

**AMBULANCE REVENUE and COST REPORT  
FIRE DISTRICT and SMALL RURAL COMPANY**

**Arizona Department of Health Services  
Annual Ambulance Financial Report**

**Beaver Dam/Littlefield Fire District  
Reporting Ambulance Service**

Address: 630 N Hwy 91  
City: Littlefield Zip: 86432

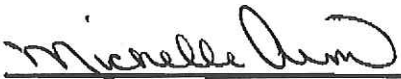
**Report Fiscal Year**

From: July 1, 2018 To: June 30, 2019  
Mo Day Year Mo Day Year

*I hereby verify that I have directed the preparation of the enclosed annual report in accordance with the reporting requirements of the State of Arizona.*

*I have read this report and hereby verify that the information provided is true and correct to the best of my knowledge.*

*This report has been prepared using the accrual basis of accounting.*

Authorized Signature:  Date: Dec. 27, 2019  
Print Name and Title: Michelle Arnett, Finance Director  
Phone: 928-347-5114

Mail to:  
Department of Health Services  
Bureau of Emergency Medical Services  
Certificate of Necessity and Rates Section  
150 North 18th Avenue, Suite 540  
Phoenix, AZ 85007-3248  
Telephone: (602) 364-3150  
Fax: (602) 364-3567

**RECEIVED**  
DEC 30 2019  
BEMSTS-CON & RATES

# AMBULANCE REVENUE AND COST REPORT

## FIRE DISTRICT and SMALL RURAL COMPANY

**AMBULANCE SERVICE ENTITY:**

Beaver Dam/Littlefield Fire District

**FOR THE PERIOD**

**FROM:** July 1, 2018

**TO:** June 30, 2019

**STATISTICAL SUPPORT DATA**

Line No.	<u>DESCRIPTION</u>	(1) SUBSCRIPTION SERVICE TRANSPORTS	*(2) TRANSPORTS UNDER CONTRACT	(3) TRANSPORTS NOT UNDER CONTRACT	(4) TOTALS
1	Number of ALS Billable Transports:			11	11
2	Number of BLS Billable Transports:			395	395
3	Number of Loaded Billable Miles:			13,319	13,319
4	Waiting Time (Hr. & Min.):				
5	Canceled (Non-Billable) Runs:				278

**AMBULANCE SERVICE ROUTINE OPERATING REVENUE**

6	ALS Base Rate Revenue			\$ 12,190
7	BLS Base Rate Revenue			439,152
8	Mileage Charge Revenue			183,122
9	Waiting Charge Revenue			
10	Medical Supplies Charge Revenue			
11	Nurses Charge Revenue			
12	Standby Charge Revenue (Attach Schedule)			12,354
13	<b>TOTAL AMBULANCE SERVICE ROUTINE OPERATING REVENUE</b>		(Post to Page 3, Line 1)	<b>\$ 646,818</b>

**SALARY AND WAGE EXPENSE DETAIL**

**GROSS WAGES:**

		\$	** No. of FTE's
14	Management	46,023	1.6
15	Paramedics and iEMTs	23,415	0.7
16	Emergency Medical Technician (EMT)	71,737	2.8
17	Other Personnel	34,623	0.9
18	Payroll Taxes and Fringe Benefits - All Personnel	78,537	
19	<b>Total Wages, Taxes &amp; Benefits</b> (Sum Lines 14 through 18; Post to Page 3, Line 10)	<b>254,335</b>	<b>6</b>

**RECEIVED**

DEC 30 2019

**BEMS/CON**

\* This column reports only those runs where a contracted discount rate was applied

\*\* Full-time equivalents (F.T.E.) is the sum of all hours for which employees wages were paid during the year divided by 2080.

**AMBULANCE REVENUE AND COST REPORT**  
**FIRE DISTRICT and SMALL RURAL COMPANY**

**AMBULANCE SERVICE ENTITY:**

Beaver Dam/Littlefield Fire District

**FOR THE PERIOD**

**FROM:**

July 1, 2018

**TO:**

June 30, 2019

**SCHEDULE OF REVENUES AND EXPENSES**

Line No.	<u>DESCRIPTION</u>		
<b>Operating Revenues:</b>			
1	Total Ambulance Service Operating Revenue	(From: Page 2, Line 13)	\$ <u>646,818</u>
<b>Settlement Amounts:</b>			
2	AHCCCS .....		<u>87,767</u>
3	Medicare .....		<u>138,524</u>
4	Subscription Service .....		
5	Contractual .....		
6	Other .....		<u>52,406</u>
7	Total	(Sum of Lines 2 through 6)	<u>278,697</u>
8	Total Operating Revenue	(Line 1 minus Line 7)	\$ <u>368,121</u>
<b>Operating Expenses:</b>			
9	Bad Debt .....		\$ <u>85,669</u>
10	Total Salaries, Wages, and Employee-Related Expenses	(From: Page 2, Line 19)	<u>254,335</u>
11	Professional Services .....		<u>27,660</u>
12	Travel and Entertainment .....		<u>2,547</u>
13	Other General Administrative .....		<u>6,164</u>
14	Depreciation .....		
15	Rent / Leasing .....		<u>30,287</u>
16	Building / Station .....		
17	Vehicle Expense .....		<u>18,315</u>
18	Other Operating Expense .....		<u>8,740</u>
19	Cost of Medical Supplies Charged to Patients .....		<u>17,230</u>
20	Interest .....		<u>2,606</u>
21	Subscription Service Sales Expense .....		
22	Total Operating Expense	(Sum of Lines 9 through 21)	<u>453,553</u>
23	Total Operating Income or (Loss)	(Line 8 minus Line 22)	\$ <u>(85,432)</u>
24	Subscription Contract Sales .....		
25	Other Operating Revenue .....		
26	Local Supportive Funding .....		
27	Other Non-Operating Income (Attach Schedule) .....		
28	Other Non-Operating Expense (Attach Schedule) .....		
29	NET INCOME or (LOSS) Before Income Taxes	(Sum of Lines 23 through 27, minus Line 28)	\$ <u>(85,432)</u>
<b>Provision for Income Taxes:</b>			
30	Federal Income Tax	..... <b>RECEIVED</b> .....	
31	State Income Tax	.....	
32	Total Income Tax	..... <b>DEC 30 2019</b> ..... (Line 30, plus Line 31)	
33	<b>Ambulance Service Net Income (Loss)</b>	..... <b>BEMS/CON</b> ..... (Line 29, minus Line 32)	<u>(85,432)</u>

# AMBULANCE REVENUE AND COST REPORT

## FIRE DISTRICT and SMALL RURAL COMPANY

**AMBULANCE SERVICE ENTITY:** Beaver Dam/Littlefield Fire District

**FOR THE PERIOD** FROM: July 1, 2018 TO: June 30, 2019

**BALANCE SHEET**

Current audited financial statements may be submitted in lieu of these pages.

**ASSETS**

*See Current Audited Financial Statements*

**CURRENT ASSETS**

1	Cash .....	\$		
2	Accounts Receivable .....			
3	Less: Allowance for Doubtful Accounts .....			
4	Inventory .....			
5	Prepaid Exper .....			
6	Other Current Assets .....			
7	<b>TOTAL CURRENT ASSETS</b> .....			<b>\$</b> _____
9	<b>PROPERTY &amp; EQUIPMENT</b> .....			
10	Less: Accumulated Depreciation .....			
11	<b>OTHER NON CURRENT ASSETS</b> .....			
12	<b>TOTAL ASSETS</b> .....			<b>\$</b> _____

**LIABILITIES & EQUITY**

**CURRENT LIABILITIES**

13	Accounts Payable .....	\$		
14	Current Portion of Notes Payable .....			
15	Current Portion of Long-Term Debt .....			
16	Deferred Subscription Income .....			
17	Accrued Expenses and Other .....			
18	.....			
19	.....			
20	<b>TOTAL CURRENT LIABILITIES</b> .....			<b>\$</b> _____
21	<b>NOTES PAYABLE</b> .....			
22	<b>LONG-TERM DEBT, OTHER</b> .....			
23	<b>TOTAL LONG-TERM DEBT</b> .....			

**EQUITY & OTHER CREDITS**

**Paid-In Capital:**

24	Common Stock .....			
25	Paid-In Capital in Excess of Par Value .....			
26	Contributed Capital .....			
27	Retained Earnings .....			
28	.....			
29	.....			
30	<b>Fund Balance</b> .....			
31	<b>TOTAL EQUITY</b> .....			_____
32	<b>TOTAL LIABILITIES &amp; EQUITY</b> .....			<b>\$</b> _____

**RECEIVED**

**DEC 30 2019**

**BEMS/CON**

Beaverdam/Littlefield Fire District  
Standby Revenue  
July 1, 2018 - June 30, 2019

<u>Name</u>	<u>Amount</u>
Littlefield Unified School District	1,400.00
Magilla Entertainment LLC	196.00
Mann Creek Buckin Bulls	420.00
Mesquite Motocross Park LLC	4,620.00
Motorcycle Riders Assoc of NV	308.00
Podium Promotions LLC	1,176.00
Spartan Race	3,332.00
Viive Events LLC	902.00
	<u>12,354.00</u>

**RECEIVED**

**DEC 3 '0 2019**

**BEMS/CON**

BEAVER DAM/LITTLEFIELD FIRE DISTRICT

Table of Contents

	<u>Page</u>
Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position.....	10
Statement of Activities.....	11
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	12
Reconciliation of the Balance Sheet of Governmental Funds To the Statement of Net Position.....	13
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.....	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	15
Notes to the Financial Statements.....	16
Required Supplemental Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	35
Schedule of Changes in the Net Pension Liability and Related Ratios.....	36
Schedule of Changes in the Net OPEB Liability and Related Ratios.....	37
Schedule of Pension/OPEB Contributions.....	38
Notes to Pension/OPEB Plan Schedules.....	39
Other Communications from Independent Auditors:	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	43

BEAVER DAM/LITTLEFIELD FIRE DISTRICT  
 FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2019  
 WITH REPORT OF  
 CERTIFIED PUBLIC ACCOUNTANTS

RECEIVED  
 DEC 30 2019  
 BEMS/CON

RECEIVED  
 DEC 30 2019  
 BEMS/CON



**Independent Auditor's Report**

Executive Director and Members of the Board  
Beaver Dam/Littlefield Fire District  
Beaver Dam, Arizona

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and the major fund of Beaver Dam/Littlefield Fire District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Beaver Dam/Littlefield Fire District as of June 30, 2019 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*This page is intentionally blank.*

RECEIVED  
DEC 30 2019  
BEMS/CON

RECEIVED

DEC 30 2019

BEMS/CON



**Beaver Dam/Littlefield Fire District**  
 630 N Highway 91, Beaver Dam, AZ. 86432  
 PH: (928) 347-5114 Fax: (928) 347-5273  
[www.beaverdam-littlefieldfire.org](http://www.beaverdam-littlefieldfire.org)



**Other Matters**

***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 OPEB schedules and notes as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2019, on our consideration of Beaver Dam/Littlefield 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 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 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 Beaver Dam/Littlefield Fire District's internal control over financial reporting and compliance.

*Hinton Burdick, PLLC*  
 HintonBurdick, PLLC  
 Mesquite, Nevada  
 November 19, 2019

RECEIVED

DEC 30 2019

BEMSICON

**FINANCIAL HIGHLIGHTS**

- Total assets and deferred outflows exceed total liabilities and deferred inflows (i.e. net position) by \$1,811,191 at the end of the fiscal year.
- Total net position increased by \$49,654.
- Total revenue from all sources was \$1,113,072 and the total cost of all district programs was \$1,063,418.
- Total long-term debt (excluding compensated absences and net pension/OPEB liability) decreased by \$20,600.
- The net pension/OPEB liabilities were \$344,006 at the end of the fiscal year.
- Total revenue received in the general fund was \$272,336 more than the final budget and expenditures were \$484,637 less than the final budget.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$697,499 or 66% of total general fund expenditures.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements, which include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the District as a whole. (2) Fund financial 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. (3) Notes to the financial statements.

**Reporting the District as a Whole**

**The Statement of Net Position and the Statement of Activities (Government-wide)**

A frequently asked question regarding the District's financial health is whether the year's activities contributed positively to the overall financial well-being. 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 of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. Net position, the difference between assets (and deferred outflows) and liabilities (and deferred inflows), are one way to measure the District's financial health, or financial position. Over time, increases or decreases in net position are an indicator of whether the financial health is improving or deteriorating. However, it is important to consider other non-financial factors such as changes in the District's property tax base or jurisdiction, the availability of capital projects, and condition of the District's assets to accurately assess the overall health of the District.

RECEIVED

DEC 30 2019

BEMSICON



The Statement of Net Position and the Statement of Activities, present information about the following:

- Government activities – All of the District's basic services are considered to be governmental activities, including public safety and interest on long-term debt. Property taxes, intergovernmental revenues and charges for services finance most of these activities.
- Proprietary activities/Business type activities – The District currently does not maintain any proprietary activities, all activities are accounted for as governmental activities.

**Reporting the District's Most Significant Funds**

**Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds—not the District as a whole. The District's major fund uses the accounting approaches as explained below.

- Governmental funds – All of the District's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Government fund information shows 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 Basic Financial Statements and in Note 2.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of the District's financial position. The District's combined assets exceed liabilities by \$1,811,191 as of June 30, 2019, as shown on the following condensed statement of net position.

	6/30/2019	6/30/2018
Current and other assets	\$ 997,187	\$ 950,176
Capital assets	849,175	865,783
Total assets	1,846,362	1,815,959
Deferred outflows of resources	455,987	444,978
Long-term obligations	458,014	453,146
Other liabilities	28,463	45,825
Total liabilities	486,477	498,971
Deferred inflows of resources	4,681	429
Net position:		
Net investment in capital assets	776,447	772,455
Unrestricted	1,034,744	989,082
Total net position	\$ 1,811,191	\$ 1,761,537

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

**Governmental Activities**

The cost of all governmental activities this year was \$1,063,418. Those who directly benefited from the programs paid for \$573,655 of this cost. Over all governmental program revenues, including intergovernmental aid and fees for services, were \$573,655. General taxes, investment earnings and other general revenues totaled \$539,417.

The District's programs include public safety. The program's net cost (total cost less revenues generated by the activities) is presented below. The net cost shows the extent to which the District's general taxes support each of the District's programs.

During fiscal year 2019 the District responded to 187 fire calls and 795 medical calls. This was an increase from fiscal year 2018 by 4 and 150, respectively.

**Change in Net position**

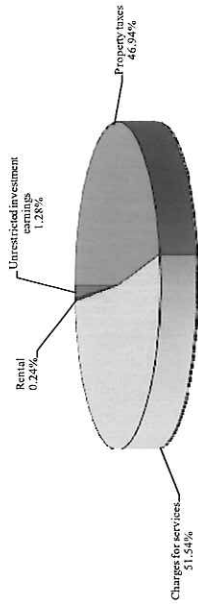
	6/30/2019	6/30/2018
Revenues:		
Program revenues:		
Charges for services	\$ 573,655	\$ 705,432
General revenues:		
Property taxes	522,469	502,885
Rental	2,650	2,520
Unrestricted investment earnings	14,298	8,413
Gain on sale of capital assets	-	3,357
Total revenues	1,113,072	1,222,607
Expenses:		
Public safety	1,060,612	979,610
Interest on long-term debt	2,806	10,704
Total expenses	1,063,418	990,314
Change in net position	49,654	232,293
Net position, beginning	1,761,537	1,492,694
Restatement/prior period adjustment	-	36,550
Net position, ending	\$ 1,811,191	\$ 1,761,537

Total resources available during the year to finance governmental operations were \$2,874,609 consisting of net position at June 30, 2018 of \$1,761,537, program revenues of \$573,655, and general revenues of \$539,417. The total cost of governmental activities during the year was \$1,063,418; thus governmental net position increased by \$49,654 to an ending net position of \$1,811,191.

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

The following graph provides a breakdown of revenues by source for all government activities.

Revenue By Source - Governmental Activities



#### General Fund Budgetary Highlights

The final appropriations for the general fund at fiscal year-end were \$484,637 more than actual expenditures. Actual revenues were greater than the final budget by \$272,336. In addition, other financing sources (capital leases) were less than the budget by \$538,001. This was in relation to the purchase of a fire truck with an accompanying capital lease, which did not get finalized until fiscal year 2019/2020. Budget amendments and supplemental appropriations were not made during the year after the adoption of the original budget.

#### CAPITAL ASSET AND DEBT ADMINISTRATION

##### Capital Assets

The capital assets of the District are those assets that are used in performance of District functions. Capital assets include land, buildings, equipment, and emergency vehicles. At the end of fiscal year 2019, net capital assets of the government activities totaled \$849,175. Depreciation on capital assets is recognized in the government-wide financial statements. See Note 4 to the financial statements.

##### Debt

The long-term debt (excluding compensated absences and net pension/OPEB liabilities) of the District was \$72,728 as of the end of fiscal year 2019, which is a decrease of \$20,600 from the prior fiscal year.

#### NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

In considering the District's budget for fiscal year 2019/2020, the District board and management estimated the budget for operating revenues and expenditures to slightly increase compared to fiscal year 2018/2019. This is due mainly to an increase in interest income and fuel expenditures for the fire trucks.

#### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Michelle Arnett, Finance Director of the Beaver Dam/Littlefield Fire District at P.O. Box 579, Littlefield, AZ 86932 or call 928-347-5114.

*The remainder of this page is intentionally left blank*

RECEIVED  
DEC 30 2019  
BEMS/CON

RECEIVED  
DEC 30 2019  
BEMS/CON

*This page is intentionally blank.*

**BASIC FINANCIAL STATEMENTS**

8

**RECEIVED**  
**DEC 3 0 2019**  
**BEMS/CON**

9

**RECEIVED**  
**DEC 3 0 2019**  
**BEMS/CON**

BEAVER DAM/LITTLEFIELD FIRE DISTRICT  
Statement of Net Position  
June 30, 2019

<b>Assets</b>	<b>Governmental Activities</b>
Cash and cash equivalents	\$ 918,570
Receivables, net of allowance	60,560
Prepays	18,057
Capital assets, net of accumulated depreciation	
Land	29,839
Buildings and improvements	249,365
Machinery and equipment	84,044
Vehicles	485,927
Total assets	<u>1,846,362</u>
<b>Deferred Outflows of Resources</b>	
Deferred outflows related to pensions/OPEB	<u>455,987</u>
<b>Liabilities</b>	
Accounts payable and other current liabilities	28,463
Noncurrent liabilities:	
Due within one year	35,406
Due in more than one year	78,602
Net pension/OPEB liabilities	<u>344,006</u>
Total liabilities	<u>486,477</u>
<b>Deferred Inflows of Resources</b>	
Deferred inflows related to pensions/OPEB	<u>4,681</u>
<b>Net Position</b>	
Net investment in capital assets	776,447
Unrestricted	<u>1,034,744</u>
Total net position	<u>\$ 1,811,191</u>

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

10

RECEIVED  
DEC 30 2019  
BEMS/CON

BEAVER DAM/LITTLEFIELD FIRE DISTRICT  
Statement of Activities  
For the Year Ended June 30, 2019

	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Governmental Activities	Total
<b>Functions/Programs</b>				
Governmental activities:				
Public safety	\$ 1,060,612	\$ 573,655	\$ (486,957)	\$ (486,957)
Interest on long-term debt	2,806	-	(2,806)	(2,806)
Total governmental activities	<u>\$ 1,063,418</u>	<u>\$ 573,655</u>	<u>(489,763)</u>	<u>(489,763)</u>
General revenues:				
Property and other taxes			522,469	522,469
Rental			2,650	2,650
Unrestricted investment earnings			14,298	14,298
Total general revenues			<u>539,417</u>	<u>539,417</u>
Change in net position			49,654	49,654
Net position - beginning			1,761,537	1,761,537
<b>Net position - ending</b>			<u>\$ 1,811,191</u>	<u>\$ 1,811,191</u>

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

11

RECEIVED  
DEC 30 2019  
BEMS/CON

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Balance Sheet  
Governmental Funds  
June 30, 2019

	General Fund	Total Governmental Funds
<b>Assets</b>		
Cash and cash equivalents	\$ 918,570	\$ 918,570
Accounts receivable, net of allowance of \$75,186	42,122	42,122
Due from other governments	18,438	18,438
Prepaid items	18,057	18,057
Total assets	<u>\$ 997,187</u>	<u>\$ 997,187</u>
<b>Liabilities, deferred inflows of resources, and fund balances</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 18,998	\$ 18,998
Accrued liabilities	9,465	9,465
Total liabilities	<u>28,463</u>	<u>28,463</u>
<b>Fund balances:</b>		
Nonspendable:		
Prepaid items	18,057	18,057
Assigned:		
Capital outlay	253,168	253,168
Unassigned	697,499	697,499
Total fund balances	<u>968,724</u>	<u>968,724</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 997,187</u>	<u>\$ 997,187</u>

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

**RECEIVED**  
DEC 30 2019  
BEMS/CON

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Reconciliation of the Governmental Funds Balance Sheet  
to the Government-Wide Statement of Net Position  
June 30, 2019

<b>Total governmental fund balance</b>	\$ 968,724
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.	
Capital assets	\$ 2,941,544
Accumulated depreciation	<u>(2,092,369)</u>
Some liabilities, including capital leases, are not due and payable in the current period and therefore are not reported in the funds.	
Capital leases	(72,728)
Compensated absences	(41,280)
Net pension/OPEB liability	<u>(344,006)</u>
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future reporting periods and, therefore, are not reported in the funds.	
Deferred outflows	455,987
Deferred inflows	<u>(4,681)</u>
<b>Total net position of governmental activities</b>	<u>\$ 1,811,191</u>

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

**RECEIVED**  
DEC 30 2019  
BEMS/CON

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2019**

	General Fund
	Year ended June 30, 2019
<b>Revenues:</b>	
Property and other taxes	\$ 522,469
Charges for services, including ambulance	276,762
Rental income	2,650
Other revenues, including wildland fires	298,129
Interest revenue	14,298
Total revenues	<u>1,114,308</u>
<b>Expenditures:</b>	
Fire protection and EMS:	
Insurance	28,818
Communications	52,738
Maintenance, supplies, fuel and other	146,618
Total fire protection	<u>228,174</u>
Department operations:	
Administrative costs	44,994
Salaries, wages and benefits	523,517
Maintenance, supplies and other	14,423
Payroll and other taxes	66,513
Training	8,457
Utilities	16,892
Total department operations	<u>674,796</u>
Debt service	35,406
Capital outlay - public safety	122,322
Total expenditures	<u>1,060,698</u>
Excess (deficiency) of revenues over expenditures	53,610
<b>Other financing sources (uses)</b>	
Capital lease	11,999
Total other financing sources (uses)	<u>11,999</u>
Net change in fund balance	65,609
Fund balance - beginning of year	903,115
<b>Fund balance - end of year</b>	<u>\$ 968,724</u>

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

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
**Reconciliation of the Governmental Funds Statement of Revenues,**  
**Expenditures, and Changes in Fund Balance to the**  
**Government-Wide Statement of Activities**  
**For the Year Ended June 30, 2019**

Amounts reported for governmental activities in the statement of activities are different because:		\$ 65,609
Net change in fund balance - total governmental funds		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	\$ 112,882	
Depreciation expense	(129,490)	(16,608)
Revenues for services that were not collected in the current period are not reported as revenue in the current period while they are recorded in the statement of activities. This is the change in the unavailable revenue balance for the fiscal year.		(1,236)
Debt proceeds provides 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 long-term liabilities in the statement of net position.		
Capital lease incurred	(11,999)	
Capital lease principal repayment	32,600	
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 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 liability/OPEB adjusted for changes in deferred outflows and inflows of resources related to pensions/OPEB, is reported in the statement of activities.		
Pension/OPEB contributions	98,105	
Pension/OPEB expense	(115,021)	(16,916)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses are reported regardless of when the financial resources are available.		
Increase in compensated absences	(1,796)	
Change in net position of governmental activities		<u>\$ 49,654</u>

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

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

NOTE 1. Significant Accounting Policies

Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Reporting Entity

The District was organized as a Special Service District pursuant to the provisions of Chapter 5 of Title 48 of the Arizona Revised Statutes – Special Taxing Districts, which sets forth the legal framework for a fire district. The District provides fire protection for the communities of Beaver Dam, Littlefield, Desert Springs, Scenic, and Jones Flat. The accompanying financial statements include all activities of the District. There are no other agencies, or component units, that should be associated with these financial statements.

Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The **General Fund** is used to account for all financial resources applicable to the general operations of the District. The District has no other funds.

During the course of operations, the District may have activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

RECEIVED  
DEC 30 2019  
BEMS/CON

NOTE 1. Significant Accounting Policies, Continued

Further, certain activity may occur during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. The District uses 90 days instead of 60 days to better coincide with the collection period of ambulance billings. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, 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. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, fire district assistance taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 90 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 90 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the District.

RECEIVED  
DEC 30 2019  
BEMS/CON

NOTE 1. Significant Accounting Policies, Continued

**Budgets and Budgetary Accounting**

Annual budgets are prepared and adopted by resolution by the Board on or before July 15th for the fiscal year in accordance with State law. Prior to adoption of the budget, a public hearing is conducted to obtain taxpayer input. The budget includes proposed expenditures and the proposed sources of financing for such expenditures and is adopted on a basis consistent with generally accepted accounting principles using the modified accrual basis of accounting. Budgets are adopted and control of budget appropriations are exercised under State law, at the department level. Budget amendments are required to increase expenditure budgets. During the current fiscal year, there were no amendments to the budget. Procedures for amending the budgets are completed in accordance with State laws. Refer to the budget and actual schedule for any excess expenditures over appropriations, if any.

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

*Receivables and Allowance for Uncollectible Receivables*

Receivables consist primarily of ambulance billings, grants and property taxes. An allowance for uncollectible accounts receivable on receivables relating to ambulance charges for services is considered necessary and is presented.

*Inventories and Prepaid Items*

All inventories are valued at cost using the first-in/first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. The District's inventory of materials and supplies is deemed to be immaterial, thus, no provision for inventory has been made in these financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

*Capital Assets*

Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statement of net position. The District defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings and improvements, 7 – 40 years; machinery and equipment, 5 – 7 years; vehicles, 5 – 10 years.

RECEIVED  
DEC 30 2019  
BEMS/CON

NOTE 1. Significant Accounting Policies, Continued

*Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position 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 one type of item that qualifies for reporting in this category. Accordingly, *penstion/OPEB* type items are reported in the government-wide financial statements (see Note 7).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position 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 two types of items that qualify for reporting in this category. Accordingly, *penstion/OPEB* type items are reported on the government-wide financial statements (see Note 7). Another type of item, which arises only under a modified accrual basis of accounting, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: ambulance revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

*Postemployment Benefits*

For purposes of measuring the net pension and other postemployment benefits (OPEB) liabilities, deferred outflows of resources and deferred outflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the plan's fiduciary net position of the Arizona Public Safety Personnel Retirement System (PSPRS), and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by PSPRS. For this purpose, benefit payments (including refund of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

*Net Position Flow Assumptions*

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

RECEIVED  
DEC 30 2019  
BEMS/CON



NOTE 1. Significant Accounting Policies, Continued

**Fund Balance Flow Assumptions**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance.

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The governing board is the highest level of decision-making authority for the District that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The executive director is authorized to assign amounts to a specific purpose in accordance with the board's budget policy. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**Revenues and Expenditures/Expenses**

**Program Revenues**

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

RECEIVED  
DEC 30 2019  
BEMS/CON

NOTE 1. Significant Accounting Policies, Continued

**Property Taxes**

Property taxes are collected by the Mohave County Treasurer and remitted to the District monthly. Taxes are levied each August on the taxable value listed as of the prior January 1 for all real property located within the District. Taxable values are established by the County Assessor at 100 percent of the fair market value on primary residential property and non-primary residential property. A revaluation of all property is required to be completed no less than every five years. Taxes are due and payable on October 1 and March 1 and become delinquent after November 1<sup>st</sup> and May 1<sup>st</sup> of each year. They become liens if not paid within two years from the date of levy.

**Compensated Absences**

For governmental funds, amounts of vested or accumulated paid time off (PTO) that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the government-wide financial statement of net position and as expenses in the government-wide statement of activities. No expenditures are reported for these amounts in the governmental fund financial statements. Accumulated unpaid PTO is accrued based on the District's expected legal obligation as of the statement date.

**Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains insurance for general liability, auto liability, employee dishonesty, and worker's compensation.

**Tax Abatements**

The District has not entered into any tax abatement agreements and the District is not aware of any tax abatement agreements that have been entered into by other governments that would reduce the District's tax revenues.

**Use of Estimates**

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

RECEIVED  
DEC 30 2019  
BEMS/CON

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 2. Reconciliation of Government-Wide and Fund Financial Statements**

The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net position of governmental activities as reported in the government-wide statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The details of these differences are reported in the reconciliation on page 13.

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. These differences are the result of converting from the current resources measurement focus and modified accrual basis for governmental fund statements to the economic resources measurement focus and full accrual basis used for government-wide statements. The details of these differences are reported in the reconciliation on page 15.

**NOTE 3. Deposits and Investments**

The District's cash and cash equivalents are considered to be cash-on-hand, demand deposits and short-term investments with original maturities of three months or less from the date of the acquisition for purposes of this note.

Deposits and investments of the District at June 30, 2019 consist of the following:

Deposits:	
Financial institutions	\$ 918,570
Total deposits	<u>\$ 918,570</u>

Cash and investments as shown on the statement of net position follows:

Cash and cash equivalents	\$ 918,570
---------------------------	------------

**Deposits**

*Custodial Credit Risk*

For deposits, this is the risk that in the event of a bank failure, the District's deposit may not be returned to it. The District does not have a formal policy for custodial credit risk. As of June 30, 2019, \$420,028 of the District's bank balance of \$940,149 was exposed to custodial credit risk because it was uninsured or uncollateralized.

**RECEIVED**  
**DEC 30 2019**  
**BEMSICON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 3. Deposits and Investments, Continued**

**Investments**

The District had no investments during the fiscal year June 30, 2019.

**NOTE 4. Capital Assets**

Capital asset activity for the year ended June 30, 2019 is as follows:

	Balance 6/30/2018	Additions	Deletions	Balance 6/30/2019
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 29,839	\$ -	\$ -	\$ 29,839
Total capital assets, not being depreciated	29,839	-	-	29,839
Capital assets, being depreciated:				
Buildings and improvements	515,129	-	(8,884)	506,245
Machinery and equipment	389,349	43,639	(12,351)	420,637
Vehicles	1,915,580	69,243	-	1,984,823
Total capital assets, being depreciated	2,820,058	112,882	(21,235)	2,911,705
Less accumulated depreciation for:				
Buildings and improvements	(250,461)	(15,303)	8,884	(256,880)
Machinery and equipment	(336,240)	(12,704)	12,351	(336,593)
Vehicles	(1,597,413)	(101,483)	-	(1,498,896)
Total accumulated depreciation	(1,984,114)	(129,490)	21,235	(2,092,369)
Total capital assets, being depreciated, net	835,944	(16,608)	-	819,336
Governmental activities capital assets, net	\$ 865,783	\$ (16,608)	\$ -	\$ 849,175

The entire amount of depreciation was charged to the governmental activity, public safety.

**Governmental Activities:**

Public safety	\$ 129,490
Total depreciation expense - governmental activities	<u>\$ 129,490</u>

**RECEIVED**  
**DEC 30 2019**  
**BEMSICON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 5. Long-term Liabilities**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2019:

	Balance 6/30/2018	Additions	Retirements	Balance 6/30/2019	Current Portion
<b>Governmental activities</b>					
Capital leases	\$ 93,328	\$ 11,999	\$ (32,599)	\$ 72,728	\$ 35,406
Accrued compensated absences	39,485	21,662	(19,887)	41,280	-
Net pension/OPEB liabilities	320,333	23,673	-	344,006	-
Total governmental activities	453,146	57,354	(52,486)	458,014	35,406
Total long-term liabilities	\$ 453,146	\$ 57,354	\$ (52,486)	\$ 458,014	\$ 35,406

The following is a list of long-term liabilities outstanding as of June 30, 2019:

**Lease payable:**

2.84% lease payable to Zions Bank in annual installments of \$32,893 through March 2021, secured by ambulance. \$ 63,042

1.82% lease payable to Xerox Financial Services in monthly installments of \$209 through June 2023, secured by copier. 9,686

Total leases payable 72,728

**Compensated absences**

Net pension/OPEB liabilities 41,280

Total long-term liabilities 344,006

Less current portion: 458,014

Net long-term liabilities (35,406)

\$ 422,608

**NOTE 6. Capital Lease Obligations**

The District has entered into lease agreements, which are considered capital leases in accordance with accounting standards. The leases are shown in the governmental activities of the government-wide statement. As of June 30, 2019, the gross amount of the vehicle and equipment capitalized under the leases is \$184,744 and related accumulated depreciation is \$42,707.

**RECEIVED**  
**DEC 30 2019**  
**BEMSICON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 6. Capital Lease Obligations, Continued**

The following is an annual schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments:

Year Ending June 30,	
2020	\$ 35,406
2021	35,406
2022	2,513
2023	2,513
Total remaining minimum lease payments	75,838
Less amount representing interest	(3,110)
Present value of net remaining minimum lease payments	\$ 72,728

**NOTE 7. Pensions and Other Postemployment Benefits**

The District contributes to the plans described below. The plans are a component unit of the State of Arizona. At June 30, 2019, the District reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

Statement of Net Position and Statement of Activities	Governmental Activities	Business-type Activities
Net pension and OPEB liability	\$ 344,006	-
Deferred outflows of resources	455,987	-
Deferred inflows of resources	4,681	-
Pension/OPEB expense	115,021	-

The District's accrued payroll and employee benefits includes \$948 of outstanding pension and OPEB contribution amounts payable to all plans for the year ended June 30, 2019. Also the District reported \$64,271 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

**Public Safety Personnel Retirement System (PSPRS)**

**Plan description** – The District's fire employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS).

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

NOTE 7. Pensions and Other Postemployment Benefits, Continued

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, Chapters, Article 4. Employees who were hired into a PSPRS position 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 includes financial statements and required supplementary information for PSPRS plans. The report is available on the PSPRS web site at [www.psprs.com](http://www.psprs.com).

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

*The remainder of this page is intentionally left blank*

RECEIVED  
DEC 30 2019  
BEMS/CON

NOTE 7. Pension and Other Postemployment Benefits, Continued

PSPRS	Initial membership date:	
	Before January 1, 2012	On or After January 1, 2012 and before July 1, 2017
<b>Retirement and Disability</b>		
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
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years
Benefit percent	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%
Normal Retirement		
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	
<b>Survivor Benefit</b>		
Retired Members	80% to 100% of retired member's pension benefit	
Active Members	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	

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

RECEIVED  
DEC 30 2019  
BEMS/CON

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 7. Pension and Other Postemployment Benefits, Continued**

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, 2019, the following employees were covered by the agent plan's benefit terms:

	Pension	Health
Inactive employees or beneficiaries currently receiving benefits	-	-
Inactive employees entitled to but not yet receiving benefits	1	-
Active employees	2	2
<b>Total</b>	<b>3</b>	<b>2</b>

**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 for the year ended June 30, 2019, are indicated below. Rates are a percentage of active members' annual covered payroll.

PSPRS	Active member - Pension	7.65%	District - Health insurance premium	1.46%
			District - Pension	22.85%

The District's contributions to the plans for the year ended June 30, 2019, were:

PSPRS	Pension	\$ 51,015	Health insurance premium benefit	-
-------	---------	-----------	----------------------------------	---

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 7. Pension and Other Postemployment Benefits, Continued**

During fiscal year 2019, the District paid for PSPRS pension and OPEB contributions 100% from the General Fund.

**Liability** – At June 30, 2019, the District reported the following assets and liabilities.

	Net pension (asset) liability	Net OPEB (asset) liability
PSPRS	\$ 323,311	\$ 20,695

The net assets and net liabilities were measured as of June 30, 2018, 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, 2018
Actuarial cost method	Entry Age Normal
Investment rate of return	7.40%
Wage inflation	3.50% for pensions/not applicable for OPEB
Price inflation	2.50% for pensions/not applicable for OPEB
Cost-of-living adjustment	Included for pensions/not applicable for OPEB
Mortality rates	RP-2014 tables using MP-2016 improvement scale with adjustments to match current experience.
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 7. Pension and Other Postemployment Benefits, Continued**

**Actuarial assumptions, Continued**

The long-term expected rate of return on PSPRS plan investments was determined to be 7.4% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Short term investments	2.00%	0.25%
Risk parity	4.00%	5.00%
Fixed income	5.00%	1.25%
Real assets	9.00%	4.52%
GTS	12.00%	3.96%
Private credit	16.00%	6.75%
Real estate	10.00%	3.75%
Private equity	12.00%	5.83%
Non-U.S. equity	14.00%	8.70%
U.S. equity	16.00%	7.60%
<b>Total</b>	<b>100.00%</b>	

**Discount Rate**—At June 30, 2018, the discount rate used to measure the PSPRS total pension/OPEB liability was 7.40 percent, which was the same as the discount rate used as of June 30, 2017. The projection of cash flows used to determine this 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 actuarially determined contribution rates and the member rate. Based on these 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.

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 7. Pension and Other Postemployment Benefits, Continued**

**Changes in the net pension/OPEB liability**

PSPRS	Total Pension Liability		Net Pension Liability		Total OPEB Liability		Net OPEB Liability	
	(a)	(b)	(a) - (b)	(a) - (b)	(c)	(d)	(c) - (d)	
Balances at June 30, 2018	\$ 354,232	\$ 56,511	\$ 297,741	\$ 22,592	\$ -	\$ -	\$ 22,592	
Changes for the year:								
Service cost	44,345	-	44,345	1,480	-	-	1,480	
Interest on total pension/OPEB liability	27,855	-	27,855	1,727	-	-	1,727	
Changes of benefit terms	-	-	-	-	-	-	-	
Differences between expected and actual experience in the measurement of the pension/OPEB liability	47,713	-	47,713	(5,104)	-	-	(5,104)	
Changes of assumptions	-	-	-	-	-	-	-	
Contributions - employer	-	62,465	62,465	(69,465)	-	-	(69,465)	
Contributions - employee	-	26,570	26,570	(26,570)	-	-	(26,570)	
Net investment income	-	5,948	5,948	(5,948)	-	-	(5,948)	
Benefit payments, including refunds of employee contributions	-	(891)	(891)	-	-	-	-	
Plan administrative expenses	-	1	1	(1)	-	-	(1)	
Other changes	119,913	94,243	25,570	(1,897)	-	-	(1,897)	
Balances at June 30, 2019	\$ 474,165	\$ 150,854	\$ 323,311	\$ 20,695	\$ -	\$ -	\$ 20,695	

**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 7.4%, as well as what the District's net pension/OPEB (assets) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.4%) or 1 percentage point higher (8.4%) than the current rate:

PSPRS	1% Decrease (6.40%)	Discount Rate (7.40%)	1% Increase (8.40%)
Net pension (asset) / liability	\$ 398,383	\$ 323,311	\$ 261,747
Net OPEB (asset) / liability	23,350	20,695	18,452

**Plan fiduciary net position** — Detailed information about the plans' fiduciary net position is available in the separately issued PSPRS financial report.

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 7. Pension and Other Postemployment Benefits, Continued**

**Expense** – For the year ended June 30, 2019, the District recognized the following pension and OPEB expense:

	<u>Pension expense</u>	<u>OPEB expense</u>
PSPRS	\$ 110,578	\$ 4,443

Deferred outflows/inflows of resources – At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

PSPRS	Pension		Health Insurance Premium Benefit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
	\$ 363,404	\$ -	\$ 10,570	\$ 4,351
Differences between expected and actual experience	16,539	-	-	77
Changes in assumptions	1,203	253	-	-
Net difference between projected and actual earnings on pension/OPEB plan investments	64,271	-	-	-
Contributions subsequent to the measurement date	-	-	-	-
<b>Total</b>	<b>\$ 445,417</b>	<b>\$ 253</b>	<b>\$ 10,570</b>	<b>\$ 4,428</b>

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, 2020. 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 Ended June 30	PSPRS	
	Pension	Health Insurance Premium Benefit
2020	\$ 71,560	\$ 1,236
2021	71,560	1,236
2022	71,562	1,236
2023	71,644	1,236
2024	71,344	1,236
Thereafter	23,223	(38)

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
Notes to the Financial Statements  
June 30, 2019

**NOTE 7. Pension and Other Postemployment Benefits, Continued**

**Tier 3 plan** – PSPRS administers a defined contribution pension plan as part of their Tier 3. The PSPRS Board of Trustees governs the PSPDCRP according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Benefit terms, including contribution requirements, are established by State statute.

For the year ended June 30, 2019, active Tier 3 members were required by statute to contribute at the actuarially determined rate indicated below of annual covered payroll.

Tier 3	Active member - Pension	10.51%	District - Pension	22.03%	District - Health insurance premium	0.00%
--------	-------------------------	--------	--------------------	--------	-------------------------------------	-------

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. For the year ended June 30, 2019, the District recognized pension expense of \$13,256.

*The remainder of this page is intentionally left blank*

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
**Required Supplementary Information**  
**GENERAL FUND**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other taxes	\$ 510,960	\$ 510,960	\$ 522,469	\$ 11,509
Charges for services, including ambulance	218,653	218,653	276,762	58,109
Rental income	2,520	2,520	2,650	130
Other revenues, including wildland fires	103,500	103,500	298,129	194,629
Interest earnings	6,339	6,339	14,298	7,959
Total revenues	841,972	841,972	1,114,308	272,336
<b>Expenditures:</b>				
Fire protection and EMS:				
Insurance	25,860	25,860	28,818	(2,958)
Communications	52,800	52,800	52,738	62
Maintenance, supplies, fuel and other	135,855	135,855	146,618	(10,763)
Total fire protection	214,515	214,515	228,174	(13,659)
Department operations:				
Administrative costs	48,390	48,390	44,994	3,396
Salaries, wages and benefits	510,900	510,900	523,517	(12,617)
Maintenance, supplies and other	18,208	18,208	14,423	3,785
Payroll and other taxes	41,400	41,400	66,513	(25,113)
Training	13,100	13,100	8,457	4,643
Utilities	16,790	16,790	16,892	(1,02)
Total department operations	648,788	648,788	674,796	(26,008)
Debt service	106,032	106,032	35,406	70,626
Capital outlay - public safety	566,000	566,000	122,322	443,678
Contingencies	10,000	10,000	-	10,000
Total expenditures	1,545,335	1,545,335	1,060,698	484,637
Excess (deficiency) of revenues over expenditures	(703,363)	(703,363)	53,610	756,973
<b>Other financing sources (uses):</b>				
Capital lease	550,000	550,000	1,199	(538,001)
Total financing sources (uses)	550,000	550,000	1,199	(538,001)
Net change in fund balance	(153,363)	(153,363)	65,609	218,972
Fund balance - July 1, 2018	903,115	903,115	903,115	-
<b>Fund balance - June 30, 2019</b>	<b>\$ 749,752</b>	<b>\$ 749,752</b>	<b>\$ 968,724</b>	<b>\$ 218,972</b>

**REQUIRED SUPPLEMENTARY INFORMATION**

**RECEIVED**  
**DEC 3 0 2019**  
**BEMS/CON**

**RECEIVED**  
**DEC 3 0 2019**  
**BEMS/CON**



**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
 Required Supplementary Information  
 Schedule of Changes in the Net Pension Liability and Related Ratios  
 Agent Plans  
 June 30, 2019

	Reporting Fiscal Year (Measurement Date)	
	2019 (2018)	2018 (2017)
<b>Total pension liability</b>		
Service cost	\$ 44,345	\$ -
Interest on total pension liability	27,855	-
Changes of benefit terms	-	(113,625)
Difference between expected and actual experience of the total pension liability	47,713	445,068
Changes of assumptions	-	22,809
Benefit payments, including refunds of employee contributions	-	-
<b>Net change in total pension liability</b>	<u>119,913</u>	<u>354,252</u>
<b>Total pension liability - beginning</b>	<u>354,252</u>	<u>-</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 474,165</u>	<u>\$ 354,252</u>
<b>Plan fiduciary net position</b>		
Contributions - employer	\$ 62,665	\$ 36,550
Contributions - employee	26,320	17,933
Net investment income	5,948	2,450
Benefit payments, including refunds of employee contributions	-	-
Pension plan administrative expenses	(591)	(422)
Other (net transfer)	1	-
<b>Net change in plan fiduciary net position</b>	<u>94,343</u>	<u>56,511</u>
<b>Plan fiduciary net position - beginning</b>	<u>56,511</u>	<u>-</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 150,854</u>	<u>\$ 56,511</u>
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 323,311</u>	<u>\$ 297,741</u>
Plan fiduciary net position as a percentage of the total pension liability	31.81%	15.95%
Covered payroll	224,189	210,642
Net pension liability as a percentage of covered payroll	144.21%	141.35%

Note: In accordance with GASB 68, the District will need to disclose a 10-year history for the pension schedule above. Additional information will be displayed as it becomes available.

**RECEIVED**  
 DEC 30 2019  
 BEMS/CON

	Reporting Fiscal Year (Measurement Date)	
	2019 (2018)	2018 (2017)
<b>Total OPEB liability</b>		
Service cost	\$ 1,480	\$ -
Interest on total OPEB liability	1,727	-
Changes of benefit terms	-	8,121
Difference between expected and actual experience of the total net OPEB liability	(5,104)	14,576
Changes of assumptions or other inputs	-	(105)
Benefit payments	-	-
<b>Net change in total OPEB liability</b>	<u>(1,897)</u>	<u>22,592</u>
<b>Total OPEB liability - beginning</b>	<u>22,592</u>	<u>-</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$ 20,695</u>	<u>\$ 22,592</u>
<b>Plan fiduciary net position</b>		
Contributions - employer	\$ -	\$ -
Net investment income	-	-
Benefit payments	-	-
Administrative expense	-	-
Other changes	-	-
<b>Net change in plan fiduciary net position</b>	<u>-</u>	<u>-</u>
<b>Plan fiduciary net position - beginning</b>	<u>-</u>	<u>-</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Net OPEB (asset) liability - ending (a) - (b)</b>	<u>\$ 20,695</u>	<u>\$ 22,592</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered payroll	\$ 224,189	\$ 210,642
Net OPEB liability as a percentage of covered payroll	9.23%	10.73%

Note: In accordance with GASB 75, the District will need to disclose a 10-year history for the OPEB schedule above. Additional information will be displayed as it becomes available.

**RECEIVED**  
 DEC 30 2019  
 BEMS/CON

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
 Required Supplementary Information  
 Schedule of Pension/OPEB Contributions  
 Agent Plans  
 June 30, 2019

	Reporting Fiscal Year		
	2019	2018	2017
<b>PSPRS - Pension</b>			
Actuarially required contribution	\$ 49,308	\$ 62,665	\$ 36,550
Contributions in relation to the actuarially required contribution	\$ (51,015)	\$ (62,665)	\$ (36,550)
Contribution deficiency (excess)	\$ (1,707)	\$ -	\$ -
Covered payroll	\$ 234,344	\$ 224,189	\$ 210,642
Contributions as a percentage of covered payroll	21.77%	27.95%	17.35%

Note: In accordance with GASB 68, the District will need to disclose a 10-year history for the pension schedule above. Additional information will be displayed as it becomes available.

	Reporting Fiscal Year		
	2019	2018	2017
<b>PSPRS - Health Insurance Premium Benefit</b>			
Actuarially required contribution	\$ 2,543	\$ -	\$ -
Contributions in relation to the actuarially required contribution	\$ -	\$ -	\$ -
Contribution deficiency (excess)	\$ 2,543	\$ -	\$ -
Covered payroll	\$ 234,344	\$ 224,189	\$ 210,642
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%

Note: In accordance with GASB 75, the District will need to disclose a 10-year history for the OPEB schedule above. Additional information will be displayed as it becomes available.

**RECEIVED**  
 DEC 30 2019  
 BEMS/CON

**BEAVER DAM/LITTLEFIELD FIRE DISTRICT**  
 Required Supplementary Information  
 Notes to Pension/OPEB Plan Schedules  
 June 30, 2019

**NOTE 1. Actuarially Determined Contribution Rates**

Actuarially 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	18 years for underfunded;
As of the 2017 actuarial valuation	20 years for overfunded
Asset valuation method	7-Year smoothed market;
	80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2017 actuarial valuation, the investment rate of return was decreased from 7.50% to 7.40%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.50%. In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	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%.
Wage growth	In the 2017 actuarial valuation, wage growth was decreased from 4.0% 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 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)

**RECEIVED**  
 DEC 30 2019  
 BEMS/CON

BEAVER DAM/LITTLEFIELD FIRE DISTRICT  
Required Supplementary Information  
Notes to Pension/OPEB Plan Schedules  
June 30, 2019

NOTE 2. 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.

RECEIVED  
DEC 30 2019  
BEMS/CON

OTHER COMMUNICATIONS FROM INDEPENDENT AUDITORS

RECEIVED  
DEC 30 2019  
BEMS/CON



**HINTONBURDICK**  
CPA & ADVISORS

**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance with Government Auditing Standards**

Executive Director and Members of the Board  
Beaver Dam/Littlefield Fire District  
Beaver Dam, Arizona

We have audited, in accordance with the 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, the financial statements of the governmental activities and the major fund of Beaver Dam/Littlefield Fire District (the District), as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 19, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in a separate schedule of findings and recommendations that we consider to be significant deficiencies (2015.003).

*This page is intentionally blank.*

**RECEIVED**  
**DEC 30 2019**  
**BEMS/CON**

**RECEIVED**

**DEC 30 2019**

**BEMS/CON**

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Hinton Burdick, PLLC*

Hinton Burdick, PLLC  
Mesquite, Nevada  
November 19, 2019

RECEIVED

DEC 30 2019

BEMSICON