2024
Annual Report

2350 Airport Road, Colorado Springs, CO 80910 | 719.785.1900 | elpasoteller911.org

EL PASO-TELLER COUNTY
9-1-1 AUTHORITY
POLICE · FIRE · CO · EMS · DISPATCH

Message from the Executive Director

2024 was a year of transition and renewed focus for the El Paso – Teller County 911 Authority. Guided by an interim Executive Director for much of the year, the Authority welcomed new leadership in August. This change naturally brought new perspectives and ideas, while also reinforcing the commitment to maintaining a strong, positive culture that has long been a trademark of the Authority.

Throughout this period of change, our team remained steadfast in fulfilling the mission: to provide the public reliable access to emergency services by managing high-quality, redundant, secure, and cost-effective 911 services, and by delivering exceptional customer service to our stakeholders.

The Authority remains dedicated to advancing technology, enhancing public awareness of 911 services and emergency alerting, and providing support to the Public Safety Answering Points (PSAPs) within El Paso and Teller Counties. Our achievements are a direct result of the skill, dedication, and community-minded spirit of our employees, whose commitment continually drives innovation and excellence in 911 services.

We are grateful for your trust and support; we are confident in the path we are forging and look forward to the opportunities that lie ahead.

Sincerely,

Renee Henshaw

Renee Henshaw

2024 Highlights

In August, the Authority appointed Renee Henshaw as its new Executive Director. Since then, a comprehensive audit of the Authority's human resources practices has been completed. As a result, the Authority adopted a part-time, contracted Human Resources model and implemented both a new Human Resources Information System (HRIS) and electronic policy management software to improve operational efficiency.

On the technology front, the Authority enhanced its Emergency Notification System (ENS) by integrating ReachWell—a modern platform that enables emergency alerts to be delivered in more than 130 languages to subscribers of the ReachWell App. Additionally, they created an automated process to populate emergency alerts as a viewable layer in different mapping systems providing real-time visibility to 911 dispatch centers, the Office of Emergency Management, and the public.

Future Projects

Looking ahead, the Authority has partnered with a vendor to conduct a comprehensive 20-year needs assessment. This study will guide decisions around future growth, including a potential facility expansion or new construction.

Efforts are also underway to ensure all public-facing digital resources meet current accessibility standards. As part of this initiative, a rebranding of the Authority's website and logo is under construction.

In collaboration with the El Paso County Sheriff's Office, the Authority is supporting the renovation of their 911 dispatch center. The project is expected to be completed in 2025.

Continuous Improvement

The new Executive Director is leading a focused effort to review and update job descriptions, policies, and procedures. These efforts include realigning positions and work groups to improve service delivery, enhance organizational structure, and support long-term operational excellence.

2024 Authority Board Members

Mr. David Edmondson, Chairperson	Represents City of Colorado Springs
Ms. Jessica Flohrs, Vice Chairperson	Cities, towns, U.S. military and special districts
Mr. James Michael Wiles, Secretary	Cities, towns, U.S. military and special districts
Mr. Andy James, Treasurer	Represents El Paso County
Mr. Devin Graham	Cities, towns, U.S. military and special districts
Mr. Jeff Jensen	Represents City of Colorado Springs
Ms. Sunny Bryant	Represents El Paso County
Ms. Michelle Wolff	Represents Teller County
Mr. Tim DeLeon	Represents City of Colorado Springs

ADDITIONAL FINANCIAL INFORMATION

The following financial report is designed to provide an overview of the El Paso - Teller County 9-1-1 Authority's finances for all interested parties. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the Authority at 2350 Airport Road, Colorado Springs, Colorado 80910.

STOCKMAN KAST RYAN & CO., LLP

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

Financial Statements,

Management's Discussion and Analysis,

And Supplemental Information

For the Year Ended December 31, 2024,

And

Independent Auditors' Report

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

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INDEPENDENT AUDITORS' REPORT

Board of Directors
El Paso - Teller County 9-1-1 Authority

Opinion

We have audited the accompanying financial statements of El Paso - Teller County 9-1-1 Authority (the Authority) as of and for the year ended December 31, 2024, and the related notes to the financial statements, as listed in the table of contents, which collectively comprise the Authority's basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2024, and the changes in its financial position and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Report on Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7, the schedule of the Authority's proportionate share of the net pension liability and the schedule of the Authority's pension contributions and related ratios on pages 32 and 35, the schedule of the Authority's proportionate share of the net OPEB liability and the schedule of the Authority's OPEB contributions and related ratios on pages 36 and 38 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 supplemental 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.

Report on Other Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplemental schedule of revenues, expenses and changes in net position – budget and actual (non-GAAP) is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental schedule as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such 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.

Stockman Kast Ryan & Co., LLP

July 23, 2025

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of El Paso - Teller County 9-1-1 Authority's (the Authority) annual financial report presents the highlights of the Authority's financial activities and financial position. The analysis focuses on significant financial issues and major financial activity and the resulting changes in financial position.

Overview of the Financial Statements

This annual report consists of the following three parts: Management's Discussion and Analysis, Financial Statements and Supplemental Information. The financial statements include notes which explain in detail some of the information included in the financial statements.

Required Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private-sector business. The balance sheet presents information on all of the Authority's assets, deferred outflows, deferred inflows and liabilities, with the difference between these balances reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. The statement of activities and changes in net position presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as an underlying event giving rise to the change occurs, regardless of the time of related cash flows. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 11 through 31 of this report.

Financial Position and Results from Operations

The Authority's balance sheet is summarized as follows:

	2024	2023
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash and cash equivalents	$ 10,728,516	$ 11,403,197
Accounts receivable	2,483,368	2,480,585
Prepaid expenses	811,611	504,900
Total current assets	14,023,495	14,388,682
CAPITAL ASSETS, NET	5,324,358	5,284,459
OPERATING LEASE RIGHT-OF-USE ASSET	816,207	1,091,999
DEFERRED OUTFLOWS OF RESOURCES	794,975	1,034,590
TOTAL	$ 20,959,035	$ 21,799,730

	2024	2023
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
LIABILITIES		
Accounts payable and accrued expenses	$ 300,599	$ 233,652
Compensated absences	382,106	144,941
Lease liabilities	581,597	855,846
Net pension liability	1,905,335	2,321,792
Net OPEB liability	147,283	152,386
Total liabilities	3,316,920	3,708,617
DEFERRED INFLOWS OF RESOURCES	50,618	99,198
NET POSITION		
Net investment in capital assets	5,324,358	5,284,459
Unrestricted - Board designated (reserve)	3,000,000	3,200,000
Unrestricted	9,267,139	9,507,456
Total net position	17,591,497	17,991,915
TOTAL	$ 20,959,035	$ 21,799,730

The Authority's current assets decreased by $365,187 due in part to the change in net position in the current year and changes in timing of accounts payable payments.

The Authority's total capital assets increased by $39,899, largely due to capital asset purchases exceeding depreciation expense. The Authority purchased capital assets in the amount of $718,382, consisting of radio equipment and vehicles during 2024. The Authority did not receive any capital contributions during 2024.

Current liabilities increased by $315,001 due primarily to the implementation of GASB 101 and timing of payments.

As noted, net position may, over time serve as a useful indicator of the Authority's financial position. Assets and deferred outflows exceeded liabilities and deferred inflows by $17,591,497 as of December 31, 2024.

Statement of Activities and Changes in Net Position

Operating and non-operating revenue and expenses were as follows:

	2024	2023
OPERATING REVENUE		
Telephone tariff:		
Wireless	$ 14,556,838	$ 14,166,578
Wireline	841,300	898,651
Total operating revenue	15,398,138	15,065,229

	2024	2023
OPERATING EXPENSES		
Administration	5,088,761	5,096,028
Personnel	4,679,764	3,407,987
License/maintenance	3,393,677	3,189,330
Communication services	1,916,244	1,574,124
Depreciation expense	678,483	710,905
PSAP expenses	474,142	651,792
Contracted services	236,206	274,982
Total operating expenses	16,467,277	14,905,148
OPERATING INCOME (LOSS)	(1,069,139)	160,081
NON-OPERATING REVENUE		
Colorado ESInet revenue	493,072	479,054
Interest income	175,649	164,150
Total non-operating revenue	668,721	643,204
Change in net position	(400,418)	803,285
NET POSITION, Beginning of year	17,991,915	17,188,630
NET POSITION, End of year	$ 17,591,497	$ 17,991,915

Budget vs Actual

Operating revenue of $15,398,138 was received, which was $428,862 less than the projected budget. Tariff revenue increased primarily as a result of an increase in the number of telephone lines.

Future Projects

The Authority deployed a new platform for managing our virtualized computer and network infrastructure. This has allowed for agile deployment of new services and increased resiliency and disaster recovery processes. We are currently evaluating new cyber security tools and continue to adopt mature practices like multi-factor authentication (MFA) and cloud services for document management. Our Quality Assurance and Public Education teams are developing a project to help drive high school adoption of the Emergency Telecommunicator Course to aid our local agencies increase their candidate pools. We are also working to bring our public facing resources into compliance with accessibility requirements.

Continuous Improvement

The Authority management team will work together with the new Executive Director to continue to push the Authority forward to achieve mutual goals of the Authority and the customers we service.

2024 Authority Board Members

Mr. David Edmondson, Chairperson	Represents City of Colorado Springs
Ms. Jessica Flohrs, Vice Chairperson	Represents the cities, towns, U.S. military and special districts
Mr. James Michael Wiles, Secretary	Represents the cities, towns, U.S. military and special districts

Mr. Andy James, Treasurer	Represents El Paso County
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Mr. Jeff Jensen	Represents City of Colorado Springs
Ms. Michelle Wolff	Represents Teller County

ADDITIONAL FINANCIAL INFORMATION

This financial report is designed to provide an overview of the El Paso - Teller County 9-1-1 Authority's finances for all interested parties. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the Authority at 2350 Airport Road, Colorado Springs, Colorado 80910.

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

BALANCE SHEET
DECEMBER 31, 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
CURRENT ASSETS	
Cash and cash equivalents	$ 10,728,516
Accounts receivable	2,483,368
Prepaid expenses	811,611
Total current assets	14,023,495
CAPITAL ASSETS, NET	5,324,358
OPERATING LEASE RIGHT-OF-USE ASSET	816,207
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions	762,231
Related to OPEB	32,744
Total deferred outflows of resources	794,975
TOTAL	$ 20,959,035
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
CURRENT LIABILITIES	
Accounts payable and accrued expenses	$ 300,599
Compensated absences	382,106
Current portion of lease liabilities	285,138
Total current liabilities	967,843
LONG-TERM LIABILITIES	
Net pension liability	1,905,335
Net OPEB liability	147,283
Lease liabilities	296,459
Total long-term liabilities	2,349,077
DEFERRED INFLOWS OF RESOURCES	
Related to pensions	1,957
Related to OPEB	48,661
Total deferred inflows of resources	50,618
NET POSITION	
Net investment in capital assets	5,324,358
Unrestricted - Board designated (reserve)	3,000,000
Unrestricted	9,267,139
Total net position	17,591,497
TOTAL	$ 20,959,035

See notes to financial statements.

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024

OPERATING REVENUE	
Telephone tariff:	
Wireless	$ 12,503,784
Wireline	841,300
Prepaid wireless	2,053,054
Total operating revenue	15,398,138
OPERATING EXPENSES	
Administrative	5,088,761
Personnel	4,679,764
License/maintenance	3,393,677
Communication services	1,916,244
Depreciation expense	678,483
PSAP expenses	474,142
Contracted services	236,206
Total operating expenses	16,467,277
OPERATING LOSS	(1,069,139)
NON-OPERATING REVENUE	
Colorado ESInet revenue	493,072
Interest income	175,649
Total non-operating revenue	668,721
CHANGE IN NET POSITION	(400,418)
NET POSITION, Beginning of year	17,991,915
NET POSITION, End of year	$ 17,591,497

See notes to financial statements.

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

OPERATING ACTIVITIES	
Cash receipts from customers	$ 15,395,355
Cash payments for goods and services	(11,628,107)
Cash payments to employees for services	(4,393,811)
Change in right-of-use asset	275,792
Change in lease liability	(274,249)
Net cash used in operating activities	(625,020)
CAPITAL AND RELATED FINANCING ACTIVITIES	
Cash used in capital and related financing activities —	
Purchase of capital assets	(718,382)
NON-CAPITAL FINANCING ACTIVITIES	
Cash provided by non-capital financing activities —	
Colorado ESInet revenue	493,072
INVESTING ACTIVITIES	
Cash provided by investing activities —	
Interest income	175,649
NET DECREASE IN CASH AND CASH EQUIVALENTS	(674,681)
CASH AND CASH EQUIVALENTS, Beginning of year	11,403,197
CASH AND CASH EQUIVALENTS, End of year	$ 10,728,516
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	$ (1,069,139)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	678,483
Amortization of right-of-use asset	275,792
Changes in operating assets and liabilities:	
Accounts receivable	(2,783)
Prepaid expenses	(306,711)
Accounts payable and accrued expenses	304,112
Lease liability	(274,249)
Pension asset and deferred inflows and outflows	(230,525)
Net cash used in operating activities	$ (625,020)

See notes to financial statements.

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity — El Paso - Teller County 9-1-1 Authority (the Authority) provides a primary means for the public safety agencies in times of emergency and supports the efficient and accurate provision of emergency services within El Paso and Teller County. The Authority was formed in 1990 under Article 11 of Title 29 of the Colorado State Statutes. The purpose was to establish a separate legal entity for the El Paso and Teller County governments to provide emergency telephone service. The governing board for the Authority consists of nine members appointed by various governments within the area. The Authority is authorized to collect $1.35 per month per phone line within the service area for which emergency telephone service is provided. The funds collected shall be spent solely to pay for the equipment costs, installation costs and other costs directly related to the continued operation and total implementation of an emergency telephone service and emergency notification service.

For financial reporting purposes, the Authority includes all funds for which it is financially accountable. The Authority does not exercise any power over any other entity and is considered a sole reporting entity. The Authority has no component units as defined by the Governmental Accounting Standards Board (GASB).

Basis of Accounting — The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America, including all applicable statements of GASB. The financial statements have been prepared on the accrual basis of accounting using the economic resource measurement focus. An enterprise fund is used to account for operations that are financed and operated in a similar manner to a private business enterprise: (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Net Position — The Authority's net position is classified in the following three components:

Net Investment in Capital Assets: This component consists of capital assets, net of accumulated depreciation.

Restricted: This component consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets are assets which have restrictions placed on the use of the assets through external constraints imposed by creditors (such as through debt covenants), contributors, laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

Unrestricted: This component consists of the net amount of assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Budgets — In the fall, the Budget officer is required to submit to the Board of Directors a budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted by the Authority to obtain public comments on the budget. Prior to December 31, the budget is officially adopted by the Board of Directors. The Authority is authorized to transfer budgeted amounts between line items of the budget; however, any revisions that increase the total expenditures of the Authority must be approved by the Board of Directors.

Cash and Cash Equivalents — All short-term liquid investments are considered cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, they have a maturity date no longer than three months.

Capital Assets — Capital assets are recorded at cost and capitalized if over $5,000 and have a useful life of one year or more and are depreciated using the straight-line method over estimated useful lives from three to thirty-nine years.

Accounts Receivable — The Authority's accounts receivable consists primarily of amounts due from phone companies for emergency telephone service charges. Management has determined all receivables are considered collectible and no allowance for credit losses is deemed necessary.

Compensated Absences — The Authority accrues leave for compensated absences as an expense and liability, based on the Authority's estimated usage patterns and future payouts in compliance with GASB issued Statement No. 101, *Compensated Absences*. All employees who terminate their employment, with proper notice, will be paid unused vacation hours at their regular rate of pay up to 100% of their balance. Sick leave is not paid out on termination. Sick leave may be eligible for payout upon retirement, provided that all applicable criteria are satisfactorily met.

Operating Revenue and Expenses — Operating revenue and expenses are those that result from providing services and producing and delivering goods and services. It also includes all revenue and expenses not related to capital and related financing, non-capital financing, or investing activities. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Standards — In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences.

That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

GASB issued Statement No. 101, *Compensated Absences*, is required to be applied retrospectively to all prior periods presented in the financial statements. However, the effect of the standard on the year ended December 31, 2023 was not material, and therefore was not restated.

Subsequent Events — The Authority has evaluated subsequent events for recognition or disclosure through the date of the Independent Auditors' Report, which is the date the financial statements were available for issuance.

2. DEPOSITS

The Colorado Public Deposit Protection Act (PDPA) requires all units of local government to deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by PDPA.

PDPA allows the financial institution to create a single collateral pool for uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

At December 31, 2024, the Authority's deposits had a bank balance of $7,385,119, of which $250,000 was covered by federal depository insurance. The remainder of the bank balance of $7,135,119 at December 31, 2024 was collateralized with securities held by the pledging financial institutions and covered by eligible collateral as determined by PDPA.

Colorado Government Liquid Asset Trust (COLOTRUST) is an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes by state statues. At December 31, 2024, the Authority had deposits with COLOTRUST of $3,411,491. COLOTRUST operates similarly to a money market fund and each share is equal in value to $1.00. Designated custodial banks provide safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. All securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investment owned by COLOTRUST. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury notes.

Fair Value Measurements — The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest level to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest level to unobservable inputs (Level 3) as follows:

Level 1: Unadjusted quoted prices for identical instruments in active markets.

Level 2: Observable inputs other than quoted market prices.

Level 3: Valuation derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. COLOTRUST deposits are measured at NAV.

3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024 is as follows:

	Balance at January 1, 2024	Increase	Decrease	Balance at December 31, 2024
Equipment and vehicles	$ 7,116,568	$ 718,382	$ (283,335)	$ 7,551,615
Building and building additions	6,346,796			6,346,796
Total	13,463,364	718,382	(283,335)	13,898,411
Less accumulated depreciation	(8,178,905)	(678,483)	283,335	(8,574,053)
Net capital assets	$ 5,284,459	$ 39,899	$ —	$ 5,324,358

4. LEASE LIABILITIES

The Authority is obligated under a lease for equipment that is accounted for as lease liabilities. A schedule of changes in the Authority's lease liabilities follows:

	Balance at January 1, 2024	Increase	Decrease	Balance at December 31, 2024
Lease liabilities	$ 855,846	$ —	$ 274,249	$ 581,597

The weighted average remaining lease terms and the weighted average discount rates at December 31, 2024 is as follows:

Weighted average remaining lease term	1.75 years
Weighted average discount rate	3.9%

Undiscounted cash flows for operating leases as of December 31, 2024 are as follows:

2025	$ 308,230
2026	308,230
Future minimum lease payments	616,460
Less amount representing interest	(34,863)
Operating lease liability recognized on the balance sheet	$ 581,597

The Authority's lease agreement does not contain any material residual value guarantees or material restrictive covenants. The Authority's lease is due in annual installments of $308,230 through October 2026.

5. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to: torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which it carries commercial insurance. There have been no significant reductions in coverage from the prior year, and settlements have not exceeded coverage in the past seven years.

6. CONCENTRATIONS

During the year ended December 31, 2024, the Authority earned 76% of total operating revenue from four customers.

As of the year ended December 31, 2024, four customers accounted for 79% of total accounts receivable.

7. DEFINED BENEFIT PENSION PLAN

The Authority contributes to the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Public Employees' Retirement Association (PERA). In accordance with GASB 68, 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 Authority have been determined using the same basis as they are reported by LGDTF which uses 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.

Plan Description — The LGDTF provides retirement and disability, post-retirement annual increases, and death benefits for members or their beneficiaries. All employees of the Authority are members of the LGDTF. PERA issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplemental information for the LGDTF.

That report may be obtained online at www.copera.org, by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203, or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Benefits Provided — The LGDTF 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 LGDTF Benefit Structure is the greater of the:

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

The service retirement benefit is limited to 100% of highest average salary and also cannot exceed the maximum benefit allowed by the 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 five years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA Benefit Structure who began eligible employment before January 1, 2007 receive an annual increase of 2%, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2% or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the LGDTF benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2% or the average CPI-W for the prior calendar year, not to exceed 10% of PERA's Annual Increase Reserve for the LGDTF Division.

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 retirement benefit formula 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 and the Authority are required to contribute to the LGDTF Division at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. Eligible employees were required to contribute 9% of their PERA-includable salary for the period ending December 31, 2024.

The employer contribution requirements are summarized in the table below for the year ended December 31, 2023:

January 1 - December 31, 2023	
Employer contribution rate	11.00
Amount of employer contribution apportioned to the HCTF as specified in C.R.S. § 24-51-208	(1.02)
Amount apportioned to the LGDTF	9.98
Amortization Equalization Disbursement as specified in C.R.S. § 24-51-411	2.20
Supplemental Amortization Equalization Disbursement as specified in C.R.S. § 24-51-411	1.50
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.06
Total employer contribution rate to the LGDTF	13.74

* Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF Division in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions to the LGDTF Division. Employer contributions recognized by the LGDTF Division from the Authority were $313,321 for the year ended December 31, 2024.

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

As of December 31, 2024, the Authority reported a liability of $1,905,335 for its proportionate share of the collective net pension liability. The net pension liability was measured as of December 31, 2023 and the total pension asset used to calculate the net pension asset was determined as of December 31, 2023 using standard roll-forward techniques based upon the December 31, 2022 actuarial valuation. The Authority's proportion of the net pension liability was based on the Authority's contributions to LGDTF Division for the calendar year 2023 relative to the total contributions of participating employers to the LGDTF Division. The Authority does not have any ability to affect funding, benefit, or annual required contribution decisions made by PERA. At December 31, 2023 the Authority's proportion was 0.26% which was a decrease of .030% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Authority's recognized pension expense was negative $278,006.

At December 31, 2024, the Authority's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	**Deferred Inflow of Resources**
Difference between expected and actual experience	$ 103,111	$ 1,957
Net difference between projected and actual earnings on pension plan investments	556,366	
Changes in proportion	102,754	
Contributions subsequent to the measurement date	$ 762,231	$ 1,957

The Authority reported $760,274 as deferred outflow of resources related to pensions, resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability for the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the years ended December 31:

2025	$ 329,232
2026	542,367
2027	(111,325)
Total	$ 760,274

The differences between expected and actual experience, changes of assumptions as well as the Authority's change in their proportion are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. The LGDTF determined the average expected remaining service lives for active and inactive members at the beginning of the 2023 measurement period to be 2.00 years. The difference between expected and actual investment experience is amortized over a closed five-year period.

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

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 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 [1]	Financed by the Annual Increase Reserve (AIR)

[1] 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.

As of the December 31, 2023, measurement date, the fiduciary net position and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Authority as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a $24,000,000 payment received on December 4, 2023 and a $2,000,000 receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and Healthcare Trust Fund were $24,967,000 and $1,033,000, respectively.

The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

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 Sturdy report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumptions, 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% 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 following table:

	Target Allocations	**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 [1]	6.00%	4.70%
Total	100.00%	

[1] 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 rate of return assumption of 7.25%.

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 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.

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.

Discount Rate — The discount rate used to measure the total pension liability was 7.25%. The basis for the projection of liabilities and fiduciary net position used to determine the discount rate was an actuarial valuation performed as of December 31, 2022, and the financial status of the Trust Fund as of the prior measurement date (December 31, 2023). 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 and the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan member.
- 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 and 2020 AAP assessments. 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 estimate 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 fiduciary net position, 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 fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Authority as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a $24,000,000 payment received on December 4, 2023 and a $2,000,000 receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and the Healthcare Trust Fund were $24,967,000 and $1,033,000, respectively.

Based on those assumptions, the LGDTF Division's fiduciary net position 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 total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate — The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension 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:

Sensitivity of the Net Pension Liability

Discount rate	**6.25%**	**7.25%**	**8.25%**
Proportionate share of the net pension liability (asset)	$ 3,734,669	$ 1,905,335	$ 372,971

Pension Plan Fiduciary Net Position — Detailed information about the LGDTF Division's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

8. POST-RETIREMENT HEALTHCARE BENEFITS

The Authority contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by PERA. In accordance with GASB 75, 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 Authority have been determined using the same basis as they are reported by LGDTF which uses 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.

Plan Description — Eligible employees of the Authority are provided with OPEB through the HCTF, a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF is established under Title 24, Article 51 of the CRS, as amended. 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 purpose of the PERACare program including the administration of premium subsidies. PERA issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplementary information for the HCTF. That report may be obtained as described previously.

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 amount of 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 are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

Enrollment in PERACare is voluntary and includes, among others, benefit recipients and their eligible dependents, as well as certain surviving spouses, divorced spouses and guardians. 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.

The maximum service-based premium subsidy is $230 (actual dollars) 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 (actual dollars) 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 or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

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% of PERA includable salary into the HCTF. Employer contributions are recognized by HCTF in the period in which compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions. Employer contributions recognized by HCTF from the Authority were $23,260 for the year ended December 31, 2024.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB — At December 31, 2024, the Authority reported a liability of $147,283 for its proportionate share of the collective net OPEB liability. The net OPEB liability was measured as of December 31, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined as of December 31, 2023 using standard roll-forward techniques based upon the December 31, 2022 actuarial valuation.

The Authority's proportion of the net OPEB liability was based on the Authority's contributions to LGDTF for the calendar year 2023 relative to the total contributions of participating employers to the LGDTF. The Authority has no legal obligation to fund this shortfall, nor does it have any ability to affect funding, benefit, or annual required contribution decisions made by PERA.

At December 31, 2023, the Authority's proportion was 0.02% which was the same as its proportion measured as of December 31, 2022. For the year ended December 31, 2024, the Authority's recognized OPEB gain was $21,957.

At December 31, 2024, the Authority's reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		$ 30,187
Net difference between projected and actual earnings on pension plan investments	$ 4,555	

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between contributions recognized and proportionate share of contributions	26,456	2,857
Changes in assumptions	1,733	15,617
Total	$ 32,744	$ 48,661

The Authority reported $15,917 as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the net OPEB asset for the year ended December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (gain) as follows for the years ended December 31:

2025	$ (2,119)
2026	979
2027	(1,004)
2028	1,163
Thereafter	(14,936)
Total	$ (15,917)

The differences between expected and actual experience, changes of assumptions as well as the Authority's change in their proportion are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the HCTF. The HCTF determined the average expected remaining service lives for active and inactive members at the beginning of the 2023 measurement period to be 6.50 years. The difference between expected and actual investment experience is amortized over a closed five-year period.

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	
Members of than State Troopers	3.20% - 11.30%
State Troopers [1]	3.20% - 12.40%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%

Health care cost trend rated PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	7.00% in 2023
	Gradually decreasing to 4.5% in 2033
Medicare Part A premiums	3.75% in 2023
	Gradually increasing to 4.5% in 2035

[1] C.R.S. § 24-51-101 (46) as amended, expanded the definition of "State Troopers" to include certain employees within the Local Government Division, effective January 1, 2020.

As of December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payment related to the disaffiliation of Tri-County Health Authority as a PERA-affiliated employer, effective December, 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a $24,000,000 payment received on December 4, 2023, and a $2,000,000 receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were $1,033,000 and $24,967,000, respectively.

Each year the per capita health care costs are developed by plan option; currently based on 2023 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
2	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and older	0.0%	0.0%

	MAPD PPO #1 With Medicare Part A Retiree/Spouse		MAPD PPO #1 Without Medicare Part A Retiree/Spouse	
Sample Age	Male	Female	Male	Female
65	$ 1,692	$ 1,406	$ 6,469	$ 5,373
70	1,901	1,573	7,266	6,011
75	2,100	1,653	8,026	6,319

Sample Age	MAPD PPO #2 With Medicare Part A Retiree/Spouse Male	MAPD PPO #2 With Medicare Part A Retiree/Spouse Female	MAPD PPO #2 Without Medicare Part A Retiree/Spouse Male	MAPD PPO #2 Without Medicare Part A Retiree/Spouse Female
65	$ 579	$ 481	$ 4,198	$ 3,487
70	650	538	4,715	3,900
75	718	566	5,208	4,101

Sample Age	MAPD HMO (Kaiser) With Medicare Part A Retiree/Spouse Male	MAPD HMO (Kaiser) With Medicare Part A Retiree/Spouse Female	MAPD HMO (Kaiser) Without Medicare Part A Retiree/Spouse Male	MAPD HMO (Kaiser) Without Medicare Part A Retiree/Spouse Female
65	$ 1,923	$ 1,589	$ 6,719	$ 5,581
70	2,149	1,778	7,546	6,243
75	2,374	1,869	8,336	6,563

In 2023, Medicare Part A premium is $506 (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 the rates. Effective December 31, 2022, 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 that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2023	7.00%	3.50%
2024	6.75%	3.50%
2025	6.50%	3.75%
2026	6.25%	3.75%
2027	6.00%	4.00%
2028	5.75%	4.00%
2029	5.50%	4.00%
2030	5.25%	4.25%
2031	5.00%	4.25%

Year	PERACare Medicare Plans	Medicare Part A Premiums
2032	4.75%	4.25%
2033	4.50%	4.25%
2034	4.50%	4.25%
2035+	4.50%	4.50%

Mortality assumptions used in the December 31, 2022, valuation for the State Division, School Division, Local Government Division, and Judicial Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the December 31, 2022, valuation for the Trust Fund, but developed on a headcount-weighted basis. Affiliated employers of these Division Trust Funds participate in the Trust Fund.

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

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon 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.

Disabled mortality assumptions 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 following health care costs assumptions were updated and used in the roll forward calculation for the Trust Fund:

- Per capita health care costs in effect as of the December 31, 2022, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2023 plan year.
- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.

- The health care cost trend rates applicable to health care premiums were revised to reflect the then-current expectation of future increases in those premiums. Medicare Part A premiums continued with prior valuation trend pattern.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above. The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020. 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 outlines 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.

The PERA Board first adopted the 7.25% 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:

	Target Allocations	**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 [1]	6.00%	4.70%
Total	100.00%	

[1] 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 rate of return assumption of 7.25%.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates — The following presents the proportionate share of the net OPEB liability calculated using the healthcare cost trend rate, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one-percentage-point lower or one-percentage-point higher than the current rate.

Sensitivity of the Net OPEB Liability	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.75%	6.75%	7.75%

Sensitivity of the Net OPEB Liability	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Ultimate PERACare Medicare trend rate	3.50	4.50	5.50
Initial Medicare Part A trend rate	2.50	4.00	4.50
Ultimate Medicare Part A trend rate	3.50	4.50	5.50
Proportionate share of the net OPEB liability	$ 143,056	$ 147,283	$ 151,881

Discount Rate — The discount rate used to measure the total pension liability was 7.25%. The basis for the projection of liabilities and the fiduciary net position used to determine the discount rate was an actuarial valuation performed as of December 31, 2022, and the financial status of the HCTF as of the prior measurement date (December 31, 2023).

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, 2023, 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.
- 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 Trust Fund 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.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payment related to the disaffiliation of Tri-County Health Authority as a PERA-affiliated employer, effective December, 31, 2022.

As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a $24,000,000 payment received on December 4, 2023, and a $2,000,000 receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were $1,033,000 and $24,967,000, respectively.

Based on those assumptions, the HCTF's fiduciary net position 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 total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate — The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension 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:

	6.25%	7.25%	8.25%
Discount rate			
Proportionate share of the net pension liability (asset)	$ 173,960	$ 147,283	$ 124,461

Pension Plan Fiduciary Net Position — Detailed information about the HCTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

9. DEFINED CONTRIBUTION PENSION PLAN

Plan Description — Employees of the Authority who are members of the LGDTF (see Note 7) may voluntarily contribute to the Voluntary Investment Program (the 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA.

Plan participation is voluntary, and contributions are separate from others made to PERA. Part 14, Title 24, Article 51 of the CRS, as amended, assigns the Authority to establish the 401(k) Plan provisions to the State Legislature. PERA issues a publicly available annual report for Colorado PERA's 401(k) and Defined Contribution Plans. That report may be obtained online at www.copera.org, by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203, or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding Policy — The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS ($23,000 for the year 2024). In addition, catch-up contributions, up to $7,500 for the year 2024 were allowed for participants who had attained age 50 before the close of the plan year, subject to the limitations of IRC §414(v). The contributions requirements for the Authority are established under Title 24, Article 51, Section 1402 of the CRS, as amended.

10. AMENDMENT TO COLORADO CONSTITUTION

In November 1992, the voters of Colorado approved Amendment I, commonly known as the Taxpayer Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax spending, revenue and debt limitation that apply to the State of Colorado and all local governments. The Authority's financial activity for 1992 provides the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth.

TABOR excludes enterprise governments from its provisions. Enterprise governments, defined as governmental-owned businesses that are authorized to issue revenue bonds and receive less than 10% of their annual revenue in grants from all state and local governments combined are excluded from the provisions of TABOR.

The Authority is of the opinion that the enterprise operations qualify for the exclusion. The amendment is complex and subject to judicial interpretation. The Authority believes it is in compliance with the requirements of the amendment.

11. USE OF FUNDS

The Authority believes it has complied with current CRS regarding use of funds associated with revenue resulting from emergency telephone service charges. The excess funds collected will be used for future funding of the transition to NG 911, capital outlays set forth in the Authority's five year capital expenditure plan, maintaining Authority operations, maintenance and Authority and PSAP staffing.

12. SUBSEQUENT EVENTS

In January 2025, the Authority entered into two Subscription-Based Information Technology Arrangements (SBITA). The Authority's SBITAs are due in annual installments $192,428 through January 2027. Interest is imputed at a rate of 4.44%.

Aggregate annual principal and interest payments under the SBITA agreements are as follows for the years ending December 31:

2025	$ 192,428
2026	192,428
2027	192,428
Future minimum lease payments	577,284
Less amount representing interest	(24,194)
Total	$ 553,090

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

SUPPLEMENTAL SCHEDULES

AND

NOTES TO SUPPLEMENTAL SCHEDULES

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEARS ENDED DECEMBER 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension liability	0.26%	0.23%	0.22%	0.22%	0.23%	0.21%	0.20%	0.19%	0.16%	17.00%
Authority's proportionate share of the net pension liability (asset)	$ 1,905,335	$ 2,321,792	$ (191,843)	$ 1,153,544	$ 1,674,260	$ 2,632,338	$ 2,182,517	$ 2,552,443	$ 1,760,614	$ 1,499,241
Authority's covered payroll	$ 2,280,356	$ 1,893,932	$ 1,664,961	$ 1,562,523	$ 1,576,417	$ 1,373,301	$ 1,236,556	$ 1,145,711	$ 907,688	$ 916,553
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	83.55%	122.59%	-11.52%	73.83%	106.21%	191.68%	176.50%	222.78%	193.97%	163.57%
Authority's plan fiduciary net position as a percentage of the total pension liability	82.99%	82.99%	101.49%	90.88%	86.26%	75.96%	79.37%	73.60%	76.90%	80.70%

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SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 313,321	$ 255,221	$ 219,775	$ 202,058	$ 199,890	$ 174,135	$ 156,796	$ 145,276	$ 115,095	$ 116,219
Contributions in relation to the contractually required contribution	313,321	255,221	219,775	202,058	199,890	174,135	156,796	145,276	115,095	116,219
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Authority covered payroll	$ 2,280,356	$ 1,893,932	$ 1,664,961	$ 1,562,523	$ 1,576,417	$ 1,373,301	$ 1,236,556	$ 1,145,711	$ 907,688	$ 916,553
Contributions as a percentage of covered payroll	13.74%	13.48%	13.20%	12.93%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

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NOTES TO REQUIRED SUPPLEMENTAL SCHEDULES

1. CHANGES IN BENEFITS

2019 — The following major changes were made to plan provisions as part of SB 18-200: The number of years used in the Highest Average Salary calculation for non-vested members as of January 1, 2020, increases from three to five years for the Local Government Division. Annual increase (AI) cap is lowered from 2.00% per year to 1.50% per year. Initial AI waiting period is extended from one year after retirement to three years after retirement.

2. CHANGES OF ACTUARIAL ASSUMPTION

2021 — The price inflation assumption was lowered from 2.40% to 2.30%. The wage inflation assumption was lowered from 3.50% to 3.00%. The total pension liability as of December 31, 2021, includes the anticipated adjustments to contribution rates and the annual increase cap, resulting from the 2020 automatic adjustment provision assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. The actuarial assumptions used in the December 31, 2020, valuations were based on the 2020 experience analysis dated October 28, 2020 for the period of January 1, 2016 through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

2019 — The following major changes were made to plan provisions as part of SB 18-200: Member contribution rates increase by 0.75% effective July 1, 2019, an additional 0.75% effective July 1, 2020 and an additional 0.50% effective July 14, 2021.

2017 — The investment return assumption was lowered from 7.50% to 7.25%. The price inflation assumption was lowered from 2.80% to 2.40%. The wage inflation assumption was lowered from 3.90% to 3.50%. The post-retirement mortality assumption for healthy lives was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of 73.0% factor applied to ages below 80 and a 108.0% factor applied to age 80 and above, projected to 2018, for males and a 78.0% factor applied to ages below 80 and a 109.0% factor applied to age 80 and above, projected to 2020, for females. For disabled retirees, the mortality assumption was changed to reflect 90.0% of RP-2014 Disabled Retiree Mortality Table. The mortality assumption for active members was changed to RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriated margin of improved mortality prospectively, the mortality rates incorporate a 70.0% factor applied to male rates and 55.0% factor applied to female rates. The rates of retirement, withdrawal and disability were revised to reflect more closely actual experience.

Continued

3. SUBSEQUENT EVENTS

2020 — Subsequent to December 31, 2019, as a result of the COVID-19 pandemic, the global economic outlook has changed. The duration and full effects of the pandemic are currently unknown, as the global picture continues to evolve. Although unprecedented federal fiscal and monetary stimulus have helped to stabilize and soften the impact of economic contraction, the near-term negative impact on PERA's investment portfolio, as well the short-medium term impact on the LGDTF's membership and demographics, remains uncertain.

2019 — During the 2019 legislative session, the Colorado General Assembly passed HB 19-1217: PERA Public Employees' Retirement Association Local Government Division Member Contribution Rate. The bill was signed into law on May 20, 2019, and eliminated the 2.00% increase in the contribution rate required by SB 18-200 for members in the LGDTF. The impact of this change will be reflected in the subsequent fiscal year, for the measurement date December 31, 2019.

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SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
FOR THE YEARS ENDED DECEMBER 31

	2024	2023	2022	2021	2020	2019	2018	2017
Authority's proportion of the net OPEB liability	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.01%
Authority's proportionate share of the net OPEB liability	$ 147,283	$ 152,386	$ 149,992	$ 160,557	$ 197,061	$ 220,916	$ 197,947	$ 188,127
Authority's covered payroll	$ 2,280,356	$ 1,893,932	$ 1,664,961	$ 1,562,523	$ 1,576,417	$ 1,373,301	$ 1,236,556	$ 1,145,711
Authority's proportionate share of the net OPEB liability as a percentage of its covered payroll	6.46%	8.05%	9.01%	10.28%	12.50%	16.09%	16.01%	16.42%
Authority's plan fiduciary net position as a percentage of the total OPEB liability	38.57%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

Note: Information is not available prior to 2017. In future reports, additional years will be added until 10 years of historical data are presented.

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SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS AND RELATED RATIOS
FOR THE YEARS ENDED DECEMBER 31

	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 23,260	$ 19,318	$ 16,983	$ 15,938	$ 16,079	$ 14,008	$ 12,613	$ 11,686
Contributions in relation to the contractually required contribution	23,260	19,318	16,983	15,938	16,079	14,008	12,613	11,686
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Authority covered payroll	$ 2,280,356	$ 1,893,932	$ 1,664,961	$ 1,562,523	$ 1,576,417	$ 1,373,301	$ 1,236,556	$ 1,145,711
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

Note: Information is not available prior to 2017. In future reports, additional years will be added until 10 years of historical data are presented.

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NOTES TO REQUIRED SUPPLEMENTAL SCHEDULES

1. CHANGES IN BENEFITS

None.

2. CHANGES OF ACTUARIAL ASSUMPTION

2021 – The timing of the retirement decrement was adjusted to the middle of the year.

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SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance Favorable (Unfavorable)
Beginning net position	$ 11,348,476	$ 11,348,476	$ 17,991,915	$ 6,643,439
Revenue				
Wireline tariff	862,000	862,000	841,300	(20,700)
Wireless tariff	13,033,000	13,033,000	12,503,784	(529,216)
Prepaid wireless	1,932,000	1,932,000	2,053,054	121,054
Interest income	100,000	100,000	175,649	75,649
Colorado ESInet revenue	400,000	400,000	493,072	93,072
Total revenue	16,327,000	16,327,000	16,066,859	(260,141)
Expense (including capital asset expenditures)				
Personnel	3,642,660	3,642,660	4,679,764	(1,037,104)
Administration	1,096,500	1,096,500	5,088,761	(3,992,261)
Contracted professional services	371,000	371,000	236,206	134,794
Communications	1,933,000	1,933,000	1,916,244	16,756
License and maintenance contracts	3,706,080	3,706,080	3,393,677	312,403
PSAP expenses:				
Global PSAP services	1,304,000	1,304,000	150,703	1,153,297
Colorado Springs	2,602,600	2,602,600	178,438	2,424,162
Cripple Creek	271,700	271,700	14,688	257,012
Woodland Park	257,400	257,400	22,188	235,212
El Paso County	2,766,600	2,766,600	87,500	2,679,100
Teller County	732,600	732,600	20,625	711,975
Peterson Airforce Base				
Fort Carson				
Capital outlay	1,272,000	1,272,000	718,382	553,618
Total expense	19,956,140	19,956,140	16,507,176	3,448,964
Increase (decrease) in net assets	(3,629,140)	(3,629,140)	(440,317)	3,188,823
Ending fund balance	$ 7,719,336	$ 7,719,336	$ 17,551,598	$ 9,832,262

RECONCILIATION OF REVENUE AND EXPENSES - GAAP BASIS	
Depreciation	(678,483)
Capital outlay	718,382
Revenue over expenditures	39,899
Net Position - GAAP Basis	$ 17,591,497

EL PASO - TELLER COUNTY 9-1-1 AUTHORITY

NOTES TO SUPPLEMENTAL SCHEDULE

1. BUDGET AND BUDGETARY ACCOUNTING

Procedures followed by the Authority in establishing its budget:

1. Prior to October 15, the Authority mandatorily submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means for financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted through a Board of Directors resolution.
4. The Authority is authorized to transfer budgeting amounts between line items.
5. The budget for the Authority is adopted on a basis that is not consistent with accounting principles generally accepted in the United States of America (GAAP). As permitted by Colorado Local Government Budget law, the budget for the Authority is prepared on a cash basis.
6. All annual appropriations lapse at year-end.

2. SCHEDULE OF BUDGET AND ACTUAL (NON-GAAP BASIS)

The schedule of budget and actual (non-GAAP basis) is presented on a basis of accounting other than accounting principles generally accepted in the United States of America. As permitted by Colorado Government Budget law, the budget for the Authority is prepared on a cash basis rather than accrual (GAAP) basis. The budget is prepared including capital expenditures and principal payments on expense for budgetary purposes but is not treated as an expense (or expenditure) for GAAP purposes and, for budgetary purposes, the Authority treats the ending cash balance as being available for budgetary purposes rather than the entire accrual basis fund balance as being available. We did a reconciliation from the non-GAAP basis to the GAAP basis at the bottom of page 39.