

ARIZONA

GOLDER RANCH

★ FIRE DISTRICT ★



ANNUAL COMPREHENSIVE FINANCIAL REPORT

for the fiscal year ended June 30, 2024

GOLDER RANCH FIRE DISTRICT

Proudly serving the communities of Oro Valley, Catalina and SaddleBrooke



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended June 30, 2024

**Golder Ranch Fire District
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Golder Ranch Fire District

Year Ended June 30, 2024

CONTENTS

Introductory Section

Letter of transmittal	1 - 17
GFOA Certificate of Achievement	18
Organizational chart	19
List of elected and appointed officials	20

Financial Section

Independent auditors' report	22 - 24
Management's discussion and analysis (MD&A)	26 - 34
Basic financial statements:	
Government-wide financial statements:	
Statement of net position	36
Statement of activities	37
Fund financial statements - governmental funds:	
Balance sheet	38
Reconciliation of the balance sheet to the statement of net position	39
Statement of revenues, expenditures and changes in fund balances	40
Reconciliation of the statement of revenues, expenditures and changes in fund balances to the statement of activities	41
Notes to basic financial statements	42 - 80
Required supplementary information:	
Schedule of revenues, expenditures and changes in fund balances - budget to actual - general fund	82
Pension schedules	83 - 86
OPEB schedules	87 - 89
Notes to required supplementary information	90 - 91

Golder Ranch Fire District

Year Ended June 30, 2024

CONTENTS (continued)

Other supplementary information:

Schedule of revenues, expenditures and changes in fund balances - budget and actual - debt service	93
Schedule of revenues, expenditures and changes in fund balances - budget and actual - capital projects	94

Statistical Section

Financial trends:

Net position by component	97
Changes in net position	98
Fund balances - governmental funds	99
Changes in fund balances - governmental funds and debt service ratio	100

Revenue capacity:

Assessed and estimated full cash value of taxable property	101
Net limited assessed property value by property classification	102
Direct and overlapping property tax rates	103
Principal property taxpayers	104
Property tax levies and collections	105

Debt capacity:

Computation of legal debt margin	106
Direct and overlapping governmental activities debt	107
Outstanding debt by type	108

Demographic and economic information:

Demographic and economic statistics	109 - 110
Principal employers	111

Operating information:

Full-time equivalent employees by function	112
Operating indicators by function	113
Capital assets by function	114

INTRODUCTORY SECTION



GOLDER RANCH FIRE DISTRICT

Meeting the emerging needs of the community through teamwork, dedication, and professionalism

November 19, 2024

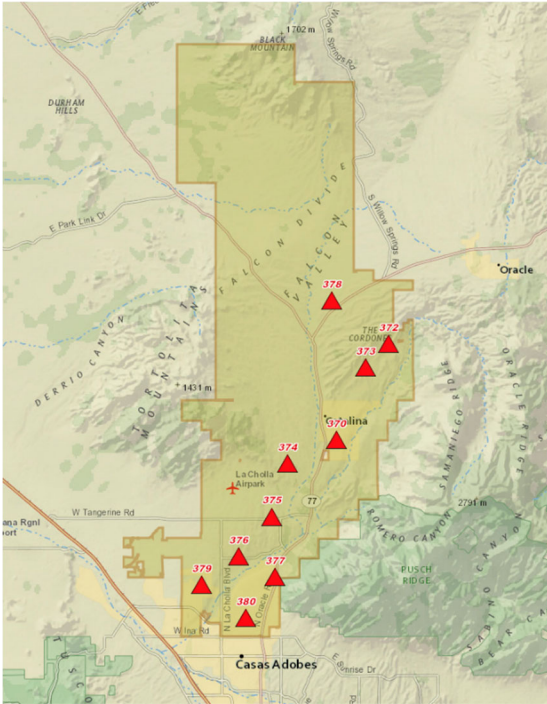
To: Golder Ranch Fire District Board of Directors and Citizens:

The following is the Annual Comprehensive Financial Report (ACFR) of the Golder Ranch Fire District for the fiscal year ending June 30, 2024. This ACFR report is intended to meet and exceed all legal reporting requirements that are borne by this jurisdiction. Furthermore, the responsibility for the completeness, fairness and accuracy of the data presented and all accompanying disclosures rests with the District. To provide a reasonable basis for making these representations, the District's management has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse; and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Arizona Revised Statutes (ARS) 48-253 and 48-805(10) require an annual audit to be performed in accordance to the statutory requirements and in conformance to generally accepted government auditing standards. As such, this fiscal year audit has been performed by independent Certified Public Accountants (CPA) with the Beach Fleischman PLLC accounting firm.

The independent auditor's opinion has been included at the front of the financial section of this report. The Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

District Profile



Golder Ranch Fire District was created in 1977 under the provisions set forth in Arizona Revised Statute (ARS) 48-261 and maintained in accordance to ARS 48-805. Additionally, the Fire District possesses a Certificate of Necessity (CON) #56 from the Arizona Department of Health Services and subsequently operates an ambulance transport service under the provisions set forth in Title 36, Chapter 21.1 of the Arizona Revised Statutes. The District is governed by a five-member Board of Directors that serves staggered four-year terms. The Fire Chief manages the daily operations of the District and is appointed by the Governing Board.

Since its inception, the geographical boundaries of the District have expanded through various annexations, mergers and in July 2017 consolidation with the Mountain Vista Fire District. The consolidation added 2 fire stations, an administration building, numerous equipment and apparatus as well as a substantial increase in the District's

service area. Golder Ranch Fire District's total net assessed value (NAV) now sits at \$1.604 billion, one of the largest in the State of Arizona for FY 2025.

The current district fire boundaries are approximately 235 square miles and the ambulance transport boundaries are approximately 409 square miles. These boundaries are geographically located within the Town of Oro Valley, in Northern Pima, and Southern Pinal County. The District is predominantly comprised of residential properties, commercial and retail occupancies, light industrial business and a limited urban/commercial corridor. The District's estimated population is over 100k residents, or an average population density of 412 per square mile. The population of the District resides primarily in the three communities of Oro Valley, Catalina and Saddlebrooke

The District currently own and/or operates ten (10) fire stations, one (1) fleet services facility, one (1) training facility and three (3) administration buildings. Services are rendered by a full-time staff of two hundred and ninety-nine (299) employees.

The District is focused on providing the taxpayers with the highest level of services through an efficient and effective all-hazards response model. Services include fire, treatment & transport, technical rescue, wildfire suppression, hazardous material, fire inspection, fire investigation, code enforcement, public education, life-safety classes, desert creature removal, smoke alarm assistance, lockout assistance and much more. Medical emergencies account for the majority of reported incidents within the District. Accordingly, all front-line fire and medical response vehicles are staffed with firefighters that are trained as paramedics and/or emergency medical technicians. The District continues to implement operational improvements in order to accomplish strategic goals and exceed community expectations.

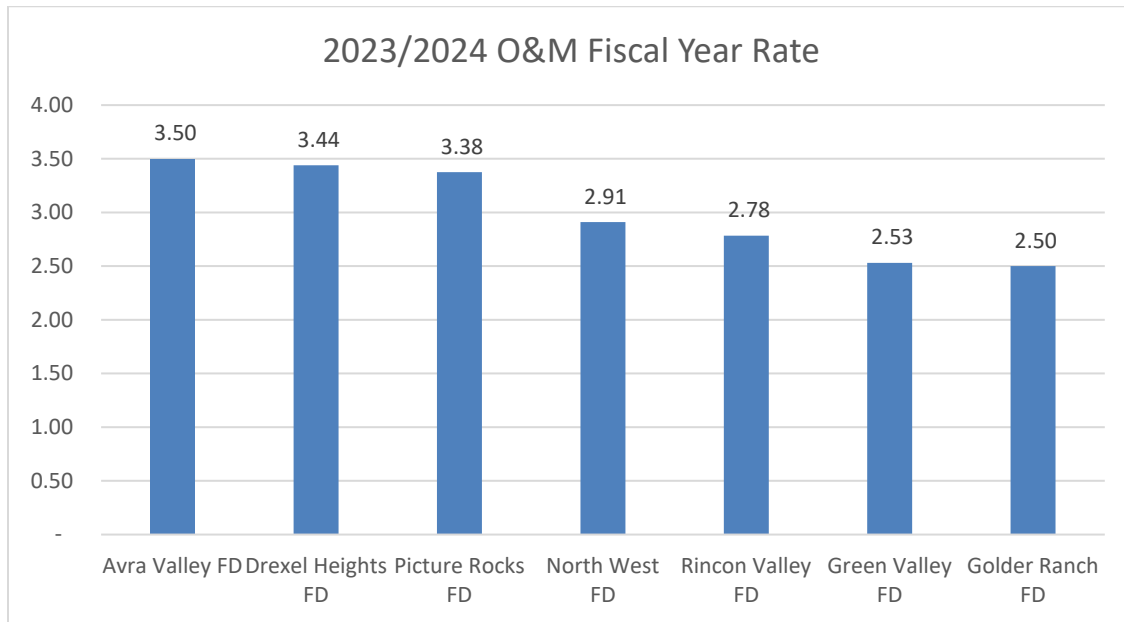
District Budget

Golder Ranch Fire District is considered a political subdivision of the State of Arizona and is authorized to levy an ad valorem property tax for the services it provides. This tax is assessed on all non-exempt real and personal property located within the geographical boundaries of the District and serves as its primary funding source.

For the fiscal year ended June 30, 2024 the District O&M tax rate was \$2.50 per \$100 of assessed value and is lower than all other comparable Southern Arizona fire districts and well below the State imposed ceiling limit of \$3.75. The District also set ¢14 per \$100 of assessed value to service its general obligation bonds.

For the 2024 fiscal year the District saw an increase in assessed valuations from \$1.424 billion to \$1.510 billion. This net assessed value coupled with the \$2.64 aggregate mil rate provided a levy of \$39,780,990.

Even with a slight increase in the mil rate, the District's levy is still a remarkably good value for the level of services provided. The District mil rate has historically been at or near the lowest for Southern Arizona. For the 2024 fiscal year, GRFD continues to have the lowest tax rate of the region's largest full-service fire districts and the lowest tax rate of all fire districts providing ambulance transports.



The following flow chart summarizes the FY 2024 budget development.

February, 2023 Five-Year Capital Improvement Plan (CIP) Budget templates made ready for distribution to Chief Officers

February, 2023 Operating budget worksheets made ready for distribution to all assigned department or functional area managers

February, 2023 Preliminary CIP submitted to the Fire Chief for review and approval

March, 2023 Preliminary budget proposals submitted by department or program stakeholders to the Finance Director

March, 2023 Review of budget proposals by the Fire Chief

April, 2023 Final internal budget reviews and approval completed

April, 2023 Regular Meeting: Proposed 2023/24 Budget presented to the Governing Board at their monthly meeting

May, 2023 Study Session: Discussion and Review of Proposed Fiscal Year 2023/24 Budget

May, 2022 Study Session: Approval of the Tentative Fiscal Year 2023/24 Budget

June, 2023 Regular Agenda: Public Hearing on the Fiscal Year 2023/24 budget as tentatively adopted. Budget approved in regular session

Local Economy and Outlook

Arizona Outlook

The baseline outlook for Arizona calls for continued but gradually slowing growth (See Exhibit below). The source of decelerating growth is the ongoing demographic transition driven by the aging of the baby boom generation.

The state labor market gradually loosens as job gains slow from 2.6% in 2023 to 2.2% in 2024 and 2.0% in 2025. Even though growth slows, Arizona is forecast to add jobs significantly faster than the nation. With slower job gains, the unemployment rate is forecast to rise from 3.9% in 2023 to 4.3% in 2025.

	Actual 2023	Forecast		
		2024	2025	2026
Growth Rate				
Nonfarm Jobs	2.6	2.2	2.0	1.8
Personal Income	6.5	5.7	6.0	5.9
Retail Plus Remote Sales	3.4	2.5	4.2	4.4
Population	1.6	1.3	1.3	1.3
Level				
Unempl. Rate	3.9	4.1	4.3	4.4
Housing Permits*	56,196	57,817	52,311	48,289

*Preliminary data for 2023.

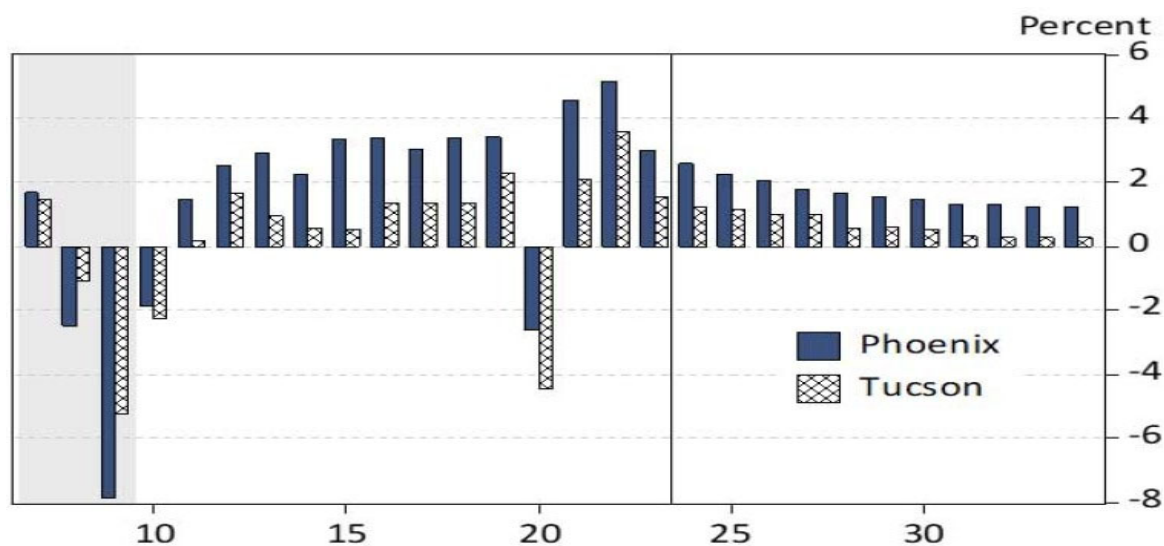
State population growth also declines, from 1.6% in 2023 to 1.3% in 2024 and 2025, driven by a slower pace of net migration. This, in turn, results from lower mobility within the U.S. as relatively high interest rates and reduced housing affordability weigh on preferences for migration.

Personal income growth slowed in 2024 to 5.7%, after strong growth in 2023 of 6.5%. Growth is projected to rebound modestly in 2025 to 6.0%. The pace of retail sales (plus remote retailers) also decelerates in 2024, falling from 3.4% last year to 2.5% in 2024. Sales growth is projected to recover in 2025 to 4.2%.

Housing permit activity has risen in 2024, after declining last year, reflecting increased permit activity for single-family homes. Starting in 2025, permits will gradually drop to a level more consistent with population growth.

The Phoenix MSA drives growth for the state, but even there gains slow during the forecast (Exhibit 4). Job growth drops from 3.0% in 2023, to 2.6% in 2024, and again to 2.2% in 2025. Population growth slows from 1.8% last year to 1.5% in 2024 and 2025.

Exhibit 4: Phoenix and Tucson Job Growth, Annual, Percent



The Tucson MSA experiences a similar slowdown, with job growth dropping from 1.6% in 2023 to 1.2% in 2024 and 2025. Population growth decelerated significantly last year (to 0.7%) and will slow a bit more in 2024 and 2025, to 0.6%

George Hammond, Economic and Business Research Center, The University of Arizona 2024

Long Term Financial Planning

As part of the budget approval process, beginning in July 2014, the District adopted a five-year capital improvement plan (CIP). The CIP is a comprehensive plan for sustaining and enhancing emergency response infrastructure by refurbishing or replacing aging facility and apparatus assets. The CIP provides a forecast for the life expectancy of each of the District's long-lived assets and the estimated cost of their replacement and or refurbishment. Finally,

and most importantly, the CIP will define the funding levels needed year over year for the 5-year time horizon of the plan. For the Fiscal Year ended June 30, 2024, the CIP was funded at \$2,535,660.

Financial Governance for the District is provided for by an internal financial policy that is referred to as the *Principles of Sound Financial Management* (PSOFM). This document establishes the fiscal framework associated with the establishment of funds, fund balances, reserve funds and capital outlays. The District has and continues to automate numerous processes associated with accounts receivable, payable, billing for ambulance transports and payroll.

A multi-year Strategic Plan has been developed and adopted by the Fire Board. This plan establishes the mission, vision and values for the District going forward. The Strategic Plan will be updated in fiscal year 2025.

Major Initiatives

EMS

The EMS Division's primary objective in Fiscal Year (FY) 23/24 was to enhance operational efficiencies and optimize workflows for field providers and staff. This encompassed various areas such as ePCR (electronic patient care report), continuing education and training, professional development, recognition of excellence, equipment, and clear expectation of staff roles and responsibilities.

ePCR (electronic patient care reporting)

Due to challenges encountered with our existing provider, the organization explored alternative ePCR documentation platforms. The organization selected Image Trend as our next reporting software program. The EMS Division worked with Billing, IT, Operations and FLS (Fire & Life Safety) to build out the system to meet the emerging needs of our community.

Continuous Education and Training

Monthly EMS training modules were delivered through Vector Solutions ensuring the fulfillment of necessary hours for provider's State and National recertifications. Regular skills labs offered on a Trimester schedule, concentrating on the latest trends, knowledge, skills, and proficiencies required by our providers. These skills labs have consistently improved team dynamics and communication leading to positive patient care outcomes.

Training subject matter covered

Adult and Pediatric Cardiac Arrest with ECG rhythm recognition/static cardiology recognition with demonstrated synchronized cardioversion and pacing, Handtevy, ARES 10-5-5 Pit Crew sets and repetitions, Continuous Positive Airway Pressure, advanced airway equipment, I-Gel, videoscope, laryngoscope, and ZOLL AutoPulse hands on training and implementation, Trauma with tourniquet, pelvic binder, and wound packing Advanced life support and basic life support airway for Adult and Pediatrics.

Professional development

Prioritized professional development by facilitating and offering district providers the opportunity to attend classes, symposiums, and conferences for staff, GRFD providers, and the Division Chief. These events focused on EMS and leadership topics, ensuring a stake in a dynamic and ever-changing EMS landscape, and fostering networking opportunities with similar-minded organizations. Conferences attended included Image Trend Conference, SW Regional Trauma Conference, Fire Rescue International Conference, EMS World Conference, and Arizona Ambulance Association Conference.

Recognition of Excellence

Throughout the fiscal year, the EMS Division engaged with multiple crews to acknowledge their commendable contributions in cases of cardiac arrests resulting in successful outcomes, known as code saves. A code save signifies instances where crews effectively restored pulses, leading to patients being discharged from the hospital neurologically intact. In recognition of their achievements, these crews were honored with Code Save Challenge Coins. In addition to recognition for code saves, crews are recognized by the EMS Division and local hospitals for having exemplary treatment times for stroke and myocardial infarction (MI) patients.

Equipment

The EMS Division trialed a new mechanical CPR device; the LUCAS from Stryker. This proved to be the most beneficial option for providers and patients. Through budgeting, the Division was able to purchase (8) devices to be placed in service on frontline medic transports and on board the shift 40-hours a week truck.

EMS staff roles and responsibilities

The division experienced the following staffing changes: New assignments for Division Chief of EMS and EMS Captain. Responsibilities and project focuses were to build, train, and educate members on the new Image Trend software platform, preparation for a recruit academy EMT course, and begin the process for re-accreditation with the Commission on Accreditation of Ambulance Services (CAAS).

Professional Development

Fiscal year 2024 was a successful year, providing required annual training, along with leadership development and promotional opportunities. In addition, the Professional Development Division moved all their administrative offices to a different building, repurposed and refreshed existing spaces to expand our training opportunities and purchased a multitude of fire and rescue props designed to provide basic and advanced training to our personnel.

Some specific fire and rescue training events and equipment purchases we would like to highlight are the following:

Training Events

All activities on the Annual Training Calendar were completed, which ensures our suppression meet district, regional, state, and national minimum standards.

Three Company Readiness Drills were completed, which are large training events all suppression personnel participate in. These training events are designed to ensure individuals are proficient in basic standards and to introduce best practices. The focus areas were Firefighter Survival, High Risk Rescue Situations, and High-Rise Occupancy fires.

The 2024-01 Recruit Training Academy introduced 25 new Firefighters into the organization.

Engineer, Captain, and Battalion Chief promotional processes were completed.

Officer training was completed through Pathfinder Strategies to maintain and enhance a multitude of leadership skills.

Individuals from the Operations and Professional Development Divisions were sponsored to attend various conferences across the state and country to maintain and enhance their current knowledge and skills, while also identifying best practices within all aspects of the fire and emergency services industry.

We continued to support district personnel through the Educational Incentive policy, which provides up to \$5,250 in reimbursement for qualifying expenses.

Equipment Purchased and Projects Completed

The administrative space formally used as a boardroom, was repurposed into a classroom and then refreshed with new interior finishings, audio/visual equipment, and classroom supplies.

A Flashover Tunnel was purchased through Fireblast Global allowing the district to provide training it previously had to complete at other regional training campuses.

An LPG Car Fire Prop was purchased through Fireblast Global allowing the district to provide training it previously had to complete at other regional training campuses.

Funding was secured for the purchase of two additional LPG props in the 2025 fiscal year, again, allowing the district to provide training it previously had to complete at other regional training campuses.

Fire & Life Safety

The Fire and Life Safety (FLS) Division began FY 23-24 with seven full-time staff members and has concluded the year with nine full-time staff members. Supervised by the fire marshal, there are five fire inspectors and two deputy fire marshals who participated in approximately 4,250 inspection activities who receive support from one permit technician. Through education and enforcement over 2,200 findings were addressed which resulted in reducing

hazardous conditions in both public facilities and private residences. FLS staff members have reviewed approximately 690 sets of construction plans ensuring fire code compliance in all new and modified buildings and structures. These included reviews of all fire protection systems; such as fire alarms systems, detection systems and automatic fire suppression systems. All FLS staff are required to achieve certification as Fire Inspectors through the International Code Council (ICC) the publishers of the International Fire Code (IFC) and obtain certification through the State of Arizona as Fire Inspector. FLS partners with four building departments as the fire district crosses several jurisdictional boundaries. These include Pima and Pinal Counties and the Towns of Marana and Oro Valley.

FLS staff actively participates in the development review processes attending partnership meetings and has a vigorous fire inspection program for buildings that are modified and newly constructed. All phases of construction are inspected including the installation of new fire service mains and hydrants, fire protection systems, fire protection devices and the overall building itself for fire code compliance.

The FLS staff members, as certified fire investigators, completed 76 fire investigations in FY 23-24. GRFD has partnered with the neighboring Northwest Fire District, through a regionalization plan, to jointly investigate fires in both jurisdictions. FLS members prepare detailed reports of the investigations and when responsible parties are prosecuted for arson, the investigators present in a court of law and render opinions as expert witnesses.

FLS staff members, as certified fire instructors, continue to serve the State of Arizona at a high level in the field of fire science, teaching and coordinating classes at the local community colleges and at the annual Arizona Fire School in Mesa, AZ. Fire investigation, fire inspector certification, and fire code enforcement related courses are provided to all agencies interested in these disciplines. FLS Staff members also provide basic courses in these disciplines to newly appointed firefighters, promoted captains and promoted battalion chiefs. Courses include fundamentals of building construction and firefighter safety, fire origin and cause and fundamentals of fire protection systems.

GRFD currently has achieved an ISO protection Class rating of two. In the last rating evaluation of the possible 5.50 community risk reduction points available in the ISO Fire Suppression Rating Schedule, GRFD has achieved 5.08 points. The caliber of the FLS staff in maintaining a high degree of professional certification attributed to this score.

FLS staff members routinely develop the local fire code. Currently, GRFD has adopted the IFC, 2018 edition with local amendments as approved through the Arizona Office of State Fire Marshal. The adopted fire code requires all new commercial buildings to include automatic fire sprinkler systems which assist in reducing the experienced fire loss throughout the fire district. The fire code is adopted on a six-year cycle in order to maintain ISO rating points. FLS staff are currently in the process of adopting the IFC, 2024 edition.

The ISO process evaluates the water supplies for jurisdictions and the fire districts abilities to deliver fire flow during fire events. Water supply is approximately 40% of the overall ISO rating. FLS maintains professional relationships with the nine water companies within the boundaries of the fire district. The water companies are responsive to the needs of the community for providing fire flow through a distribution of fire hydrants. GRFD has bridged gaps between Fire and Life Safety and Fire Operations through the development of computerized programs for

inspecting and maintaining fire hydrants, of which there are approximately 4,693 hydrants throughout the fire district. All hydrants are tested and inspected on an annual basis.

Health & Safety

The Health and Safety Division continues to enhance our programs to meet to the needs of our personnel, focusing on cancer reduction measures, personnel protection equipment, and overall physical and mental well-being, all while prioritizing the safety of both our members and the community. We are committed to a continuous enhancement of facility and personnel safety, incident control, exposure management, apparatus maintenance and standards, as well as the physical, mental, and medical welfare of our members. Our dedicated team is committed to delivering effective training and protection to our organization to ensure the greatest reduction in risk.

In the fiscal year 2024-25, our team will expand its involvement in industry organizations and fully leverage the benefits of our membership in these organizations to elevate our safety and prevention efforts for both our members and the community.

Human Resources

The Human Resources (HR) Division in FY23/24 consisted of three full-time and one part-time staff members. We play a central role in providing support and resources for the most valuable asset of the district—our 284 members, plus their families.

Recruitment and Onboarding

HR is responsible for recruiting and onboarding new employees, ensuring that the organization attracts and retains top talent. This includes developing job descriptions, conducting interviews, and implementing effective recruitment strategies. This past year HR streamlined the recruitment process by integrating the ability for candidates to record videos interviews, better respecting the candidates time and shortening each recruitment by up to two weeks. This helped to ensure quality candidates remained engaged and time-to-hire improved. This also decreases the cost of recruitments by reducing the number of hours that internal interview panelists spent assessing interviews.

Employee Relations

HR also manages employee relations, ensuring a positive work environment and helping address any issues or conflicts that may arise. We serve as a bridge between employees and management, fostering open communication and a supportive culture. This year HR collaborated with the Fire Chief and Assistant Chiefs to help improve our investigation process. This will allow the District to continue to better meet compliance requirements, while also supporting our culture.

Benefits and Compensation Equity

HR oversees performance management and the compensation program, supporting employees in growing their skills and advancing their careers. This includes coaching on conducting performance appraisals, as well as maintaining and interpreting policies, and implementing strategies for employee retention and satisfaction. One of HR's main goals in managing compensation and benefits is to ensure that employees are fairly rewarded for their contributions.

This year HR, and the Benefits Committee, ensured that we provided employees with savings on their benefit plan premiums to bring them the most robust benefits at reasonable costs. This included finalizing an agreement for a Post Employment Health Plan, administered through Nationwide and providing support to the Local 3832 in implementing a Medical Expense Reimbursement Plan through the IAFF Trust. The two plans will provide support for retirees' future health care needs.

HR provided additional support and benefits for our members who added 13 new additions to their families this past fiscal year. HR supported over 25% of our members with additional medical leave support and coordinated with the Health & Safety division to return members to full duty in a timely and safe manner.

HR worked closely with the PSPRS Local Pension Board to have the Fire and Life Safety uniform members be accepted as PSPRS members moving forward. This change to their pension system will enhance their cancer coverage.

Uniform members receive a comprehensive annual physical. HR collaborated with the Fire Chief and Health & Safety division to invest in our non-uniform members and retirees by offering them annual physicals through the same provider as uniform members use.

With regards to compensation, HR collaborated with Local 3832, the Fire Chief, Finance, and with guidance and support from the GRFD Governing Board, to ensure that our compensation structure leads the comparable market as we moved into FY24/25. With this we increased wages to 98% compared to our comparators with a goal of 101% within the next two fiscal years.

Legal Protection

Moreover, HR ensures the organization complies with labor laws and regulations, reducing the risk of legal issues. Through these efforts, HR contributes significantly to the overall success and sustainability of the organization by aligning the workforce with the district's strategic goals.

IT Department

Overview

The Golder Ranch Fire District Information Technology (GRFDIT) department is dedicated to providing public safety information technology services to the Golder Ranch Fire District (GRFD) and affiliated entities.

Collaboration and Consortia

GRFD is part of a Fire Dispatch Consortium that includes Northwest, Picture Rocks, Avra Valley, Rincon Valley, Mount Lemmon, and Three Points Fire Districts. We also collaborate with the City of Tucson on dispatch-related projects, providing services to surrounding districts.

IT Department Responsibilities

The IT department is responsible for managing all hardware and software issues within the district. This includes overseeing mobile data and related applications. Our servers are predominantly Microsoft Windows-based within an Active Directory environment, with some Linux servers and open-source applications. Most of our clients use Windows, although there are also Apple and Linux users within the district.

Our network infrastructure comprises fiber, Wi-Fi, and microwave connections, with Cisco as the standard vendor for networking equipment. The IT department is tasked with monitoring and maintaining the WAN, LAN, firewalls, internet, intranet, VPN, and Cisco VoIP phone systems. Additionally, we host services for Avra Valley, Three Points Fire, and Rincon Valley Fire Districts.

Major projects completed in 2024

Multi-Factor Authentication (MFA) Implementation

We have recently implemented conditional access policies requiring MFA for users to access O365 applications.

Operative IQ Integration

We are integrating the Operative IQ suite, which includes Inventory Software, Asset Management Software, Controlled Substance Tracking Software, Fleet Maintenance Software, and Service Desk Software. This software is utilized across multiple departments, including EMS, Fleet Logistics, Fire Supply, and IT.

Public Internet Service Improvement

We are enhancing the quality of public internet service and reducing costs by consolidating 10 individual service lines into a single 200MB business-class internet circuit. We are also implementing a Ruckus SmartZone controller virtual appliance to distribute this high-quality internet connection via Wireless Access Points across all Golder Ranch Fire District locations.

Operational Security Enhancements

We have strengthened our operational security by requiring two-factor authentication for privileged accounts.

Disaster Recovery Infrastructure Upgrades

We are upgrading existing hardware and enhancing the disaster recovery infrastructure to better align with industry standards for best practices in data retention, offsite storage, encryption, and immutable backups. This includes implementing backups for data stored in the Microsoft O365 environment.

GIS Analyst Contributions

The IT-GIS analyst has been instrumental in several ongoing projects, including:

District Accreditation Process

Regularly producing quarterly, bi-annual, and yearly performance charts for response times in Fire, TRT, EXT, EMS, Hazmat, and Wildland categories.

Geographic Planning Zone Optimization

Refining Geographic Planning Zones to monitor and optimize district response times.

Wildland Crew Training Applications

Developing training apps using Survey123 and Field Maps to assist with community risk assessments.

Telecommunications Projects

Creating 3D line-of-sight models for telecommunications projects.

Predictive Analysis for Road Planning

Conducting predictive analysis to evaluate how new road locations would impact response times for nearby stations 372 and 373.

Preplan Project for MDT

Continuing to update the Mobile Data Terminal (MDT) with unit numbers, building numbers for apartment and mobile home complexes, and locations of Energy Storage Systems (ESS).

Swift Water Rescue Collaboration

Collaborating with Northwest Fire District, Tucson Fire Department, and Pima County Regional Flood Control District to create an app for swift water rescue access areas and integrate the best access points into the MDT.

Board Services

The Board Services Division is responsible for a variety of administrative duties for the Golder Ranch Fire District, including elections, preparing board meeting agendas and meeting notices, public records requests, records retention, records destruction, and annexations. It is the responsibility of the Board Services Division to ensure the District complies with all Open Meeting Laws, including posting agendas/public notices and creating board packets.

Compiling a Governing Board meeting packet entails working with department heads to ensure the items required to go before the Governing Board are placed on an agenda for the board to review and take action. Board Services transcribes and posts the minutes for the Governing Board meetings, special sessions, and study sessions in compliance with state statute. In fiscal year 2024 GRFD held twelve regular session board meetings. Board Services is also responsible for the Public Safety Personnel Retirement System's (PSPRS) Local Pension Board meetings. Preparation, for this statutorily required board, includes preparing agendas and board packets, transcribing minutes, and providing the information to PSPRS regarding new members, normal retirements, disability retirements, survivor benefits, reviewing and accepting the annual actuarial report. In the past the Board averaged two meetings a year, this fiscal year the board met eight times.

Board Services also oversees records for the District, including records requests, retention, and destruction. Over the past year, Board Services fulfilled 274 public records requests for medical records, fire reports, incident reports, media requests, and other miscellaneous documents. The Board Services Division ensures records are retained in compliance with state statute outlined in the Arizona Secretary of State's retention schedules. Once the records meet their retention period, the records are destroyed accordingly, and the corresponding certificates of destruction are submitted to the Arizona Secretary of State's Office as prescribed by law. This past year 37 boxes and 262 plans met their retention period and were destroyed. The entire Board Services team is committed to professional development; every member of the team attended different trainings that were offered, whether in person or online, to stay up to date on best practices or the latest changes to legislation that would affect the division and the District. Each member of Board Services is also dedicated to maintaining the "family" culture that Golder Ranch Fire District is known for. The Board Services team participates in committees throughout the organization such as the Peer Support Team, Shark Tank, and Culture Committee.

Community Risk Reduction

Golder Ranch Fire District (GRFD) Community Risk Reduction Division has replaced what was previously known as the Essential Service Division. This division handles Community Risk Reduction and Community Education policy development, program creation, data interpretation, and educational presentations. Currently, the division is led by a Deputy Chief and staffed by a Community Education Supervisor. A Community Educator and several Community Resource Technicians will be added in the upcoming year.

The Community Educator is a bachelor's level educator and will be tasked with developing and presenting fire and life safety educational material to students and residents of the District. Examples of these classes are targeted fall prevention strategies, fire safety programs, classroom presentations, and other risk reduction strategies based on data which is collected and analyzed throughout the year. The Community Educator will continue the stability and consistency for events that was established over the past year by the Community Education Supervisor. The Community Risk Reduction Division continues to partner with Community Relations to create social media messaging that supports a vision of partnership and safety.

Operations

The mission of the Golder Ranch Fire District's Operations Division is to provide efficient, effective, and responsive all-hazard emergency services to the community. This mission is fulfilled through professional development, continuous improvement in service delivery, and a commitment to safeguarding lives, property, and the environment. The Operations Division strives to exceed community expectations by delivering advanced fire suppression, emergency medical services, technical rescue, and disaster response, ensuring preparedness for any emergency.

The Golder Ranch Fire District's Operations Division plays an important role in responding to a variety of incidents that test the district's operational capacity. One example involved a large-scale wildfire near the foothills of SaddleBrooke Ranch, fueled by high winds and dry conditions, which resulted in a multi-agency response. Golder Ranch's Operations Division, in collaboration with neighboring districts and state resources, successfully contained the fire over a period of 36 hours, limiting damage to less than 50 acres and preventing any loss of structures.

During this response, fire crews demonstrated excellent coordination, deploying aerial water drops and creating fire breaks. The EMS teams provided support to affected residents and fire personnel, with several individuals receiving medical evaluations due to smoke inhalation. No major injuries were reported, a testament to the efficiency of the firefighting efforts and preemptive evacuation orders.

In addition to wildfire management, the Operations Division regularly handles a wide range of incidents, including medical emergencies and motor vehicle accidents. Even during high-demand situations, response times consistently remain within the district's performance benchmarks, reflecting the effectiveness of resource deployment and strategic planning.

These incidents highlight the district's capability to manage multiple simultaneous emergencies and highlight the importance of ongoing training, personnel development, and investment in equipment. The Operations Division remains committed to delivering high-quality services, ensuring the safety and well-being of the community.

Fleet Maintenance

Our fleet services division maintains and repairs to over 100 frontline fire support, staff vehicles, utility vehicles, and trailers. This past year we added four new motor pool vehicles to the fleet for Facilities, Training, Assistant Chief, and shared pool. We also took delivery of a new Type 3 Wildland Brush Truck and put it in service this spring. After the retirement of the Fleet Supervisor in April, the Lead technician was promoted to Fleet Supervisor and one of our Tech III's was then promoted to Lead Technician. Which in turn created a need for an additional Fleet Maintenance Technician, which currently has not been filled. To move towards the goal of making Fleet a "stand alone shop" where 90% or more repairs are performed in house. We increased the technicians training from the previous year.

Capital Improvement

The 2024 fiscal year saw the completion of the new District headquarters located at 1600 E Hanley Blvd in Oro Valley, AZ. The new Fire HQ facility was purchased and renovated utilizing bond proceeds from the 2020 and 2022 bond sales.



The New Fire HQ

Ongoing capital projects utilizing bond proceeds include the construction of a new fire station located in Saddlebrook Ranch (Station 378) as well as concrete and security enhancements throughout the District. Renovations were completed at the former administration building on Golder Ranch Dr. making it more functional for the

Professional Development division, Emergency Medical Services and Support Services leadership. These renovations included new flooring, paint, and redesign of the board room to a classroom with state-of-the-art audio visual for course instruction.



Future site of Station 378

New equipment and apparatus were also procured in 2024, including a new Type 3 engine, training props, and a technical rescue equipment trailer.

Awards & Acknowledgment

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2023. In order to be awarded this certificate, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

This certificate is valid for a period of one year only. We believe that this current annual comprehensive financial report continues to meet the programs' requirements and we will be submitting it to GFOA to determine its eligibility for the fiscal year 2023-24.

Additionally, the District received the Distinguished Budget Presentation Award also issued by the GFOA for the fiscal year 2023 budget. This was the first year that the District received this award and will be submitting all future budgets for this highly coveted recognition.



Acknowledgements

A sincere gratitude is extended to the personnel of the Finance Division and the members of the Golder Ranch Fire District who contributed to this report. We are also deeply appreciative of the support extended to us by the Board of Directors and the citizens of this District.

Respectfully Submitted,

Thomas Brandhuber
Fire Chief

Dave Christian, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Golder Ranch Fire District
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

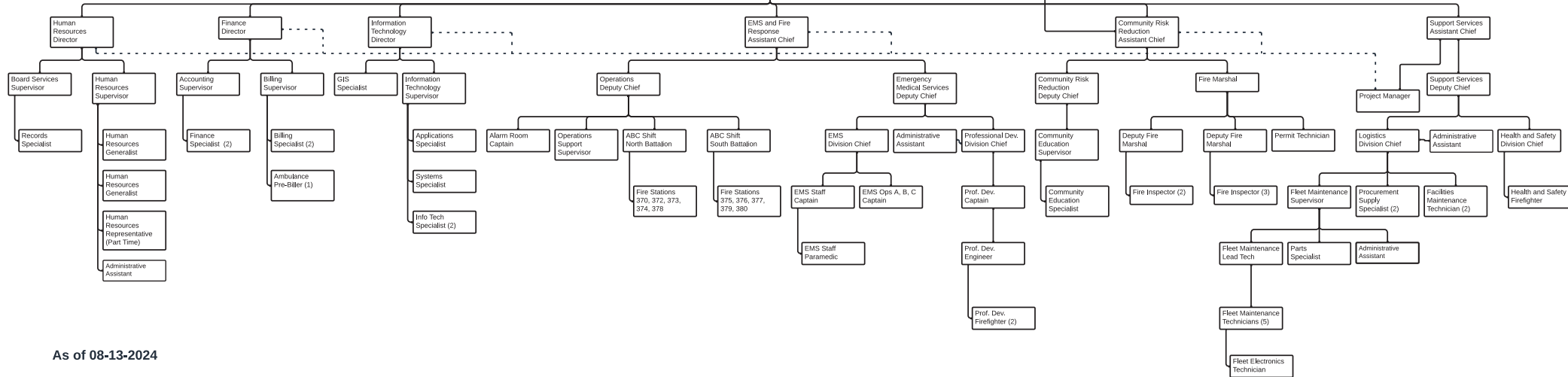
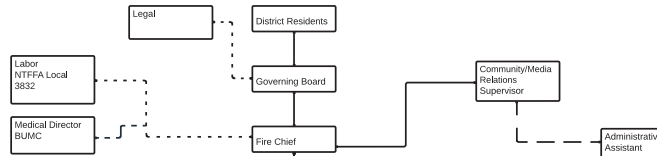
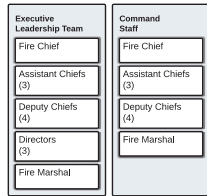
June 30, 2023

Christopher P. Morill

Executive Director/CEO



GOLDER RANCH FIRE DISTRICT



As of 08-13-2024



GOLDER RANCH FIRE DISTRICT

Meeting the emerging needs of the community through teamwork, dedication, and professionalism

LIST OF ELECTED AND APPOINTED OFFICIALS

BOARD OF DIRECTORS:

		<u>Term Expires</u>
Chairperson	Vicki Cox Golder	November 2026
Vice Chair	Wally Vette	November 2024
Clerk	Sandra Outlaw	November 2026
Board Member	Steve Brady	November 2024
Board Member	Tom Shellenberger	November 2024

Administrative Offices:

1600 N. Hanley Blvd.
Oro Valley, AZ 85737

Registered Agent: Tom

Brandhuber
Fire Chief

Legal Counsel:

Leonard & Felker, P.L.C.
7440 N. Oracle Rd, Bldg 2
Tucson, AZ 85704

FINANCIAL SECTION

Independent Auditors' Report

Governing Board and Management
Golder Ranch Fire District
Oro Valley, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Golder Ranch Fire District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Golder Ranch Fire District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Golder Ranch Fire District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Golder Ranch Fire District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government 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 and *Government 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 Golder Ranch Fire District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Golder Ranch Fire District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension and other post employment benefit (OPEB) plan information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2024, on our consideration of Golder Ranch Fire District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Golder Ranch Fire District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Golder Ranch Fire District's internal control over financial reporting and compliance.

BeachFleischman PLLC

Tucson, Arizona
November 19, 2024

Management's Discussion and Analysis (MD&A)
(Required Supplementary Information)



GOLDER RANCH FIRE DISTRICT

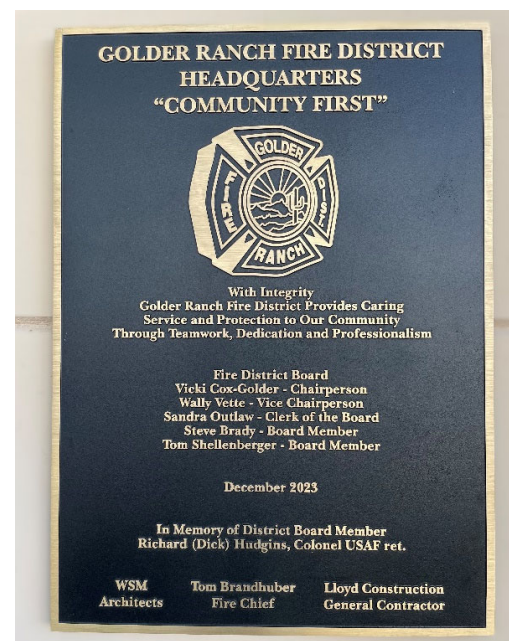
Meeting the emerging needs of the community through teamwork, dedication, and professionalism

MANAGEMENT DISCUSSION & ANALYSIS

As management of the Golder Ranch Fire District (the District), we offer readers of these financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2024. This discussion and analysis is intended to be an easily readable breakdown of the District's financial activities based on currently known facts, decisions and conditions. Readers are encouraged to consider the information presented here in conjunction with the financial statements as a whole, which will follow this narrative.

Financial Highlights

- At the close of the fiscal year ended June 30, 2024, the District had a combined ending fund balance of \$34,602,094, a decrease of \$316,334 from the 2023 fiscal year end. The entire fund balance is legally restricted or committed by the District Board of Directors.
- Fiscal 2024 saw the completion and dedication of the new administrative headquarters located at 1600 E Hanley Blvd in Oro Valley as well as ground breaking on a new fire station in the Saddlebrooke Ranch community.
- Additions to the fleet during fiscal 2024 included the purchase of a new Type 3 brush truck.



Overview of the Financial Statements

This annual report consists of two parts: management's discussion and analysis (this section) and the basic financial statements. The basic financial statements include The *Statement of Net Position* and the *Statement of Activities* (on pages 36 and 37) these statements provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 38. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds individually.

The Statement of Net Position and the Statement of Activities- Government Wide

One of the most important questions asked about the District's finances is, "Is the District as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All the current year's revenues and expenses are considered regardless of when cash is received or paid.

The *Statement of Net Position* and *Statement of Activities* report the District's net position and changes in them. You can think of the District's **net position** — the difference between assets and liabilities—as one way to measure the District's financial health, or financial position. Over time changes in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's property tax base, access to non-property tax revenues, age of the District's existing infrastructure, etc., to fully understand the overall financial health of the District.

In the *Statement of Net Position* and the *Statement of Activities*, the District presents total Governmental activities. All of the District's basic services are reported in these two reports.

Fund Financial Statements

The fund financial statements (pages 38 - 41) provide detailed information about the General Fund and Debt Service Fund specifically. All of the District's basic services are reported in the General Fund, which focuses on how money flows into and out of those funds and the balances left at year-end that are available. The fund is reported using an accounting method called modified accrual accounting. This method measures cash and all other financial assets that can be readily converted to cash. The General Fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds in a reconciliation included with the financial statements.

The District adopts an annual appropriated budget for the various funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the financial statements begin on page 42.

Government Wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$15,102,022 at the close of FY2024 which is an increase of \$2,792,609 from the previous 2023 fiscal year.

The largest portion of the District's net Position is its investment in capital assets (ie: land, buildings, equipment and fleet) net of debt. The District has monies held by a paying agent

(Pima County Treasurer) that is legally restricted to service the bond obligations owed by the District. The rest of the District's cash are available to meet the ongoing operational needs of the District.

The following table presents a summary of the District's net position at the years ended June 30th 2023 and 2024 respectively.

	Governmental Activities			
	As of June 30, 2024		As of June 30, 2023	
ASSETS				
Current and Other Assets	22,516,050		20,358,395	
Capital Assets	39,213,237		35,752,804	
Cash, Investments restricted	15,111,815		17,209,145	
Total Assets	\$ 76,841,102		\$ 73,320,344	
Deferred Outflows of Resources	16,591,066		13,749,105	
LIABILITIES				
Current Liabilities	9,207,656		8,341,504	
Non-Current Liabilities	66,550,820		63,439,571	
Total Liabilities	\$ 75,758,476		\$ 71,781,075	
Deferred Inflows of Resources	2,571,670		2,978,961	
NET POSITION				
Net Investment in Capital Assets	15,794,974	105%	14,410,911	117%
Restricted for debt service	605,650	4%	471,013	4%
Restricted for pension	493,080	3%	385,761	3%
Unrestricted	(1,791,682)	-12%	(2,958,272)	-24%
Total Net Position	\$ 15,102,022	100%	\$ 12,309,413	100%

Total Assets increased from fiscal year 2024 due to a significant investment in long term capital projects.

Governmental Activities

Governmental activities increased the District's net position by \$2,792,609. The biggest factor of this change was due to increase in ambulance transport revenue, property taxes and grants.

Revenues from property taxes increased by \$3.4M as a result of an increase in the requested property tax mil rate. State shared revenues were derived from a statewide proposition passed in FY 2021 that provided a sales tax benefiting public safety organizations.

The costs of all governmental activities for the year ended June 30, 2024 was \$48,765,151. Property and Fire District Assistance Taxes provided \$40,471,605 or 78% of total revenues. Fees for ambulance transports and wild land billing amounted to \$5,943,000 or 12% of total revenues.

<i>Changes in Net Position</i>	Governmental Activities	
	2024	2023
Revenues:		
Program Revenues		
Charges for Services	\$ 5,943,000 12%	\$ 5,596,593 12%
Operating grants and contributions	3,204,900 6%	2,401,324 5%
General Revenues:		
Property taxes	40,471,605 78%	37,054,744 79%
State shared rev.	683,777 1%	616,389 1%
Investment income (loss)	1,195,946 2%	974,466 2%
Miscellaneous	58,532 0%	234,412 1%
TOTAL REVENUES	\$ 51,557,760	\$ 46,877,928
Expenditures/expenses:		
Public Safety	\$ 47,190,243	\$ 42,600,871
Interest on long-term debt	1,574,908	1,406,787
TOTAL EXPENSES	\$ 48,765,151	\$ 44,007,658
 Change in Net Assets	 \$ 2,792,609	 \$ 2,870,270
Net Position - July 1	12,309,413	9,439,143
Net Position - June 30	\$ 15,102,022	\$ 12,309,413

Financial Analysis of the Districts Funds

As the District completed the year, it reported a combined fund balance of \$34,602,094 (as presented in the report on page 38), which is an decrease from the FY 2023 balance of \$316,334. The General Fund increased by \$2,016,362 while the Debt Services fund increased by \$134,637 and the multiyear capital improvement plan decreased by \$2,467,333 due to the completion of capital projects.

Golder Ranch Fire District Governmental Funds - Fund Balances

MAJOR FUNDS	2024		2023	
	Amount	%	Amount	%
General Fund	24,200,178	70%	22,183,815	64%
Debt Service Fund	605,650	2%	471,013	1%
Capital Projects Fund	9,796,266	28%	12,263,600	35%
Total Fund Balance	34,602,094	100%	34,918,428	100%

General Fund.

The General Fund accounts for most all of the day-to-day operational and maintenance needs of the District, as well as funding necessary to service the District's one capital lease. The General Fund increased primarily because of increases in the tax rate and better-than-expected proceeds from interest revenues as well as savings from not having election costs in November 2023.

Debt Service Fund.

This fund is used to account for the property tax collections and servicing of general obligation debt associated with the 2015, 2017, 2020-2022 GO bond issues. The debt service fund has its own source of revenue with a restricted property tax levy.

Capital Improvement Projects Fund (CIP)

The Capital Projects Fund is used to provide funding for long lived assets and real property improvement projects. Beginning with the 2019 budget the District has been committing a portion of the General Fund every year as well as selling GO Bonds to finance the multi-year CIP.

General Fund Budgetary Highlights

Pursuant to ASRS 48-805, the District adopts an annual budget for the General Fund and sets a levy for the Debt Service Fund. This budget is used to determine the funding requirements for The District. The following report shows results of the budget to actual comparison for fiscal 2024.

Golder Ranch FD Gov Funds - Gen Fund Actual to Budget FY 2024

	<u>Actuals</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Property Taxes	38,526,415	36,012,580	2,513,835
Intergovernmental	3,204,900	-	3,204,900
Charges for Services	6,068,534	5,563,053	505,481
Investment Income	660,646	176,152	484,494
Other Rev & Financing Sources	742,309	1,760,010	(1,017,701)
Total Revenues & Financing Sources	49,202,804	43,511,795	5,691,009
EXPENSES			
Public Safety	42,228,344	39,885,113	(2,343,231)
Capital Outlay	3,754,377	-	(3,754,377)
Debt Service	3,238,370	3,326,682	88,312
Bond Issuance	-	-	-
Contingency	-	300,000	300,000
Total expenses	49,221,091	43,511,795	(5,709,296)
Other financing sources (net)			
Issuance of lease obligations	1,988,950	-	(1,988,950)
Proceeds from sale of capital assets	45,700	-	(45,700)
Total other financing sources (uses)	2,034,650	-	(2,034,650)
CHANGES IN FUND BALANCE			
Increase (Decrease) in Fund Balance	2,016,363	-	2,016,363
Beginning Fund Balance	22,183,815	22,183,815	-
Ending Fund Balance	24,200,178	22,183,815	2,016,363

Capital Position

At the end of FY 2024 the District had \$63,671,257 invested in land, buildings, apparatus, vehicles and equipment before consideration of accumulated depreciation. Land is held in the District's books at cost or in the case of donated land, at fair market value as determined by the donor. All buildings and rolling stock are held on the books at cost.

Golder Ranch FD Capital Assets as of June 30,

<u>Governmental Type Activities</u>	<u>2024</u>	<u>2023</u>
Land not depreciated	5,599,320	7,621,445
Buildings and improvements	33,767,655	28,709,463
Vehicles, Apparatus & Equipment	24,304,282	21,526,158
Accumulated Depreciation	(24,458,020)	(22,104,262)
Net Capital Assets	39,213,237	35,752,804

Major capital projects for 2024 have already been mentioned in this analysis. The District's capitalization threshold is \$5,000. Through careful planning and monitoring of the District's capital asset replacement schedule, the District has determined an annual funding requirement that will provide for the timely replacement of major apparatus and equipment. The Capital Projects funding requirement for the fiscal year of 2024 was \$2,535,660.

Additional information regarding capital assets can be found in the Notes to the Financial Statements on page 55.

Long-Term Liabilities

At the end of fiscal 2024, the District had total debt outstanding of \$57,871,682, a decrease of \$1,722,006 from the end of fiscal 2023.

<u>Governmental Type Activities</u>	Outstanding Debt as of June 30,		
	<u>2024</u>	<u>2023</u>	<u>Change</u>
COP Bonds	23,955,000	25,590,000	(1,635,000)
General Obligation Bonds	23,459,000	24,572,000	(1,113,000)
Unamortized Bond Premium	3,611,209	3,785,609	(174,400)
Leases Payable	1,884,869	18,165	1,866,704
Financed Purchases	4,961,604	5,627,914	(666,310)
Total Obligations	57,871,682	59,593,688	(1,722,006)

Additional information regarding the long and short term District obligations can be found in the notes to the Financials Statements on pages 56 through 59.

ASSESSED VALUES

Fiscal 2024 saw an increase of 6% in the limited net assessed value of property district wide. The O&M Mil rate was increased by 4 cents or 2% which resulted in an increase in the Levy of 8%.

<u>Governmental Type Activities</u>			
	<u>2024</u>	<u>2023</u>	<u>% Change</u>
GRFD NAV	1,603,757,269	1,509,929,565	6%
LEVY	40,735,435	37,748,239	8%
O&M MIL RATE	2.54	2.50	2%

This financial report is designed to provide our citizens, taxpayers, customers, bond holders and creditors with a general overview of the District's finances and to comply with the District's fiduciary responsibility. If you have questions about this report or need additional financial information, contact the Finance Director at (520) 825-9001 located at 1600 N Hanley Blvd. Oro Valley, AZ 85739.

Basic Financial Statements

Golder Ranch Fire District

Statement of Net Position

June 30, 2024

	Governmental activities
Assets	
Current assets:	
Cash and investments	\$ 21,136,452
Property taxes receivable	299,058
Accounts receivable, net	694,740
Due from governmental entities	385,800
Total current assets	<u>22,516,050</u>
Noncurrent assets:	
Net pension/OPEB assets	493,080
Cash and investments, restricted	14,618,735
Capital assets, non-depreciable	5,599,320
Capital assets, depreciable (net)	33,613,917
Total noncurrent assets	<u>54,325,052</u>
Total assets	<u>76,841,102</u>
Deferred outflows of resources	
Deferred outflows related to pensions/OPEB	16,591,066
Total deferred outflows of resources	<u>16,591,066</u>
Liabilities	
Current liabilities:	
Accounts payable	969,107
Accrued payroll and related benefits	777,563
Claims payable	404,549
Accrued interest	86,979
Compensated absences payable	3,384,000
Bonds, notes, and leases payable	3,585,458
Total current liabilities	<u>9,207,656</u>
Noncurrent liabilities:	
Compensated absences payable	1,450,042
Bonds, notes, and leases payable	54,286,224
Net pension/OPEB liabilities	10,814,554
Total noncurrent liabilities	<u>66,550,820</u>
Total liabilities	<u>75,758,476</u>
Deferred inflows of resources	
Deferred inflows related to pensions/OPEB	2,571,670
Total deferred inflows of resources	<u>2,571,670</u>
Net position	
Net investment in capital assets	15,794,974
Restricted - debt service	605,650
Restricted - pension	493,080
Unrestricted	(1,791,682)
Total net position	<u>\$ 15,102,022</u>

See notes to financial statements.

Golder Ranch Fire District

Statement of Activities

Year Ended June 30, 2024

Functions/programs:	Expenses	Program revenues		Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Governmental activities
Governmental activities:				
Public safety - emergency services	\$ 38,349,023	\$ 5,943,000	\$ 3,204,900	\$ (29,201,123)
Public safety - administration	8,841,220	-	-	(8,841,220)
Interest on long-term debt	<u>1,574,908</u>	<u>-</u>	<u>-</u>	<u>(1,574,908)</u>
Total governmental activities	<u>\$ 48,765,151</u>	<u>\$ 5,943,000</u>	<u>\$ 3,204,900</u>	<u>\$ (39,617,251)</u>
General revenues:				
Property taxes				\$ 40,471,605
State shared tax revenues				683,777
Investment income				1,195,946
Miscellaneous				<u>58,532</u>
Total general revenues				<u>42,409,860</u>
Changes in net position				2,792,609
Net position, beginning of year				<u>12,309,413</u>
Net position, end of year				<u>\$ 15,102,022</u>

Golder Ranch Fire District

Balance Sheet - Governmental Funds

June 30, 2024

	General	Debt service	Capital projects	Total governmental funds
Assets:				
Cash and investments	\$ 20,536,651	\$ 599,801	\$ -	\$ 21,136,452
Property taxes receivable	283,722	15,336	-	299,058
Accounts receivable, net	694,740	-	-	694,740
Due from governmental entities	385,800	-	-	385,800
Due from other funds	702,153	-	-	702,153
Cash and investments, restricted	<u>3,842,916</u>	<u>-</u>	<u>10,775,819</u>	<u>14,618,735</u>
Total assets	<u><u>\$ 26,445,982</u></u>	<u><u>\$ 615,137</u></u>	<u><u>\$ 10,775,819</u></u>	<u><u>\$ 37,836,938</u></u>
Liabilities:				
Accounts payable	\$ 691,707	\$ -	\$ 277,400	\$ 969,107
Accrued payroll and related benefits	777,563	-	-	777,563
Claims payable	404,549	-	-	404,549
Accrued interest	86,979	-	-	86,979
Due to other funds	<u>-</u>	<u>-</u>	<u>702,153</u>	<u>702,153</u>
Total liabilities	<u>1,960,798</u>	<u>-</u>	<u>979,553</u>	<u>2,940,351</u>
Deferred inflows of resources:				
Unavailable revenue - property taxes	152,305	9,487	-	161,792
Unavailable revenue - ambulance	<u>132,701</u>	<u>-</u>	<u>-</u>	<u>132,701</u>
Total deferred inflows of resources	<u>285,006</u>	<u>9,487</u>	<u>-</u>	<u>294,493</u>
Fund balances:				
Restricted	3,842,916	605,650	9,796,266	14,244,832
Committed	16,265,015	-	-	16,265,015
Unassigned	<u>4,092,247</u>	<u>-</u>	<u>-</u>	<u>4,092,247</u>
Total fund balances	<u>24,200,178</u>	<u>605,650</u>	<u>9,796,266</u>	<u>34,602,094</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 26,445,982</u></u>	<u><u>\$ 615,137</u></u>	<u><u>\$ 10,775,819</u></u>	<u><u>\$ 37,836,938</u></u>

Golder Ranch Fire District

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

June 30, 2024

Total fund balances - governmental funds	\$ 34,602,094
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	39,213,237
Some receivables are not available to pay for current period expenditures and, therefore, are reported as deferred inflows in the funds.	294,493
Net pension/OPEB assets held in trust for future benefits are not available for District operations and, therefore, are not reported in the funds.	493,080
Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences payable	(4,834,042)
Bonds payable	(23,459,000)
Certificates of participation	(23,955,000)
Financed purchases	(4,961,604)
Leases payable	(1,884,869)
Unamortized premium	(3,611,209)
Net pension/OPEB liabilities	(10,814,554)
Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future reporting periods and, therefore, are not reported in the funds:	
Deferred outflows of resources related to pensions/OPEB	16,591,066
Deferred inflows of resources related to pensions/OPEB	<u>(2,571,670)</u>
Net position of governmental activities	<u>\$ 15,102,022</u>

Golder Ranch Fire District

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

Year Ended June 30, 2024

	General	Debt service	Capital projects	Total governmental funds
Revenues:				
Property taxes	\$ 38,526,415	\$ 2,111,565	\$ -	\$ 40,637,980
State shared tax revenues	683,777	-	-	683,777
Intergovernmental	3,204,900	-	-	3,204,900
Charges for services	6,068,534	-	-	6,068,534
Investment income	660,646	55,812	479,488	1,195,946
Miscellaneous	58,532	-	-	58,532
Total revenues	<u>49,202,804</u>	<u>2,167,377</u>	<u>479,488</u>	<u>51,849,669</u>
Expenditures:				
Public safety:				
Emergency services	34,316,749	-	7,942	34,324,691
Administration	7,911,595	-	-	7,911,595
Capital outlay	3,754,377	-	2,938,880	6,693,257
Debt service:				
Principal	2,423,556	1,113,000	-	3,536,556
Interest	814,814	919,740	-	1,734,554
Total expenditures	<u>49,221,091</u>	<u>2,032,740</u>	<u>2,946,822</u>	<u>54,200,653</u>
Revenues over (under) expenditures	<u>(18,287)</u>	<u>134,637</u>	<u>(2,467,334)</u>	<u>(2,350,984)</u>
Other financing sources:				
Lease agreements	1,988,950	-	-	1,988,950
Proceeds from sale of capital assets	45,700	-	-	45,700
Total other financing sources	<u>2,034,650</u>	<u>-</u>	<u>-</u>	<u>2,034,650</u>
Net change in fund balances	2,016,363	134,637	(2,467,334)	(316,334)
Fund balances, beginning of year	<u>22,183,815</u>	<u>471,013</u>	<u>12,263,600</u>	<u>34,918,428</u>
Fund balances, end of year	<u>\$ 24,200,178</u>	<u>\$ 605,650</u>	<u>\$ 9,796,266</u>	<u>\$ 34,602,094</u>

See notes to financial statements.

Golder Ranch Fire District

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities

Year Ended June 30, 2024

Net change in fund balances - governmental funds	\$ (316,334)
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those capital assets is allocated over their estimated useful lives as depreciation and amortization expense. In the current period, these amounts are:

Capital outlay	6,182,359
Depreciation/amortization expense	(2,563,627)
Gain on sale of capital assets	(112,599)
Proceeds from sale of capital assets	(45,700)

Certain revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(291,909)
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District pension/OPEB contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the statement of net position because the reported net pension/OPEB liability is measured a year before the District's report date. Pension/OPEB expense, which is the change in the net pension/OPEB liability adjusted for changes in deferred outflows and inflows of resources related to pensions/OPEB, is reported in the statement of activities.

Pension/OPEB contributions	2,883,413
Pension/OPEB expense	(4,437,202)

Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated absences	(213,044)
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Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces noncurrent liabilities in the statement of net position. In the current year, the amount consists of:

Principal paid	3,536,556
Amortization of deferred bond items	(14,754)
Amortization of premium	174,400
Leases issued	<u>(1,988,950)</u>

Change in net position of governmental activities	<u>\$ 2,792,609</u>
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Golder Ranch Fire District

Notes to Financial Statements

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies:

The accounting policies of Golder Ranch Fire District (the District) conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units as promulgated by the Governmental Accounting Standards Board (GASB).

Reporting entity:

Established in 1977, Golder Ranch Fire District is an Arizona Special Taxing District operating under Arizona Revised Statutes Title 48, Chapter 5. The District provides a range of fire protection and emergency services, emergency medical services, ambulance transport and community assistance to the residents of unincorporated Pima and Pinal Counties, Town of Oro Valley and the communities of Catalina and SaddleBrooke.

The power and authority given to the District is vested in a Board of Directors, each member being elected for a four-year term. The Board of Directors has the statutory authority to adopt and modify the budget, levy taxes, control all assets, including facilities and properties, authorize borrowing or long-term debt issuances, sign contracts and develop the service programs to be provided. The responsibility and accountability over all funds and fiscal matters are vested in the Board of Directors. The District is responsible for its debts and is entitled to surpluses. No separate agency receives a financial benefit from nor imposes a financial burden on the District.

The Board of Directors appoints the Fire Chief of the District. The activities under the purview of the Fire Chief are within the scope of the reporting entity and the Fire Chief is accountable to the Board of Directors for the activities being managed. The District is the primary, special purpose government responsible for all fire protection within its service areas. As a result, all significant activities have been included in the government-wide financial statements. The District's financial statements represent those of a stand-alone government, as there are no discretely or blended component units.

Government-wide and fund financial statements:

The basic financial statements include both government-wide financial statements and fund financial statements. The government-wide financial statements report information on all of the governmental activities of the District. Eliminating entries have been posted to minimize the double counting of internal activities. Governmental activities are financed primarily through property taxes and ambulance transport revenues. The government-wide financial statements include a statement of net position and a statement of activities.

The statement of activities presents a comparison between direct expenses of the public safety program of the District and program revenues. Direct expenses are those that are specifically associated with the public safety function and, therefore, are clearly identifiable to that function. Program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Property taxes, investment earnings, insurance refunds, and other items that are not classified as program revenues, are presented as general revenues.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Measurement focus, basis of accounting and financial statement presentation:

The government-wide financial statements are reported using the economic resources measurement focus, whereby all assets and liabilities are included in the statement of net position. The increases and decreases in the net position are presented in the government-wide statement of activities. These statements are reported on the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The governmental fund financial statements are accounted for using a current financial resources measurement focus, whereby only current assets and current liabilities generally are included in the balance sheet, and the statement of revenues, expenditures and changes in fund balances present increases and decreases in those net current assets. These funds use the modified accrual basis of accounting whereby revenues are recorded only when susceptible to accrual (both measurable and available). "Measurable" means that the amount of the transaction can be determined. "Available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt, acquisitions under lease contracts, and subscription-based information technology arrangements are reported as other financing sources.

Real and personal property taxes are levied on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day in October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. The county attaches a lien on real and personal property on the first day of January preceding assessment and levy. All property taxes are billed and collected by the Pima and Pinal County Treasurers. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). Otherwise they are reported as deferred inflows of resources.

Intergovernmental revenues are recognized as revenues when all eligibility requirements are met. There are, however, essentially two types of intergovernmental revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the District; therefore, all eligibility requirements are determined to be met when the underlying expenditures are recorded. In the other, monies are virtually unrestricted as to the purpose of the expenditure and are usually revocable only for failing to comply with prescribed requirements; therefore, all eligibility requirements are determined to be met at the time of receipt or earlier if the susceptible to accrual criteria are met.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Measurement focus, basis of accounting and financial statement presentation (continued):

The District reports the following major governmental funds:

The General Fund is the primary operating fund of the District. It accounts for all financial resources of the District, except those required to be accounted for in another fund, either legally or by Board direction. The principal revenue source is property taxes. Primary expenditures are for public safety.

The Debt Service Fund accounts for repayment of general obligation debt. The principal revenue source is property taxes, while primary expenditures are for principal and interest debt service payments.

The Capital Projects Fund accounts for financial resources that are restricted, committed or assigned for the acquisition or construction of major capital assets. Bond proceeds restricted for the acquisition or construction of major capital assets are included in this fund.

Estimates:

The preparation of the basic financial statements in conformity with GAAP 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 basic financial statements and the reported amounts of revenues and expenses during the reporting period. Management evaluates its estimates and assumptions on an ongoing basis. Actual results could differ from those estimates and assumptions.

Cash and investments:

The District considers cash on hand, demand deposits and short-term highly liquid investments with a maturity of three months or less, when purchased, to be cash and cash equivalents. Investments maintained in the Pima and Pinal County Investment Pools, are carried at cost, which approximates fair value, and are classified as a cash equivalents. Fair value of the investments in these pools is the same as the value of the pool shares.

Investment income is comprised primarily of interest earnings.

Cash and investments, restricted:

Certain proceeds of the District's long-term debt are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited to the acquisition and construction of capital assets, and to reduce the Public Safety Personnel Retirement System unfunded liability.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Cash and investments, restricted (continued):

A Section 115 Pension Trust account was established in a prior year to account and accumulate resources for public safety pension obligations. Funds have been placed in an irrevocable trust, as allowed by Section 115 of the Internal Revenue Code of 1986. The District plans to utilize the balance in the trust and future investment earnings for current and future public safety pension obligations. The balance in the trust account is included with restricted cash and investments in the general fund.

Fair value measurements:

Fair value is defined as the price to sell an asset between market participants in an orderly exchange in the principal or most advantageous market for that asset. The fair value for the commingled funds and qualifying alternative investments is determined based on the investment's net asset value as a practical expedient. Considerable judgment is required in interpreting market data used to develop the estimates of fair value. Accordingly, the estimates presented in the financial statements are not necessarily indicative of the amounts that could be realized in a current market exchange. The use of different market assumptions and estimation methodologies may have a material effect on the estimated fair value.

Receivables:

All accounts and property tax receivables are shown net of any allowance for uncollectible accounts. Real and personal property taxes are levied upon all taxable property within the District and become liens against the property on the first day of January preceding assessment and levy. Federal and state grants and contracts are recorded as intergovernmental receivables and revenues when the related expenditures are incurred.

Revenue from emergency medical and transportation services are recognized as charges for services. These charges for services are reported at their estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement allowances with third-party payers, provisions for bad debt and uncompensated care. The allowance for doubtful accounts, including contractual adjustments, at June 30, 2024 is approximately \$1,010,549. Amounts not collected by the District within 60 days subsequent to June 30, 2024 are recorded as deferred inflows of resources in the fund financial statements.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Deferred outflows and inflows of resources:

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position, and deferred amounts related to pension and OPEB. The deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to pension and OPEB relate differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related changes.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues primarily from the following sources: property taxes, ambulance charges, and intergovernmental. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the District reports deferred amounts related to pension and OPEB.

Prepaid items:

Payments to vendors for services that will benefit future accounting periods are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

Capital assets:

Capital assets are stated at cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation. Normal maintenance and repairs are charged to expense as incurred. Major additions, improvements and replacements are capitalized. Gains or losses from sales or retirements of capital assets are included in the results of operations.

Capital assets include land, buildings, improvements, equipment, and other tangible assets costing over \$5,000 and that have initial useful lives extending beyond a single reporting period.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Capital assets (continued):

Depreciation/amortization is computed on assets in service, using the straight-line method over their estimated useful lives:

Land and construction in progress	Not depreciated
Buildings and improvements	5 to 40 years
Vehicles, furniture and equipment	5 to 18 years
Intangible right-to-use assets:	
Vehicles and equipment	5 years

Intangible right-to-use assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

Compensated absences:

It is the District's policy to permit employees to accumulate earned but unused paid time off. A liability is reported for paid time off that the District will pay upon termination or retirement. None of the liability for compensated absences is expected to be liquidated with expendable available financial resources. Accordingly, compensated absences are accrued as a liability only in the government-wide financial statements. The General Fund has typically been used to liquidate the liability for compensated absences in prior years.

Leases:

The District is a lessee for noncancelable leases of vehicles and equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines the discount rate it uses to discount the expected lease payments to present value, the lease term, and the lease payments. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Leases (continued):

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Long-term debt:

In the government-wide financial statements, long-term debt, lease liabilities, and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts, are amortized over the life of the bonds using the straight-line method. Deferred amounts on refunding result from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Postemployment benefits:

For purposes of measuring the net pension and other postemployment benefits (OPEB) liabilities or assets, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The plans' investments are reported at fair value.

Interfund activity:

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund financial statements are reported as other financing sources (uses) in governmental funds.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Fund balance:

The District's fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.
- **Restricted** – The restricted fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the District to assess, levy, charge, or otherwise mandates payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the District can be compelled by an external party – such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.
- **Committed** – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by the Board of Directors. Those committed amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of formal action it employed to previously commit those accounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process by resolution of the Board of Directors. Constraints imposed on the use of committed amounts are imposed by the Board of Directors through formal action, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- **Assigned** – Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Directors or a District official delegated that authority by District Charter, through a formal board action.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Fund balance (continued):

- Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available.

The Board has established the following reserve funds:

- Emergency Reserve – By Board resolution, the District maintains an “Emergency Reserve” in the General Fund of ten percent (10%) of the average actual General Fund revenues for the preceding three fiscal years. The Emergency Reserve is for unexpected, large-scale events where damage in excess of \$250,000 is incurred and immediate, remedial action must be taken to protect the health and safety of residents (e.g. floods, fires, storm damage). Any usage of Emergency Reserves must be appropriated or ratified by the Board of Directors, through formal Board resolution.
- Operating Reserve – By Board resolution, the District maintains an additional General Fund “Operating Reserve” with an upper goal of an additional twenty percent (20%) of the average actual General Fund revenues for the preceding three fiscal years. The Operating Reserve is intended to be a reserve for unexpected events whose impact exceeds \$500,000. Any use of the Operating Reserve funds must be approved by the Board of Directors and include a repayment plan that projects to restore the Operating Reserve to the twenty percent (20%) level within two fiscal years following the fiscal year in which the event occurred.
- Budget Stabilization Reserve – By Board resolution, the District maintains an additional General Fund “Budget Stabilization Reserve” with an upper goal of an additional ten percent (10%) of the average actual General Fund revenues for the preceding three fiscal years. The Budget Stabilization Reserve may be used to provide funding to deal with fluctuations within the fiscal cycle(s) and operating requirements that exceed \$500,000. The reserve funds will provide time for the District to restructure its operations in a deliberate manner to ensure continuance of critical District activities. Any use of the Budget Stabilization Reserve funds must be approved by the Board of Directors and include a repayment plan, based on a multi-year financial projection, that plans to restore the Budget Stabilization Reserve to the ten percent (10%) level within the three fiscal years following the fiscal year in which the event occurred.
- Contingency Reserve – By Board resolution, the District maintains an additional General Fund “Contingency Reserve.” The Contingency Reserve is intended to be a resource that will help the District effectively manage the innate risks of the public pension funding, particularly market return risk and actuarial risk, and help maintain a well-funded Plan for the duration of the COP bonds. A portion of the reserve is placed in restricted accounts.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Fund balance (continued):

The Board authorized the Fire Chief to assign amounts for specific purposes pursuant to the fund balance policy adopted by resolution. When expenditures are incurred for purposes for which both restricted and unrestricted funds balances are available, the District considers restricted amounts to be used first, then unrestricted. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, they are considered to be spent in the following order: committed, assigned and then unassigned.

The table below provides detail of the major components of the District's fund balance classifications at June 30, 2024.

	<u>General fund</u>	<u>Debt service fund</u>	<u>Capital projects fund</u>
Fund balances:			
Restricted:			
Debt service	\$ -	\$ 605,650	\$ -
Bond construction projects	-	-	9,796,266
Future pension obligations	3,842,916	-	-
Committed:			
Emergency reserve	4,026,983	-	-
Operating reserve	8,053,965	-	-
Budget stabilization reserve	4,026,983	-	-
Contingency reserve	157,084	-	-
Unassigned	<u>4,092,247</u>	<u>-</u>	<u>-</u>
	<u>\$ 24,200,178</u>	<u>\$ 605,650</u>	<u>\$ 9,796,266</u>

Net position:

Net position represents the difference between assets, liabilities and deferred outflows/inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

In the government-wide fund financial statements, the District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted amounts are available.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

1. Description of organization and summary of significant accounting policies (continued):

Budgetary information:

The District budgets all funds in accordance with the requirements of state law. All funds are budgeted on the modified accrual basis of accounting. The Governing body adopts the original budget by resolution prior to the beginning of the fiscal year of the District. The Board resolution authorizing budgeted expenditures for each fund sets the level by which actual expenditures should not be exceeded. Total labor, goods, services and other expenditures for the funds are the levels of control established by the budget resolution. The detailed budget document is required to contain specific detailed information for the above mentioned expenditures. Budgeted expenditures lapse at June 30 and may not be carried over to subsequent years.

2. Cash and investments:

The District maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the statement of net position as part of cash and investments. Cash and investments are comprised of the following at June 30, 2024:

Deposits:

Operating accounts	\$ 5,129,881
Bond proceeds, restricted for capital purchases	1,762,989
Petty cash	350

Investments:

Pima County Treasurer investment pool	15,984,998
Pima County Treasurer investment pool - bond proceeds, restricted for capital purchases	9,012,830
Section 115 pension trust pool, restricted for pension	3,842,916
Pinal County Treasurer investment pool	<u>21,223</u>
	<u>\$ 35,755,187</u>

The Arizona Revised Statutes authorize the District to invest public monies in the State or County Treasurer's investment pool; interest-bearing savings accounts, certificates of deposit and repurchase agreements in eligible depositories; bonds or other obligations of the United States government that are guaranteed as to principal and interest by the United States government; and bonds of the State of Arizona's counties, cities, towns, school districts and special districts as specified by statute.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

2. Cash and investments (continued):

Deposits:

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned. Arizona Revised Statutes require collateral for demand deposits, certificates of deposit and repurchase agreements at 101 percent of all deposits not covered by federal depository insurance. At June 30, 2024, deposits with financial institutions have a book value of \$6,893,220 and a bank balance of \$7,137,410. The difference of \$244,190 represents deposits in transit, outstanding checks, and other reconciling items at June 30, 2024. At June 30, 2024, the District's deposits were insured or covered by collateral held by the pledging financial institution in the District's name.

Investments:

The District invests funds in two County Local Government Investment Pools. No oversight is provided for the investment pools, nor does the structure of the pools provide for shares. The balance reported is fully liquid and available upon demand. Participation in the investment pools is involuntary. Participants in the pools are not required to categorize the value of shares in accordance with the fair value hierarchy.

The District's investments at June 30, 2024 were as follows:

	<u>Rating</u>	<u>Rating agency</u>	<u>Average maturities</u>	<u>Amount</u>
Local Government investment pools	Unrated	Not applicable	270 days	\$ 25,019,051
Section 115 pension trust	Unrated	Not applicable	270 days	\$ 3,842,916

The fair value of the investment pool is discussed in note 3.

Interest rate risk - Interest rate risk is the risk that changes in interest rates will adversely affect an investment's fair value. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - The District has no investment policy that would further limit its investment choices. As of June 30, 2024, the District's investment in the County Treasurer investment pools did not receive a credit rating from a national rating agency.

Custodial credit risk - The District's investment in the County Treasurers' investment pools represents a proportionate interest in the pools' portfolio; however, the District's portion is not identified with specific investments and is not subject to custodial credit risk.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

3. Fair value:

The District measures and categorizes its investments using fair value measurement guidelines established by GAAP. These guidelines establish a three-tier hierarchy of inputs to valuation techniques used to measure fair value, as follows:

Level 1 - Inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Level 2 - Inputs, other than quoted market prices included within Level 1, are observable, either directly or indirectly.

Level 3 - Inputs are unobservable and significant to the fair value measurement.

Other investments at fair value - Investments for which fair value is measured at net asset value per share (or its equivalent). Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

At June 30, 2024, the fair value of investments measured on a recurring basis is as follows:

	<u>Fair value</u>	<u>Other investments at fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
External investment pools:					
Local Government investment pools	\$ 25,019,051	\$ 25,019,051	\$ -	\$ -	\$ -
Section 115 pension trust	<u>3,842,916</u>	<u>3,842,916</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 28,861,967</u>	<u>\$ 28,861,967</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The fair value of a participant's portion in the Pima County Treasurer's investment pool and the Pinal County Treasurer's investment pool approximates the value of that participant's pool shares and the participant's shares are not identified with specific investments. The investment pools are not registered with the Securities and Exchange Commission as an investment company and there is no regulatory oversight of their operations. There are no unfunded commitments or redemption restrictions related to these investments.

The Pima County Treasurer's investment pool invests primarily in the State Treasurer's Local Government Investment Pool, corporate bonds, U.S. Treasury notes, and agency bonds.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

4. Capital assets:

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Capital assets, not depreciated:				
Land	\$ 4,090,229	\$ -	\$ -	\$ 4,090,229
Construction in progress	<u>3,531,216</u>	<u>2,814,962</u>	<u>(4,837,087)</u>	<u>1,509,091</u>
Total capital assets, not depreciated	<u>7,621,445</u>	<u>2,814,962</u>	<u>(4,837,087)</u>	<u>5,599,320</u>
Capital assets, depreciated:				
Buildings and improvements	28,709,463	5,058,192	-	33,767,655
Vehicles, furniture and equipment	21,435,166	1,157,342	(313,507)	22,279,001
Intangible right-to-use vehicles and equipment	<u>90,992</u>	<u>1,988,950</u>	<u>(54,661)</u>	<u>2,025,281</u>
Total capital assets, depreciated	<u>50,235,621</u>	<u>8,204,484</u>	<u>(368,168)</u>	<u>58,071,937</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,491,561)	(1,002,088)	-	(10,493,649)
Vehicles, furniture and equipment	(12,539,410)	(1,424,590)	155,208	(13,808,792)
Less accumulated amortization for right-to-use assets	<u>(73,291)</u>	<u>(136,949)</u>	<u>54,661</u>	<u>(155,579)</u>
Total accumulated depreciation and amortization	<u>(22,104,262)</u>	<u>(2,563,627)</u>	<u>209,869</u>	<u>(24,458,020)</u>
Total capital assets, depreciated, net	<u>28,131,359</u>	<u>5,640,857</u>	<u>(158,299)</u>	<u>33,613,917</u>
Total capital assets, net	<u>\$ 35,752,804</u>	<u>\$ 8,455,819</u>	<u>\$ (4,995,386)</u>	<u>\$ 39,213,237</u>

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

5. Changes in noncurrent liabilities:

A summary of the changes in noncurrent liabilities for the year ended June 30, 2024 was as follows:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Bonds, notes, and leases:					
Series 2015 GO Bonds	\$ 640,000	\$ -	\$ (640,000)	\$ -	\$ -
Series 2016 GO Bonds	1,152,000	-	(373,000)	779,000	384,000
Series 2020 GO Bonds	6,900,000	-	-	6,900,000	235,000
Series 2021 GO Bonds	12,880,000	-	-	12,880,000	110,000
Series 2022 GO Bonds	3,000,000	-	(100,000)	2,900,000	300,000
Certificates of participation	25,590,000	-	(1,635,000)	23,955,000	1,645,000
Financed purchases	5,627,914	-	(666,310)	4,961,604	734,142
Leases payable	18,165	1,988,950	(122,246)	1,884,869	177,316
Unamortized premium	3,785,609	-	(174,400)	3,611,209	-
Total bonds, notes, and leases payable	59,593,688	1,988,950	(3,710,956)	57,871,682	3,585,458
Net pension liability	5,887,633	4,924,265	-	10,811,898	-
Net OPEB liability	1,807	849	-	2,656	-
Compensated absences payable	4,620,998	3,337,903	(3,124,859)	4,834,042	3,384,000
	<u>\$ 70,104,126</u>	<u>\$ 10,251,967</u>	<u>\$ (6,835,815)</u>	<u>\$ 73,520,278</u>	<u>\$ 6,969,458</u>

6. General obligation bonds:

Series 2015 and Series 2016:

General obligation bonds are direct obligations and pledge the full faith and credit of the District. The District has outstanding general obligation bonds payable from a \$5,310,000 refunded issuance of callable 10-year bonds dated January 22, 2015 with interest rates of 2.05% and a \$2,932,000 refunded issuance of callable 10-year bonds dated December 28, 2016 with interest rates of 2.25%.

Series 2020, 2021, and 2022:

The District, pursuant to a special bond election, received voter approval to issue up to \$26,600,000 in general obligation debt to finance various capital improvements and to pay off capital leasing obligations.

The 2020 General Obligation Bonds were issued by the District in the amount of \$6,900,000. The interest rate ranges from 3% - 4% and the bonds mature July 1, 2044. The bonds were issued with a premium of \$1,241,088 that is being amortized over the life of the debt.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

6. General obligation bonds (continued):

Series 2020, 2021, and 2022 (continued):

The 2021 General Obligation Bonds were issued by the District in the amount of \$12,880,000. The interest rate ranges from 4% - 5% and the bonds mature July 1, 2045. The bonds were issued with a premium of \$3,008,637 that is being amortized over the life of the debt.

The 2022 General Obligation Bonds were issued by the District in the amount of \$3,000,000. The interest rate is 2.61% and the bonds mature July 1, 2034.

Principal and interest on all long-term debt is paid semi-annually. The bonds are repaid from general fund secondary property taxes and used to fund construction projects, purchase capital equipment and fire apparatus.

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year ending June 30,	Principal	Interest	Total
2025	\$ 1,029,000	\$ 895,618	\$ 1,924,618
2026	1,060,000	866,598	1,926,598
2027	1,090,000	836,869	1,926,869
2028	1,120,000	796,954	1,916,954
2029	1,105,000	755,550	1,860,550
2030 - 2034	5,145,000	3,188,582	8,333,582
2035 - 2039	5,185,000	2,183,200	7,368,200
2040 - 2044	6,305,000	1,061,000	7,366,000
2045 - 2049	<u>1,420,000</u>	<u>56,800</u>	<u>1,476,800</u>
	<u>\$ 23,459,000</u>	<u>\$ 10,641,171</u>	<u>\$ 34,100,171</u>

7. Certificates of Participation:

During 2021, the District issued Certificates of Participation (COPs) in the amount of \$28,000,000, which are debt instruments representing a fractional share of the District's interest in a tax-exempt lease marketed to investors. The District used the proceeds from the COPs to reduce the District's unfunded pension liability with Public Safety Personnel Retirement System (PSPRS) and to fund a Contingency Reserve fund. The District's lease payments to the trustee repay the COPs. The lease payments are payable in semi-annual installments of principal and interest, with interest rates ranging from .357% to 2.91%. Ownership of the underlying assets transfer to the District at the end of the contract. The COPs are secured by the leased assets and mature July 1, 2037.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

7. Certificates of Participation (continued):

Future principal and interest payments are as follows:

Year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,645,000	\$ 538,945	\$ 2,183,945
2026	1,665,000	520,916	2,185,916
2027	1,685,000	500,169	2,185,169
2028	1,710,000	473,328	2,183,328
2029	1,740,000	441,813	2,181,813
2030 - 2034	9,320,000	1,599,529	10,919,529
2035 - 2039	<u>6,190,000</u>	<u>358,657</u>	<u>6,548,657</u>
	<u>\$ 23,955,000</u>	<u>\$ 4,433,357</u>	<u>\$ 28,388,357</u>

8. Financed purchases:

The District has acquired various equipment and vehicles under contract agreements at a total purchase price of \$7,247,739. The following schedule details debt service requirements to maturity of the District's financed purchases at June 30, 2024.

Year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 734,142	\$ 172,835	\$ 906,977
2026	736,142	145,796	881,938
2027	737,142	118,715	855,857
2028	740,142	91,612	831,754
2029	685,142	64,454	749,596
2030 - 2034	1,160,894	64,150	1,225,044
2035 - 2039	<u>168,000</u>	<u>5,376</u>	<u>173,376</u>
	<u>\$ 4,961,604</u>	<u>\$ 662,938</u>	<u>\$ 5,624,542</u>

9. Leases payable:

The District has acquired various vehicles and equipment under the provisions of various lease agreements. The total amount of lease assets and the related accumulated amortization are as follows:

Total intangible right-to-use assets	\$ 2,025,281
Less accumulated amortization	<u>155,579</u>
Carrying value	<u>\$ 1,869,702</u>

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

9. Leases payable (continued):

The following schedule details minimum lease payments to maturity for the District's lease payable at June 30, 2024.

Year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 177,316	\$ 76,245	\$ 253,561
2026	181,972	68,644	250,616
2027	184,021	60,797	244,818
2028	185,978	53,044	239,022
2029	193,980	45,042	239,022
2030 - 2034	<u>961,602</u>	<u>94,080</u>	<u>1,055,682</u>
	<u>\$ 1,884,869</u>	<u>\$ 397,852</u>	<u>\$ 2,282,721</u>

10. Risk management:

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all such risks of loss, including workers' compensation and employees' health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District has established a self-insured health care program for employees, employees' spouses, and their dependents. Payments are made to Blue Cross and Blue Shield for 100 percent of services and have a maximum of \$1,000 per enrolled person on a contract year basis. During the year ended June 30, 2024, the District General Fund paid claims in the amount of \$2,458,156. All claims handling procedures are performed by a third-party claims administrator. The District purchased reinsurance that limits exposure of any single claim to \$75,000.

The District limits its exposure through specific and aggregate stop-loss coverage. All claims handling procedures are performed by a third-party claims administrator. Reported unpaid claims, have been accrued as a liability based upon monthly claims summary reports. These claims are expected to be fully paid within one year of the financial statement date.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

10. Risk management (continued):

Changes in the balances of claims payable during the past two years are as follows:

	Claims payable beginning of year	Current year claims and changes in estimates	Claims payments	Claims payable at end of year
2023 - 2024	\$ 365,787	\$ 2,496,918	\$ (2,458,156)	\$ 404,549
2022 - 2023	365,787	2,418,270	(2,418,270)	365,787

11. Commitments and contingencies:

Intergovernmental agreements:

The District is party to a variety of intergovernmental agreements entered into in the ordinary course of business pursuant to which it may be obligated to provide services outside of its geographic boundaries and/or receive assistance from other parties. As part of these agreements, the District is obligated to indemnify other parties for certain liabilities that arise out of, or relate to, the subject matter of the agreements.

Legal:

From time to time, the District may be party to certain pending or threatened lawsuits arising out of or incident to the ordinary course of business for which it carries general liability and other insurance coverages. In the opinion of management and based upon consultation with legal counsel, resolution of any pending or threatened lawsuits will not have a material adverse effect on the District's financial statements.

12. Pension and other postemployment benefits:

The District contributes to the Arizona State Retirement System (ASRS) and the Public Safety Personnel Retirement System (PSPRS). These plans are component units of the State of Arizona.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

At June 30, 2024, the District reported on the Statement Net Position and Statement of Activities the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

	Net pension/ OPEB liability	Net pension/ OPEB asset	Deferred outflows of resources	Deferred inflows of resources	Pension/ OPEB expense
Pension plans:					
ASRS	\$ 3,289,688	\$ -	\$ 516,961	\$ 247,404	\$ 342,489
PSPRS - Tier 1 & 2	7,522,210	-	14,999,336	1,789,151	3,958,300
PSPRS - Tier 3 Risk Pool	<u>-</u>	<u>(134,297)</u>	<u>912,881</u>	<u>124,812</u>	<u>144,333</u>
Total pension plans	<u>\$ 10,811,898</u>	<u>\$ (134,297)</u>	<u>\$ 16,429,178</u>	<u>\$ 2,161,367</u>	<u>\$ 4,445,122</u>
OPEB plans:					
ASRS - health insurance premium benefit	\$ -	\$ (109,227)	\$ 10,547	\$ 49,053	\$ (12,592)
ASRS - long-term disability	2,656	-	8,445	7,007	2,666
PSPRS - Tier 1 & 2	-	(219,478)	135,659	348,454	10,400
PSPRS - Tier 3 Risk Pool	<u>-</u>	<u>(30,078)</u>	<u>7,237</u>	<u>5,789</u>	<u>(8,394)</u>
Total OPEB plans	<u>\$ 2,656</u>	<u>\$ (358,783)</u>	<u>\$ 161,888</u>	<u>\$ 410,303</u>	<u>\$ (7,920)</u>

The District's accrued payroll and related benefits includes approximately \$203,000 of outstanding pension and OPEB contribution amounts payable to the plan for the year ended June 30, 2024.

The District reported \$2,883,413 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

Arizona State Retirement System (ASRS):

Plan description - District employees not covered by the other pension plan described below participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Arizona State Retirement System (ASRS) (continued):

Benefits provided - The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Initial membership date:	
	Before July 1, 2011	On or after July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years age 62 5 years age 50* any years age 65	30 years age 55 25 years age 60 10 years age 62 5 years age 50* any years age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

* with actuarially reduced benefits

Retirement benefits for members who joined the ASRS prior to September 13, 2013 are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013 are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the retirement benefit option chosen determines the survivor benefit. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Health insurance premium benefits are available to retired and disabled members with five years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999 are limited to 30 years of service or the service on record as of the effective disability date, if their service is greater than 30 years.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Arizona State Retirement System (ASRS) (continued):

Contributions - In accordance with State statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2024, statute required active ASRS members to contribute at the actuarially determined rate of 12.29% (12.14% for retirement and 0.15% for long-term disability) of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.29% (12.03% for retirement, 0.11% for health insurance premium benefit, and 0.15% for long-term disability) of the active members' annual covered payroll.

The District's contributions for the year ended June 30, 2024 were as follows:

	<u>Contributions</u>
Pension	\$ 367,518
Health insurance premium	3,361
Long-term disability	4,583

The District's net pension and OPEB liabilities, and related contributions, are paid by the same funds as the employee's salary, with the largest component coming from the General Fund.

Pension and OPEB assets/liabilities - At June 30, 2024, the District reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability.

	<u>Net pension/OPEB (asset) liability</u>
Pension	\$ 3,289,688
Health insurance premium benefit	(109,227)
Long-term disability	2,656

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Arizona State Retirement System (ASRS) (continued):

The net asset and net liabilities were measured as of June 30, 2023. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2022, to the measurement date of June 30, 2023. The District's proportion of the net asset or net liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The District's proportion measured as of June 30, 2023, and the change in proportions measured as of June 30, 2022, were:

	<u>Proportion</u>	<u>Increase (decrease)</u>
Pension	0.02033 %	0.00074
Health insurance premium benefit	0.02023 %	0.00063
Long-term disability	0.02027 %	0.00070

Pension/OPEB expense - For the year ended June 30, 2024, the District recognized pension and OPEB expense for ASRS as follows:

	<u>Expense</u>
Pension	\$ 342,489
Health insurance premium benefit	(12,592)
Long-term disability	2,666

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Arizona State Retirement System (ASRS) (continued):

Deferred outflows/inflows of resources - At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health insurance premium benefit		Long-term disability	
	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 74,334	\$ -	\$ 4,609	\$ 40,734	\$ 2,398	\$ 1,495
Net difference between projected and actual earnings on pension plan investments	-	116,392	-	4,798	-	213
Changes in assumptions	-	-	-	2,174	701	3,866
Changes in proportion and differences between employer contributions and proportionate share of contributions	75,109	131,012	2,577	1,347	763	1,433
Contributions subsequent to the measurement date	<u>367,518</u>	<u>-</u>	<u>3,361</u>	<u>-</u>	<u>4,583</u>	<u>-</u>
	<u>\$ 516,961</u>	<u>\$ 247,404</u>	<u>\$ 10,547</u>	<u>\$ 49,053</u>	<u>\$ 8,445</u>	<u>\$ 7,007</u>

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Arizona State Retirement System (ASRS) (continued):

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase of the net asset and a reduction of the net liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year ending June 30,	Pension	Health insurance premium benefit	Long-term disability
2025	\$ (106,053)	\$ (17,804)	\$ (326)
2026	(102,880)	(19,632)	(764)
2027	125,436	(2,142)	(72)
2028	(14,464)	(2,526)	(914)
2029	-	237	(805)
Thereafter	-	-	(264)
	<u>\$ (97,961)</u>	<u>\$ (41,867)</u>	<u>\$ (3,145)</u>

Actuarial assumptions - The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

Actuarial valuation date	June 30, 2022
Actuarial roll forward date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9% - 8.4% for pensions/not applicable for OPEB
Inflation	2.3%
Permanent benefit increase	Included for pensions/not applicable for OPEB
Mortality rates	2017 SRA Scale U-MP for pension and health insurance premium benefit
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Arizona State Retirement System (ASRS) (continued):

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term expected geometric real rate of return</u>
Equity	44 %	3.50 %
Fixed income - credit	23 %	5.90 %
Fixed income - interest rate sensitive	6 %	1.50 %
Private equity	10 %	6.70 %
Real estate	<u>17 %</u>	<u>5.90 %</u>
	<u>100 %</u>	

Discount rate— At June 30, 2023, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

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

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Arizona State Retirement System (ASRS) (continued):

	1% decrease (6.0%)	Current discount rate (7.0%)	1% increase (8.0%)
Net pension liability	\$ 4,927,469	\$ 3,289,688	\$ 1,924,068
Net health insurance premium liability (asset)	\$ (76,345)	\$ (109,227)	\$ (137,170)
Net long-term disability liability	\$ 3,884	\$ 2,656	\$ 1,448

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report.

Public Safety Personnel Retirement System (PSPRS):

Plan description - District employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans and agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plans. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool).

The PSPRS issues a publicly available financial report that include financial statements and required supplementary information. The report is available on the PSPRS website at www.psprs.com.

Benefits provided - The PSPRS provides retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefit terms. Certain retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

	Initial membership date:		
	Tier 1	Tier 2	Tier 3
	Before January 1, 2012	On or after January 1, 2012 and before July 1, 2017	On or after July 1, 2017
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited service, age 52.5	15 years of credited service, age 52.5*; 15 or more years of service, age 55
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years	Highest 60 consecutive months of last 15 years
Benefit percent:			
Normal retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	1.5% to 2.5% per year of credited service, not to exceed 80%	
Accidental disability retirement	50% or normal retirement, whichever is greater		
Catastrophic disability retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater		
Ordinary disability retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20		
Survivor benefit:			
Retired members	80% to 100% of retired member's pension benefit		
Active member	80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job		

* with actuarially reduced benefits

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on inflation. PSPRS also provides temporary disability benefits of 50 percent of the member's compensation for up to 12 months.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. Benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents.

Employees covered by benefit terms - At June 30, 2024, the following employees were covered by the agent plans' benefit terms:

	<u>Pension</u>	<u>Health</u>
Inactive employees or beneficiaries currently receiving benefits	42	42
Inactive employees entitled to but not yet receiving benefits	28	14
Active employees	<u>158</u>	<u>158</u>
	<u>228</u>	<u>214</u>

Contributions - State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with State statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contribution rates are a percentage of active members' annual covered payroll. Contribution rates for the year ended June 30, 2024 are indicated below:

	<u>Tier 1 & 2</u>	<u>Tier 3</u>
Active members - pension	7.65%	9.94 %
District:		
Pension	13.87 %	9.44 %
Health insurance	0.42 %	0.12 %
Legacy cost - Tiers 1 & 2 unfunded liabilities	- %	0.29 %

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

In addition, the District is required to contribute at the actuarially determined rate of 8.00% of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to the PSPRS would typically fill and of employees participating in the PSPRS Tier 3 Risk Pool and PSPDCRP members in addition to the District's required contributions to the PSPRS Tier 3 Risk Pool and PSPDCRP.

The District's contributions to the pension and OPEB plans for the year ended June 30, 2024 were:

	<u>Tier 1 & 2</u>	<u>Tier 3</u>
Pension	\$ 2,025,198	\$ 416,294
Health insurance	61,325	5,134

The District's pension and OPEB contributions are paid by the same funds as the employee's salary, with the largest component coming from the general fund.

PSPRS agent multiple-employer plans (Tier 1 & 2):

Liability - At June 30, 2024, the District reported net pension liability of \$7,522,210 and a net OPEB (asset) liability of \$(219,478). The net assets and net liabilities were measured as of June 30, 2023, and the total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date.

Actuarial assumptions - The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

Actuarial valuation date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	3.0% - 6.25% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.85% for pensions/not applicable for OPEB
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

PSPRS agent multiple-employer plans (Tier 1 & 2) (continued):

The long-term expected rate of return on PSPRS plan investments was determined to be 7.2% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term expected geometric real rate of return</u>
U.S. public equity	24 %	3.98 %
International public equity	16 %	4.49 %
Global private equity	20 %	7.28 %
Other assets (capital appreciation)	7 %	4.49 %
Core bonds	6 %	1.90 %
Private credit	20 %	6.19 %
Diversifying strategies	5 %	3.68 %
Cash - Mellon	2 %	0.69 %
	<u>100 %</u>	

Discount rate - At June 30, 2023, the discount rate used to measure the total pension/OPEB liability was 7.20%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

PSPRS agent multiple-employer plans (Tier 1 & 2) (continued):

Changes in the net pension liability -

	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) - (b)
Balances at June 30, 2023	\$ 91,945,157	\$ 89,255,047	\$ 2,690,110
Changes for the year:			
Service cost	3,028,405	-	3,028,405
Interest on the total pension liability	6,713,244	-	6,713,244
Differences between expected and actual experience in the measurement of the pension liability	5,306,560	-	5,306,560
Contributions - employer	-	1,962,420	(1,962,420)
Contributions - employee	-	1,518,745	(1,518,745)
Net investment income	-	6,879,759	(6,879,759)
Benefit payments, including refunds of employee contributions	(3,468,123)	(3,468,123)	-
Administrative expense	-	(45,724)	45,724
Tier 1 & 2 Adjustment	-	(93,990)	93,990
Other changes	-	(5,101)	5,101
Net changes	11,580,086	6,747,986	4,832,100
Balances at June 30, 2024	\$ 103,525,243	\$ 96,003,033	\$ 7,522,210

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

PSPRS agent multiple-employer plans (Tier 1 & 2) (continued):

Changes in the net OPEB liability -

	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB liability (asset) (a) - (b)
	<u> </u>	<u> </u>	<u> </u>
Balances at June 30, 2023	\$ 1,484,275	\$ 1,666,054	\$ (181,779)
Changes for the year:			
Service cost	59,912	-	59,912
Interest on the total OPEB liability	110,162	-	110,162
Differences between expected and actual experience in the measurement of the OPEB liability	(42,690)	-	(42,690)
Contributions - employer	-	40,125	(40,125)
Net investment income	-	125,845	(125,845)
Benefit payments, including refunds of employee contributions	(28,319)	(28,319)	-
Administrative expense	<u>-</u>	<u>(887)</u>	<u>887</u>
Net changes	<u>99,065</u>	<u>136,764</u>	<u>(37,699)</u>
Balances at June 30, 2024	<u>\$ 1,583,340</u>	<u>\$ 1,802,818</u>	<u>\$ (219,478)</u>

Sensitivity of the District's net pension/OPEB (asset) liability to changes in the discount rate - The following table presents the District's net pension/OPEB (assets) liabilities calculated using the discount rate of 7.2%, as well as what the District's net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.2%) or 1 percentage point higher (8.2%) than the current rate:

	1% decrease (6.2%)	Current discount rate (7.2%)	1% increase (8.2%)
	<u> </u>	<u> </u>	<u> </u>
District's net pension liability	\$ 24,529,628	\$ 7,522,210	\$ (6,115,637)
District's net OPEB (asset) liability	\$ (7,797)	\$ (219,478)	\$ (396,059)

Plan fiduciary net position - Detailed information about the plans' fiduciary net position is available in the separately issued PSPRS financial report. This report is available on the PSPRS website at www.psprs.com.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

PSPRS agent multiple-employer plans (Tier 1 & 2) (continued):

Expense - For the year ended June 30, 2024, the District recognized the following as pension and OPEB expense:

	<u>Expense</u>
Pension	\$ 3,958,300
Health insurance	10,400

Deferred outflows/inflows of resources - At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	<u>Pension</u>		<u>Health</u>	
	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience	\$ 8,498,417	\$ 1,789,151	\$ 477	\$ 323,811
Changes in assumptions	2,798,157	-	52,589	24,643
Net difference between projected and actual earnings on plan investments	1,677,564	-	21,268	-
Contributions subsequent to the measurement date	<u>2,025,198</u>	<u>-</u>	<u>61,325</u>	<u>-</u>
	<u><u>\$ 14,999,336</u></u>	<u><u>\$ 1,789,151</u></u>	<u><u>\$ 135,659</u></u>	<u><u>\$ 348,454</u></u>

The amounts reported as deferred outflows of resources related to pensions and OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase in the net asset or a reduction of the net liability in the year ending June 30, 2025.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

PSPRS agent multiple-employer plans (Tier 1 & 2) (continued):

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year ending <u>June 30,</u>	<u>Pension</u>	<u>Health</u>
2025	\$ 1,841,974	\$ (46,307)
2026	1,176,907	(61,837)
2027	3,280,404	(8,857)
2028	1,156,472	(47,268)
2029	1,111,624	(32,842)
Thereafter	<u>2,617,606</u>	<u>(77,009)</u>
	<u>\$ 11,184,987</u>	<u>\$ (274,120)</u>

PSPRS cost-sharing multiple-employer plans (Tier 3 Risk Pool):

Pension and OPEB assets/liabilities - At June 30, 2024, the District reported the following asset and liabilities for its proportionate share of the PSPRS Tier 3 Risk Pool net pension/OPEB asset or liability.

	<u>Net pension/OPEB (asset) liability</u>
Pension	\$ (134,297)
Health insurance premium benefit	(30,078)

The net asset and net liabilities were measured as of June 30, 2023. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2022, to the measurement date of June 30, 2023.

The District's proportion of the net asset or net liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The District's proportion measured as of June 30, 2023, and the change in proportions measured as of June 30, 2022, were:

	<u>Proportion</u>	<u>Increase (decrease)</u>
Pension	1.60313 %	0.16875
Health insurance premium benefit	1.60396 %	0.16801

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

PSPRS cost-sharing multiple-employer plans (Tier 3 Risk Pool) (continued):

Pension/OPEB expense - For the year ended June 30, 2024, the District recognized pension and OPEB expense for PSPRS Tier 3 Risk Pool as follows:

	Expense
Pension	\$ 144,333
Health insurance premium benefit	(8,394)

Deferred outflows/inflows of resources - At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health insurance premium benefit	
	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 488,816	\$ -	\$ 1,429	\$ 1,496
Net difference between projected and actual earnings on pension plan investments	-	5,664	-	314
Changes in assumptions	941	19,593	460	4
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,830	99,555	214	3,975
Contributions subsequent to the measurement date	416,294	-	5,134	-
	<u>\$ 912,881</u>	<u>\$ 124,812</u>	<u>\$ 7,237</u>	<u>\$ 5,789</u>

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

PSPRS cost-sharing multiple-employer plans (Tier 3 Risk Pool) (continued):

The amounts reported as deferred outflows of resources related to PSPRS Tier 3 Risk Pool pensions and OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase of the net asset and a reduction of the net liability in the year ending June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year ending <u>June 30,</u>	<u>Pension</u>	<u>Health insurance premium benefit</u>
2025	\$ 31,370	\$ (553)
2026	29,098	(634)
2027	55,586	305
2028	31,717	(449)
2029	38,359	(254)
Thereafter	<u>185,648</u>	<u>(2,100)</u>
	<u>\$ 371,778</u>	<u>\$ (3,685)</u>

Actuarial assumptions - The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

Valuation (measurement) date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.75% - 15% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Future benefit increases	1.85% for pensions/not applicable for OPEB
Mortality rates	PubS-2010 tables

Actuarial assumptions used were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

PSPRS cost-sharing multiple-employer plans (Tier 3 Risk Pool) (continued):

The long-term expected rate of return on PSPRS Tier 3 Risk Pool pension plan investments was determined to be 7% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage.

The target allocation and best estimates of geometric real rates of return for each major asset class are consistent with the allocations disclosed for the PSPRS agent multiple-employer plans (Tier 1 & 2).

Discount rate - The discount rate used to measure the PSPRS Tier 3 Risk Pool total pension/OPEB liability was 7%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

Sensitivity of the District's proportionate share of the PSPRS Tier 3 Risk Pool net pension/OPEB (asset) liability to changes in the discount rate - The following table presents the District's proportionate share of the net pension/OPEB (asset) liability calculated using the discount rate of 7.0%, as well as what the District's proportionate share of the net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% decrease (6.0%)	Current discount rate (7.0%)	1% increase (8.0%)
Net pension liability (asset)	\$ 342,498	\$ (134,297)	\$ (490,286)
Net health insurance premium liability (asset)	\$ (24,094)	\$ (30,078)	\$ (34,842)

PSPDCRP plan:

District employees who are regularly assigned hazardous duty and are not members of PSPRS participate in the PSPDCRP. The PSPDCRP is a defined contribution pension plan. The PSPRS Board of Trustees governs the PSPDCRP according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.1. Benefit terms, including contribution requirements, are established by State statute.

Golder Ranch Fire District

Notes to Financial Statements (continued)

Year Ended June 30, 2024

12. Pension and other postemployment benefits (continued):

Public Safety Personnel Retirement System (PSPRS) (continued):

PSPDCRP plan (continued):

For the year ended June 30, 2024, active PSPDCRP members were required by statute to contribute at least 9 percent of the members' annual covered payroll, and the District was required by statute to contribute 9 percent of active members' annual covered payroll to an individual employee account. Employees are immediately vested in their own contributions and the earnings on those contributions. Employees vest in a portion of the District's contributions each year as set forth in statute. The plan retains nonvested District contributions when forfeited because of employment terminations.

Required Supplementary Information

Golder Ranch Fire District

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - General Fund

Year Ended June 30, 2024

	Budgeted amounts			Variance with final budget over (under)
	Original	Final	Actual	
Revenues:				
Property taxes	\$ 38,548,240	\$ 38,548,240	\$ 38,526,415	\$ (21,825)
State shared tax revenue	800,000	800,000	683,777	(116,223)
Intergovernmental	900,000	900,000	3,204,900	2,304,900
Charges for services	5,623,063	5,623,063	6,068,534	445,471
Investment income	176,152	176,152	660,646	484,494
Miscellaneous	-	-	58,532	58,532
Total revenues	<u>46,047,455</u>	<u>46,047,455</u>	<u>49,202,804</u>	<u>3,155,349</u>
Expenditures:				
Public safety:				
Emergency services	33,768,565	33,768,565	34,316,749	548,184
Administration	6,416,548	6,416,548	7,911,595	1,495,047
Capital outlay	-	-	3,754,377	3,754,377
Debt service:				
Principal	2,582,896	2,582,896	2,423,556	(159,340)
Interest	743,786	743,786	814,814	71,028
Total expenditures	<u>43,511,795</u>	<u>43,511,795</u>	<u>49,221,091</u>	<u>5,709,296</u>
Revenues over (under) expenditures	<u>2,535,660</u>	<u>2,535,660</u>	<u>(18,287)</u>	<u>(2,553,947)</u>
Other financing sources (uses):				
Transfers out	(2,535,660)	(2,535,660)	-	2,535,660
Lease agreements	-	-	1,988,950	1,988,950
Proceeds from sale of capital assets	-	-	45,700	45,700
Total other financing sources (uses)	<u>(2,535,660)</u>	<u>(2,535,660)</u>	<u>2,034,650</u>	<u>4,570,310</u>
Change in fund balance	-	-	2,016,363	2,016,363
Fund balance, beginning of year	<u>22,183,815</u>	<u>22,183,815</u>	<u>22,183,815</u>	-
Fund balance, end of year	<u>\$ 22,183,815</u>	<u>\$ 22,183,815</u>	<u>\$ 24,200,178</u>	<u>\$ 2,016,363</u>

Golder Ranch Fire District

Schedule of the District's Proportionate Share of the Net Pension Liability - Cost Sharing Plan (ASRS)

Year Ended June 30, 2024

Reporting date (Measurement date)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net pension liability	0.020 %	0.020 %	0.022 %	0.022 %	0.023 %	0.022 %	0.020 %	0.018 %	0.017 %	0.015 %
District's proportionate share of the net pension liability	\$ 3,289,688	\$ 3,197,523	\$ 2,934,063	\$ 3,829,161	\$ 3,356,953	\$ 3,129,590	\$ 3,067,318	\$ 2,871,485	\$ 2,625,582	\$ 2,319,839
District's covered payroll	\$ 2,672,666	\$ 2,278,810	\$ 2,521,399	\$ 2,337,951	\$ 2,345,241	\$ 2,394,661	\$ 1,921,633	\$ 166,230	\$ 1,552,663	\$ 1,518,869
District's proportionate share of the net pension liability as a percentage of its covered payroll	123 %	140 %	116 %	164 %	143 %	131 %	160 %	172 %	169 %	153 %
Plan fiduciary net position as a percentage of total pension liability	75 %	74 %	79 %	69 %	73 %	73 %	70 %	67 %	68 %	69 %

See accompanying notes to required supplementary information.

Golder Ranch Fire District

Schedule of Changes in Net Pension Liability and Related Ratios - Agent Retirement Plan (PSPRS)

Year Ended June 30, 2024

Reporting date (Measurement date)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Total pension liability										
Service cost	\$ 3,028,405	\$ 3,180,496	\$ 2,977,424	\$ 2,998,212	\$ 3,287,055	\$ 3,033,033	\$ 2,463,426	\$ 1,893,767	\$ 1,665,435	\$ 1,631,075
Interest	6,713,244	6,373,461	5,789,150	5,128,762	4,693,500	4,179,191	3,531,633	2,926,935	2,662,254	2,320,648
Benefit changes	-	-	-	-	-	-	338,676	4,530,962	-	53,327
Difference between expected and actual experience	5,306,560	(1,681,014)	1,549,363	2,845,080	(525,159)	(619,413)	2,862,034	(589,166)	(320,149)	29,015
Assumption changes	-	1,388,711	-	-	1,477,194	-	1,124,342	1,944,844	-	1,270,274
Benefit payments, including refunds of employee contributions	(3,468,123)	(2,887,370)	(2,142,124)	(1,667,602)	(1,957,201)	(869,270)	(1,566,333)	(812,716)	(687,217)	(1,252,497)
Net change in total pension liability	11,580,086	6,374,284	8,173,813	9,304,452	6,975,389	5,723,541	8,753,778	9,894,626	3,320,323	4,051,842
Total pension liability, beginning	91,945,157	85,570,873	77,397,060	68,092,608	61,117,219	55,393,678	46,639,900	36,745,274	33,424,951	29,373,109
Total pension liability, ending (a)	\$ 103,525,243	\$ 91,945,157	\$ 85,570,873	\$ 77,397,060	\$ 68,092,608	\$ 61,117,219	\$ 55,393,678	\$ 46,639,900	\$ 36,745,274	\$ 33,424,951
Plan fiduciary net position										
Contributions - employer	\$ 1,962,420	\$ 26,825,686	\$ 3,747,569	\$ 3,320,145	\$ 3,844,207	\$ 3,929,939	\$ 2,446,935	\$ 1,857,235	\$ 1,462,125	\$ 1,320,493
Contributions - employee	1,518,745	1,339,073	1,436,667	1,280,952	1,381,209	1,287,889	1,428,130	1,168,274	1,043,183	892,042
Pension plan net investment income	6,879,759	(3,683,500)	14,445,803	615,150	2,289,859	2,538,757	3,640,691	162,509	916,962	2,861,697
Benefit payments, including refunds of employee contributions	(3,468,123)	(2,887,370)	(2,142,124)	(1,667,602)	(1,957,201)	(869,270)	(1,566,333)	(812,716)	(687,217)	(1,252,497)
Hall/Parker settlement	-	-	-	-	-	(1,622,681)	-	-	-	-
Administrative expense	(45,724)	(66,184)	(67,238)	(50,159)	(40,787)	(39,340)	(33,014)	(23,784)	(22,759)	(23,047)
Tier 1&2 adjustment	(93,990)	-	-	-	-	-	-	-	-	-
Other	(5,101)	-	-	-	357	7,424	676,374	136,088	(18,717)	54,389
Net change in fiduciary net position	6,747,986	21,527,705	17,420,677	3,498,486	5,517,644	5,232,718	6,592,783	2,487,606	2,693,577	3,853,077
Plan fiduciary net position, beginning	89,255,047	67,693,693	50,273,016	46,774,527	41,282,624	36,049,906	29,457,123	26,969,517	24,275,940	20,422,863
Adjustment to beginning of year	-	33,649	-	3	(25,741)	-	-	-	-	-
Plan fiduciary net position, ending (b)	\$ 96,003,033	\$ 89,255,047	\$ 67,693,693	\$ 50,273,016	\$ 46,774,527	\$ 41,282,624	\$ 36,049,906	\$ 29,457,123	\$ 26,969,517	\$ 24,275,940
Net pension liability (asset), ending (a) - (b)	\$ 7,522,210	\$ 2,690,110	\$ 17,877,180	\$ 27,124,044	\$ 21,318,081	\$ 19,834,595	\$ 19,343,772	\$ 17,182,777	\$ 9,775,757	\$ 9,149,011
Plan fiduciary net position as a percentage of total pension liability	92.73 %	97.07 %	79.11 %	64.95 %	68.69 %	67.55 %	65.08 %	63.16 %	73.40 %	72.63 %
Covered valuation payroll	\$ 14,269,964	\$ 13,316,535	\$ 14,327,018	\$ 13,615,505	\$ 13,570,844	\$ 13,813,062	\$ 9,669,855	\$ 9,616,923	\$ 7,834,709	\$ 7,044,295
Net pension liability as a percentage of covered valuation payroll	52.71 %	20.20 %	124.78 %	199.21 %	157.09 %	143.59 %	200.04 %	178.67 %	124.77 %	129.88 %

See accompanying notes to required supplementary information.

Golder Ranch Fire District

Schedule of the District's Proportionate Share of the Net Pension/OPEB Liability - Cost Sharing Plan (PSPRS Tier 3 Risk Pool)

Year Ended June 30, 2024

(schedule to be built prospectively from 2019; 2018 - 2015 information not available)

PSPRS Tier 3 Risk Pool - Pension

Reporting date (Measurement date)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net pension liability	1.603 %	1.434 %	1.233 %	1.316 %	1.055 %	0.171 %	- %	- %	- %	- %
District's proportionate share of the net pension liability (asset)	\$ (134,297)	\$ (77,543)	\$ (114,155)	\$ 4,620	\$ (15,148)	\$ 337	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 2,551,101	\$ 2,301,672	\$ 968,088	\$ 429,370	\$ 14,900	\$ -	\$ -	\$ -	\$ -	\$ -
District's proportionate share of the net pension liability as a percentage of its covered payroll	(5.3)%	(3.4)%	(11.8)%	1.1 %	(101.7)%	- %	- %	- %	- %	- %
Plan fiduciary net position as a percentage of total pension liability	108 %	108 %	122 %	99 %	118 %	89 %	- %	- %	- %	- %

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

Golder Ranch Fire District

Schedule of Pension Contributions

Year Ended June 30, 2024

ASRS - Pension

Reporting fiscal year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 367,518	\$ 316,279	\$ 279,783	\$ 292,510	\$ 267,474	\$ 262,397	\$ 261,018	\$ 207,152	\$ 180,786	\$ 169,085
Contributions in relation to the contractually required contribution	<u>367,518</u>	<u>316,279</u>	<u>279,783</u>	<u>292,510</u>	<u>267,474</u>	<u>262,397</u>	<u>261,018</u>	<u>207,152</u>	<u>180,786</u>	<u>169,085</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 3,073,445	\$ 2,672,666	\$ 2,278,810	\$ 2,521,399	\$ 2,337,951	\$ 2,345,241	\$ 2,394,661	\$ 1,921,633	\$ 1,666,230	\$ 1,552,663
Contributions as a percentage of covered payroll	11.96 %	11.83 %	12.28 %	11.60 %	11.44 %	11.19 %	10.90 %	10.78 %	10.85 %	10.89 %

PSPRS - Pension

Reporting fiscal year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 2,025,198	\$ 1,932,266	\$ 26,874,431	\$ 3,745,277	\$ 3,399,372	\$ 3,972,703	\$ 3,240,966	\$ 1,669,984	\$ 1,600,256	\$ 1,239,451
Contributions in relation to the actuarially determined contribution	<u>2,025,198</u>	<u>1,932,266</u>	<u>26,874,431</u>	<u>3,745,277</u>	<u>3,399,372</u>	<u>3,972,703</u>	<u>3,240,966</u>	<u>1,669,984</u>	<u>1,600,256</u>	<u>1,239,451</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 14,818,180	\$ 14,269,964	\$ 13,316,535	\$ 14,327,018	\$ 13,615,505	\$ 13,570,844	\$ 13,813,062	\$ 9,669,855	\$ 9,616,923	\$ 7,834,709
Contributions as a percentage of covered payroll	13.67 %	13.54 %	201.81 %	23.06 %	22.10 %	26.40 %	23.46 %	17.27 %	16.64 %	15.82 %

PSPRS Tier 3 Risk Pool - Pension

Reporting fiscal year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily determined contribution	\$ 416,294	\$ 250,263	\$ 208,301	\$ 87,612	\$ 38,858	\$ 1,347	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	<u>416,294</u>	<u>250,263</u>	<u>208,301</u>	<u>87,612</u>	<u>38,858</u>	<u>1,347</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 4,409,894	\$ 2,551,101	\$ 2,301,672	\$ 968,088	\$ 429,370	\$ 14,900	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	9.44 %	9.81 %	9.05 %	9.05 %	9.05 %	9.04 %	- %	- %	- %	- %

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

Golder Ranch Fire District

Schedule of Changes in Net OPEB Liability and Related Ratios - Agent Retirement Plan (PSPRS)

Year Ended June 30, 2024

(schedule to be built prospectively from 2018; 2017 - 2015 information not available)

Reporting date (Measurement date)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Total OPEB liability										
Service cost	\$ 59,912	\$ 63,117	\$ 61,817	\$ 63,176	\$ 45,641	\$ 44,258	\$ 35,780	\$ -	\$ -	\$ -
Interest on total OPEB liability	110,162	99,768	94,355	88,993	97,498	91,047	90,698	-	-	-
Benefit changes	-	-	-	-	-	-	16,830	-	-	-
Difference between expected and actual experience	(42,690)	(23,387)	(62,450)	(46,866)	(275,940)	(55,773)	(39,217)	-	-	-
Assumption changes	-	55,144	-	-	14,537	-	(68,340)	-	-	-
Benefit payments	(28,319)	(27,866)	(13,893)	(14,126)	(14,276)	(17,485)	(20,376)	-	-	-
Net change in total OPEB liability	99,065	166,776	79,829	91,177	(132,540)	62,047	15,375	-	-	-
Total OPEB liability, beginning	1,484,275	1,317,499	1,237,670	1,146,493	1,279,033	1,216,986	1,201,611	-	-	-
Total OPEB liability, ending (a)	\$ 1,583,340	\$ 1,484,275	\$ 1,317,499	\$ 1,237,670	\$ 1,146,493	\$ 1,279,033	\$ 1,216,986	\$ -	\$ -	\$ -
Plan fiduciary net position										
Contributions - employer	\$ 40,125	\$ 43,099	\$ 55,775	\$ 52,626	\$ 47,374	\$ 38,459	\$ 39,810	\$ -	\$ -	\$ -
Contributions - employee	-	-	-	-	-	-	-	-	-	-
Net investment income	125,845	(67,457)	362,488	15,941	62,584	73,472	109,600	-	-	-
Benefit payments	(28,319)	(27,866)	(13,893)	(14,126)	(14,276)	(17,485)	(20,376)	-	-	-
Administrative expenses	(887)	(1,201)	(1,491)	(1,296)	(1,080)	(1,118)	(970)	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Net change in fiduciary net position	136,764	(53,425)	402,879	53,145	94,602	93,328	128,064	-	-	-
Plan fiduciary net position, beginning	1,666,054	1,719,479	1,316,600	1,263,455	1,143,112	1,049,784	921,720	-	-	-
Adjustment to beginning of year	-	-	-	-	25,741	-	-	-	-	-
Plan fiduciary net position, ending (b)	\$ 1,802,818	\$ 1,666,054	\$ 1,719,479	\$ 1,316,600	\$ 1,263,455	\$ 1,143,112	\$ 1,049,784	\$ -	\$ -	\$ -
Net OPEB liability (asset), ending (a) - (b)	\$ (219,478)	\$ (181,779)	\$ (401,980)	\$ (78,930)	\$ (116,962)	\$ 135,921	\$ 167,202	\$ -	\$ -	\$ -
Plan fiduciary net position as a percentage of total OPEB liability	113.86 %	112.25 %	130.51 %	106.38 %	110.20 %	89.37 %	86.26 %	- %	- %	- %
Covered valuation payroll	\$ 14,269,964	\$ 13,316,535	\$ 14,327,018	\$ 13,615,505	\$ 13,570,844	\$ 13,813,062	\$ 9,669,855	\$ -	\$ -	\$ -
Net OPEB liability as a percentage of covered valuation payroll	(1.54)%	(1.37)%	(2.81)%	(0.58)%	(0.86)%	0.98 %	1.73 %	- %	- %	- %

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

Golder Ranch Fire District

Schedule of the District's Proportionate Share of the Net OPEB Liability - Cost Sharing Plan (ASRS)

Year Ended June 30, 2024

(schedule to be built prospectively from 2018; 2017 - 2015 information not available)

ASRS Health insurance premium benefit

Reporting date (Measurement date)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net OPEB (asset)	0.020 %	0.020 %	0.022 %	0.022 %	0.023 %	0.023 %	0.020 %	- %	- %	- %
District's proportionate share of the net OPEB (asset)	\$ (109,227)	\$ (109,387)	\$ (109,281)	\$ (15,604)	\$ (6,533)	\$ (8,235)	\$ (10,877)	\$ -	\$ -	\$ -
District's covered payroll	\$ 2,672,666	\$ 2,278,810	\$ 2,521,399	\$ 2,337,951	\$ 2,345,241	\$ 2,394,661	\$ 1,921,633	\$ -	\$ -	\$ -
District's proportionate share of the net OPEB (asset) as a percentage of its covered payroll	(4.09)%	(4.80)%	(4.33)%	(0.67)%	(0.28)%	(0.34)%	(0.57)%	- %	- %	- %
Plan fiduciary net position as a percentage of total OPEB (asset)	134 %	138 %	130 %	104 %	102 %	102 %	104 %	- %	- %	- %

ASRS Long-term disability

Reporting date (Measurement date)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net OPEB liability	0.020 %	0.020 %	0.022 %	0.022 %	0.023 %	0.022 %	0.020 %	- %	- %	- %
District's proportionate share of the net OPEB liability	\$ 2,656	\$ 1,807	\$ 4,616	\$ 16,705	\$ 15,263	\$ 11,751	\$ 7,166	\$ -	\$ -	\$ -
District's covered payroll	\$ 2,672,666	\$ 2,278,810	\$ 2,521,399	\$ 2,337,951	\$ 2,345,241	\$ 2,394,661	\$ 1,921,633	\$ -	\$ -	\$ -
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.10 %	0.08 %	0.18 %	0.71 %	0.65 %	0.49 %	0.37 %	- %	- %	- %
Plan fiduciary net position as a percentage of total OPEB liability	94 %	95 %	90 %	68 %	73 %	78 %	84 %	- %	- %	- %

See accompanying notes to required supplementary information.

Golder Ranch Fire District

Schedule of OPEB Contributions

Year Ended June 30, 2024

(schedule to be built prospectively from 2018; 2017 - 2015 information not available)

ASRS Health insurance premium benefit

Reporting fiscal year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 3,361	\$ 2,919	\$ 4,892	\$ 9,792	\$ 11,446	\$ 10,796	\$ 10,537	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	<u>3,361</u>	<u>2,919</u>	<u>4,892</u>	<u>9,792</u>	<u>11,446</u>	<u>10,796</u>	<u>10,537</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 3,073,445	\$ 2,672,666	\$ 2,278,810	\$ 2,521,399	\$ 2,337,951	\$ 2,345,241	\$ 2,394,661	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	0.11 %	0.11 %	0.21 %	0.39 %	0.49 %	0.46 %	0.44 %	- %	- %	- %

ASRS Long-term disability

Reporting fiscal year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 4,583	\$ 3,715	\$ 4,426	\$ 4,520	\$ 3,972	\$ 3,756	\$ 3,831	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	<u>4,583</u>	<u>3,715</u>	<u>4,426</u>	<u>4,520</u>	<u>3,972</u>	<u>3,756</u>	<u>3,831</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 3,073,445	\$ 2,672,666	\$ 2,278,810	\$ 2,521,399	\$ 2,337,951	\$ 2,345,241	\$ 2,394,661	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	0.15 %	0.14 %	0.19 %	0.18 %	0.17 %	0.16 %	0.16 %	- %	- %	- %

PSPRS Health insurance premium benefit

Actuarially determined contribution	\$ 61,325	\$ 41,586	\$ 23,265	\$ 58,803	\$ 56,090	\$ 52,657	\$ 58,168	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	<u>61,325</u>	<u>41,586</u>	<u>23,265</u>	<u>58,803</u>	<u>56,090</u>	<u>52,657</u>	<u>58,168</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 14,818,180	\$ 14,269,964	\$ 13,968,225	\$ 16,244,333	\$ 13,615,505	\$ 13,570,844	\$ 13,813,062	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	0.41 %	0.29 %	0.17 %	0.36 %	0.36 %	0.34 %	0.42 %	- %	- %	- %

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

Golder Ranch Fire District

Notes to Required Supplementary Information

Year Ended June 30, 2024

1. Budgetary basis of accounting:

The adopted budget of the District is prepared on a basis consistent with accounting principles generally accepted in the United States of America.

2. Pension and OPEB plan schedules:

Actuarially determined contribution rates:

Actuarial determined contribution rates for PSPRS are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay, closed
Remaining amortization period as of the 2022 actuarial valuation	15 years
Asset valuation method	7-year smoothed fair value; 80%/120% corridor

Actuarial assumptions:

Investment rate of return	In the 2022 actuarial valuation, the investment rate of return was decreased from 7.3% to 7.2%. In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In the 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.5%. In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Salary increase	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0% - 8.0% to 3.5% - 7.5%. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5% - 8.5% to 4.0% - 8.0%. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0% - 9.0% to 4.5% - 8.5%.

Golder Ranch Fire District

Notes to Required Supplementary Information (continued)

Year Ended June 30, 2024

2. Pension and OPEB plan schedules (continued):

Actuarially determined contribution rates (continued):

Wage growth	In the 2022 actuarial valuation, wage growth was changed from 3.5% to a range of 3.0% - 6.25%. In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5%. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5%.
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.
Mortality	In the 2019 actuarial valuation, changed to PubS-2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females).

Factors that affect trends:

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS also reduced those members' employee contribution rates. These changes are reflected in the plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS-required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes increased the PSPRS-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. Also, the District refunded excess employee contributions to PSPRS members. PSPRS allowed the District to reduce its actual employer contributions for the refund amounts. As a result, the District's pension contributions were less than the actuarially or statutorily determined contributions for 2018 and 2019.

**Combining and Individual Fund Financial
Statements and Schedules**

Golder Ranch Fire District

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - Debt Service

Year Ended June 30, 2024

	<u>Budgeted amounts</u> Original & Final	<u>Actual</u>	<u>Variance with final budget over (under)</u>
Revenues:			
Property taxes	\$ 2,113,941	\$ 2,111,565	\$ (2,376)
Investment income	<u>-</u>	<u>55,812</u>	<u>55,812</u>
Total revenues	<u>2,113,941</u>	<u>2,167,377</u>	<u>53,436</u>
Expenditures:			
Public safety:			
Debt service:			
Principal	1,113,000	1,113,000	-
Interest	<u>919,740</u>	<u>919,740</u>	<u>-</u>
Total expenditures	<u>2,032,740</u>	<u>2,032,740</u>	<u>-</u>
Net change in fund balance	81,201	134,637	53,436
Fund balance, beginning of year	<u>471,013</u>	<u>471,013</u>	<u>-</u>
Fund balance, end of year	<u>\$ 552,214</u>	<u>\$ 605,650</u>	<u>\$ 53,436</u>

Golder Ranch Fire District

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - Capital Projects Fund

Year Ended June 30, 2024

	<u>Budgeted amounts</u> Original & Final	<u>Actual</u>	<u>Variance with final budget over(under)</u>
Revenues:			
Investment income	\$ -	\$ 479,488	\$ 479,488
Total revenues	<u>-</u>	<u>479,488</u>	<u>479,488</u>
Expenditures:			
Public safety:			
Emergency services	-	7,942	7,942
Capital outlay	<u>2,500,810</u>	<u>2,938,880</u>	<u>438,070</u>
Total expenditures	<u>2,500,810</u>	<u>2,946,822</u>	<u>446,012</u>
Revenues under expenditures	(2,500,810)	(2,467,334)	33,476
Other financing sources:			
Transfers in	<u>2,535,660</u>	-	<u>(2,535,660)</u>
Total other financing sources	<u>2,535,660</u>	<u>-</u>	<u>(2,535,660)</u>
Net change in fund balance	34,850	(2,467,334)	(2,502,184)
Fund balance, beginning of year	<u>12,263,600</u>	<u>12,263,600</u>	<u>-</u>
Fund balance, end of year	<u>\$ 12,298,450</u>	<u>\$ 9,796,266</u>	<u>\$ (2,502,184)</u>

STATISTICAL SECTION

Statistical Section

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the District's current levels of outstanding debt as well as assess the District's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the District's financial activities take place and to help make comparisons with other school districts.

Operating Information

These schedules contain information about the District's operations and various resources to help the reader draw conclusions as to how the District's financial information relates to the services provided by the District.

Note: Due to cost considerations for the accumulation of data, the District has elected to present less than ten years of data, or data from less than nine years prior, for certain statistical schedules. This information will be accumulated and reported each year until the complete ten years of data is presented.

Due to the consolidation with another fire district in fiscal year 2018, amounts reported reflect the consolidated operations accordingly. Balances prior to fiscal year 2018 have not been restated to include the operations of the other fire district.

Golder Ranch Fire District

Net Position by Component

(Accrual Basis)

	Fiscal year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net investments in capital assets	\$ 15,794,974	\$ 14,410,911	\$ 14,282,862	\$ 13,191,964	\$ 13,453,568	\$ 12,172,501	\$ 11,489,341	\$ 9,236,846	\$ 7,672,389	\$ 7,191,068
Restricted	1,098,730	4,313,929	3,975,320	298,140	465,973	387,052	393,625	311,946	352,779	954,221
Unrestricted	<u>(1,791,682)</u>	<u>(6,415,427)</u>	<u>(8,819,039)</u>	<u>(8,064,461)</u>	<u>(7,261,130)</u>	<u>(4,880,045)</u>	<u>(6,331,545)</u>	<u>(11,938,989)</u>	<u>(4,523,981)</u>	<u>(3,981,422)</u>
Total primary government net position	<u>\$ 15,102,022</u>	<u>\$ 12,309,413</u>	<u>\$ 9,439,143</u>	<u>\$ 5,425,643</u>	<u>\$ 6,658,411</u>	<u>\$ 7,679,508</u>	<u>\$ 5,551,421</u>	<u>\$ (2,390,197)</u>	<u>\$ 3,501,187</u>	<u>\$ 4,163,867</u>

Source: District financial records.

Golder Ranch Fire District

Changes in Net Position

(Accrual Basis)

	Fiscal year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental activities:										
Public Safety-Fire Protection	\$ 47,190,243	\$ 42,600,871	\$ 35,716,401	\$ 39,252,475	\$ 36,952,273	\$ 33,648,043	\$ 28,086,591	\$ 28,391,504	\$ 21,837,480	\$ 18,460,962
Interest on long-term debt	<u>1,574,908</u>	<u>1,406,787</u>	<u>1,340,682</u>	<u>671,347</u>	<u>274,914</u>	<u>345,221</u>	<u>407,258</u>	<u>383,790</u>	<u>309,662</u>	<u>412,387</u>
Total primary government expenses	<u>48,765,151</u>	<u>44,007,658</u>	<u>37,057,083</u>	<u>39,923,822</u>	<u>37,227,187</u>	<u>33,993,264</u>	<u>28,493,849</u>	<u>28,775,294</u>	<u>22,147,142</u>	<u>18,873,349</u>
Program revenues:										
Governmental activities:										
Charges for services	5,943,000	5,596,593	5,708,715	5,436,525	4,750,885	5,240,197	4,479,411	3,759,813	3,314,268	3,295,320
Operating grants & contributions	<u>3,204,900</u>	<u>2,401,324</u>	<u>35,715</u>	<u>215,236</u>	<u>624,167</u>	<u>952,998</u>	<u>321,564</u>	<u>625,157</u>	<u>506,456</u>	<u>315,056</u>
Total primary government revenues	<u>9,147,900</u>	<u>7,997,917</u>	<u>5,744,430</u>	<u>5,651,761</u>	<u>5,375,052</u>	<u>6,193,195</u>	<u>4,800,975</u>	<u>4,384,970</u>	<u>3,820,724</u>	<u>3,610,376</u>
Total primary government net expenses	<u>(39,617,251)</u>	<u>(36,009,741)</u>	<u>(31,312,653)</u>	<u>(34,272,061)</u>	<u>(31,852,135)</u>	<u>(27,800,069)</u>	<u>(23,692,874)</u>	<u>(24,390,324)</u>	<u>(18,326,418)</u>	<u>(15,262,973)</u>
General revenues & other changes in net position										
Property taxes	40,471,605	37,054,744	34,970,177	32,572,287	30,560,207	29,195,901	27,061,849	18,247,838	17,424,433	17,022,813
State shared taxes	683,777	616,389	585,747	-	-	-	-	-	-	-
Investment income	1,195,946	974,466	(292,141)	133,813	209,986	178,250	64,706	40,069	37,175	28,328
Miscellaneous	<u>58,532</u>	<u>234,412</u>	<u>62,370</u>	<u>333,193</u>	<u>60,845</u>	<u>125,129</u>	<u>89,435</u>	<u>211,033</u>	<u>202,130</u>	<u>40,841</u>
Total primary government	<u>42,409,860</u>	<u>38,880,011</u>	<u>35,326,153</u>	<u>33,039,293</u>	<u>30,831,038</u>	<u>29,499,280</u>	<u>27,215,990</u>	<u>18,498,940</u>	<u>17,663,738</u>	<u>17,091,982</u>
Change in net position										
Total primary government	<u>\$ 2,792,609</u>	<u>\$ 2,870,270</u>	<u>\$ 4,013,500</u>	<u>\$ (1,232,768)</u>	<u>\$ (1,021,097)</u>	<u>\$ 1,699,211</u>	<u>\$ 3,523,116</u>	<u>\$ (5,891,384)</u>	<u>\$ (662,680)</u>	<u>\$ 1,829,009</u>

Source: District financial records.

Golder Ranch Fire District

Fund Balances - Governmental Funds

(Modified Accrual Basis)

	Fiscal year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General fund										
Restricted	\$ 3,842,916	\$ 3,842,916	\$ 3,603,625	\$ 27,529,838	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	16,265,015	14,992,103	14,008,756	15,154,624	11,244,200	9,404,028	7,793,404	6,767,528	6,950,492	6,553,262
Assigned	-	-	-	-	-	-	-	-	-	461,157
Unassigned	<u>4,092,247</u>	<u>3,348,796</u>	<u>724,696</u>	<u>(1,823,644)</u>	<u>871,619</u>	<u>2,027,715</u>	<u>2,217,191</u>	<u>-</u>	<u>80,635</u>	<u>-</u>
Total general fund	<u>\$ 24,200,178</u>	<u>\$ 22,183,815</u>	<u>\$ 18,337,077</u>	<u>\$ 40,860,818</u>	<u>\$ 12,115,819</u>	<u>\$ 11,431,743</u>	<u>\$ 10,010,595</u>	<u>\$ 6,767,528</u>	<u>\$ 7,031,127</u>	<u>\$ 7,014,419</u>
All other governmental funds										
Restricted	\$ 10,401,916	\$ 12,734,613	\$ 14,641,146	\$ 16,197,208	\$ 2,625,091	\$ 387,052	\$ 356,913	\$ 275,964	\$ 316,071	\$ 937,297
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(320,295)</u>	<u>(1,332,040)</u>	<u>(1,171,373)</u>	<u>(601,718)</u>	<u>-</u>
Total all other governmental funds	<u>\$ 10,401,916</u>	<u>\$ 12,734,613</u>	<u>\$ 14,641,146</u>	<u>\$ 16,197,208</u>	<u>\$ 2,625,091</u>	<u>\$ 66,757</u>	<u>\$ (975,127)</u>	<u>\$ (895,409)</u>	<u>\$ (285,647)</u>	<u>\$ 937,297</u>

Source: District financial records.

Golder Ranch Fire District

Changes in Fund Balances - Governmental Funds and Debt Service Ratio

(Modified Accrual Basis)

	Fiscal year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Property taxes	\$ 40,637,980	\$ 37,320,337	\$ 34,957,909	\$ 32,679,063	\$ 30,478,853	\$ 29,218,457	\$ 27,099,046	\$ 18,262,016	\$ 17,138,081	\$ 17,156,974
State shared revenue	683,777	616,389	585,747	-	-	-	-	-	-	-
Investment income (loss)	1,195,946	974,466	(292,141)	133,813	209,986	178,250	64,706	40,069	37,175	28,328
Charges for services	6,068,534	5,171,894	4,963,014	4,551,145	4,319,159	4,160,970	4,479,411	3,759,813	3,314,268	3,295,320
Intergovernmental	3,204,900	2,840,440	660,311	970,587	1,141,226	1,955,126	407,221	454,266	526,090	329,620
Miscellaneous	58,532	234,412	62,370	333,193	60,845	125,129	89,435	211,033	202,130	40,841
Total revenues	<u>51,849,669</u>	<u>47,157,938</u>	<u>40,937,210</u>	<u>38,667,801</u>	<u>36,210,069</u>	<u>35,637,932</u>	<u>32,139,819</u>	<u>22,727,197</u>	<u>21,217,744</u>	<u>20,851,083</u>
Expenditures:										
Current:										
Public Safety	42,236,286	37,358,101	57,996,122	34,939,530	31,907,084	30,537,720	28,999,791	21,546,721	19,008,691	17,261,181
Capital outlay	6,693,257	7,353,437	6,372,105	4,291,522	2,012,260	788,328	1,528,255	1,475,740	2,453,770	471,978
Debt service:										
Principal	3,536,556	2,885,945	2,382,153	1,533,116	6,726,313	1,961,099	1,685,938	1,229,192	1,030,778	912,827
Interest	1,734,554	1,566,437	1,562,857	696,593	272,959	330,471	392,508	310,512	294,912	397,637
Debt issuance cost	-	-	67,500	648,561	190,131	-	-	55,690	-	82,496
Payment to the escrow agent	-	-	-	-	-	-	-	-	-	200,000
Total expenditures	<u>54,200,653</u>	<u>49,163,920</u>	<u>68,380,737</u>	<u>42,109,322</u>	<u>41,108,747</u>	<u>33,617,618</u>	<u>32,606,492</u>	<u>24,617,855</u>	<u>22,788,151</u>	<u>19,326,119</u>
Excess (deficiency) of revenues	<u>(2,350,984)</u>	<u>(2,005,982)</u>	<u>(27,443,527)</u>	<u>(3,441,521)</u>	<u>(4,898,678)</u>	<u>2,020,314</u>	<u>(466,673)</u>	<u>(1,890,658)</u>	<u>(1,570,407)</u>	<u>1,524,964</u>
Other financing sources (uses):										
Issuance of debt	-	3,874,175	3,000,000	42,750,000	6,900,000	-	1,013,268	3,825,825	364,171	5,310,000
Premiums on debt issuance	-	-	-	3,008,637	1,241,088	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-	-	(2,808,528)	-	(5,227,504)
Proceeds from sale of capital assets	45,700	72,012	363,724	-	-	13,842	-	-	-	349,900
Total other financing sources	<u>45,700</u>	<u>3,946,187</u>	<u>3,363,724</u>	<u>45,758,637</u>	<u>8,141,088</u>	<u>13,842</u>	<u>1,013,268</u>	<u>1,017,297</u>	<u>364,171</u>	<u>432,396</u>
Net change in fund balance	<u>\$ (2,305,284)</u>	<u>\$ 1,940,205</u>	<u>\$ (24,079,803)</u>	<u>\$ 42,317,116</u>	<u>\$ 3,242,410</u>	<u>\$ 2,034,156</u>	<u>\$ 546,595</u>	<u>\$ (873,361)</u>	<u>\$ (1,206,236)</u>	<u>\$ 1,957,360</u>
Debt service as a percentage of noncapital expenditures	<u>10.98 %</u>	<u>10.43 %</u>	<u>6.36 %</u>	<u>5.83 %</u>	<u>17.89 %</u>	<u>6.48 %</u>	<u>6.66 %</u>	<u>6.75 %</u>	<u>6.21 %</u>	<u>8.45 %</u>

Source: District financial records.

Golder Ranch Fire District

Assessed and Estimated Full Cash Value of Taxable Property

(Last Ten Fiscal Years)

Fiscal year	Full cash assessed valuation (actual value)	Total limited assessed valuation (AV)	Total Exemptions	Personal property	Real property	Net limited assessed valuation (NAV)	NAV as a percent of AV	Mil rate
2015	7,353,451,941	832,900,767	65,448,195	19,674,351	747,778,221	767,452,572	92 %	2.04
2016	7,462,920,408	836,047,970	64,474,173	17,730,345	753,843,452	771,573,797	92 %	2.07
2017	7,846,369,226	865,169,007	61,708,968	16,867,752	786,592,287	803,460,039	93 %	2.09
2018	11,114,698,106	1,194,562,191	81,675,905	41,371,077	1,071,515,209	1,112,886,286	93 %	2.29
2019	11,199,397,485	1,240,416,009	76,966,123	44,193,799	1,119,256,087	1,163,449,886	94 %	2.35
2020	10,675,464,787	1,297,655,239	77,257,891	44,469,435	1,175,927,913	1,220,397,348	94 %	2.35
2021	11,349,042,012	1,371,578,958	81,922,170	37,536,288	1,248,669,381	1,289,656,788	94 %	2.35
2022	13,842,489,860	1,445,853,793	82,272,788	48,264,311	1,315,413,606	1,363,977,917	94 %	2.37
2023	13,192,645,085	1,503,791,073	80,239,818	49,449,419	1,374,101,836	1,423,551,255	95 %	2.43
2024	14,752,606,802	1,592,415,057	82,485,495	54,151,338	1,455,778,228	1,509,929,560	95 %	2.50

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue, PTOC Levy Limit worksheet, District financial records

Golder Ranch Fire District

Net Limited Assessed Property Value by Property Classification

(Last ten fiscal years)

<u>Fiscal year</u>	<u>Commercial, industrial, utilities, and mines</u>	<u>Agricultural and vacant</u>	<u>Residential (owner occupied)</u>	<u>Residential (rental)</u>	<u>Historical property</u>	<u>Total net limited assessed valuation</u>
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	100,742,378	42,944,448	489,834,086	169,936,295	2,832	803,460,039
2018	103,622,758	44,115,550	787,949,002	177,196,004	2,972	1,112,886,286
2019	158,911,806	52,899,821	713,040,044	238,595,094	3,121	1,163,449,886
2020	159,624,123	53,471,517	760,516,608	246,781,823	3,277	1,220,397,348
2021	159,030,684	56,077,041	798,118,284	276,427,368	3,411	1,289,656,788
2022	190,939,726	59,120,822	1,011,847,969	101,768,783	566	1,363,677,866
2023	170,931,365	53,326,518	1,115,738,288	83,551,288	3,794	1,423,551,253
2024	175,073,804	49,378,948	1,199,908,481	85,564,349	3,984	1,509,929,566

NOTE: Increase in Net Limited Assessed Property Value for fiscal year 2018/19 is mostly attributable to the consolidation of the District and Mountain Vista Fire District of Pima County, Arizona.

NOTE: Information prior to fiscal year 2017 was not available.

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Golder Ranch Fire District

Direct and Overlapping Property Tax Rates (per \$100 of assessed value)

(Last Ten Fiscal Years)

Fiscal year	Golder Ranch Fire District - Secondary	Golder Ranch Fire District - Debt Service	Amphitheater Unified School District #10	Pima Community College	Pima County	Pinal County
2015	2.04	0.14	3.97	1.33	4.28	4.06
2016	2.07	0.13	3.60	1.30	4.39	3.87
2017	2.09	0.13	5.49	1.38	4.29	3.87
2018	2.29	0.10	5.63	1.40	4.07	3.87
2019	2.35	0.09	5.45	1.38	4.58	3.79
2020	2.35	0.09	5.45	1.60	4.54	3.79
2021	2.35	0.11	4.21	1.33	4.78	3.69
2022	2.37	0.11	5.10	1.34	5.62	3.69
2023	2.43	0.14	5.01	1.28	5.10	3.56
2024	2.50	0.12	3.03	1.39	3.54	3.56

Source: Property Tax Rates and Assessed Values, Arizona Tax Research Foundation.

Golder Ranch Fire District

Principal Property Taxpayers

FY 2024 and FY 2015

Taxpayer	Fiscal year					
	2024			2015		
	Limited net assessed value	Rank	Percent of District's net limited assessed valuation	Net full cash assessed value	Rank	Percent of District's net full cash assessed valuation
Oro Valley Hospital	8,964,309	1	0.6 %	10,385,671	1	1.4 %
Oro Valley Market Place	8,805,776	2	0.6 %	5,257,481	3	0.7 %
Roche	5,378,366	3	0.4 %	3,991,460	6	0.5 %
Splendido	4,270,873	4	0.3 %	5,240,941	4	0.7 %
Honeywell	3,914,939	5	0.3 %	4,923,082	5	0.6 %
Desert Point	3,617,409	6	0.2 %	2,052,077	8	- %
Miraval Resort	3,075,639	7	0.2 %	3,779,034	7	0.5 %
El Conquistador Resort	2,013,433	8	0.1 %	-	-	- %
Encantada Steam Pump Ranch	1,874,258	9	0.1 %	-	-	- %
HSL La Reserve Villas	1,608,115	10	0.1 %	-	-	- %
Sonofi	-	-	- %	5,300,000	2	0.7 %
HDP Northwest	-	-	- %	1,593,152	9	0.2 %
Target Corp	-	-	- %	1,506,736	10	0.2 %
Total	1,509,929,560			767,452,572		

Source: Pima/Pinal County Assessor's website

Golder Ranch Fire District

Property Tax Levies and Collections

(Accrual Basis)
(Last Ten Fiscal Years)

Fiscal year	Operating property tax levy	Tax roll corrections	Property tax levy (adjusted)	Collected within the fiscal year of the levy		Collections in subsequent years	Total collections to date	
				Amount	% of levy		Amount	% of levy
2015	16,733,540	(463)	16,733,077	16,398,624	98.0 %	333,905	16,732,529	100.0 %
2016	16,974,606	(2,021)	16,972,585	16,577,634	97.7 %	393,910	16,971,544	100.0 %
2017	17,836,813	(17,345)	17,819,468	17,588,080	98.7 %	231,348	17,819,428	100.0 %
2018	26,519,024	(139,668)	26,379,356	26,251,961	99.5 %	122,155	26,374,116	100.0 %
2019	28,415,178	(9,679)	28,405,499	27,638,023	97.3 %	759,946	28,397,969	100.0 %
2020	29,728,895	(4,483)	29,724,412	29,343,391	98.7 %	381,021	29,724,412	100.0 %
2021	31,725,557	(2,141)	31,723,416	30,605,303	96.5 %	1,113,756	31,719,059	100.0 %
2022	34,228,315	(151)	34,228,164	33,974,854	99.3 %	248,516	34,223,370	100.0 %
2023	36,585,269	(203)	36,585,066	36,103,405	98.7 %	465,168	36,568,573	100.0 %
2024	37,748,240	-	37,748,240	36,103,405	95.6 %	-	36,103,405	95.6 %

Source: Pima and Pinal County Treasurer reports

Golder Ranch Fire District

Computation of Legal Debt Margin

(Last Ten Fiscal Years)

	Fiscal year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net assessed value	1,509,929,560	1,423,551,255	1,363,677,866	1,289,656,788	1,220,397,348	1,163,449,886	1,112,886,286	803,460,039	771,573,797	767,452,572
Debt limit rate (Article IX, Sect 8)	6 %	6 %	6 %	6 %	6 %	6 %	6 %	6 %	6 %	6 %
Debt limit	90,595,774	85,413,075	81,820,672	77,379,407	73,223,841	69,806,993	66,773,177	48,207,602	46,294,428	46,047,154
Less bond and lease obligations	<u>(57,871,682)</u>	<u>(59,593,688)</u>	<u>(58,779,858)</u>	<u>(58,196,896)</u>	<u>(12,845,604)</u>	<u>(12,671,916)</u>	<u>(14,633,015)</u>	<u>(9,359,804)</u>	<u>(10,280,171)</u>	<u>(10,854,778)</u>
Additional debt capacity	<u>32,724,092</u>	<u>25,819,387</u>	<u>23,040,814</u>	<u>19,182,511</u>	<u>60,378,237</u>	<u>57,135,077</u>	<u>52,140,162</u>	<u>38,847,798</u>	<u>36,014,257</u>	<u>35,192,376</u>
Debt capacity as a percent of total debt limit	63.9 %	69.8 %	71.8 %	75.2 %	17.5 %	18.2 %	21.9 %	19.4 %	22.2 %	23.6 %

Source: State and County Abstract of the Assessment Roll and District financial records

Golder Ranch Fire District

Direct and Overlapping Governmental Activities Debt

Jurisdiction	**Net direct debt outstanding at June 30, 2023	Percentage applicable to District (based on 2023 NAV)	Amount applicable to District
Pima County*	270,453,000	11.86 %	32,065,557
Amphitheater Unified School District No. 10	76,275,000	41.38 %	31,562,595
Town of Oro Valley	44,820,593	100.00 %	44,820,593
Pinal County	285,957,000	7.91 %	<u>22,621,612</u>
Subtotal, overlapping debt			131,070,357
Direct:			
Golder Ranch Fire District			<u>57,871,682</u>
Total direct and overlapping debt			<u><u>188,942,039</u></u>

Source: Pinal and Pima County ACFR, Town of Oro Valley ACFR, June 30, 2023 and District financial records.

*Excludes improvement Districts

** Outstanding debt as of June 30, 2023 is the most recent information available. Includes all long-term debt instruments of the governmental activities, including bonds, notes, certificates of participation, loans and capital leases.

Golder Ranch Fire District

Outstanding Debt by Type

(Last Ten Fiscal Years)

Fiscal year	General obligation bonds							Total outstanding debt		
	General obligation bonds	Debt service monies available	Net bonded debt	Ratio to assessed value	Per capita	Percentage of personal income	Leases/ financed purchases/ certificates of participation	Total	Per capita	Percentage of personal income
2015	9,165,000	1,575,872	7,589,128	1.0 %	125.07	0.3 %	1,659,778	10,824,778	178.40	0.5 %
2016	8,520,000	1,206,827	7,313,173	0.9 %	118.93	0.3 %	1,760,171	10,280,171	167.19	0.5 %
2017	7,044,000	271,779	6,772,221	0.8 %	83.73	0.2 %	2,315,804	9,359,804	115.73	0.3 %
2018	6,448,000	354,352	6,093,648	0.5 %	75.18	0.2 %	8,185,015	14,633,015	180.53	0.5 %
2019	5,558,000	383,694	5,174,306	0.4 %	63.67	0.2 %	7,113,916	12,671,916	155.93	0.4 %
2020	12,773,293	460,404	12,312,889	1.0 %	147.30	0.4 %	1,300,604	14,073,897	168.37	0.4 %
2021	27,627,409	292,030	27,335,379	2.1 %	313.51	0.8 %	30,569,487	58,196,896	667.46	1.8 %
2022	29,502,009	360,944	29,141,065	2.1 %	293.65	0.8 %	29,277,849	58,779,858	592.31	1.6 %
2023	28,357,609	449,626	27,907,983	2.0 %	276.11	0.7 %	31,236,079	59,593,688	589.60	1.6 %
2024	27,070,209	599,801	26,470,408	1.8 %	256.37	0.6 %	30,801,473	57,871,682	560.51	1.4 %

Golder Ranch Fire District

Demographic and Economic Statistics

(Last Ten Fiscal Years)

Fiscal year	Population	Personal income	Per capita personal income	Unemployment rate - Pima Countywide
2015	60,678	2,203,830,393	36,320	5.1 %
2016	61,489	2,120,493,144	34,486	5.3 %
2017	80,879	2,886,217,504	35,686	4.4 %
2018	81,056	2,893,501,243	35,698	4.4 %
2019	81,267	2,894,978,243	35,623	4.4 %
2020	83,591	3,141,079,624	37,577	10.6 %
2021	87,191	3,307,759,756	37,937	6.5 %
2022	99,238	3,654,858,034	36,829	4.0 %
2023	101,074	3,737,439,606	36,977	4.4 %
2024	103,249	4,224,070,326	40,911	3.9 %

Source: Pima County Association of Governments, University of Arizona

Golder Ranch Fire District

Demographic and Economic Statistics

Census year								
2024					2011			
Community	Population	Percentage of population >65 years of age	Land area (square miles)	Persons / square miles	Population	Percentage of population >65 years of age	Land area (square miles)	Persons / square miles
Saddlebrooke	13,634	70.8 %	48.50	281.1	9,950	75.2 %	48.50	328.2
Catalina	7,710	27.7 %	14.10	546.8	7,569	26.1 %	14.10	536.4
Town of Oro Valley	48,631	34.6 %	34.99	1,389.9	43,070	32.7 %	34.99	1,154.4
Other	33,274	15.2 %	145.81	228.2	900	16.4 %	145.81	6.0
	<u>103,249</u>		<u>243.40</u>	<u>424.2</u>	<u>61,489</u>		<u>243.40</u>	<u>252.6</u>

Golder Ranch Fire District

Principal Employers

FY 2024 and FY 2015

Employer	Fiscal year					
	2024			2015		
	Employees	Rank	Percent of total employment	Employees	Rank	Percent of total employment
Roche Tissue Diagnostics	1,800	1	4 %	1,500	1	10 %
Oro Valley Hospital	500	2	1 %	533	2	4 %
Simpleview	470	3	1 %	-	-	- %
Town of Oro Valley	449	4	1 %	433	5	3 %
Amphi Schools	439	5	1 %	477	3	3 %
Miraval Resorts	374	6	1 %	374	6	3 %
Walmart	338	7	1 %	346	7	2 %
Hilton El Conquistador Resort	294	8	1 %	475	4	3 %
Splendido	200	9	- %	175	9	1 %
Fry's Food Stores	182	10	- %	243	8	2 %
*Total estimated employee population	43,055		11 %	14,590		31 %

Source: OroValleyAZ.gov, Pima County Association of Governments, Miraval Resorts HR, Arizona Daily Star and Town of Oro Valley FY2020 ACFR

*based on an assumed 40.17% of total population

Golder Ranch Fire District

Full-Time Equivalent District Employees by Function

(Last Ten Fiscal Years)

	Fiscal year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Fire and rescue	230	230	203	209	204	224	220	154	140	135
Administrative and support	69	61	57	59	57	40	41	37	37	31
Total	299	291	260	268	261	264	261	191	177	166

Source: District records.

Golder Ranch Fire District

Operating Indicators by Function

(Last Ten Fiscal Years)

Function	Fiscal year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public safety										
Emergency medical service calls	11,174	11,116	11,029	9,749	9,078	8,729	9,031	6,694	6,324	5,997
Fire responses	163	137	146	166	193	216	229	181	186	159
Other responses (including hazardous condition, public service)	7,261	6,853	6,579	5,852	6,122	6,751	5,894	4,575	4,651	4,309
Miscellaneous - including good intent	<u>1,412</u>	<u>1,349</u>	<u>1,219</u>	<u>1,146</u>	<u>1,112</u>	<u>1,055</u>	<u>1,055</u>	<u>807</u>	<u>766</u>	<u>719</u>
Total	<u>20,010</u>	<u>19,455</u>	<u>18,973</u>	<u>16,913</u>	<u>16,505</u>	<u>16,751</u>	<u>16,209</u>	<u>12,257</u>	<u>11,927</u>	<u>11,184</u>

Source: District records.

Golder Ranch Fire District

Capital Assets by Function

(Last Ten Fiscal Years)

Function	Fiscal year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public safety										
Number of Stations	10	10	10	10	10	10	10	7	7	7
Equipment:										
Aerial/Truck/Platform	3	3	4	4	4	4	4	3	2	2
Brush Rig	7	6	8	7	6	6	5	4	4	3
Passenger Vehicles	51	51	41	42	38	38	37	26	24	20
Medic Unit	12	12	14	14	14	13	12	11	10	9
Mobile Command Unit	-	-	1	1	1	1	1	1	1	1
Pumper/Engine	19	19	17	16	15	15	15	11	10	9
Rehab Unit	1	1	1	1	1	1	1	1	1	1
Mass Casualty/MMRS	1	1	1	1	1	1	1	1	1	1
Technical Rescue	1	1	1	1	1	1	1	1	1	1
Water Tender	5	6	6	6	6	6	6	3	3	3
Total rolling stock	100	99	95	94	87	86	83	62	57	50

Source: District records.