	736,880	692,777	689,275	672,577	654,167	647,555
<b>Plan fiduciary net position</b>								
Employer contributions	-	5,000	5,000	5,000	-	-	8,000	-
Net investment income	31,060	27,176	35,310	802	45,563	18,299	7,243	27,295
Benefit payments	(49,560)	(47,960)	(62,660)	(50,283)	(47,840)	(52,682)	(43,350)	(44,293)
Administrative expense	(7,463)	(6,173)	(6,799)	(6,223)	(5,902)	(828)	(1,898)	(1,005)
State of Colorado supplemental discretionary payment	<u>9,000</u>	<u>-</u>	<u>4,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in plan fiduciary net position</b>	(16,963)	(21,957)	(24,649)	(50,704)	(8,179)	(35,211)	(30,005)	(18,003)
<b>Plan fiduciary net position - beginning</b>	231,923	253,880	278,529	329,233	337,412	372,623	402,628	420,631
<b>Plan fiduciary net position - end (b)</b>	214,960	231,923	253,880	278,529	329,233	337,412	372,623	402,628
<b>District's net pension liability - ending (a)-(b)</b>	596,831	615,639	483,000	414,248	360,042	335,165	281,544	244,927
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	26.48%	27.36%	34.45%	40.20%	47.77%	50.17%	56.96%	62.18%

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

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

Note 3: Mountain View Fire Protection assumed the pension liability effective January 1, 2021.

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

**Mountain View Fire Protection District**  
**Required Supplementary Information**  
**Old Hire Pension Fund**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Last 10 Years**

Measurement period ended December 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>								
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	11,893	13,772	20,717	22,978	22,110	24,111	21,193	23,055
Difference between expected and actual experience	63,593	-	37,888	-	41,788	-	38,197	-
Changes of assumptions	-	-	25,290	-	-	-	28,839	-
Benefit Payments	<u>(56,346)</u>	<u>(54,705)</u>	<u>(53,112)</u>	<u>(53,112)</u>	<u>(51,565)</u>	<u>(50,063)</u>	<u>(48,605)</u>	<u>(47,189)</u>
<b>Net change in total pension liability</b>	19,140	(40,933)	30,783	(30,134)	12,333	(25,952)	39,624	(24,134)
<b>Total pension liability - Beginning</b>	292,159	333,092	302,309	332,443	320,110	346,062	306,438	330,572
<b>Total pension liability - Ending (a)</b>	311,299	292,159	333,092	302,309	332,443	320,110	346,062	306,438
<b>Plan fiduciary net position</b>								
Employer contributions	20,800	14,641	12,629	3,295	3,295	-	-	38,182
Net investment income	547	13,990	24,904	822	38,230	15,451	6,658	22,539
Benefit payments	(56,346)	(54,705)	(53,112)	(53,112)	(51,565)	(50,063)	(48,605)	(47,189)
Administrative expense	<u>(975)</u>	<u>(2,299)</u>	<u>(1,168)</u>	<u>(2,971)</u>	<u>(689)</u>	<u>(2,347)</u>	<u>(858)</u>	<u>(3,413)</u>
<b>Net change in plan fiduciary net position</b>	(35,974)	(28,373)	(16,747)	(51,966)	(10,729)	(36,959)	(42,805)	10,119
<b>Plan fiduciary net position - beginning</b>	179,371	207,744	224,491	276,457	287,186	324,145	366,950	356,831
<b>Plan fiduciary net position - end (b)</b>	143,397	179,371	207,744	224,491	276,457	287,186	324,145	366,950
<b>District's net pension liability - ending (a)-(b)</b>	167,902	112,788	125,348	77,818	55,986	32,924	21,917	(60,512)
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	46.06%	61.39%	62.37%	74.26%	83.16%	89.71%	93.67%	119.75%

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

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

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

# **Mountain View Fire Protection District**

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**Other Supplementary Information**

**Mountain View Fire Protection District**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance—Actual and Budget**  
**Governmental Fund Type—Capital Reserve Fund**  
**December 31, 2022**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>			
Grant revenue	\$ -	\$ 4,212	\$ 4,212
Other income	-	603,362	603,362
Investment earnings	<u>1,743</u>	<u>164,582</u>	<u>162,839</u>
Total Revenues	<u>1,743</u>	<u>772,156</u>	<u>770,413</u>
<b>Expenditures:</b>			
Other		123,480	(123,480)
Capital outlay	<u>3,141,546</u>	<u>2,536,952</u>	<u>604,594</u>
Total Expenditures	<u>3,141,546</u>	<u>2,660,432</u>	<u>481,114</u>
<b>Excess Revenue Over (Under)</b>			
<b>Expenditures</b>	<u>(3,139,803)</u>	<u>(1,888,276)</u>	<u>1,251,527</u>
<b>Other financing sources and (uses)</b>			
Transfers in (out)	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>
Total other financing sources and (uses)	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>
<b>Net Change in fund balance</b>	(139,803)	1,111,724	1,251,527
<b>Fund Balance—Beginning of year</b>	<u>10,435,086</u>	<u>10,500,436</u>	<u>65,350</u>
<b>Fund Balance—End of Year</b>	<u>\$ 10,295,283</u>	<u>\$ 11,612,160</u>	<u>\$ 1,316,877</u>

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

**Mountain View Fire Protection District**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance—Actual and Budget**  
**Governmental Fund Type—Debt Service Fund**  
**December 31, 2022**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Property tax	\$ 639,727	\$ 636,078	\$ (3,649)
Specific ownership tax	11,287	29,594	18,307
Investment earnings	20	2,862	2,842
Other	-	-	-
Total Revenues	651,034	668,534	17,500
<b>Expenditures:</b>			
Principal	540,000	540,000	-
Interest	100,769	100,797	(28)
Other	10,190	10,294	(104)
Total Expenditures	650,959	651,091	(132)
<b>Net Change in fund balance</b>	75	17,443	17,368
<b>Fund Balance—Beginning of year</b>	29,913	40,954	11,041
<b>Fund Balance—End of Year</b>	\$ 29,988	\$ 58,397	\$ 28,409

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