Elk Creek Fire Protection District
Pension Board of Trustees
Regular Meeting Agenda

Thursday, January 9th, 2025 18:00
Via Zoom
(located on ECFPD website)

I. Call to Order

II. Pledge of Allegiance

III. Roll Call of Board Members

IV. Additions or Deletions to, and Approval of the Agenda

V. Review and approval of the October, 2024 Meeting Minutes

VI. Old Business

VII. New Business

   1. Third Quarter 2024 Allocation Report

VIII. Any other business to be brought before the Board

IX. Adjournment

RECORD OF MINUTES
Elk Creek Fire Protection District
Pension Board of Trustees
Regular Meeting
Station One:1993 Blackfoot Road, Conifer, CO
October 10th, 2024 via Zoom

Call to Order at 18:03 PM

The regular monthly meeting of the Pension Board of Trustees of Elk Creek Fire Protection District (ECFPD) was called to order by President Greg Pixley at 6:11 p.m. on Thursday October 10, 2024. The meeting was held via Zoom virtual meeting pursuant to statutory notice.

In attendance were President Greg Pixley, Treasurer Sharon Woods, Secretary Melissa Baker, Director Chuck Newby, Trustee Sheena Tamburlin and Trustee Colt Theil. Vice President Dominique Devaney was an excused absence.

Trustee Sheena Tamburlin was sworn in.

Agenda

The agenda was reviewed by all Board members and Trustees. There were no additions or deletions. Director Chuck Newby made a motion to approve the agenda as presented. The motion was seconded by Director Melissa Baker. The motion was approved unanimously.

Minutes of Previous Meeting

The Directors read the meeting minutes from the July 11 Special Meeting. Director Chuck Newby made a motion to approve the July 11 2024 Special meeting minutes. The motion was seconded by Treasurer Sharon Woods.

The Pension Board of Trustees read the meeting minutes for the July 11, 2024 Regular Pension Board meeting. Treasurer Sharon Woods made a motion to approve the minutes, the motion was seconded by Director Chuck Newby and was approved unanimously.

Old Business

The discussion of the Pension Board Bylaws and the Communication Policy for the Pension Plan was tabled until the next Pension Board meeting to allow time for our new Trustee, Sheena Tamburlin, to review the Bylaws.

New Business

Second Quarter Allocation Report. The second Quarter Allocation Report was reviewed by the Board of Directors and Trustees.

There being no further business to come before the Board at this time, a motion was made by Director Chuck Newby to adjourn and seconded by Treasurer Sharon Woods. The motion passed unanimously. The October Pension Board Meeting was adjourned at 18:22p.m.

Respectfully submitted,

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Greg Pixley – President

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Melissa Baker - Secretary

FPPA | Fire & Police Pension Association of Colorado

MEMORANDUM

To: Affiliated Volunteer Pension Plan Employers - Long Term Pool

From: Peggy Job, Senior Accountant

Re: Quarter Ending September 30, 2024

Allocation Report, Annual Contributions Received & Direct Expense Allocation Summary

Date: October 28, 2024

Allocation Report

Investment Performance

Your plan assets are commingled for investment purposes in the Members' Benefit Investment Fund – Long Term Pool ("Pool"). Returns for the Pool are as follows (returns for periods longer than one year are annualized):

As of 9/30/2024	Quarter	Year to Date	1 Year	3 Years	5 Years
Total Pool Net of Investment Expense*	4.29%	9.82%	15.34%	4.81%	8.72%

**FPPA Administrative Expenses* are not included in the *Total Pool Net of Investment Expense* percentages.

The table below summarizes expenses as a percentage of net assets for the Pool:

Year	FPPA Administrative Expense*	Investment Management Expense	Total Expense Ratio
Q3-2024	0.11%	0.47%	0.58%
2023	0.17%	0.83%	1.00%
2022	0.14%	0.80%	0.94%
2021	0.12%	0.81%	0.93%
2020	0.13%	0.79%	0.92%
2019	0.13%	0.80%	0.93%

How to Calculate Your Plan Specific Expense Ratio

Your Allocation Report may reflect expenses specific to your plan such as actuarial expense and legal fees as well as expenses you directed FPPA to pay from your plan assets. These expenses are reflected in the line items *Plan Directed Expenses* and *Direct Expense Allocation*. As such, your plan's administrative expenses may differ from the Pool. In order to calculate your plan's administrative expense ratio, you will need to add the line items *Plan Directed Expenses*, *Direct Expense Allocation* and *Allocated Fees & Expenses* and divide by the *Ending Balance*.

Allocation Methodology

Investment Expenses and *Allocated Fees & Expenses* are separately allocated and separately reported in the Allocation Report. The *Investment Expenses* are allocated to each plan based on the plan's proportion of total assets. The *Allocated Fees & Expenses* are allocated based on the plan's proportion of total membership, including active, inactive and retired members as of December 31 of the prior year as defined by the guidelines within the Annual Comprehensive Financial Report. Member counts may be adjusted during the year for plan affiliation, disaffiliation, or reentry.

Review of the Report

Review the items *Member Contributions, Employer Contributions, Refunds, Affiliations, Net Benefits, Plan Directed Expenses and State Funding* and confirm that these amounts are correct year-to-date. **If any amount is not correct, please send a written response to FPPA by December 1, 2024. If FPPA does not receive a response December 1, 2024, you are confirming that these report items are correct.**

Annual Contributions Received

FPPA provides a schedule of your 2024 contributions received by FPPA year to date. This schedule compares contributions received in the current year to the actuarial required contributions for 2024. **Please be aware that this report shows contributions based on the date received by FPPA and does not consider if contributions relate to a prior year.**

Direct Expense Allocation Summary

Direct Expense Allocation

FPPA provides a summary of expenses directly allocated to your plan, payments received related to these expenses and the related annual budgeted amounts. These costs are identified as direct plan expenses and are charged directly to the plan as a reduction of plan assets. They are reflected in the *Direct Expense Allocation* row of your Allocation Report. You may contact me to request a detailed summary of these allocated expenses.

The direct expense allocation is comprised of costs for audit and actuarial services. The audit services relate to the SOC 1 Type 2 report over the operating effectiveness of FPPA's controls for processing data and transactions related to your plan. The SOC 1 Type 2 report has been provided since 2014 to assist employers in reporting in accordance with Governmental Accounting Standards Board Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*. Actuarial services include the biennial funding valuation report (issued in odd years for Volunteer Firefighter plans and even years for Old Hire plans) and the annual GASB 68 report. Actuarial services are provided by Gabriel Roeder Smith & Co. Audit services are provided by Eide Bailly LLP.

Payment of Settlor Expenses

Please discuss these direct plan expenses with your legal counsel to determine if they are a "settlor" expense. The Department of Labor believes that the employer should bear the cost of settlor expenses. If you agree, you should reimburse the plan for these expenses. This payment is in addition to any employer contributions made to the plan or as determined by the actuary (the actuarially determined contribution).

To reimburse the plan for these costs, please send payment via ACH or wire to FPPA. These payments need to be identified separately from your actuarial required contribution in order to net out the expense. Please contact FPPA for ACH or wire Instructions.

If you have any questions regarding your allocation report or the direct allocated plan expenses, please call me at 303-770-3772 in Metro Denver or 800-332-3772 or email me at pjob@fppaco.org.

Allocation Report Descriptions

This report provides the beginning of year plan balance, year-to-date totals, and an ending plan balance as of the report date

Beginning Balance	Plan assets at the beginning of the year
Plan Direct Inflows and Outflows	
Member Contributions	Member Contributions made to the plan
Employer Contributions	Employer Contributions made to the plan
Contributions from the SWDD Plan	Contributions received for a member on disability rolling to a normal retirement
Refunds	Member withdrawal of funds from the plan
Affiliations/(Disaffiliations)	Plan affiliation or disaffiliation or idle funds distribution (typically a Volunteer Fire Plan matter)
Net Benefits	Benefits paid to retired members
Plan Directed Expenses	Payments from plan assets directed by the department Examples: legal, actuarial, and insurance expense
State Funding	State funding for volunteer plans
Plan Direct Inflows and Outflows Sub-Total	Sub-Total of the above activity
Allocated Income and Expense	
Interest*	Interest on investments
Dividends*	Dividends on investments
Other Income*	Other investment income
Net Change Accrued Income*	Change in accrued earnings for interest and dividends
Unrealized Gain/Loss*	Unrealized Gain/Loss on investments
Realized Gain/Loss*	Realized Gain/Loss on investments
Defined Contribution Earnings (Net)	Not applicable for Defined Benefit plans
Investment Expenses	Allocated share of FPPA investment expense
Direct Expense Allocation	Expenses directly allocated to the plan Examples: actuarial and audit fees
Other Expenses	Allocated share of FPPA administrative expense
Allocated Income and Expense Sub-Total	Sub-Total of the above activity
Ending Balance	Plan assets at period end

** Allocated from the Fire & Police Members' Benefit Investment Fund – Long Term Pool.*

Fire and Police Pension Association
Direct Expense Allocation Summary
Elk Creek FPD 7102-5
For the Nine Months Ending September 30, 2024

Type of Expense	2024 Budget	Year-to-Date Expenses	Payment of 2024 Expenses
Actuarial Expenses	$341.52	$227.68	
Audit Expenses	$169.46	$169.46	
Other Asset Allocation Study Expenses			
Total Direct Allocated Expenses & Payments	**$510.98**	**$397.14**	

Actuarial expenses may exceed the budget related to asset allocation studies and implementation.

Contact Peggy Job at 720-479-2345 to obtain a detailed expense listing.

Fire and Police Pension Association
Elk Creek FPD 7102-5
For the Nine Months Ending September 30, 2024

Beginning Balance	$2,930,956.41
Plan Direct Inflows and Outflows	
Member Contributions	
Employer Contributions	
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	($163,132.20)
Plan Directed Expenses	($1,400.00)
State Funding	
Plan Direct Inflows and Outflows Sub-Total	($164,532.20)
Allocated Income and Expense	
Interest	$15,026.59
Dividends	$10,104.48
Other Income	$1,080.82
Net Change Accrued Income	($386.33)
Unrealized Gain/Loss	$188,837.53
Realized Gain/Loss	$71,150.47
Defined Contribution Earnings (Net)	
Investment Expenses	($13,956.01)
Direct Expense Allocation	($397.14)
Other Expenses	($14,365.07)
Allocated Income and Expense Sub-Total	$257,095.34
Ending Balance	$3,023,519.55

Elk Creek Fire Protection District Volunteer Pension Fund

GASB Statement No. 68 Employer Reporting and Accounting Schedules for the
Measurement Period Ending December 31, 2023 and
Employer Reporting Period Ending December 31, 2024

P: 720.274.7270 | www.grsconsulting.com

September 2024

Administrative Heads and Finance Officers
For Funds Participation in FPPA
Elk Creek Fire Protection District Volunteer Pension Fund

Dear Administrative Heads and Finance Officers:

The accounting schedules submitted in this report are required under the Governmental Accounting Standards Board (GASB) Statement No. 68 "Employer Reporting for Pension Plans."

Our actuarial calculations for this report were prepared for the purpose of complying with the requirements of GASB Statement No. 68. These calculations have been made on a basis that is consistent with our understanding of this Statement.

Our calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 68. The Net Pension Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimated cost of settling the employer's benefit obligation. The Net Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 68 may produce significantly different results. This report may be provided to parties other than the Elk Creek Fire Protection District Volunteer Pension Fund only in its entirety and only with the permission of Elk Creek Fire Protection District Volunteer Pension Fund.

This report is based upon information furnished to us by FPPA staff and verified by the department concerning retirement and ancillary benefits, active members, deferred vested members, retirees and beneficiaries, and financial data. This information was checked for internal consistency but was not audited.

This report complements the actuarial valuation report that was provided to Elk Creek Fire Protection District Volunteer Pension Fund and should be considered in conjunction with that report. Please see the actuarial valuation report as of January 1, 2023 for additional discussion of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.

This report was prepared using our proprietary valuation model and related software which in our professional judgement has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

7900 East Union Avenue | Suite 650 | Denver, Colorado 80237-2746

To the best of our knowledge, the information contained with this report is accurate and fairly represents the actuarial position of the Elk Creek Fire Protection District Volunteer Pension Fund. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

The signing actuaries are independent of the plan sponsor.

Joseph Newton and Dana Woolfrey are members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. Both are experienced in performing valuations for public retirement systems.

Respectfully submitted,

Joseph P. Newton, FSA, EA, MAAA
Pension Market Leader and Actuary

Dana Woolfrey, FSA, EA, MAAA
Senior Consultant and Actuary

Table of Contents

SECTION A

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY
FOR THE MEASUREMENT PERIOD ENDING DECEMBER 31, 2023
TO BE USED FOR DECEMBER 31, 2024 REPORTING PURPOSES

Actuarial Valuation Date	January 1, 2023
Measurement Date of the Net Pension Liability/(Asset)	December 31, 2023
Employer's Fiscal Year Ending Date (Reporting Date)	December 31, 2024

Membership as of January 1, 2023	
Number of	
- Retirees and Beneficiaries	58
- Inactive, Nonretired Members	4
- Active Members	4
- Total	66
Covered Payroll	N/A

Net Pension Liability/(Asset)	
Total Pension Liability	$ 1,989,266
Plan Fiduciary Net Position	2,930,956
Net Pension Liability/(Asset)	$ (941,690)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	147.34 %
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A

Development of the Single Discount Rate	
Single Discount Rate	7.00 %
Long-Term Expected Rate of Investment Return	7.00 %
Long-Term Municipal Bond Rate*	3.77 %
Last year ending December 31 in the 2024 to 2123 projection period for which projected benefit payments are fully funded	2123

Total Pension Expense/(Income)	$ (190,589)

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expense/(Income)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 0	$ 0
Changes in assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	292,751	184,064
Total	$ 292,751	$ 184,064

**Source:* *Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.*

Discussion

Accounting Standard

For state and local government employers (as well as certain non-employers) that contribute to a defined benefit pension plan administered through a trust or equivalent arrangement, Governmental Accounting Standards Board (GASB) Statement No. 68 establishes standards for pension accounting and financial reporting. Under GASB Statement No. 68, the employer must account for and disclose the net pension liability/(asset), pension expense/(income), and other information associated with providing retirement benefits to their employees (and former employees) on their basic financial statements. The volunteer fire plans are considered agent multiple-employer plans and employer reporting should apply the sections of the Statement No. 68 pertaining to agent employers.

The following discussion provides a summary of the information that is required to be disclosed under these accounting standards. A number of these disclosure items are provided in this report. However, certain information is not included in this report if it is not actuarial in nature, such as the notes to the financial statements regarding accounting policies and investments. As a result, the retirement system and/or plan sponsor is responsible for preparing and disclosing the non-actuarial information needed to comply with these accounting standards.

Financial Statements

GASB Statement No. 68 requires state and local government employers that contribute to defined benefit pension plans to recognize the net pension liability/(asset) and the pension expense/(income) on their financial statements, along with the related deferred outflows of resources and deferred inflows of resources. The net pension liability/(asset) is the difference between the total pension liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

Paragraph 34 of GASB Statement No. 68 states, "Contributions to the pension plan from the employer subsequent to the measurement date of the collective net pension liability/(asset) and before the end of the employer's reporting period should be reported as a deferred outflow of resources related to pensions." The information contained in this report does not incorporate any contributions made to Elk Creek Fire Protection District Volunteer Pension Fund subsequent to the measurement date of December 31, 2023.

The pension expense/(income) recognized each fiscal year is equal to the change in the net pension liability/(asset) from the beginning of the year to the end of the year, adjusted for deferred recognition of the certain changes in the liability and investment experience.

Notes to Financial Statements

GASB Statement No. 68 requires the notes of the employer's financial statements to disclose the total pension expense/(income), the pension plan's liabilities and assets, and deferred outflows of resources and inflows of resources related to pensions.

In addition, GASB Statement No. 68 requires the notes of the financial statements for the employers to include certain additional information, including:

- a description of the types of benefits provided by the plan, as well as any benefit improvements;
- the number and classes of employees covered by the benefit terms;
- for the current year, sources of changes in the net pension liability/(asset);
- significant assumptions and methods used to calculate the total pension liability;
- inputs to the Single Discount Rate;
- certain information about mortality assumptions and the dates of experience studies;
- the date of the valuation used to determine the total pension liability;
- information about changes of assumptions or other inputs and benefit terms;
- the basis for determining contributions to the plan, including a description of the plan's funding policy, as well as employer contribution requirements;
- the total pension liability, fiduciary net position, net pension liability/(asset), and the pension plan's fiduciary net position as a percentage of the total pension liability;
- the net pension liability/(asset) using a discount rate that is 1% higher and 1% lower than used to calculate the total pension liability and net pension liability/(asset) for financial reporting purposes; and
- a description of the system that administers the pension plan.

Required Supplementary Information

The financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- sources of changes in the net pension liability/(asset);
- information about the components of the net pension liability/(asset) and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered payroll*; and
- a comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy.

The employer is responsible for maintaining the detailed records necessary to building the 10-year schedules.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status

This funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2123. 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.

Timing of the Valuation

An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability/(asset) and pension expense/(income) should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2023 and a measurement date of December 31, 2023. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2024 and may be used for December 31, 2024 reporting purposes.

Expense and deferred outflow calculations are shown starting with the year ending December 31, 2023, but can be used for the plan sponsor's December 31, 2024 financial reporting. Each reported amount will have a one-year lag so that year end December 31, 2023 can be used for December 31, 2024 plan sponsor reporting.

**Covered payroll is not applicable for volunteer pension plans.*

Paragraph 34 of GASB Statement No. 68 indicates that contributions to the pension plan subsequent to the measurement date of the Net Pension Liability/(Asset) and prior to the end of the employer's reporting period should be reported by the employer as a deferred outflow of resources related to pensions. The information contained in this report does not incorporate any contributions made to the Elk Creek Fire Protection District Volunteer Pension Fund subsequent to December 31, 2023; the employer will need to add 2024 contributions into the Deferred Outflows.

Single Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.77% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

Projected cash flows used in determining the Single Discount Rate are available upon request.

Based on plan maturity metrics, it is expected that the assets of this plan will be transitioned to FPPA's short-term pool within the next decade. Effective with the valuation as of January 1, 2025, the long-term expected rate of return will be changed to 6.00% to reflect this expectation.

Incorporation of Plan Changes

The Total Pension Liability as of December 31, 2023 includes any plan changes through that date. If there were any plan changes effective during the year ending December 31, 2023, the increase in the Total Pension Liability will be reflected in the "Benefit Changes" item on page 12 as well as the Pension Expense on Page 7. The plan provisions used in determining the Total Pension Liability as of December 31, 2023 are shown on page 18 of the report.

SECTION B

FINANCIAL STATEMENTS

Pension Expense/(Income) Under GASB Statement No. 68
Measurement Period Ending December 31, 2023
for the Employer Fiscal Year Ending December 31, 2024

A. Pension Expense/(Income)		
1. Service Cost	$	4,515
2. Interest on the Total Pension Liability		136,779
3. Current-Period Benefit Changes		0
4. Projected Earnings on Plan Investments (made negative here to offset expense)		(193,142)
5. Pension Plan Administrative Expense		20,971
6. State of Colorado Supplemental Discretionary Payment		(13,500)
7. Recognition of Outflow (Inflow) of Resources due to Liabilities		(112,243)
8. Recognition of Outflow (Inflow) of Resources due to Assets		(33,969)
9. Total Pension Expense/(Income)	**$**	**(190,589)**

Statement of Outflows and Inflows arising from the Current Measurement Period Ending December 31, 2023 for the Employer Fiscal Year Ending December 31, 2024

A. Outflows (Inflows) of Resources due to Liabilities*		
1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	$	0
2. Assumption Changes (gains) or losses	$	0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all participants {in years}**		1.0000
4. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) for the difference between expected and actual experience of the Total Pension Liability	$	0
5. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) for assumption changes	$	0
6. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) due to Liabilities (Item A.4 + Item A.5)	$	0
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expense/(income) for the difference between expected and actual experience of the Total Pension Liability (Item A.1 - Item A.4)	$	0
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expense/(income) for assumption changes (Item A.2 - Item A.5)	$	0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expense/(income) due to Liabilities (Item A.7 + Item A.8)	$	0
B. Outflows (Inflows) of Resources due to Assets		
1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	$	(73,513)
2. Recognition period for Assets {in years, closed 5-year period}		5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense/(income) due to Assets (Item B.1 / Item B.2)	$	(14,703)
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets (Item B.1 - Item B.3)	$	(58,810)

**Actual total pension liability at the end of the measurement period is based on a roll forward of liabilities. Therefore, the actual and expected total pension liability at the end of the year are the same and there is no difference between actual and expected experience to be recognized. In addition, there were no assumption changes unless there was a change in the Single Discount Rate.*

***The expected remaining service life of a participant represents how long they are expected to be an active employee under the plan. The average shown is an average of all participants, including inactive participants (retirees, beneficiaries, etc.), who have a remaining service life of 0.0.*

Statement of Outflows and Inflows arising from the Current and Prior Measurement Periods Through December 31, 2023 for the Employer Fiscal Year Ending December 31, 2024

A. Current Pension Expense/(Income) - Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense/(Income)

	Outflows of Resources	Inflows of Resources	Net Outflows/(Inflows) of Resources
1. Due to Liabilities	$ 4,597	$ 116,840	$ (112,243)
2. Due to Assets	97,584	131,553	(33,969)
3. Total	$ 102,181	$ 248,393	$ (146,212)

B. Current Pension Expense/(Income) - Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense/(Income)

	Outflows of Resources	Inflows of Resources	Net Outflows/(Inflows) of Resources
1. Differences between expected and actual experience	$ 0	$ 116,840	$ (116,840)
2. Assumption Changes	4,597	0	4,597
3. Net Difference between projected and actual earnings on pension plan investments	97,584	131,553	(33,969)
4. Total	$ 102,181	$ 248,393	$ (146,212)

C. Future Pension Expense/(Income) - Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expense/(Income)

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
1. Differences between expected and actual experience	$ 0	$ 0	$ 0
2. Assumption Changes	0	0	0
3. Net Difference between projected and actual earnings on pension plan investments	292,751	184,064	108,687
4. Total	$ 292,751	$ 184,064	$ 108,687

D. Future Pension Expense/(Income) - Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expense/(Income)

Fiscal Year Ending December 31	Net Deferred Outflows/ (Inflows) of Resources
2025	$ 4,238
2026	36,270
2027	82,880
2028	(14,701)
2029	0
Thereafter	0
Total	$ 108,687

History of Deferred Outflows and Inflows of Resources by Source for Measurement Periods Through December 31, 2023 for the Employer Fiscal Year Ending December 31, 2024

Differences between expected and actual experience - Net outflows of resources

Recognition Period	3.3786 2015	3.6481 2016	3.6481 2017	3.4571 2018	3.4571 2019	2.3448 2020	2.3448 2021	1.7750 2022	1.7750 2023	1.0000 2024	Total	Deferred Net Outflows at Reporting Date
Total	**$ (7,728)**	**$ 0**	**$ 659**	**$ 0**	**$ (163,344)**	**$ 0**	**$ (8,532)**	**$ 0**	**$ (267,602)**	**$ 0**		
2015	(2,287)										(2,287)	
2016	(2,287)	0									(2,287)	
2017	(2,287)	0	181								(2,106)	
2018	(867)	0	181	0							(686)	
2019	0	0	181	0	(47,249)						(47,068)	
2020	0	0	116	0	(47,249)	0					(47,133)	
2021	0	0	0	0	(47,249)	0	(3,639)				(50,888)	
2022	0	0	0	0	(21,597)	0	(3,639)	0			(25,236)	
2023	0	0	0	0	0	0	(1,254)	0	(150,762)		(152,016)	
2024	0	0	0	0	0	0	0	0	(116,840)	0	(116,840)	
2025	0	0	0	0	0	0	0	0	0	0	0	**$ 0**
2026	0	0	0	0	0	0	0	0	0	0	0	
2027	0	0	0	0	0	0	0	0	0	0	0	
Thereafter	0	0	0	0	0	0	0	0	0	0	0	
	$ (7,728)	**$ 0**	**$ 659**	**$ 0**	**$ (163,344)**	**$ 0**	**$ (8,532)**	**$ 0**	**$ (267,602)**	**$ 0**	**$ (446,547)**	

Assumption changes - Net outflows of resources

Recognition Period	3.3786 2015	3.6481 2016	3.6481 2017	3.4571 2018	3.4571 2019	2.3448 2020	2.3448 2021	1.7750 2022	1.7750 2023	1.0000 2024	Total	
Total	**$ 0**	**$ 0**	**$ 77,535**	**$ 0**	**$ 86,286**	**$ 0**	**$ 0**	**$ 0**	**$ 10,529**	**$ 0**		
2015	0										0	
2016	0	0									0	
2017	0	0	21,254								21,254	
2018	0	0	21,254	0							21,254	
2019	0	0	21,254	0	24,959						46,213	
2020	0	0	13,773	0	24,959	0					38,732	
2021	0	0	0	0	24,959	0	0				24,959	
2022	0	0	0	0	11,409	0	0	0			11,409	
2023	0	0	0	0	0	0	0	0	5,932		5,932	
2024	0	0	0	0	0	0	0	0	4,597	0	4,597	
2025	0	0	0	0	0	0	0	0	0	0	0	**$ 0**
2026	0	0	0	0	0	0	0	0	0	0	0	
2027	0	0	0	0	0	0	0	0	0	0	0	
Thereafter	0	0	0	0	0	0	0	0	0	0	0	
	$ 0	**$ 0**	**$ 77,535**	**$ 0**	**$ 86,286**	**$ 0**	**$ 0**	**$ 0**	**$ 10,529**	**$ 0**	**$ 174,350**	

History of Deferred Outflows and Inflows of Resources by Source for Measurement Periods Through December 31, 2023 for the Employer Fiscal Year Ending December 31, 2024 (continued)

Net Difference between projected and actual earnings on pension plan investments - Net outflows of resources

Recognition Period	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000		Deferred Net Outflows at
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total	Reporting Date
Total	**$ 19,057**	**$ 149,990**	**$ 55,334**	**$ (181,885)**	**$ 204,889**	**$ (191,044)**	**$ (160,156)**	**$ (233,055)**	**$ 487,919**	**$ (73,513)**		
2015	3,811										3,811	
2016	3,811	29,998									33,809	
2017	3,811	29,998	11,067								44,876	
2018	3,811	29,998	11,067	(36,377)							8,499	
2019	3,813	29,998	11,067	(36,377)	40,978						49,479	
2020	0	29,998	11,067	(36,377)	40,978	(38,209)					7,457	
2021	0	0	11,066	(36,377)	40,978	(38,209)	(32,031)				(54,573)	
2022	0	0	0	(36,377)	40,978	(38,209)	(32,031)	(46,611)			(112,250)	
2023	0	0	0	0	40,977	(38,209)	(32,031)	(46,611)	97,584		21,710	
2024	0	0	0	0	0	(38,208)	(32,031)	(46,611)	97,584	(14,703)	(33,969)	
2025	0	0	0	0	0	0	(32,032)	(46,611)	97,584	(14,703)	4,238	**$ 108,687**
2026	0	0	0	0	0	0	0	(46,611)	97,584	(14,703)	36,270	
2027	0	0	0	0	0	0	0	0	97,583	(14,703)	82,880	
Thereafter	0	0	0	0	0	0	0	0	0	(14,701)	(14,701)	
	$ 19,057	**$ 149,990**	**$ 55,334**	**$ (181,885)**	**$ 204,889**	**$ (191,044)**	**$ (160,156)**	**$ (233,055)**	**$ 487,919**	**$ (73,513)**	**$ 77,536**	

Total - Net outflows of resources

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total	
Total	**$ 11,329**	**$ 149,990**	**$ 133,528**	**$ (181,885)**	**$ 127,831**	**$ (191,044)**	**$ (168,688)**	**$ (233,055)**	**$ 230,846**	**$ (73,513)**		
2015	1,524										1,524	
2016	1,524	29,998									31,522	
2017	1,524	29,998	32,502								64,024	
2018	2,944	29,998	32,502	(36,377)							29,067	
2019	3,813	29,998	32,502	(36,377)	18,688						48,624	
2020	0	29,998	24,956	(36,377)	18,688	(38,209)					(944)	
2021	0	0	11,066	(36,377)	18,688	(38,209)	(35,670)				(80,502)	
2022	0	0	0	(36,377)	30,790	(38,209)	(35,670)	(46,611)			(126,077)	
2023	0	0	0	0	40,977	(38,209)	(33,285)	(46,611)	(47,246)		(124,374)	
2024	0	0	0	0	0	(38,208)	(32,031)	(46,611)	(14,659)	(14,703)	(146,212)	
2025	0	0	0	0	0	0	(32,032)	(46,611)	97,584	(14,703)	4,238	**$ 108,687**
2026	0	0	0	0	0	0	0	(46,611)	97,584	(14,703)	36,270	
2027	0	0	0	0	0	0	0	0	97,583	(14,703)	82,880	
Thereafter	0	0	0	0	0	0	0	0	0	(14,701)	(14,701)	
	$ 11,329	**$ 149,990**	**$ 133,528**	**$ (181,885)**	**$ 127,831**	**$ (191,044)**	**$ (168,688)**	**$ (233,055)**	**$ 230,846**	**$ (73,513)**	**$ (194,661)**	

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios Current Period Measurement Period Ended December 31, 2023

A. Total pension liability		
1. Service Cost	$	4,515
2. Interest on the Total Pension Liability		136,779
3. Benefit changes		0
4. Difference between expected and actual experience of the Total Pension Liability		0
5. Changes of assumptions		0
6. Benefit payments		(204,127)
7. Net change in total pension liability	$	(62,833)
8. Total pension liability – beginning		2,052,099
9. Total pension liability – ending	**$**	**1,989,266**
B. Plan fiduciary net position		
1. Contributions – employer	$	25,000
2. Net investment income		266,655
3. Benefit payments		(204,127)
4. Pension Plan Administrative Expense		(20,971)
5. State of Colorado supplemental discretionary payment		13,500
6. Net change in plan fiduciary net position	$	80,057
7. Plan fiduciary net position – beginning (Market value of assets at beginning of year)		2,850,899
8. Plan fiduciary net position – ending (Market value of assets at end of year)	**$**	**2,930,956**
C. Net pension liability/(asset) (Item A.9 - Item B.8)	**$**	**(941,690)**
D. Plan fiduciary net position as a percentage of the total pension liability (Item B.8 / Item A.9)		**147.34%**
E. Covered payroll		**N/A**
F. Net pension liability/(asset) as a percentage of covered payroll		**N/A**

Schedule of Contributions
For Purposes of Building a 10-Year History

Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2023	$ 0	$ 38,500	$ (38,500)	N/A	N/A

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

Information for the measurement periods ending December 31, 2014 through December 31, 2022 should be obtained from the prior years' reports for purposes of building the 10-year history.

Notes to Schedule of Contributions

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

Methods and Assumptions Used to Determine Contribution Rates for the Fiscal Year Ending December 31, 2023:

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

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

Notes:

The actuarial assumptions shown above are associated with the Actuarially Determined Contribution for the Fiscal Year Ending December 31, 2023. The actuarial assumptions were changed for the Actuarial Valuation as of January 1, 2023 and as such, the Total Pension Liability was measured using those assumptions. Please see the comprehensive summary in the funding valuation as of January 1, 2023 for assumptions used to measure the Total Pension Liability as of December 31, 2023.

FPPA System Description

The Fire & Police Pension Association (FPPA) administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. Once in the site, locate the site map at the bottom of the web page and you will find the 'Annual Report' link.

Long-Term Expected Return on Plan Assets

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

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

The figures in the above table were supplied by Fire and Police Pension Association Staff. Gabriel, Roeder, Smith & Company does not provide investment advice.

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.00%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Sensitivity of Net Pension Liability/(Asset) to the Single Discount Rate Assumption for the Measurement Period ending December 31, 2023

1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
$ (774,215)	$ (941,690)	$ (1,086,037)

SECTION C

BENEFIT PROVISIONS

Benefit Provisions Used to Determine the Total Pension Liability for the Measurement Period ending December 31, 2023

1. Normal Retirement Benefit at Age 50 with 20 years of Service (monthly):	
a. Regular	$440.00
b. Extended Service Amount Per Year of Service	$22.00
2. Vested Retirement Benefit (monthly):	
a. With 10 to 20 Years of Service Amount Per Year of Service per Minimum Vesting Years	$22.00
b. Minimum Vesting Years	10
3. Disability Retirement Benefit (monthly):	
a. Short Term Disability for line of duty injury Amount payable for not more than 1 year	$220.00
b. Long Term Disability for line of duty injury Lifetime Benefit	$440.00
4. Survivor Benefits (monthly):	
a. Following Death before Retirement Eligible; Due to death in line of duty as a volunteer firefighter	$220.00
b. Following Death after Normal Retirement	$220.00
c. Following Death after Normal Retirement with Extended Service Amount Per Year of Service	$0.00
d. Following Death after Vested Retirement with 10 to 20 Years of Service Amount Per Year of Service per Minimum Vesting Years	$11.00
e. Following Death after Disability Retirement	$220.00
f. Optional Survivor Benefit Following Death before or after Retirement Eligible; Due to death on or off duty as a volunteer firefighter (Purchase of Life Insurance Required)	$0.00
5. Funeral Benefits (Required Benefit):	
a. Funeral Benefit Lump Sum, one time only	$100.00

Includes any benefit improvements through the end of the measurement period at December 31, 2023, if applicable.

SECTION D

GLOSSARY OF TERMS

Glossary of Terms

Actuarial Accrued Liability (AAL)	The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as "accrued liability" or "actuarial liability."
Actuarial Assumptions	These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation.
Accrued Service	Service credited under the system which was rendered before the date of the actuarial valuation.
Actuarial Equivalent	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.
Actuarial Cost Method	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the actuarial funding method.
Actuarial Gain (Loss)	The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.
Actuarial Present Value (APV)	The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.
Actuarial Valuation	The actuarial valuation report determines, as of the actuarial valuation date, the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions.
Actuarial Valuation Date	The date as of which an actuarial valuation is performed.
Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)	A calculated contribution into a defined benefit pension plan for the reporting period, most often determined based on the funding policy of the plan. Typically the Actuarially Determined Contribution has a normal cost payment and an amortization payment.

Glossary of Terms

Agent Multiple-Employer Defined Benefit Pension Plan

A multiple-employer defined benefit pension plan in which the pension assets of more than one employer are pooled for investment purposes, but separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of only its employees.

Amortization Payment

The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.

Amortization Method

The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be "open" (meaning, reset each year) or "closed" (the number of years remaining will decline each year.

Deferred Inflows and Outflows

The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences and changes of assumptions. The portion of these amounts not included in current pension expense/(income) should be included in the deferred inflows or outflows of resources.

Discount Rate

For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically:

1. The benefit payments to be made while the pension plans' fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period; and
2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.

Entry Age Actuarial Cost Method (EAN)

The EAN is a cost method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit ages(s). The portion of the actuarial present value allocated to a valuation year is the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.

Fiduciary Net Position

The fiduciary net position is the market value of the assets of the trust dedicated to the defined benefit provisions.

Glossary of Terms

GASB	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
Long-Term Expected Rate of Return	The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.
Money-Weighted Rate of Return	The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 67, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.
Multiple-Employer Defined Benefit Pension Plan	A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
Municipal Bond Rate	The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.
Net Pension Liability/(Asset) (NPL)/(NPA)	The NPL is the liability of employers and non-employer contributing entities to plan members for benefits provided through a defined benefit pension plan.
Non-Employer Contributing Entities	Non-employer contributing entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB accounting statements, plan members are not considered non-employer contributing entities. The State of Colorado is a non-employer contributing entity, but they are not in a Special Funding Situation.
Normal Cost	The portion of the actuarial present value allocated to a valuation year is called the normal cost. For purposes of application to the requirements of this Statement, the term normal cost is the equivalent of service cost.
Real Rate of Return	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
Service Cost (often referred to as the Normal Cost)	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year. For plans with a Single Discount Rate of 7.00% at the beginning of the measurement period, the Service Cost will tie to the Normal Cost shown in the Development of the 2024 and 2025 Calculated Contribution (January 1, 2023 funding report). For plans with no active members, the service cost is $0.

Glossary of Terms

Total Pension Expense/(Income)

The total pension expense/(income) is the sum of the following items that are recognized at the end of the employer's fiscal year:

1. Service Cost
2. Interest on the Total Pension Liability
3. Current-Period Benefit Changes
4. Projected Earnings on Plan Investments (made negative for addition here)
5. Pension Plan Administrative Expense
6. Other Changes in Plan Fiduciary Net Position
7. Recognition of Outflow (Inflow) of Resources due to Liabilities
8. Recognition of Outflow (Inflow) of Resources due to Assets

Total Pension Liability (TPL)

The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.

Unfunded Actuarial Accrued Liability (UAAL)

The UAAL is the difference between actuarial accrued liability and valuation assets.

Valuation Assets

The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of GASB Statement No. 68, the valuation assets are equal to the market value of assets.