

# Durango Fire Protection District

Durango - Colorado

## Comprehensive Annual Financial Report



*Prepared by the Management of the  
Durango Fire Protection District*



**2019**

**DURANGO FIRE PROTECTION DISTRICT  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Year Ended December 31, 2019**

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# INTRODUCTORY SECTION



*July 28, 2020*

*To the Durango Fire Protection District Board of Directors, City Council of Durango and Community.*

State law requires that governmental entities publish within seven months of the close of each calendar year (deadline extended in current year due to COVID 19) a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (US GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Durango Fire Protection District for the fiscal year ended December 31, 2019.

This report consists of management's representations concerning the finances of the Durango Fire Protection District. Consequently, management assumes full responsibility for the completeness and reliability for all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive framework that is designed to protect the government's assets from loss, theft or misuse, and to compile sufficient reliable information for the presentation of the Durango Fire Protection District's financial statements in conformity with US GAAP. As management, we assert to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. Any system of controls has inherent limitations and the cost of the controls should not exceed the benefits derived. The objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

The Durango Fire Protection District's financial statements have been audited by Haynie and Company, a firm of licensed, certified public accountants who regularly audit governmental entities in Colorado. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Durango Fire Protection District for the fiscal year ended December 31, 2019, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion and that Durango Fire Protection District's financial statements for the year ended December 31, 2019, are fairly presented in conformity with US GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement MD&A and should be read in conjunction with the audit. The Durango Fire Protection District's MD&A can be found immediately following the report of the independent auditors.

***Profile of the Durango Fire Protection District***

Durango Fire & Rescue Authority was formed in 2001 through an Intergovernmental Agreement ("IGA") between the City of Durango, Animas Fire Protection District, Hermosa Cliff Fire Protection District ( the "Contracting Parties"), and included the absorption of the Mercy Hospital Paramedic Ambulance system.



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In 2013, the Boards (Animas, Hermosa) and City Council that make up the Authority -- in the best interest of the community and the emergency service agency that serves them -- decided to create a single fire protection district and a 15 year voter approved contract with the City of Durango. This concept to vastly improve the efficiencies of scale in board leadership, conflicting goals, and financial redundancies was overwhelmingly approved by the voters of the Fire Districts and the City.

2014 was then the *first year that our emergency service became a single district, "Durango Fire Protection District"*, with a 15-year contract to provide emergency services to the municipality of Durango.

The Durango Fire Protection District provides fire suppression (structural, wildland and vehicle), emergency medical service/ambulance service to include patient transport, rescue (water, ice, low and high angle rope, confined space, vehicle extrication), fire prevention, fire code enforcement, public education, and hazardous material response.

These services are provided to a fulltime population in excess of 40,000 people in 325 square miles of southwest Colorado. The Durango Fire Protection District is funded by a property tax, specific ownership taxes, contract fees for services, ambulance transport service fees, impact fees, wildland firefighting fees and miscellaneous revenue.

Durango Fire Protection District is governed by an elected board of seven members. The governing Board has fiduciary responsibilities, sets policy, and works with the Chief in establishing goals. The Board is responsible for hiring the Chief of the Department. The Chief is responsible for carrying out the policies of the Board, for management and supervision of the day-to-day operations, and for managing its employees and members.

The annual budget and budget process serve as the foundation for the Durango Fire Protection District's financial planning and control. The District Board of Directors holds a public hearing and adopts its final budget no later than December 15th each year.

Appropriations for the budget are adopted on a total fund basis (General Fund and Capital Projects Fund). The Board of Directors may make additional appropriations during the budget year for expenditures required, but not in excess of the amount of actual revenues exceeding budgeted revenues and un-appropriated surplus for the fund. The Chief may transfer any unencumbered appropriation balance or a portion thereof from one classification of expenditure to another within the General Fund in order to carry out the goals and objectives of the Board of Directors and the Durango Fire Protection District.

### ***Factors Affecting Financial Condition***

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective, the specific environment within which the Durango Fire Protection District operates. The following is a recap of the economic factors impacting the Durango Fire Protection District and municipality.

### ***Local Economy***



**General:** The Durango geographic area is located in the southwestern part of Colorado in the County of La Plata. La Plata County experienced considerable economic and population growth from the late 1980's to 2008, and like most of the United States, the years between 2009 and 2011 showed considerable financial declines and challenges over previously prosperous years. The years since 2011 have brought slow but steady growth with an increase of 7.2% in population and a 22.1% increase in per capita personal income from 2011 through 2017. At the end of 2019, the unemployment rate in La Plata County was 2.5%.

Durango is the largest town and the major shopping destination in La Plata County and is also home to Fort Lewis College, a four-year liberal arts college with a student body of approximately 3,800 and faculty and staff of 772. Fort Lewis College Department of Economics believes that Durango's present economy is primarily based on tourism, now generating approximately 26% of all activity in La Plata County.

**City of Durango:** In 2019, the City provided 36% of the total revenue of the District. The City continues to be optimistic about the future as City sales tax collections remained positive through 2019. Real estate values continue to rapidly increase within the City and days on the market are minimal for those properties. New construction has been strong in Durango with commercial construction being particularly strong. Housing prices and loans remain a challenge for low to moderate income families.

**Durango Fire Protection District:** In 2019, 64% of total revenue was provided by the District. Property taxes accounted for 31% of total revenue and, 17% of the property tax base was from oil and gas production. This is a decline from 2017 when oil and gas production made up 29% of the property tax base. The valuation on natural gas will continue to be subject to market fluctuations of revenue.

### ***History of Our Long-term Planning and Finances***

Based on the clear success of the Authority from 2002 thru 2005, the Board of Directors developed a Service Plan in 2006 to create a stand-alone special district called the "Durango Fire Protection District", which would operate in place of the current Authority. The plan was placed on the ballot, voted upon, and approved in November 2006.

The second question on the November 2006 ballot was whether to fund the District, which if funded would create single governance over emergency services with a mill rate on property. The funding question failed to pass. Without a funding source it was not possible for the Durango Fire Protection District to operate the Agency.

After failure to pass a single funding solution for the newly established Durango Fire Protection District, the Authority Board of Directors commissioned an Operational Analysis in 2007.

The operational funding struggled to cover more than operating costs as the Durango Fire Protection District did not receive any separate capital funding. This is unlike the years 2002 through 2006 when the Authority received \$750,000 annually of additional capital allocation funds from all of the Contracting Parties. All the past Boards, Councils, Consultants, current Board of Directors, and the Chief believe that for the future sustainability of services the Durango Fire Protection District will need a long-term strategic approach to its operations and capital replacement program.



The three resulting tenants of the Operational Analysis were to have single governance for emergency services -- funded through a fair and equitable mill rate for both operations and capital -- and to develop a county wide impact fee to assist in offsetting capital needs.

In 2011, the Durango Fire Protection District put together a Citizens Review Panel. After a thorough five month process the Board unanimously supported going back to the electorate to approve a single mill levy for the District; and with that approval, the support to dissolve all the other Boards. This mill levy election once again failed at the polls by a margin of 57% to 43%.

The second failure of this legal consolidation effort was analyzed by the Board of Directors, Chief and Legal Counsel. They spent the later portion of 2012 working to craft a resolution that would be rolled out to the community in 2013. The clear goal was to restore the employee, operational and capital health of the department, while providing quality service and safety to our members.

After much effort on behalf of all the Boards, City Council, membership, staff and community, Durango Fire Protection District became a reality as a single emergency agency on January 1, 2014.

In November of 2017, the electorate of the Durango Fire Protection District as well as the citizens of the City of Durango overwhelmingly voted to increase the mill rate for fire protection by 2.5 mills. The mill rate for the property owners in the District increased from 5.7 mills to 8.2 mills.

The result of the increase in mill rate allowed the District to plan for and budget capital replacements of both rolling stock and fire stations which were not previously attainable. In addition, in 2019 the City Council of Durango approved a Fire Impact Fee designed to fund needed capital projects and cause new growth in the community to assist in expanding fire and EMS resource availability as our community grows. There will continue to be pressure on revenues as the residential assessment rate is estimated to go from 7.1 to an estimated 5.2 for property taxes collected in 2022 and the assessed valuations of oil and gas are expected to continue to decline. This decline may be partially offset by increases in market valuations and new construction, but the full result remains to be seen.

***Awards and Acknowledgements:***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Durango Fire & Rescue Authority for its comprehensive annual financial report for the fiscal years ended December 31, 2002 – 2006 then in 2010 – 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to express our appreciation to Haynie & Company, the firm that serves as the Durango Fire Protection District's external auditors.



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I would like to recognize the Durango Fire Protection District's Board of Directors for their unfailing leadership; its fiscal responsibility and dedication to the highest standards of professionalism and management for the District.

Respectfully submitted,

A handwritten signature in black ink that reads "Hal Doughty". The signature is written in a cursive, flowing style.

Hal Doughty  
Fire Chief  
Durango Fire Protection District



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Durango Fire Protection District  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

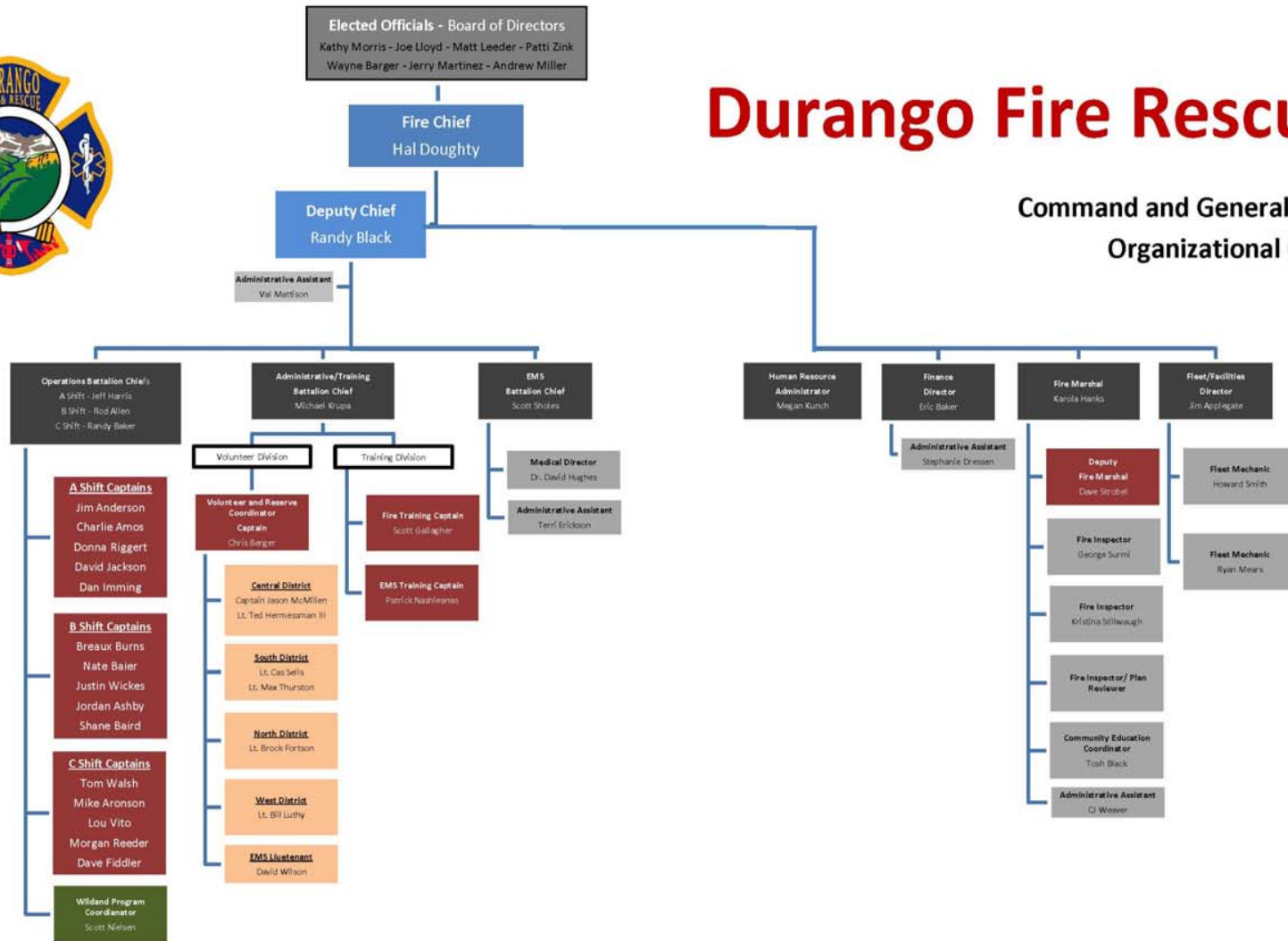
*Christopher P. Morill*

Executive Director/CEO



# Durango Fire Rescue

## Command and General Staff Organizational Chart 2020



## **DURANGO FIRE PROTECTION DISTRICT 2019 ELECTED OFFICIALS**

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### **DURANGO FIRE PROTECTION DISTRICT BOARD**

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**Kathy Morris, Chairperson**

**Wayne Barger**

**Matt Leeder**

**Joe Lloyd**

**Jerry Martinez**

**Andrew Miller**

**Patti Zink**

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### **DURANGO FIRE PROTECTION PENSION BOARD**

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**Kathy Morris, Chairperson**

**Don Baker**

**Wayne Barger**

**Fred Hutt**

**Matt Leeder**

**Joe Lloyd**

**Jerry Martinez**

**Andrew Miller**

**Patti Zink**

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## **OUR CONTRACTING PARTNER 2019 ELECTED OFFICIALS**

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### **CITY OF DURANGO**

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**Dean Brookie , Mayor**

**Kim Baxter**

**Chris Bettin**

**Barbara Noseworthy**

**Melissa Youssef**

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# FINANCIAL SECTION

DURANGO FIRE PROTECTION DISTRICT  
Management Discussion and Analysis  
Year Ended December 31, 2019



1221 W. Mineral Avenue, Suite 202  
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INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Durango Fire Protection District  
Durango, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of Durango Fire Protection District as of and for the year ended December 31, 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 of 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 each major fund of Durango Fire Protection District as of December 31, 2019, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.



An independently owned member  
RSM US Alliance



DURANGO FIRE PROTECTION DISTRICT  
Management Discussion and Analysis  
Year Ended December 31, 2019

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, 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 Information*

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Haynie & Company*

Littleton, Colorado  
July 28, 2020

DURANGO FIRE PROTECTION DISTRICT  
Management Discussion and Analysis  
Year Ended December 31, 2019

As the financial management of the Durango Fire Protection District (the "District"), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2019. This discussion and analysis is designed to assist the reader in focusing on the significant accomplishments, financial issues and activities, and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole.

***Financial Highlights***

- The assets of the District exceeded its liabilities and deferred inflows of resources at the close of its fiscal year ended December 31, 2019 by \$18,122,967 (net position). Of this amount \$6,638,067 is unrestricted and may be used to meet the District's ongoing obligations to citizens and creditors in accordance with the District's fiscal policies as more fully described below.
- Total revenues for the year ended December 31, 2019 were \$14,885,598 compared to total revenue of \$13,701,697 in 2018.
- The Fund Balance decreased by a total of \$2,289,550 during 2019 and was \$9,041,351 as of December 31, 2019.

***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to DFPD's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

***Government-wide financial statements:*** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The governmental activity of the District is primarily providing fire and emergency services for the Durango Fire Protection District and under contract for the City of Durango.

The statement of net position presents information on all of the District's assets, liabilities, and deferred inflows/outflows with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 20 and 21 of this report.

***Fund financial statements:*** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District currently has two funds, the General Fund which is a governmental fund and the Capital Projects Fund which is also a governmental fund.

DURANGO FIRE PROTECTION DISTRICT  
Management Discussion and Analysis  
Year Ended December 31, 2019

**Governmental funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. A reconciliation of the fund balance as reported in the governmental funds as the net change in fund balance to the change in net position has been provided to facilitate the comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget for its General Fund and its Capital Projects Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

The governmental fund financial statements are presented on pages 22 through 25 of this report.

**Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Mark Carroll Pension Fund is not reflected in the government-wide financial statements because the resources of the fiduciary fund are not available to support the District's own programs.

**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 can be found on pages 27 through 47 of this report.

**Required Supplemental Information:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information. These statements can be found on pages 48 through 52 of this report.

**Other information:** Also, this report presents certain information pertaining to the District's budget for demonstrating legal compliance with budgetary control obligations. This budgetary information can be found on pages 26 and 52 of this report.

### **Financial Analysis**

**Statement of net position:** Net position, the excess of assets over liabilities, may serve, over time, as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$18,122,967 at the close of the most recent fiscal year. The overall net position increased by \$2,897,038 (19.0%). Net investment in capital assets increased from \$6,384,571 at December 31, 2018 to \$10,998,138 at December 31, 2019. This involved additions in capital assets of \$5,530,491, depreciation expense of \$8,11,206, and disposals of \$105,718. This investment in capital assets during 2019 was the most significant investment in capital that DFPD has made since forming in 2014 and is part of its long-term capital replacement plan. Unrestricted net position decreased from \$8,406,388 at December 31, 2018 to \$6,638,067 at December 31, 2019. Restricted net position increased from \$434,970 at December 31, 2018 to \$486,762 at December 31, 2019. The restricted net position, of \$486,762 is restricted for emergency reserves.

DURANGO FIRE PROTECTION DISTRICT  
Management Discussion and Analysis  
Year Ended December 31, 2019

A large portion of the District's net position is its investment in capital assets. These assets include apparatus, vehicles, leasehold improvements, buildings, land and equipment. The District used these capital assets to provide service and consequently, these assets are not available to liquidate liabilities or for other spending. The debt incurred by the Animas Fire Protection District and Hermosa Cliff Fire Protection District associated with the purchase of the assets transferred by these entities has been retired. Real property associated with providing fire and emergency medical services owned by the Animas and Hermosa was also transferred to the District.

The following is a condensed comparative summary of the District's net position at December 31:

	<u>2019</u>	<u>2018</u>
Current assets	\$ 14,439,363	\$ 16,539,938
Capital assets	10,998,138	6,384,571
Net pension assets	-	931,206
Total assets	25,437,501	23,855,715
Deferred outflows of resources	4,308,178	1,984,791
Total assets and deferred outflow of resources	29,745,679	25,840,506
Current liabilities	859,311	853,512
Noncurrent liabilities	5,825,748	3,777,443
Total liabilities	6,685,059	4,630,955
Deferred inflow of resources	4,937,653	5,983,622
Net position		
Investment in capital assets	10,998,138	6,384,571
Restricted	486,762	434,970
Unrestricted	6,638,067	8,406,388
Total net position	\$ 18,122,967	\$ 15,225,929

**Statement of activities:** The statement of activities reflects the cost of operation and the charges for services and receipt of grants offsetting those services. The statement of activities for 2019 shows expenses of \$11,988,560 with a net expense (after charges for services and grants) of \$7,620,721. Total general revenues were \$10,517,759, leaving a change in net position of \$2,897,038.

DURANGO FIRE PROTECTION DISTRICT  
Management Discussion and Analysis  
Year Ended December 31, 2019

The following is a condensed comparative summary of the District's statement of activities at December 31:

	<u>2019</u>	<u>2018</u>
General Revenue:		
Property taxes	4,623,948	4,506,664
Specific ownership taxes	976,534	953,782
Contract with City of Durango	4,546,600	4,505,213
Other local taxes	56,725	49,769
Interest	251,489	176,585
Charges for services	3,784,110	3,015,206
Grants and contributions	583,729	451,790
Other	<u>62,463</u>	<u>42,688</u>
Total Revenue	14,885,598	13,701,697
Expenses:		
Public safety	<u>11,988,560</u>	<u>11,579,557</u>
Total Expenditures	11,988,560	11,579,557
Changes in Net Position	2,897,038	2,122,140
Net Position - Beginning of Year	<u>15,225,929</u>	<u>13,103,789</u>
Net Position - End of Year	<u>18,122,967</u>	<u>15,225,929</u>

**Statement of revenues, expenditures, and changes in fund balance:** In fiscal year 2019, the District had an deficiency of revenues over expenditures of \$2,351,581 before other financing sources and uses compared to an excess of \$1,754,140 in 2018. This was made up of an excess of revenues over expenditures of \$2,605,778 in the general fund and a deficiency of \$4,957,359 in the Capital Projects Fund.

After a transfer of \$1,800,000 to the Capital Projects, the General Fund had an increase of \$805,778. This was due to an increase in net ambulance revenue from 2018 to 2019 of \$1,053,733. The increase in ambulance revenue was due to an increase in the inter-facility transport revenue and a supplemental payment from the Centers for Medicare & Medicaid Services (CMS).

In 2019, Wildland fire fees were \$918,070 compared to \$1,213,084 in 2018. This revenue is from a cooperative agreement between the District and the State of Colorado where the District provides personnel and equipment to assist on national wildland fire incidents. The District receives reimbursement for the cost of the personnel including benefits and other expenses incurred plus a small amount toward overhead of around 5%. In addition the District receives a daily fee for the use of equipment.

The Capital Projects fund had a negative change in fund balance of \$3,095,328 after other financing sources and uses due to capital expenditures of \$5,601,482. These capital expenditures were part of a plan to spend down the fund balance making needed replacements of rolling stock that was in excess of

DURANGO FIRE PROTECTION DISTRICT  
Management Discussion and Analysis  
Year Ended December 31, 2019

20 years old and also investing in fire stations. These capital replacements will continue into 2020 and 2021.

**Material Changes**

After 2010, there was a loss in general property tax revenue, primarily due to the drop in oil and gas production and prices but exacerbated by the drop in the residential tax rate from 7.96% to 7.2%. The increased value of property in La Plata County was able to compensate for some of these losses. On November 7, 2017, the voters of the District agreed to increase the mill levy for the District by 2.5 mills from 5.7 mills to 8.2 mills. The intention of the increase was to compensate for the loss in property tax revenue, to allow the District to cover current operating expenses, to allow room for increased fire personnel, and to allow the District additional revenue for capital replacement of aging equipment and facilities. Property tax revenue increased from \$4,506,664 in 2018 to \$4,623,948 in 2019. The revenue from the contract for fire protection services with the City also increased slightly from \$4,505,213 in 2018 to \$4,546,600 in 2019.

**Capital Assets and Long-term Debt**

**Capital Assets.** The District's net investment in capital assets as of December 31, 2019 is \$10,998,138. This is an increase of \$4,613,567 (72.3%) from December 31, 2018. The increase is due to major capital additions including construction on Station 3. Major capital asset events during the current fiscal year included the following:

- (1) 2018 Dodge 4500 AEV Ambulance with Power Pro cot
- (2) Spartan ER S-180 firetrucks
- (1) 2019 Ford F-150
- (1) Service Truck International service truck
- Scott X3 SCBA pro airpacks, harnesses, regulators, vests, and cylinders
- Construction on Station 3

Additional information on the District's capital assets can be found in Note 4 on page 33 of this report.

**Long Term Debt:** As of December 31, 2019 and 2018 the District had no long-term debt.

**Budget Analysis**

Actual revenues exceeded budgeted revenues by \$800,572 and actual expenditures were \$5,206 below budgeted which gave the District a positive variance of \$805,778 for the General Fund.

**Requests for Information**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Fire Chief and the Finance Director, Durango Fire Protection District, 142 Sheppard Drive, Durango, CO 81303.

DURANGO FIRE PROTECTION DISTRICT  
Basic Financial Statements  
Year Ended December 31, 2019

**DURANGO FIRE PROTECTION DISTRICT  
STATEMENT OF NET POSITION  
December 31, 2019**

	<b>Governmental Activities</b>
<b>Current Assets</b>	
Cash	\$ 394,869
Investments - ColoTrust	5,156,697
Investments - CDs	2,039,779
Receivables:	
Due from County Treasurer	37,159
Property taxes receivable	4,861,104
Ambulance receivables, net	1,148,232
Intergovernmental receivables	631,308
Other receivables	170,215
Total current assets	14,439,363
<b>Noncurrent Assets</b>	
Capital Assets	
Construction in progress	3,706,251
Land	1,226,106
Vehicles	10,329,113
Equipment	3,347,369
Building	5,056,503
Accumulated depreciation	(12,667,204)
Capital assets, net	10,998,138
Net pension assets	-
Total noncurrent assets	10,998,138
Total assets	25,437,501
<b>Deferred Outflows of Resources</b>	
Deferred outflows related to pension	4,288,647
Deferred outflows related to OPEB	19,531
Total deferred outflows of resources	4,308,178
Total assets and deferred outflows of resources	\$ 29,745,679
<b>Current Liabilities</b>	
Accounts payable	\$ 157,589
Accrued payroll	378,328
Accrued compensated balances	322,402
Incurred but unreported claims	-
Other liabilities	992
Total current liabilities	859,311
<b>Noncurrent Liabilities</b>	
Net pension liability	5,263,556
Net OPEB liability	239,791
Accrued compensated balances	322,401
Total noncurrent liabilities	5,825,748
Total liabilities	6,685,059
<b>Deferred Inflows of Resources</b>	
Deferred property tax revenue	4,861,104
Deferred inflows related to pension	76,184
Deferred inflows related to OPEB	365
Total deferred inflows of resources	4,937,653
<b>Net Position</b>	
Investment in capital assets	10,998,138
Restricted for:	
TABOR Amendment	486,762
Unrestricted	6,638,067
Total net position	18,122,967
Total Liabilities Deferred outflows of resources and Net Position	\$ 29,745,679

See accompanying notes.



DURANGO FIRE PROTECTION DISTRICT  
Basic Financial Statements  
Year Ended December 31, 2019

**DURANGO FIRE PROTECTION DISTRICT  
GOVERNMENTAL FUNDS BALANCE SHEET  
December 31, 2019**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 394,869	\$ -	\$ 394,869
Investments - ColoTrust	501,829	4,654,868	\$ 5,156,697
Investments - CDs	2,039,779	-	\$ 2,039,779
Receivables:			
Due from County Treasurer	37,159	-	\$ 37,159
Property taxes receivable	4,861,104	-	\$ 4,861,104
Ambulance receivables, net	1,148,232	-	\$ 1,148,232
Intergovernmental receivables	631,308	-	\$ 631,308
Due from Capital Projects Fund	852,281	-	\$ 852,281
Other receivables	170,215	-	\$ 170,215
Total assets	<u>\$ 10,636,776</u>	<u>\$ 4,654,868</u>	<u>\$ 15,291,644</u>
<b>Liabilities</b>			
Accounts payable	\$ 157,589	\$ -	\$ 157,589
Accrued payroll	378,328	-	\$ 378,328
Incurred but unreported claims	-	-	\$ -
Payable to General Fund	-	852,281	\$ 852,281
Other liabilities	991	-	\$ 991
Total liabilities	<u>536,908</u>	<u>852,281</u>	<u>1,389,189</u>
<b>Deferred Inflows of Resources</b>			
Deferred property tax revenue	4,861,104	-	\$ 4,861,104
Total deferred inflow of resources	<u>4,861,104</u>	<u>-</u>	<u>4,861,104</u>
<b>Fund Equity</b>			
Restricted for:			
Emergency reserves	486,762	-	\$ 486,762
Committed for:			
Capital projects	200,000	3,802,587	\$ 4,002,587
Unassigned	4,552,002	-	\$ 4,552,002
Total fund equity	<u>5,238,764</u>	<u>3,802,587</u>	<u>9,041,351</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Equity</b>	<u>\$ 10,636,776</u>	<u>\$ 4,654,868</u>	<u>\$ 15,291,644</u>

See accompanying notes

DURANGO FIRE PROTECTION DISTRICT  
 Basic Financial Statements  
 Year Ended December 31, 2019

**DURANGO FIRE PROTECTION DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
 WITH THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
 December 31, 2019**

**Fund Balances - Total Governmental Funds** \$ 9,041,351

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

Governmental capital assets	23,665,342	
Less accumulated depreciation	<u>(12,667,205)</u>	10,998,137

Deferred outflows are not current assets or financial resources; and deferred inflows are not due and payable in the current period and therefore are not reported in the fund balance sheet.

Deferred outflows related to pension		4,288,647
Deferred outflows related to OPEB		19,531
Deferred inflows related to pension		(76,184)
Deferred inflows related to OPEB		(365)

Some liabilities, including net pension liability, net pension asset, and compensated absences are not due and payable in the current period and therefore are not reported in the fund balance sheet.

Net pension liability		(5,263,556)
Net OPEB liability		(239,791)
Compensated absences		(644,803)

Net position of governmental activities \$ 18,122,967

See accompanying notes.

DURANGO FIRE PROTECTION DISTRICT  
Basic Financial Statements  
Year Ended December 31, 2019

**DURANGO FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2019**

	General Fund	Capital Projects Fund	Total
<b>Revenues</b>			
Property taxes	\$ 4,623,948	\$ -	\$ 4,623,948
Specific ownership taxes	976,534	-	976,534
Contract with City of Durango	4,546,600	-	4,546,600
Other local taxes	56,725	-	56,725
Other revenues			
Ambulance income, net	2,724,734		2,724,734
Fees for services	1,059,376	-	1,059,376
Impact Fees	-	93,271	93,271
Grants	22,009	134,366	156,375
City of Durango contribution for capital	-	272,052	272,052
Interest Income	107,055	144,434	251,489
Miscellaneous income	62,463	-	62,463
<b>Total revenues</b>	<b>14,179,444</b>	<b>644,123</b>	<b>14,823,567</b>
<b>Expenditures</b>			
General government			
Fire administration	1,739,774	-	1,739,774
Fire fighting	4,593,583	-	4,593,583
Fire prevention	499,987	-	499,987
Fire training	497,303	-	497,303
Fire communications	105,315	-	105,315
Fire repair services	439,743	-	439,743
Emergency medical services	3,385,514	-	3,385,514
Stations and buildings	283,487	-	283,487
Capital outlay	28,960	5,601,482	5,630,442
Contingency	-	-	-
<b>Total Expenditures</b>	<b>11,573,666</b>	<b>5,601,482</b>	<b>17,175,148</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,605,778</b>	<b>(4,957,359)</b>	<b>(2,351,581)</b>
<b>Other financing sources and (uses)</b>			
Transfers in (out)	(1,800,000)	1,800,000	-
Sale of assets	-	62,031	62,031
<b>Total other financing sources and (uses)</b>	<b>(1,800,000)</b>	<b>1,862,031</b>	<b>62,031</b>
<b>Net Change in fund balance</b>	<b>805,778</b>	<b>(3,095,328)</b>	<b>(2,289,550)</b>
<b>Fund balance - Beginning of Year</b>	<b>4,432,986</b>	<b>6,897,915</b>	<b>11,330,901</b>
<b>Fund balance - End of Year</b>	<b>\$ 5,238,764</b>	<b>\$ 3,802,587</b>	<b>\$ 9,041,351</b>

See accompanying notes.

DURANGO FIRE PROTECTION DISTRICT  
 Basic Financial Statements  
 Year Ended December 31, 2019

**DURANGO FIRE PROTECTION DISTRICT  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 For the Year Ended December 31, 2019**

**Net change in fund balance - total governmental funds** \$ (2,289,550)

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlays and disposals, net	5,424,773
Depreciation expense	(811,206)

Governmental funds report current year contributions to pension plans and OPEB as expenditures. In the statement of activities, the cost of contributions are reclassified to deferred outflows of resources and pension and OPEB expense are reported.

Current year pension and OPEB contributions	771,121
Net Pension and OPEB income/expense	(207,267)

Compensated absences in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental fund.

Liability at December 31, 2019	(644,804)
Liability at December 31, 2018	<u>653,971</u>
Change in liability	9,167

Change in net position of governmental activities \$ 2,897,038

See accompanying notes.

DURANGO FIRE PROTECTION DISTRICT  
Basic Financial Statements  
Year Ended December 31, 2019

**DURANGO FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
For the Year Ended December 31, 2019**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Property taxes	\$ 4,682,511	\$ 4,682,511	\$ 4,623,948	\$ (58,563)
Specific ownership taxes	920,000	920,000	976,534	56,534
Contract with City of Durango	4,568,791	4,568,791	4,546,600	(22,191)
Other local taxes	45,000	45,000	56,725	11,725
Other revenues				-
Ambulance income	3,759,200	4,359,200	4,944,864	585,664
Fees for services	432,000	932,000	1,059,376	127,376
Grants	6,000	6,000	22,009	16,009
Interest	45,000	45,000	107,055	62,055
Miscellaneous income	40,500	40,500	62,463	21,963
<b>Total revenues</b>	<b>14,499,002</b>	<b>15,599,002</b>	<b>16,399,574</b>	<b>800,572</b>
<b>Expenditures</b>				
General government				
Fire administration	1,611,421	1,611,421	1,739,775	(128,354)
Fire fighting	4,349,507	4,549,507	4,593,583	(44,076)
Fire prevention	550,434	550,434	499,987	50,447
Fire training	545,584	545,584	497,303	48,281
Fire communications	136,700	136,700	105,315	31,385
Fire repair services	447,232	447,232	439,743	7,489
Emergency medical services	5,251,124	5,551,124	5,605,643	(54,519)
Stations and buildings	207,000	207,000	283,487	(76,487)
Capital outlay	-	-	28,960	(28,960)
Contingency	200,000	200,000	-	200,000
Transfer to capital projects fund	1,200,000	1,800,000	1,800,000	-
<b>Total Expenditures</b>	<b>14,499,002</b>	<b>15,599,002</b>	<b>15,593,796</b>	<b>5,206</b>
<b>Excess of revenues over (under) expenditures</b>	<b>-</b>	<b>-</b>	<b>805,778</b>	<b>805,778</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>805,778</b>	<b>805,778</b>
<b>Fund balance - Beginning of Year</b>			4,432,986	
<b>Fund balance - End of Year</b>			<b>\$ 5,238,764</b>	

DURANGO FIRE PROTECTION DISTRICT  
Notes to the Financial Statements  
Year Ended December 31, 2019

**Note 1 - Summary of significant accounting policies**

**Reporting Entity** – The Durango Fire Protection District (DFPD) is a special district formed under the Special District Act (Title 32, article 1, C.R.S.) with the mission to provide fire protection, emergency medical services, rescue, hazardous material mitigation, prevention, public education and public service in the Durango region. DFPD's service area extends mainly along US Highway 550 from the New Mexico state line north into the southern portion of San Juan County and covers the City of Durango and surrounding areas.

Two thousand and fourteen was the first year of service for DFPD as these services were previously provided by the Durango Fire and Rescue Authority (DFRA). DFRA was established by an intergovernmental agreement between the City of Durango, the Animas Fire Protection District and the Hermosa Cliff Fire Protection District in 2002 with the goal of consolidating the fire and emergency services of the three entities. In addition to the fire protection services traditionally provided by these local governments, the authority assumed operation of an ambulance service that was previously part of Mercy Medical Center.

In 2006, with the success of DFRA providing consolidated operations and the goal of creating the most efficient and effective means of providing fire and emergency services; the founding members of the Authority asked the voters to establish a single fire protection district covering the service area of all three (Animas, Hermosa, and the City of Durango).

At an election held on November 7, 2006 the electors of the Authority members approved the formation of the DFPD and an establishing decree was entered by the District Court for La Plata County. Unfortunately, at the same elections the electors failed to approve a mill levy which would provide funding for the operation of the DFPD so fire and emergency services continued to be provided by Durango Fire and Rescue Authority.

In November of 2011 the voters again declined to approve an operating mill levy. The Authority Board Members continued to believe that the consolidation of fire and emergency operations was vastly more beneficial to their constituents than each entity providing services independently, so they spent time polling citizens, determining the main objections to funding DFPD, and developed a new plan for approval of funding.

Since the property owners in the City of Durango would be most negatively impacted by a mill levy for the DFPD, the City filed a Petition for Exclusion to exclude all property within the city from DFPD. This petition was granted by the Court. On November 5, 2013 the voters of the remaining unincorporated areas within the DFPD's boundaries approved an operating mill levy of 5.7 mills. At the same election the voters of the City of Durango approved a fifteen-year agreement for DFPD to provide fire and emergency services to the City. Payment is to be made through the City's General Fund rather than by property taxes, and the contractual amount will be determined by multiplying the 5.7 mill levy applied in the unincorporated portion of the District by the assessed valuation of taxable property within the City and a pro-rata share of specific ownership taxes. The effect is that the City pays for fire and emergency services at the same level they would with a mill levy but without the property owners of the City being negatively impacted.

Based on an agreement between the Authority Members (Animas, Hermosa, and the City) and DFRA, outstanding indebtedness of AFD and HCFD was paid, all assets including reserve fund balances were transferred to DFPD, and DFPD began operations on January 1, 2014. Personnel were moved to DFPD. Animas Fire Protection District, Hermosa Cliff Fire Protection District, and Durango Fire and Rescue Authority were dissolved.

A Board of Directors consisting of seven members elected at large governs the District and the authority over daily operations is delegated to a Fire Chief. The Fire Chief is responsible for carrying out the policies of the Board, overseeing daily operations of the District, and hiring the department heads and other staff members.

Identically to how DFRA operated, the District staffs four stations, 24 hours per day, seven days per week. Station One is located in Bodo Industrial Park, Station Two is located in central Durango, Station

DURANGO FIRE PROTECTION DISTRICT  
Notes to the Financial Statements  
Year Ended December 31, 2019

Three is located in north Durango on County Road 251, and Station Fifteen is located north of Durango and 4 miles south of the Durango Mountain Resort. Each of the staffed stations has a company that includes from two to seven career members: to include a Captain, Engineer, Firefighters and/or Paramedics. The District operates 13 stations staffed by volunteers; five of which are resident volunteer fire stations.

**Government-wide and Fund Financial Statements** – The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported in a single column.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to 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. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation** – The District, prepares its government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the 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. Accordingly, the requirements of Statement of Governmental Accounting Standards No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus – an amendment of GASB Statements No. 21 and No. 34 and No. 38, Certain Financial Statement Note Disclosures have been implemented and incorporated in the District’s financial statement presentation.

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 collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current year. Taxes and intergovernmental revenues associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

In the fund financial statements, the District reports the following major governmental funds:

**General Fund** – The District’s primary operating fund. It is currently used to account for the general financial activities of the District.

**Capital Projects Fund** – The District was established to designate and track funds for purchasing major capital items. The primary funding areas include apparatus purchase, station and facility development or construction and other large capital purchases such as firefighting and communications equipment. The primary source of funding for the Capital Projects Fund is the transfer of funds from the General Fund as designated by the Board of Directors of the Fire District. Payments from the City of Durango for capital

DURANGO FIRE PROTECTION DISTRICT  
Notes to the Financial Statements  
Year Ended December 31, 2019

contributions, impact fees collected which are to be used for capital purchases, and revenue from the sale of capital assets are included in this fund.

**Net Position/Fund Balance** - In the government-wide and fund financial statements, net position and fund balance are restricted when constraints placed on the use of resources are externally imposed. The District has not established a formal policy for its use of restricted and unrestricted fund balance. However, when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted fund balances to have been spent first.

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

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

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

**Operating Revenues and Expenses** – The Authority's operating revenues and expenses consist of revenues earned and expenses incurred in providing fire protection and emergency medical services. Major sources of operating revenues are property taxes, specific ownership taxes, fees from the District's contract with the City of Durango, and ambulance fees. Property taxes attach as an enforceable lien on property as of December 31 and are levied on January 1 of the following year. Taxes are payable either in two installments due on the last day of February and June 15, or in full on April 30. La Plata County and San Juan County, through their Treasurer's Offices, bill and collect property taxes for the District.

**Capital Assets** – Contributed Equipment – On December 31, 2013, Animas Fire Protection District, Durango Fire and Rescue Authority, and Hermosa Cliff Fire Protection District transferred all assets to the District. These assets have been valued at historical cost less accumulated depreciation at the date of transfer.

DURANGO FIRE PROTECTION DISTRICT  
Notes to the Financial Statements  
Year Ended December 31, 2019

Capitalization Policy – Costs to acquire additional capital assets, which replace existing assets or otherwise prolong their useful lives, are capitalized for equipment, buildings and other related costs and furniture and equipment. The District utilizes a capitalization threshold of \$5,000.

Depreciation Policy – Depreciation of equipment, building improvements, and furniture and equipment is computed using the straight-line method over the estimated useful lives of the assets as follows:

Heavy vehicles	20 years
Medium vehicles	10 years
Light vehicles	7 years
Equipment	5-7 years
Building improvements	20 years

**Accrued Compensated Absences** – Accrued compensated absences includes accumulated vacation pay and vested sick leave.

**Restricted Net Position** – Restricted net position is comprised of emergency reserves required by state TABOR requirements.

**Committed Net Position** – Committed net position is comprised of impact fee payments received from developers and homebuilders that are restricted for capital purchases, capital contributions from the City of Durango which are restricted by contract for building a new downtown fire station, and funds the Board of Directors has committed for capital projects. Funds are committed either through contracts the Board enters on behalf of the District or by formal motions of the Board of Directors.

**Deposits and Investments** – The District’s cash and cash equivalents are considered to be cash on hand, demand deposits, investments in COLOTRUST Plus+ (an external investment pool) and certificates of deposit.

Investments for the Authority are reported at fair value.

**Budgets and Budgetary Accounting** – The District follows the following procedures as required by Colorado State Statutes in establishing budgetary data:

The Chief directs the preparation of the proposed budget for the year commencing the following January 1 and submits the proposed budget to the District’s Board of Directors in a timely manner. The operating budget includes proposed expenditures and the proposed means for paying for such expenditures.

On or before October 15 of each year the District submits a draft budget to the Board of Directors, setting forth anticipated expenses and revenues necessary to fund the District for the following calendar year. The District’s proposed budget specifies the amount of funding, along with the method of calculation of fees, sought from the City of Durango to fund the District’s operation.

A public hearing on the proposed budget must be held by the District prior to December 15th before final adoption of the budget is required.

Appropriations for the budget are adopted on a total fund basis (General Fund). The Board of Directors may make additional appropriations during the budget year for expenditures; however, appropriations

DURANGO FIRE PROTECTION DISTRICT  
Notes to the Financial Statements  
Year Ended December 31, 2019

may not be in excess of available revenues and beginning fund balance. The Board of Directors made five additional appropriations in 2019.

The budget is adopted on the modified accrual basis of accounting which is a non-US GAAP basis.

Appropriations lapse at the end of the year.

**New Accounting Pronouncements**

The GASB has issued Statement No. 82, "Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73"; No. 83, "Certain Asset Retirement Obligations"; No. 84, "Fiduciary Activities"; and No. 85, "Omnibus 2017". These new Statements do not have a material effect on the District as of 2019.

**Note 2 – Deposits and Investment**

**Deposits** – The Colorado Public Deposit Protection Act, ("PDPA") requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts deposited in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be equal to 102% of the aggregate uninsured deposits.

Federal Deposit Insurance Corporation coverage for government accounts is \$250,000 per official custodian. At December 31, 2019, the District's cash deposits had a book balance of \$394,869 and a corresponding bank balance of \$474,458. The difference between the book and bank balances is due to outstanding checks and deposits not yet processed by the banks. Of the bank balance, \$250,000 was covered by federal depository insurance. The remainder of the bank balance, \$224,458, was collateralized with securities held by the pledging financial institution and covered by eligible collateral as determined by PDPA.

**Investments** – At December 31, 2019 the District had investments of \$5,663,378 in the Mark Carroll Pension Fund held by the Members Benefit Investment Fund of the Fire and Police Pension Association of Colorado, an external investment pool. The Colorado Division of Securities administers and enforces the requirements creating and operating FPPA. At December 31, 2019 the District had investments in a Colotrust Plus+ pool of \$5,156,697 held by Colotrust of Colorado an external investment pool. The Colorado Division of Securities administers and enforces the requirements creating and operating Colotrust. The reported value of these pools is the same as the fair value of the pools shares and is measured at the net asset value. Credit risk and interest risk information is not available for the FPPA Members Benefit Investment Fund external investment pool. The Colotrust Plus+ is rated AAAM by Standard and Poor with an average maturity of 35 days.

The District's investments reported on the financial statements are summarized as follows:

Investment	Less than 1 yr	1 - 5 years	Total	% Portfolio
Certificates of Deposit	\$ -	\$ 2,039,779.00	\$ 2,039,779.00	100%

**Interest Rate Risk** – In order to minimize the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, the District's investment policy requires the investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations,

DURANGO FIRE PROTECTION DISTRICT  
Notes to the Financial Statements  
Year Ended December 31, 2019

thereby avoiding the need to sell securities on the open market prior to maturity. The policy also emphasizes investing in shorter-term securities, money market mutual funds, or similar investment pools.

**Note 3 – Due From Governmental Agencies**

Due from governmental agencies consists of the following:

	<b>2019</b>
National Wildland Fires	379,195
City of Durango - 4th Qtr 2018 SOT Calculation	252,113
Totals	\$ 631,308

**Note 4 – Capital Assets**

Capital assets are summarized as follows:

	<b>January 1, 2018</b>	<b>Additions</b>	<b>Retirements</b>	<b>December 31, 2019</b>
Vehicles	\$ 10,138,585	\$ 1,207,843	\$ (1,017,315)	\$ 10,329,113
Equipment	3,306,303	1,042,556	(1,001,490)	3,347,369
Buildings and leasehold improvements	5,056,503	-	-	5,056,503
Land	1,226,106	-	-	1,226,106
Construction in progress	426,158	3,280,093	-	3,706,251
	20,153,655	5,530,492	(2,018,805)	23,665,342
Accumulated depreciation				
Vehicles	(7,923,413)	(496,388)	911,596	(7,508,205)
Equipment	(3,008,940)	(181,428)	1,001,490	(2,188,878)
Buildings and leasehold improvements	(2,836,731)	(133,390)	-	(2,970,121)
	(13,769,084)	(811,206)	1,913,086	(12,667,204)
Total capital assets	\$ 6,384,571	\$ 4,719,286	\$ (105,719)	\$ 10,998,138

The District utilizes a capitalization threshold of \$5,000. The District gained \$62,031 on sale of assets in 2019.

**Note 5 – Pensions**

The District currently maintains four (4) separate pension and retirement plans. The plans cover paid participating firefighters hired prior to associating with FPPA ("Old Hires" prior to January 1, 1993), new hires, paid administrative personnel and all volunteer firefighters. On January 1, 1993, the District's local volunteer and "old hire" Pension Fund affiliated with the Fire and Police Pension Associations' (FPPA) Fire and Police Members' Benefit Fund under the Colorado Revised Statutes, 31-30-005(l)(k), as amended, at which time all plan assets were transferred to FPPA for administrative purposes. Under the FPPA affiliation agreement, the District is responsible for the collection and transmission of all contributions to the local Pension Fund. The FPPA is responsible for the physical safekeeping and investing of such contributions as well as for making the appropriate and legally authorized payments of pension benefits and other expenses of the plan.

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	<b>Net Pension Liability/(Asset)</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Volunteer Plan	\$ 1,586,031	\$ 699,698	\$ 0
FPPA Plan	820,278	2,923,086	76,184
PERA Plan	2,857,247	665,863	0

In the Statement of Net Position, all net pension liabilities have been aggregated and separately reported from the net pension asset.

As of December 31, 2019, the deferred inflows and outflows of resources resulting from all pension plans are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ 1,236,648
Difference between actual and expected experience	1,289,126
Changes in assumptions	996,952
Changes in proportionate share	8,164
Contributions received after measurement date	<u>757,757</u>
Total deferred outflows of resources	<u>\$ 4,288,647</u>
Deferred inflows of resources:	
Difference between actual and expected experience	\$ 0
Difference between actual and expected earnings	8,763
Changes in proportionate share	<u>67,421</u>
Total deferred inflows of resources	<u>\$ 76,184</u>

Deferred outflows of resources of \$757,757, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

2020	\$ 938,675
2021	565,570
2022	316,879
2023	749,973
2024	222,152
Thereafter	<u>661,456</u>
Total	<u>\$ 3,454,705</u>

The total pension plan expense for 2019 was \$187,222.

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**Volunteer Plan**

The District's active volunteer firefighters participate in a non-contributing pension plan administered by a Board of Trustees, which includes District Board members and volunteer firefighters.

The benefit provisions and plan requirements were established by Colorado Revised Statutes and the Board of Trustees has adopted the following schedule of monthly benefits which was in effect at December 31, 2019:

Age and service retirement after age 50 with 20 years of credit service

(Effective January 1, 2017).	\$800
Surviving spouse death benefit:	\$400
Lump-sum death benefit	\$1,500

Total covered payroll for this plan for 2019 was \$-0-. In 2019, the District contributions were \$162,215 towards meeting the unfunded liability. In addition, the State contribution was \$38,552.

An actuarial valuation is performed every two years to determine the pension benefit obligation. The latest available actuarial valuation was performed as of January 1, 2019. The measurement date was December 31, 2019. The following assumptions were used in computing the pension benefit obligation for this plan:

- Rate of return on investments and discount rate: 7.0%
- Actuarial Method: Entry Age Normal
- Amortization Method: Level Dollar, Open
- Remaining amortization period: 20 years
- Mortality: RP-2014 Mortality Tables for Blue Collar Employees.
- Projected earnings increases for all ages due to inflation: 2.50%

Plan membership as of January 1, 2019 was as follows:

Active members	59
Retirees and beneficiaries	82
Inactive, non-retired members	<u>8</u>
Total	149

As of December 31, 2019, the deferred inflows and outflows of resources resulting from the Volunteer Pension plan are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ 219,277
Difference between actual and expected experience	115,667
Changes in assumptions	202,539
Changes in proportionate share	-
Contributions received after measurement date	<u>162,215</u>
Total deferred outflows of resources	<u>\$ 699,698</u>

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Deferred inflows of resources:

Difference between actual and expected experience	\$ -
Difference between actual and expected earnings	-
Changes in proportionate share	<u>-</u>
Total deferred inflows of resources	<u><u>\$ -</u></u>

Deferred outflows of resources of \$162,215, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

2020	\$ 256,310
2021	181,634
2022	18,244
2023	81,295
2024	-
Thereafter	<u>-</u>
Total	<u><u>\$ 537,483</u></u>

The Volunteer pension plan expense for 2019 was \$471,229. The net pension liability is impacted by a change in the discount rate as follows:

	<b>1% Decrease (6.00%)</b>	<b>Current Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Net pension liability	\$ 2,323,486	\$ 1,586,031	\$ 967,569

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Changes in Net Pension Liability for the measurement period ended December 31, 2018:

Total Pension Liability:

Service cost	\$ 112,218
Interest	465,591
Difference between expected and actual experience	169,748
Changes of assumptions	282,492
Benefit payments	<u>(518,514)</u>
Net change in total pension liability	511,535
Total pension liability - beginning	<u>6,407,349</u>
Total pension liability - ending (a)	<u><u>6,918,884</u></u>

Total Fiduciary Net Position:

Contributions - employer	\$ 162,215
Net investment income	6,492
Benefit payments	(518,514)
Administrative expense	(35,490)
State of Colorado supplemental discretionary payment	<u>38,552</u>
Net change in plan fiduciary net position	\$ (346,745)
Plan fiduciary net position - beginning	<u>5,679,598</u>
Plan fiduciary net position - ending (b)	<u>\$ 5,332,853</u>
Net pension liability/(asset) - ending (a) - (b)	<u>\$ 1,586,031</u>
Plan fiduciary net position as a percentage of total pension liability	77.08%

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Global Public Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Private Capital	24%	10.00%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	<u>100%</u>	

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**"Old Hire" Employee Plan**

**Plan Description:** The District no longer contributes to the City of Durango Old Hire Firemen Plan ("Old Hire Plan") a cost sharing, multiple-employer, defined benefit plan. The City of Durango, Colorado ("City") makes contributions to those certain paid firefighters and policemen hired by the City prior to April 8, 1978 and provides retirement benefits to plan members and their beneficiaries. Cost-of-living adjustments are provided at the discretion of the City Council of the City. The Old Hire Plan is administered by the Fire and Police Pension Association of Colorado ("FPPA") Title 31 of the Colorado Revised Statutes, as amended, assigns the authority to establish and amend benefit provisions of the plan to the City Council with input of the Pension Board. FPPA issues a publicly available annual financial report that includes the assets of the plans and separate biennial actuarial reports for each of the plans. The reports may be obtained by writing to FPPA, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado, 80111, or by calling FPPA at 1-800-770-3772.

**Funding Policy:** The District has no employees that are members in the Old Hire Plan. The plan received a favorable determination for a Deferred Retirement Option Plan (DROP) amendment from the Internal Revenue Service in December of 2001. The amendment allows active members to elect to have a monthly benefit, along with their current employee contributions to the plan (8%), deposited into a separate account while they continue to be employed. However, they must terminate from the District no later than five years after the election. The District has no contribution requirement due to this amendment.

**Pension Assets, Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions:** The City of Durango records the pension liabilities for this pension on their financial statements.

**Paid Fire Personnel Plan**

The District contributes to the Statewide Defined Benefit Plan, cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the Plan, which is available, by directly contacting the FPPA.

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

Disability and survivor benefits with respect to death and disability are funded by the State and are disbursed by FPPA according to State statute. Participants' contributions are fully refundable with simple interest of 5% upon request or termination of employment. Employer contributions remain with the plan to help provide benefits to remaining participants.

Covered employees are required by State statute to contribute 9.5% of their salary (excluding paid overtime and comp time) to the plan. The District is required to contribute an additional or matching 8% of covered salary. For the year ended December 31, 2018, covered employees contributed \$430,762 on a base salary of \$4,385,113. The District contributed an additional \$350,809 to the plan on covered

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employees' behalf.

The following is based on an actuarial study completed as of January 1, 2019. The measurement date is December 31, 2018. The following assumptions were used in computing the pension benefit obligation for this plan:

- Rate of return on investments and discount rate: 7.0%
- Actuarial Method: Entry Age Normal
- Amortization Method: Level % of payroll, open
- Amortization period: 30 years
- Mortality: RP-2014 Mortality Tables for Blue Collar Employees
- Projected salary increases: 4.25%-11.25%
- Inflation: 2.5%

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

As of December 31, 2019, the deferred inflows and outflows of resources resulting from the SWDB plan are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ 645,275
Difference between actual and expected experience	1,053,988
Changes in assumptions	794,413
Changes in proportionate share	-
Contributions received after measurement date	<u>429,409</u>
Total deferred outflows of resources	<u>\$ 2,923,086</u>
Deferred inflows of resources:	
Difference between actual and expected experience	\$ -
Difference between actual and expected earnings	8,763
Changes in proportionate share	<u>67,421</u>
Total deferred inflows of resources	<u>\$ 76,184</u>

Deferred outflows of resources of \$429,409, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

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2020	\$ 462,563
2021	327,858
2022	277,902
2023	465,562
2024	222,152
Thereafter	661,456
<b>Total</b>	<b>\$ 2,417,492</b>

The employer share of net pension liability as of the measurement period ended December 31, 2018 was \$1,751,484. The employer proportion was 0.65% based on Employer Contributions, consistent to what it was the prior year. The SWDB pension expense for the period was \$81,519.

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

	<b>1% Decrease (6.00%)</b>	<b>Current Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Net pension liability (asset)	\$ 3,180,941	\$ 820,278	\$ (1,137,849)

The long-term expected rate of return on pension plan investments was determined using a building-block method, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Rate of Return</b>
Global Equity	37.0%	8.03%
Equity Long/Short	9.0%	6.45%
Private Markets	24.0%	10.00%
Fixed Income	15.0%	2.90%
Absolute Return	9.0%	5.08%
Managed Futures	4.0%	5.35%
Cash	2.0%	2.52%
<b>Total</b>	<b>100.0%</b>	

**Administrative Personnel Plan**

The District provides and contributes to the Statewide Defined Benefit Plan, cost-sharing multiple-employer defined benefit pension plan administered by the Public Employee Retirement Association (PERA) for administrative and non-firefighting personnel. The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Colorado statutes assign the authority to establish benefit provisions to the state legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the Plan, which is available by directly contacting PERA.

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

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cost and approximate fair value.

Covered employees are required by State statute to contribute 8% of their salary (excluding paid overtime and comp time) to the plan. The District contributes an additional or matching 12.68% of covered salary. For the year ended December 31, 2019, covered employees contributed \$104,816 on a base salary of \$1,310,197. The District contributed an additional \$166,133 to the plan on covered employee's behalf.

The following is based on an actuarial study completed as of January 1, 2018. The measurement date is December 31, 2017. The following assumptions were used in computing the pension benefit obligation for this plan:

- Rate of return on investments and discount rate: 7.25%
- Actuarial Method: Entry Age
- Price inflation: 2.4%
- Real wage growth: 1.1%
- Wage inflation: 3.5%
- Salary increases: 3.5%-10.45%

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

As of December 31, 2019, the deferred inflows and outflows of resources resulting from all pension plans are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ 372,095
Difference between actual and expected experience	119,470
Changes in assumptions	-
Changes in proportionate share	8,164
Contributions received after measurement date	<u>166,133</u>
Total deferred outflows of resources	<u>\$ 665,863</u>
Deferred inflows of resources:	
Difference between actual and expected experience	\$ -
Difference between actual and expected earnings	-
Changes in proportionate share	<u>-</u>
Total deferred inflows of resources	<u>\$ -</u>

Deferred outflows of resources of \$166,133, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension

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expense (income) as follows:

2020	\$ 219,802
2021	56,078
2022	20,734
2023	203,117
2024	-
Thereafter	-
Total	<u>\$ 499,730</u>

The employer share of net pension liability as of the measurement period ended December 31, 2018 was \$2,857,247. The employer proportion was 0.23% based on Employer Contributions, an increase from the prior year, when the proportion was 0.22%. The pension income for the period ended December 31, 2019 was \$365,526.

The net pension liability for the plan is impacted by a change in the discount rate as follows:

	<b>1% Decrease (6.25%)</b>	<b>Current Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Net pension liability	\$ 4,370,997	\$ 2,857,247	\$ 1,590,160

The long-term expected rate of return on pension plan investments was determined using a building-block method, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Rate of Return</b>
US Equity – Large Cap	21.20%	4.30%
US Equity – Small Cap	7.42%	4.80%
Non US Equity – Developed	18.55%	5.20%
Non US Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non US Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	<u>100.00%</u>	

**Note 6 – Other Post-Employment Benefits**

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**Summary of Significant Accounting Policies OPEB**

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

**General Information about the OPEB Plan**

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

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid. Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

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

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without

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Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit.

Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and Durango Fire Protection District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Durango Fire Protection District were \$13,364 for the year ended December 31, 2019.

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

At December 31, 2019, Durango Fire Protection District reported a liability of \$239,791 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2018.

Durango Fire Protection District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2018 relative to the total contributions of participating employers to the HCTF. At December 31, 2018, the District's proportion was 0.018 percent. For the year ended December 31, 2019, Durango Fire Protection District recognized OPEB expense of \$20,045. At December 31, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 870	\$ -
Changes of assumptions or other inputs	1,682	-
Net difference between projected and actual earnings on plan investments	1,379	365
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,236	-
Contributions subsequent to the measurement date	<u>13,364</u>	<u>-</u>
Total	<u>\$ 19,531</u>	<u>\$ 365</u>

\$13,364 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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2020		\$ 1,023
2021		1,023
2022		1,023
2023		1,981
2024		0
Thereafter		<u>28</u>
Total		<u>\$ 5,079</u>

*Actuarial assumptions.* The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method		Entry age
Price inflation		2.40 percent
Real wage growth		1.10 percent
Wage inflation		3.50 percent
Salary increases, including wage inflation		3.50 percent in aggregate
Long-term investment rate of return, net of OPEB		
plan investment expenses, including price inflation		7.25 percent
Discount rate		7.25 percent
Health care cost trend rates		
PERA benefit structure:		
Service-based premium subsidy		0.00 percent
PERACare Medicare plans		5.00 percent
Medicare Part A premiums		3.25 percent for 2018, gradually rising to 5.00 percent in 2025
DPS benefit structure:		
Service-based premium subsidy		0.00 percent
PERACare Medicare plans		N/A
Medicare Part A premiums		N/A

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point. Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A. Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and

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heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2016, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

The following economic and demographic assumptions were specifically developed for, and used in, the measurement of the obligations for the HCTF:

- The assumed rates of PERACare participation were revised to reflect more closely actual experience.
- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2017 plan year.
- The percentages of PERACare enrollees who will attain age 65 and older ages and are assumed to not qualify for premium-free Medicare Part A coverage were revised to more closely reflect actual experience.
- The percentage of disabled PERACare enrollees who are assumed to not qualify for premium-free Medicare Part A coverage were revised to reflect more closely actual experience.
- Assumed election rates for the PERACare coverage options that would be available to future PERACare enrollees who will qualify for the “No Part A Subsidy” when they retire were revised to more closely reflect actual experience.

DURANGO FIRE PROTECTION DISTRICT  
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- Assumed election rates for the PERACare coverage options that will be available to those current PERACare enrollees, who qualify for the “No Part A Subsidy” but have not reached age 65, were revised to more closely reflect actual experience.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
- The rates of PERACare coverage election for spouses of eligible inactive members and future retirees were revised to more closely reflect actual experience.
- The assumed age differences between future retirees and their participating spouses were revised to reflect more closely actual experience.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA’s actuary, as needed.

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

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Real Rate of Return</b>
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	<u>1.00%</u>	0.20%
<b>Total</b>	<b>100.00%</b>	

DURANGO FIRE PROTECTION DISTRICT  
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Year Ended December 31, 2019

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

Sensitivity of the Durango Fire Protection District proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	<b>1% Decrease in Trend Rates</b>	<b>Current Trend Rates</b>	<b>1% Increase in Trend Rates</b>
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	4.00%	6.00%
Net OPEB Liability	\$1,322,972	\$1,360,542	\$1,403,754

The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. Sensitivity of the Durango Fire Protection District proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Proportionate share of the net OPEB liability	\$268,305	\$239,791	\$215,414

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

**Note 7 – Risk Management**

**Property, Casualty and Worker Compensation Insurance** - 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.

DURANGO FIRE PROTECTION DISTRICT  
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The Colorado Special Districts Property and Liability Pool is a public entity risk pool currently operating as a common risk management and insurance program for special districts in Colorado. The District, as a member of the pool, pays annual premiums to the pool for workers compensation insurance coverage. The by-laws and intergovernmental agreement of the pool states that the pool will provide coverage through pooling of self-insured losses and purchase of stop-loss insurance coverage.

The pool has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. The pool has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

Ultimate liability to the District resulting from claims not covered by the pool is not presently determinable. Management and the District's attorney are of the opinion that the final outcome of such claims, if any, will not have a material adverse effect on the District's financial statements.

There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the District's insurance coverage during the past year.

**Employee Medical Insurance** – The District moved from a self-insurance program for employee medical claims to coverage through the Colorado Benefit Trust (CEBT). CEBT is a multiple employer trust for public institutions providing employee benefits. Premiums are paid to CEBT and medical claims are processed and paid by CEBT. The District provides employee and dependent coverage.

#### **Note 8 – EMS Accounts Receivable**

Revenues for emergency medical services are reported net of allowances and uncollectible amounts. The uncollectible amounts for the year ended December 31, 2019 were \$2,220,130 on total charges of \$4,944,864. At December 31, 2019 the allowance for uncollectibles was \$249,391 on total gross receivables of \$1,397,623.

#### **Note 9 – Net Position**

Restricted net position – State statutes (TABOR) requires the District restrict 3% of fiscal year spending as an emergency reserve. This reserve can only be spent on a declared emergency which excludes economic conditions, revenue shortfalls, or salary or fringe benefit increases.

Committed net position – The development agreements that allow the District to collect impact fees from several subdivisions require that these funds be restricted for capital expenditures. In addition, the contract for fire and emergency services with the City of Durango requires that the annual capital contribution from the City be used to build a new downtown fire station. The balance of committed net position as of December 31, 2019 is \$4,002,587 which includes \$200,000 committed to improvements on Station 5, \$1,632,312 in capital contributions from the City which are committed to building a new downtown station (Station 2), and \$2,710,281 which to Board committed to capital projects.

DURANGO FIRE PROTECTION DISTRICT  
Notes to the Financial Statements  
Year Ended December 31, 2019

**Note 10 – Compensated Absences**

It is the District's policy to permit employees to accumulate earned but unused vacation and sick benefits. It is the District's policy to pay all unused vacation when employees separate from service with the District. Also, it is the District's policy to pay up to 240 hours of unused sick leave when employees separate from service with the district provided they qualify to retire.

	Balance December 31, 2017	Increases	Decreases	Balance December 31, 2018	Due in one year
Accrued vacation	574,478	309,878	295,266	589,090	294,545
Accrued sick leave	79,493	97,580	121,360	55,713	27,857
	<u>653,971</u>	<u>407,458</u>	<u>416,626</u>	<u>644,803</u>	<u>322,402</u>

**Note 12 – TABOR Amendment**

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

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

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

**DURANGO FIRE PROTECTION DISTRICT**  
**Required Supplemental Information**  
**Year Ended December 31, 2019**

**DURANGO FIRE PROTECTION DISTRICT**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS LAST 10 FISCAL YEARS**  
**LOCAL GOVERNMENT DIVISION TRUST FUND - PERA**

Measurement period ending December 31,	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Proportion of the Net Pension Liability</b>	0.227%	0.224%	0.204%	0.212%	0.188%					
<b>Proportionate Share of the Net Pension Liability (Asset)</b>	\$ 2,857,247	\$ 2,496,304	\$ 2,760,940	\$ 2,330,363	\$ 866,693					
<b>Actual Covered Member Payroll</b>	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301	\$ 1,201,424	\$ 1,028,887					
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	192.01%	176.23%	222.78%	193.97%	84.24%					
<b>Fiduciary Net Position as a Percentage of Total Pension Liability</b>	75.96%	79.37%	73.60%	76.90%	80.72%					

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

**DURANGO FIRE PROTECTION DISTRICT**  
**SCHEDULE OF CONTRIBUTIONS LAST 10 FISCAL YEARS**  
**LOCAL GOVERNMENT DIVISION TRUST FUND - PERA**

Fiscal period ending December 31,	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Contractually Required Contribution</b>	\$ 166,133	\$ 188,685	\$ 179,613	\$ 157,143	\$ 152,340	\$ 130,463	\$ 150,534	\$ 146,022	\$ 136,584	\$ 117,525
<b>Actual Contribution</b>	\$ 166,133	\$ 188,685	\$ 179,613	\$ 157,143	\$ 152,340	\$ 130,463	\$ 150,534	\$ 146,022	\$ 136,584	\$ 117,525
<b>Contribution Deficiency (Excess)</b>	-	-	-	-	-	-	-	-	-	-
<b>Covered Payroll</b>	\$ 1,310,197	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301	\$ 1,201,424	\$ 1,028,887	1,187,179	1,151,594	1,077,165	926,850
<b>Actual Contribution as a % of Covered Payroll</b>	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

Note: Schedule is intended to show information for the last 10 fiscal years. DFPD began operations in 2014. Information for years prior is for Durango Fire & Rescue Authority the predecessor agency.

**DURANGO FIRE PROTECTION DISTRICT**  
**Required Supplemental Information**  
**Year Ended December 31, 2019**

**DURANGO FIRE PROTECTION DISTRICT**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS LAST 10 FISCAL YEARS**  
**FPPA STATEWIDE DEFINED BENEFIT PLAN**

Measurement period ending December 31,	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Proportion of the Net Pension Liability</b>	0.649%	0.647%	0.717%	0.702%	0.768%					
<b>Proportionate Share of the Net Pension Liability (Asset)</b>	\$ 820,278	\$ (931,206)	\$ 259,107	\$ (12,376)	\$ (866,693)					
<b>Actual Covered Member Payroll</b>	\$ 4,346,125	\$ 3,786,100	\$ 3,669,875	\$ 3,403,400	\$ 3,285,750					
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	18.87%	-24.60%	7.06%	-0.36%	-26.38%					
<b>Fiduciary Net Position as a Percentage of Total Pension Liability</b>	95.20%	106.30%	98.21%	100.10%	106.83%					

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

**DURANGO FIRE PROTECTION DISTRICT**  
**SCHEDULE OF CONTRIBUTIONS LAST 10 FISCAL YEARS**  
**FPPA STATEWIDE DEFINED BENEFIT PLAN**

Fiscal period ending December 31,	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Contractually Required Contribution</b>	\$ 429,409	\$ 347,690	\$ 302,888	\$ 293,590	\$ 272,272	\$ 262,860	\$ 254,144	\$ 213,829	\$ 209,337	\$ 213,837
<b>Actual Contribution</b>	\$ 429,409	\$ 347,690	\$ 302,888	\$ 293,590	\$ 272,272	\$ 262,860	\$ 254,144	\$ 213,829	\$ 209,337	\$ 213,837
<b>Contribution Deficiency (Excess)</b>	-	-	-	-	-	-	-	-	-	-
<b>Covered Payroll</b>	\$ 5,367,613	\$ 4,346,125	\$ 3,786,100	\$ 3,669,875	\$ 3,403,400	\$ 3,285,750	\$ 3,176,800	\$ 2,672,863	\$ 2,616,713	\$ 2,672,963
<b>Actual Contribution as a % of Covered Payroll</b>	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

Note: Schedule is intended to show information for the last 10 fiscal years. DFPD began operations in 2014. Information for years prior is for Durango Fire & Rescue Authority the predecessor agency.

**DURANGO FIRE PROTECTION DISTRICT**  
**Required Supplemental Information**  
**Year Ended December 31, 2019**

**DURANGO FIRE PROTECTION DISTRICT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS LAST 10 FISCAL YEARS**  
**MARK CARROLL PENSION FUND (VOLUNTEER PLAN)**

Measurement period ending December 31,	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Total Pension Liability</b>										
Service Cost	\$ 112,218	\$ 112,218	\$ 106,833	\$ 106,833	\$ 114,246					
Interest on the Total Pension Liability	465,591	460,674	415,838	411,700	416,539					
Benefit Changes	-	-	374,465	-	-					
Difference between Expected and Actual Experience	169,748	-	20,540	-	(164,171)					
Assumption Changes	282,492	-	171,900	-	-					
Benefit Payments	(518,514)	(496,563)	(492,335)	(435,411)	(419,850)					
<b>Net Change in Total Pension Liability</b>	<b>511,535</b>	<b>76,329</b>	<b>597,241</b>	<b>83,122</b>	<b>(53,236)</b>					
<b>Total Pension Liability - Beginning</b>	<b>6,407,349</b>	<b>6,331,020</b>	<b>5,733,779</b>	<b>5,650,657</b>	<b>5,703,893</b>					
<b>Total Pension Liability - Ending (a)</b>	<b>6,918,884</b>	<b>6,407,349</b>	<b>6,331,020</b>	<b>5,733,779</b>	<b>5,650,657</b>					
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	\$ 162,215	\$ 162,215	\$ 156,141	\$ 136,141	\$ 132,800					
Pension Plan Net Investment Income	6,492	738,307	269,779	97,518	355,301					
Benefit Payments	(518,514)	(496,563)	(492,335)	(435,411)	(419,850)					
Pension Plan Administrative Expense	(35,490)	(28,998)	(8,352)	(10,193)	(8,497)					
State of Colorado supplemental discretionary payment	38,552	38,552	38,552	38,552	38,552					
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(346,745)</b>	<b>413,513</b>	<b>(36,215)</b>	<b>(173,393)</b>	<b>98,306</b>					
<b>Plan Fiduciary Net Position - Beginning</b>	<b>5,679,598</b>	<b>5,266,085</b>	<b>5,302,300</b>	<b>5,475,693</b>	<b>5,377,387</b>					
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>5,332,853</b>	<b>5,679,598</b>	<b>5,266,085</b>	<b>5,302,300</b>	<b>5,475,693</b>					
<b>Net Pension Liability/(Asset) - Ending (a) - (b)</b>	<b>1,586,031</b>	<b>727,751</b>	<b>1,064,935</b>	<b>431,479</b>	<b>174,964</b>					
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	77.08%	88.64%	83.18%	92.47%	96.90%					
<b>Covered Employee Payroll</b>	N/A	N/A	N/A	N/A	N/A					
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	N/A	N/A	N/A	N/A	N/A					

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

**DURANGO FIRE PROTECTION DISTRICT**  
**SCHEDULE OF CONTRIBUTIONS LAST 10 FISCAL YEARS**  
**MARK CARROLL PENSION FUND (VOLUNTEER PLAN)**

Fiscal period ending December 31,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Actuarially Determined Contribution</b>	\$ 200,767	\$ 200,767	\$ 174,693	\$ 174,693	\$ 164,607	\$ 164,607	\$ 153,246	\$ 153,246	\$ 171,322	\$ 171,322
<b>Actual Contribution</b>	\$ 200,767	\$ 200,767	\$ 200,767	\$ 194,693	\$ 174,693	\$ 171,352	\$ 171,352	\$ 171,352	\$ 171,352	\$ 171,352
<b>Contribution Deficiency (Excess)</b>	\$ -	\$ -	\$ (26,074)	\$ (20,000)	\$ (10,086)	\$ (6,745)	\$ (18,106)	\$ (18,106)	\$ (30)	\$ (30)
<b>Covered Payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Actual Contribution as a % of Covered Payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: Schedule is intended to show information for the last 10 fiscal years. DFPD began operations in 2014. Information for years prior is for Durango Fire & Rescue Authority the predecessor agency.

**DURANGO FIRE PROTECTION DISTRICT**  
**Required Supplemental Information**  
**Year Ended December 31, 2019**

**DURANGO FIRE PROTECTION DISTRICT**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS LAST 10 FISCAL YEARS**  
**HEALTH CARE TRUST FUND - PERA**

Measurement period ending December 31,	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Proportion of the Net Pension Liability</b>	0.018%	0.017%	0.016%							
<b>Proportionate Share of the Net Pension Liability (Asset)</b>	\$ 239,791	\$ 226,403	\$ 226,403							
<b>Actual Covered Member Payroll</b>	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301							
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	16.11%	15.98%	18.27%							
<b>Fiduciary Net Position as a Percentage of Total Pension Liability</b>	17.03%	17.53%	16.72%							

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

**DURANGO FIRE PROTECTION DISTRICT**  
**SCHEDULE OF CONTRIBUTIONS LAST 10 FISCAL YEARS**  
**HEALTH CARE TRUST FUND - PERA**

Fiscal period ending December 31,	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Contractually Required Contribution</b>	\$ 13,364	\$ 15,178	\$ 14,448	\$ 12,641	\$ 12,255	\$ 10,495	\$ 12,109	\$ 11,746	\$ 10,987	\$ 9,454
<b>Actual Contribution</b>	\$ 13,364	\$ 15,178	\$ 14,448	\$ 12,641	\$ 12,255	\$ 10,495	\$ 12,109	\$ 11,746	\$ 10,987	\$ 9,454
<b>Contribution Deficiency (Excess)</b>	-	-	-	-	-	-	-	-	-	-
<b>Covered Payroll</b>	\$ 1,310,197	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301	\$ 1,201,424	\$ 1,028,887	1,187,179	1,151,594	1,077,165	926,850
<b>Actual Contribution as a % of Covered Payroll</b>	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

Note: Schedule is intended to show information for the last 10 fiscal years. DFPD began operations in 2014. Information for years prior is for Durango Fire & Rescue Authority the predecessor agency.

DURANGO FIRE PROTECTION DISTRICT  
Other Supplemental Information  
Year Ended December 31, 2019

**DURANGO FIRE PROTECTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2019**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Transfer from General Fund	\$ 1,200,000	\$ 1,800,000	\$ 1,800,000	\$ -
City of Durango capital contribution	272,052	272,052	272,052	-
Impact fees	100,000	100,000	93,271	(6,729)
Capital grants	135,000	135,000	134,366	(634)
Interest	100,000	100,000	144,434	44,434
Sale of assets	-	40,000	62,031	22,031
<b>Total revenues</b>	<b>1,807,052</b>	<b>2,447,052</b>	<b>2,506,154</b>	<b>59,102</b>
<b>Expenditures</b>				
Capital expenditures				
Capital expenditures for Station 3	2,800,000	3,140,000	3,280,093	(140,093)
Capital expenditures for Training site	150,000	150,000		150,000
Capital equipment	2,020,000	2,320,000	2,321,389	(1,389)
<b>Total Expenditures</b>	<b>4,970,000</b>	<b>5,610,000</b>	<b>5,601,482</b>	<b>8,518</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(3,162,948)</b>	<b>(3,162,948)</b>	<b>(3,095,328)</b>	<b>67,620</b>
<b>Net change in fund balance</b>	<b>(3,162,948)</b>	<b>(3,162,948)</b>	<b>(3,095,328)</b>	<b>67,620</b>
<b>Fund balance - Beginning of Year</b>			6,897,915	
<b>Fund balance - End of Year</b>			<b>\$ 3,802,587</b>	

# STATISTICAL SECTION

## Statistical Section Comments

The purpose of the statistical portion of the comprehensive annual financial report is to give the reader information to judge the District's economic condition – that is to show not only current economic resources and claims to those resources but to help the reader to understand potential future resources and claims to those future resources.

This section has five objectives: 1) provide financial trend data to show how the District's financial position has changed over time. 2) provide information on revenue capacity to show the District's ability to generate revenues. 3) provide information on debt capacity to show the District's debt burden and capacity to issue additional debt. 4) provide demographic and economic information to show the social and economic environment in which the District is operating. and 5) provide operating information to help understand the District's operation and resources used. The financial information presented in this section is prepared on an accrual basis.

**Financial Trends:** Net position increased by \$2,897,038 (19%) in 2019 after an increase of \$2,122,140 (16%) in 2018. The fund balance increased by \$1,754,140 in 2018 ending the year at \$11,330,901 with \$3,798,016 unassigned and decreased by \$2,289,550 in 2019 ending the year at \$9,041,351 with \$4,552,002 unassigned.

**Revenue Capacity:** The District received 31% of its revenue from property taxes in 2019. Total taxable assessed valuations for the District were \$629,414,660 in 2016, \$542,666,480 in 2017, \$557,000,900 in 2018, and \$576,183,820 in 2019. The City of Durango contributed 33% of revenues and the City receives most of their revenue from sales taxes. Future revenue capacity from the City of Durango can be judged by reviewing their annual financial reports.

**Debt Capacity:** The District has no long-term debt.

**Demographic and Economic Information:** La Plata County has experienced a 12% increase in population from 2009 to 2018 when the US Census calculated the population at 54,506. The number of housing units has increased by 9% during the same time frame. Total personal income peaked at \$3,157,546 in 2014 and then declined slightly in 2015 and 2016 before increasing in 2017 and 2018 when it reached \$3,142,489. Unemployment has been very low for most of the past ten years, however it did increase in 2010 reaching 7.1%. It was at 2.90% at the end of 2018 which is below the national average.

**Operating Information:** The District currently has 87 full-time employees which is thirteen more than DFRA had in 2012 and 2013 and seven more than DFPD operated with in 2018. Eight additional employees are line personnel and administrative staff declined by onr. Capital assets are even with the level DFRA had since 2010, and the fleet size is consistent with what was operated by DFRA since 2010. EMS calls have increased by 50% from 2010 to 2019 while Fire calls have fluctuated up and down and were below the ten-year average of 245 per year in 2019. Total call volume increased by 47% from 2010 to 2019.

**Sources:** Except where noted, the information in this section comes from the District's comprehensive annual reports. Additional information comes from internal operating reports, the Region 9 Economic District of Southwest Colorado, Colorado Department of Labor–Bureau of Labor Statistics, Colorado Division of Local Government-Demographic Section, Colorado Secretary of State, and the US Department of Commerce-Bureau of Economic Analysis.

**Durango Fire Protection District  
Net Position by Component  
2013 - 2019**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Primary Government:</b>							
Governmental Activities							
Net investment in capital assets	8,761,035	8,225,599	7,730,319	6,843,474	6,266,151	6,384,571	10,998,138
Restricted	200,000	322,642	331,827	338,671	416,179	434,970	486,762
Unrestricted	<u>8,082,898</u>	<u>7,506,384</u>	<u>7,434,781</u>	<u>7,437,295</u>	<u>6,421,459</u>	<u>8,406,388</u>	<u>6,638,067</u>
Total governmental activities net position	<u>17,043,933</u>	<u>16,054,625</u>	<u>15,496,927</u>	<u>14,619,440</u>	<u>13,103,789</u>	<u>15,225,929</u>	<u>18,122,967</u>

Note: Durango Fire Protection District began operations on January 1, 2014. These statistics are available beginning in 2013 however comparison with the predecessor agency was not useful.

**Durango Fire Protection District  
Changes in Net Position  
2014 - 2019**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Expenses</b>						
Governmental activities						
Public Safety	10,087,650	9,967,548	11,017,592	12,140,760	11,579,557	11,998,560
Total governmental activities expenses	<u>10,087,650</u>	<u>9,967,548</u>	<u>11,017,592</u>	<u>12,140,760</u>	<u>11,579,557</u>	<u>11,998,560</u>
<b>Program Revenues</b>						
Governmental activities						
Charges for services	1,842,659	2,264,658	2,351,618	2,811,118	3,015,206	3,784,110
Operating grants and contributions	301,290	673,624	26,004	8,234	21,361	22,009
Capital grants and contributions	472,651	416,066	423,097	792,311	430,429	561,720
Total governmental activities program revenues	<u>2,616,600</u>	<u>3,354,348</u>	<u>2,800,719</u>	<u>3,611,663</u>	<u>3,466,996</u>	<u>4,367,839</u>
Net (expense)/revenue						
Governmental activities	<u>(7,471,050)</u>	<u>(6,613,200)</u>	<u>(8,216,873)</u>	<u>(8,529,097)</u>	<u>(8,112,561)</u>	<u>(7,630,721)</u>
<b>General Revenues and Other Changes in Net Position</b>						
Property taxes	3,043,898	3,199,028	3,631,116	3,167,088	4,506,664	4,623,948
Specific ownership taxes	538,938	538,571	562,268	682,648	953,782	976,534
Contract with City of Durango	2,680,153	2,734,584	2,943,622	3,002,282	4,505,213	4,546,600
Other local taxes	170,650	168,241	101,796	55,861	49,769	56,725
Interest	8,851	11,135	35,908	59,598	176,585	251,489
Other	39,252	51,015	64,676	45,969	42,688	62,463
Total general revenues	<u>6,481,742</u>	<u>6,702,574</u>	<u>7,339,386</u>	<u>7,013,446</u>	<u>10,234,701</u>	<u>10,517,759</u>
<b>Change in Net Position</b>	<u>(989,308)</u>	<u>89,374</u>	<u>(877,487)</u>	<u>(1,515,651)</u>	<u>2,122,140</u>	<u>2,887,038</u>

Note: Durango Fire Protection District began operations on January 1, 2014. These statistics are available beginning in 2013 however comparison with the predecessor agency was not useful.

**Durango Fire Protection District  
Fund Balances of Governmental Funds  
2014 - 2019**

	2014	2015	2016	2017	2018	2019
<b>General Fund:</b>						
Restricted for:						
Emergency reserves	322,642	331,827	338,671	416,179	434,970	486,762
Committed for:						
Capital projects	472,052	744,104	1,016,156	5,571,217	7,097,915	4,002,587
Unassigned	<u>7,537,075</u>	<u>7,610,553</u>	<u>7,847,761</u>	<u>3,589,365</u>	<u>3,798,016</u>	<u>4,552,002</u>
Total general fund	<u><u>8,331,769</u></u>	<u><u>8,686,484</u></u>	<u><u>9,202,588</u></u>	<u><u>9,576,761</u></u>	<u><u>11,330,901</u></u>	<u><u>9,041,351</u></u>

Note: Durango Fire Protection District began operations on January 1, 2014. These statistics are available beginning in 2013 however comparison with the predecessor agency was not useful.

**Durango Fire Protection District  
Governmental Funds Changes in Fund Balances  
2014 - 2019**

	2014	2015	2016	2017	2018	2019
<b>Revenue</b>						
Property taxes	3,043,898	3,199,028	3,631,116	3,167,088	4,506,664	4,623,948
Specific ownership taxes	\$ 538,938	\$ 538,571	\$ 562,268	\$ 682,648	\$ 953,782	\$ 976,534
Contract with City of Durango	2,680,153	2,734,584	2,943,622	3,002,282	4,505,213	4,546,600
Other local taxes	170,650	168,241	101,796	55,861	49,769	56,725
Ambulance income, net	1,248,405	1,409,719	1,629,742	1,587,072	1,671,001	2,724,734
Fees for services	594,254	854,939	721,876	1,224,046	1,344,205	1,059,376
Grants	405,504	643,624	31,396	137,938	21,361	93,271
Impact fees	96,385	144,014	124,034	146,262	148,047	156,375
City of Durango contribution for capital	272,052	272,052	272,052	272,052	272,052	272,052
Interest income	8,851	11,135	35,908	59,598	176,585	251,489
Miscellaneous income	39,252	51,015	64,676	45,969	42,688	62,463
<b>Total revenues</b>	<u>9,098,342</u>	<u>10,026,922</u>	<u>10,118,486</u>	<u>10,380,816</u>	<u>13,691,367</u>	<u>14,823,567</u>
<b>Expenditures</b>						
General Government						
Fire administration	1,316,459	1,351,526	1,476,087	1,465,202	1,637,483	1,739,774
Fire fighting	3,468,749	3,766,207	3,556,051	3,984,440	4,704,352	4,593,583
Fire prevention	389,411	378,768	437,881	460,514	471,902	499,987
Fire training	415,223	351,055	508,162	489,601	558,691	497,303
Fire communications	82,323	89,980	98,935	90,662	133,959	105,315
Fire repair services	423,368	355,086	385,788	439,859	382,487	439,743
Emergency medical services	2,709,358	2,625,223	2,794,090	2,834,004	3,053,565	3,385,514
Stations and building	140,202	159,906	160,432	159,594	165,782	283,487
Capital outlay	576,796	624,457	206,576	452,724	839,336	5,630,442
<b>Total expenditures</b>	<u>9,521,889</u>	<u>9,702,208</u>	<u>9,624,002</u>	<u>10,376,600</u>	<u>11,947,557</u>	<u>17,175,148</u>
<b>Other financing sources and (uses)</b>						
Sale of assets	-	30,000	21,619	369,958	10,330	62,031
<b>Total other financing sources and (uses)</b>	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ 21,619</u>	<u>\$ 369,958</u>	<u>\$ 10,330</u>	<u>\$ 62,031</u>
<b>Net change in fund balance</b>	<u>(423,547)</u>	<u>354,714</u>	<u>516,103</u>	<u>374,174</u>	<u>1,754,140</u>	<u>(2,289,550)</u>

Note: Durango Fire Protection District began operations on January 1, 2014. These statistics are available beginning in 2013 however comparison with the predecessor agency was not useful.

**Durango Fire Protection District  
Assessed Value and Actual Value of Taxable Property  
2014 - 2019**

<b>Fiscal Year</b>	<b>Vacant Land</b>	<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Agricultural</b>	<b>Natural Resources</b>	<b>Oil and Gas</b>	<b>State Assessed</b>	<b>Exempt</b>	<b>Total Taxable Assessed Value</b>	<b>Taxable Values Percentage of Estimated Actual Value</b>	<b>Total Estimated Actual Value</b>	<b>Total Direct Rate</b>
<b>2014</b>	68,860,290	245,730,860	52,122,850	5,336,200	4,621,670	277,660	138,238,010	16,320,040	69,835,810	531,507,580	13.67%	3,888,364,640	5.700
<b>2015</b>	66,962,970	250,224,180	51,465,710	5,598,800	4,737,450	603,220	163,321,460	16,545,600	64,557,390	559,459,390	14.15%	3,953,479,400	5.700
<b>2016</b>	69,032,260	283,516,190	56,709,320	6,092,730	4,498,420	821,190	192,144,270	16,600,280	72,380,100	629,414,660	14.20%	4,431,760,080	5.700
<b>2017</b>	69,893,270	284,105,700	62,666,110	9,316,530	5,900,410	1,487,070	91,401,520	17,895,870	58,669,080	542,666,480	11.51%	4,716,357,360	5.700
<b>2018</b>	67,837,270	290,598,550	62,579,050	10,440,710	5,954,260	1,592,900	99,556,390	18,441,770	61,673,190	557,000,900	11.59%	4,805,667,750	8.200
<b>2019</b>	67,905,620	320,430,870	65,924,420	11,225,900	5,470,420	1,614,370	85,681,710	17,930,510	62,495,270	576,183,820	10.61%	5,430,499,820	8.200

Source: La Plata County Assessor's Office

Note: Durango Fire Protection District began operations on January 1, 2014. These statistics are available beginning in 2014 and comparison with the predecessor agency was not useful.

**Durango Fire Protection District  
Direct and Overlapping Property Tax Rates  
2014 - 2019**

Collection Year	2014	2015	2016	2017	2018	2019
Durango Fire Protection District Direct	5.700	5.700	5.700	5.700	8.200	8.200
Animas La Plata Water Conservancy	0.325	0.333	0.322	0.328	0.328	0.344
Animas Misquito Control	0.990	0.990	0.990	0.990	0.990	0.990
Bayfield School District	23.222	21.599	21.161	32.478	31.905	31.721
Durango Hills Road Improvement District	0.000	0.000	0.000	20.379	0.000	20.379
Durango School District	19.090	19.090	17.876	19.874	20.281	21.075
Durango West Metropolitan #1	20.200	20.300	19.460	0.000	0.000	0.000
Edgemont Ranch Metropolitan	7.874	7.876	7.875	7.880	7.895	7.906
Edgemont Ranch Metropolitan Bond	3.426	3.600	2.893	2.808	2.724	2.450
El Ranch Florida Metropolitan Bond	25.333	20.589	21.149	26.110	21.573	23.841
Florida Mosquito Control	0.700	0.700	0.700	0.700	0.700	0.700
Florida Water Conservancy	0.073	0.066	0.060	0.060	0.060	0.060
Ignacio Community Library District	1.500	1.500	1.500	1.500	1.500	1.500
Ignacio School District	13.173	11.470	12.436	15.535	18.350	17.713
La Plata Archuleta Water District	5.000	5.000	5.000	5.000	5.000	5.000
La Plata County General	7.410	7.410	7.410	7.348	7.348	7.348
La Plata County Human Services	0.380	0.380	0.380	0.443	0.442	0.442
La Plata County R&B	0.710	0.710	0.710	0.710	0.710	0.710
La Plata Water Conservancy	0.295	0.295	0.295	0.295	0.295	0.295
LPC Palo Verde Pub Imp Distr No. 3	8.448	4.840	4.559	32.235	27.820	18.671
LPC Palo Verde Pub Imp Distr No. 3 Bond	62.934	16.860	13.567	0.000	0.000	0.000
Pine River Cemetary	0.150	0.150	0.150	0.150	0.150	0.150
Pine River Library	2.500	2.504	2.501	2.500	2.500	2.500
Purgatory Metropolitan	27.313	27.313	27.313	27.313	27.313	27.313
Purgatory Metropolitan Subdistrict	15.000	15.000	15.000	15.000	15.000	15.000
Southwestern Water Conservancy	0.368	0.362	0.340	0.395	0.407	0.407
Tamarron Metropolitan District	13.239	13.000	13.000	13.000	13.000	13.000
Tamarron Metropolitan District Bond	37.000	37.000	37.000	37.000	37.000	37.000
<b>Total Direct and Overlapping Millages</b>	<b>302.353</b>	<b>244.637</b>	<b>239.347</b>	<b>275.730</b>	<b>251.491</b>	<b>264.715</b>

Source: La Plata County Assessor's Office

Note: Durango Fire Protection District began operations on January 1, 2014. These statistics are available beginning in 2014 and comparison with the predecessor agency was not useful.

**Durango Fire Protection District  
Principal Property Tax Payers  
2019**

Rank	Taxpayer	Taxable Assessed Value	Percentage of Total Assessed Value
1	BP America Production Co.	60,944,390	9.68%
2	Hilcorp San Juan LP	9,413,920	1.50%
3	La Plata Electric Association Inc.	6,944,540	1.10%
4	BP America Production Co.	5,592,260	0.89%
5	Glacier Properties Associates LLC	4,269,100	0.68%
6	Public Service CO of Colorado (Xcel)	3,931,030	0.62%
7	Enduring Resources LLC	3,887,340	0.62%
8	Williams Four Corners LLC	3,870,200	0.61%
9	Purgatory Recreation LLC	3,604,120	0.57%
10	Ewing Park LLC	3,323,910	0.53%
		105,780,810	16.81%

Source: La Plata County Assessors Office

**Durango Fire Protection District  
General Fund Property Tax Levies and Collections  
2014 - 2019**

<b>Fiscal Year</b>	<b>Total Tax Levy for Year</b>	<b>Amount Collected</b>	<b>Percentage of Levy</b>	<b>Collections in Subsequent Years</b>	<b>Total Collections</b>	<b>Percentage of Levy</b>
<b>2014</b>	3,077,758	3,036,599	98.66%	253	3,036,852	98.67%
<b>2015</b>	3,236,060	3,193,747	98.69%	-	3,193,747	98.69%
<b>2016</b>	3,634,503	3,588,243	98.73%	976	3,589,219	98.75%
<b>2017</b>	3,168,838	3,125,182	98.62%	2,038	3,127,220	98.69%
<b>2018</b>	4,507,223	4,445,630	98.63%	2,296	4,447,926	98.68%
<b>2019</b>	4,622,922	4,560,507	98.65%	-	4,560,507	98.65%

**Source:** Durango Fire Protection District

Note: Durango Fire Protection District began operations on January 1, 2014. These statistics are available beginning in 2014 and comparison with the predecessor agency was not useful.

**La Plata County, Colorado  
Demographic Data  
2009 - 2018**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Population	48,849	49,726	50,180	50,619	21,316	51,945	52,739	53,457	53,775	54,506
Births	593	589	543	536	495	552	579	571	503	459
Deaths	275	270	246	332	315	301	345	351	353	338
Housing units	25,813	25,918	26,124	26,266	26,429	26,685	26,948	27,268	27,515	28,070
Households	20,488	21,144	21,334	21,519	21,814	22,082	22,424	22,738	22,872	23,197
Average household size	2.38	2.35	2.35	2.35	2.35	2.35	2.35	2.35	2.35	2.35
Registered voters	37,185	37,565	38,590	41,732	41,785	40,154	41,117	44,828	43,870	43,811
Employment	29,632	27,744	27,408	27,693	27,873	28,665	28,816	30,072	30,626	31,354
Unemployment	1,685	2,130	2,068	1,970	1,686	1,260	1,034	889	760	924
Unemployment rate	5.40%	7.10%	7.00%	6.60%	5.70%	4.20%	3.50%	2.90%	2.40%	2.90%
Total personal income (thousands)	2,113,332	2,136,092	2,245,325	2,478,850	2,910,010	3,157,546	2,997,974	2,896,201	2,945,090	3,142,489
Per capita personal income	41,353	41,604	43,351	47,334	54,610	58,704	54,899	52,412	53,026	55,807

Sources: Colorado Division of Local Government, Demographic Section, (1-303-866-4989) in cooperation with the U.S. Bureau of Census  
Colorado Secretary of State, Colorado Department of Labor - Bureau of Labor Statistics  
US Department of Commerce - Bureau of Economic Analysis

Accurate demographic information is not compiled for the District's service area. The District's service area covers a significant part of La Plata County including the county seat the City of Durango. Complete data for 2019 is not available as of this date.

**Durango Fire Protection District  
Principal Employers  
2009 - 2019\***

Employer	2009 Employees	2010 Employees	2011 Employees	2012 Employees	2013 Employees	2014 Employees	2015 Employees	2016 Employees	2018 Employees	2019 Employees	2018 Percentage of Total County Employment
Southern Ute Indian Tribe	854	1,500	1,500	1,500	970	755	845	795	980	1,545	4.9%
Mercy Medical Center	719	625	625	726	900	797	1,200	860	1,321	941	3.0%
Durango Mountain Resort	295	346	346	400	400	400	479	1,000		850	2.7%
Durango School District 9-R	824	544	544	544	573	601	632	853	1,011	788	2.5%
Fort Lewis College	687	535	535	535	709	636	570	660	611	680	2.2%
La Plata County	406	412	412	412	400	326	401	434	458	395	1.3%
Bayfield School District #10										390	1.2%
City of Durango	501	500	500	430	475	314		546	595	354	1.1%
Wal Mart Stores, Inc.	395	353	353	320	354	365			322	322	1.0%
Rocky Mountain Chocolate Factory										190	0.6%
Crossfire							322	705	474		
Sky Ute Lodge and Casino					430	395	400	425	400		
Worldpay (formerly Mercury)	222	442	442	637	417	409	630	365	360		
BP America							221				
San Juan Basin Health	208	226	226	226							
<b>Total</b>	<b>5,111</b>	<b>5,483</b>	<b>5,483</b>	<b>5,730</b>	<b>5,628</b>	<b>4,998</b>	<b>5,700</b>	<b>6,643</b>	<b>6,532</b>	<b>6,455</b>	<b>20.6%</b>

Source: Region 9 Economic Development District of Southwest Colorado

Note: Accurate demographic information is not compiled for the District's service area. The District's service area covers a significant part of La Plata County including the county seat the City of Durango. Data for 2017 is not available as of this date.

**Durango Fire Protection District  
Full-time Equivalent Employees  
2010- 2019**

<b>Function</b>	<b>2010*</b>	<b>2011*</b>	<b>2012*</b>	<b>2013*</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Fire and EMS										
Firefighters and officers	48	48	54	54	54	54	54	54	58	66
Administrative staff	9	9	9	9	9	9	9	9	9	8
Operational support staff	14	11	11	11	11	11	12	12	13	13
<b>Total Fire and EMS Full-time Employees</b>	<b>71</b>	<b>68</b>	<b>74</b>	<b>74</b>	<b>74</b>	<b>74</b>	<b>75</b>	<b>75</b>	<b>80</b>	<b>87</b>

Source: Durango Fire Protection District

\* Numbers for years prior to 2014 are for Durango Fire & Rescue Authority the predecessor agency.

**Durango Fire Protection District  
Operating Indicators by Function  
2010 - 2019**

	2010*	2011*	2012*	2013*	2014	2015	2016	2017	2018	2019
<b>Function</b>										
Fire										
Structure and wildland fires	270	327	226	302	346	222	364	148	148	98
Hazardous conditions	169	115	126	179	106	116	109	121	91	164
EMS										
Emergency medical	2,633	2,713	2,810	3,089	3,444	3,747	4,127	3,713	3,807	3,865
Public Service Assistance	37	52	44	43	32	29	41	243	218	244
Good Intent Calls								761	843	740
False Alarms	509	484	779	652	656	724	441	265	287	301
Total Calls	<u>3,618</u>	<u>3,691</u>	<u>3,985</u>	<u>4,265</u>	<u>4,584</u>	<u>4,838</u>	<u>5,082</u>	<u>5,251</u>	<u>5,394</u>	<u>5,412</u>
Inspections	<u>1,461</u>	<u>1,214</u>	<u>885</u>	<u>943</u>	<u>690</u>	<u>809</u>	<u>822</u>	<u>847</u>	<u>N/A</u>	<u>625</u>

Source: Durango Fire Protection District

Note: In 2017 DFPD began using new software and started tracking Good Intent Calls. Due to a software changes the number of inspections performed in 2018 is unavailable.

\* Numbers for years prior to 2014 are for Durango Fire & Rescue Authority the predecessor agency.

**Durango Fire Protection District  
Capital Asset Statistics  
2010 - 2019**

Function	2010*	2011*	2012*	2013*	2014	2015	2016	2017	2018	2019
<b>Fire and EMS</b>										
Fire stations										
Staffed stations	3	3	4	4	4	4	4	4	4	4
Volunteer	13	13	12	12	12	12	12	12	12	12
Administrative building	1	1	1	1	1	1	1	1	1	1
<b>Fleet</b>										
Engines	18	18	18	18	18	18	18	18	18	19
Tankers	9	9	9	9	9	9	9	9	9	9
75' aerials	2	2	2	2	2	2	2	2	2	2
Ambulances	6	6	6	6	8	8	8	9	9	9
Brush trucks	8	8	8	8	8	8	8	8	8	8
Rescue trucks	3	3	3	3	3	3	3	3	3	1
Other	33	33	33	33	33	33	33	33	34	28

Source: Durango Fire Protection District

\* Numbers for years prior to 2014 are for Durango Fire & Rescue Authority the predecessor agency.

**Durango Fire Protection District  
Calls by District  
2019**

2019 Calls by District	EMS	False Alarm	Fire	Hazardous Cond.	Public Service	Good Intent	Total
DFRA 1 - Bodo	297	37	6	16	11	63	430
DFRA 2 - Downtown	1,366	82	20	55	105	174	1,802
DFRA 3 - 32nd Street	585	51	16	29	64	111	856
DFRA 4 - Sunnyside	64	3	4	4	1	23	99
DFRA 5 - Edgemont	33	11	1	7	5	10	67
DFRA 6 - Trimble	121	26	3	11	18	27	206
DFRA 7 - Elmore's Corner	955	20	22	20	18	80	1,115
DFRA 8 - Rafter J	27	2	4	3	5	15	56
DFRA 9 - Durango West	61	3	4	4	4	22	98
DFRA 10 - Elkhorn Mountain	0	0	0	0	0	0	0
DFRA 11 - Bondad	49	0	3	2	1	18	73
DFRA 12 - Timberline	57	2	4	3	2	25	93
DFRA 13 - Falls Creek	11	1	0	0	2	7	21
DFRA 14 - Tamarron	18	9	1	3	1	8	40
DFRA 15 - Electra Lake	14	3	3	3	0	5	28
DFRA 16 - Durango Mtn. Resort	91	51	3	3	4	71	223
Mutual Aid	116	0	4	1	3	81	205
<b>Total</b>	<b>3,865</b>	<b>301</b>	<b>98</b>	<b>164</b>	<b>244</b>	<b>740</b>	<b>5,412</b>

Source: Durango Fire Protection District

