

Poudre Fire Authority, Colorado

2019 Comprehensive Annual Financial Report



A Partnership of the City of Fort Collins
and Poudre Valley Fire Protection
District; Proudly serving Fort Collins,
Timnath, LaPorte, Bellvue, Horsetooth,
and Redstone Canyon, Colorado.

Year Ended December 31, 2019

Poudre Fire Authority

Poudre Fire Authority, Colorado

Poudre Fire Authority

Comprehensive Annual Financial Report

For the fiscal year ended

December 31, 2019

2019 Artwork by Jonathan Beistline, Illustrator: www.beistlineillustrations.com

Prepared by Poudre Fire Authority Staff:

Kirsten Howard, Finance and Budget Supervisor

Ann Turnquist, Administrative Services Director

With assistance from, and special thanks to, the City of Fort Collins Finance Department:

Kerri Ishmael, Accountant II

Logan Bailor, Accountant II

Jennifer Rybarczyk-Selenske, Senior Accountant

Kelley Vodden, Controller

Blaine Dunn, Interim Accounting Director

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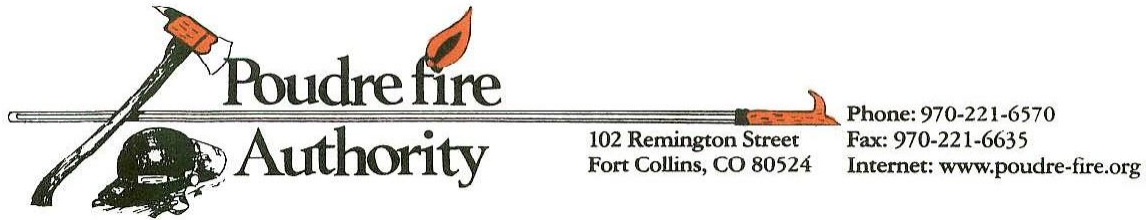
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INTRODUCTORY SECTION



Smoke Alarm Installation



Letter of Transmittal

July 31, 2020

Poudre Fire Authority Board of Directors

We submit, for your information and review, the Comprehensive Annual Financial Report (CAFR) for the Poudre Fire Authority, Fort Collins, Colorado, for the year ended December 31, 2019. This CAFR will be submitted to the Government Finance Officers Association (GFOA) for consideration of the Certificate of Achievement for Excellence in Financial Reporting. The certificate of achievement from GFOA will assist Poudre Fire Authority (the Authority) with compliance in Section 4b, Financial Practices, in the Center for Public Safety accreditation process.

This report consists of staff's representation concerning the finances of the Authority. Consequently, staff assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is reported in a manner designed to present fairly the financial position and activities of the various funds of the Authority. The Authority has included all disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities.

The Intergovernmental Agreement forming the Authority states in Section 5.2 (Records and Accounts) that the Board shall provide for the auditing of all books and accounts and other financial records of the Authority on an annual basis, with such auditing to be conducted by a certified public accountant. The independent auditor, BKD LLP, concluded, based upon the audit, that there was reasonable basis for rendering unmodified opinions that the Authority's financial statements for the fiscal year ended December 31, 2019 are fairly presented in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A. The Authority’s MD&A can be found immediately following the report of the independent auditor.

Governmental Structure

The Poudre Fire Authority was formed in 1981 through the consolidation of the Poudre Valley Fire Protection District (PVFPD) and the City of Fort Collins Fire Department. Both jurisdictions adopted an intergovernmental agreement that outlines the governance of the Authority. The governing body is a five-member board of directors appointed by the Fort Collins City Council and PVFPD Board. The Authority Board of Directors appoints the Fire Chief.

This joining of forces enables the Authority to take a comprehensive, regional approach to the provision of emergency services. The results since 1981 include improved insurance ratings, lower long-term costs to the taxpayer, enhanced ability to respond to large crises situations, the elimination of duplication of resources, and long-range decision making as set forth in the past and current strategic plans. These plans are the product of an extensive process to develop a future vision of community needs and the most efficient and effective means to meet those needs. In addition, staff developed and included a Long-Range Financial Plan in the 2019 budget document and makes multi-year projections regarding the Authority’s financial condition. The annual budget provides flexibility in the face of community change with annual review of the Strategic Plan and Long-Range Financial Plan.

The Authority is funded by the City of Fort Collins and the PVFPD through a combination of property taxes in the District and property, sales, and use taxes in the City. It also receives some compensation from Fire Prevention Bureau fees, wildland firefighting, urban search and rescue deployments, and hazardous materials responses provided outside of the jurisdiction.

Financial Condition: Economy, Long-Term Financial Planning and Major Initiatives

2019 Economic Information: The local unemployment rate was 2.0% at the end of 2019 and compares well to the State rate of 2.5% and the national rate of 3.6%. The Fort Collins community is vibrant with innovation, craft brewers, software, hardware, bioscience, and clean energy companies contribute inventions, ideas, and products that affect the local economy positively.

The Fort Collins population grew approximately 1.8%, and the population in the PVFPD grew approximately 2.0%. The community relies heavily on sales and use tax revenues. In 2019, sales taxes and use taxes were up 2.8% and down 0.9%, respectively, for a blended increase of 2.2%. Inflation was 1.92%, as measured by the Denver-Aurora-Lakewood Consumer Price Index for the second half of 2019 versus the second half of 2018. Assessed property values

have experienced strong growth in recent years, which contributes to positive growth in the essential economic indicators for the City and District. Residential building permits increased to 434 in 2019 from 414 in 2018.

Overall government's net position increased 7.2% in 2019. At year-end, the Authority held \$19,854,992 in unrestricted net position, which is an increase of 23.5% from 2018. Please see page 26 for more information about the Authority's total net position.

Data-Informed and Transparent: The Authority actively embraces transparency, accountability, and continuous improvement. The Authority participates with the City of Fort Collins in its Open Book, which is an online tool designed to disclose expenses in a simple and easy to use format (fcgov.com/openbook), and in its Community Dashboard, an online tool that measures the community's progress in attaining key outcomes. The Authority reports two measures; percent of time fire contained to room of origin (86.0% in 4th quarter 2019) and percent of time Authority fire personnel are on scene within 6 minutes 20 seconds in the urban area (50% for year-end 2019). This tool can be accessed at fcgov.com/metrics. The Authority participates in the International City/County Managers Association (ICMA) Center for Performance Measurement Analytics to identify and report key outcome measures. The Authority has earned the ICMA Certificate of Excellence each year since 2012 and has applied for the award again in 2020.

Impact of Financial Policy on Financial Statements: The Authority Board has established financial policies, approved annually via Board resolution, which help to ensure financial stability. The Authority will adopt and maintain a balanced budget, as defined by state statute, wherein expenditures will not exceed available revenues plus beginning fund balances. Once the budget has been approved, the Board of Directors, upon recommendation of the Fire Chief, may make supplemental appropriations from prior year reserves and unanticipated revenue.

The modified accrual basis is used for budgeting and accounting. This means that revenues are recognized when they become measurable or available (cash basis), while expenditures are accounted for or recognized in the budgeting period incurred (accrual basis).

An unappropriated Reserve for Contingency of 3% of operating revenues can be accessed only by the Board of Directors. If the revenue reserve and contingency reserve are depleted below reserve policy level (6%), the Fire Chief will develop a restoration plan, which may include expenditure reductions; rate or fee increases; revenue transfers from other portions of fund balance or capital reserve, to restore balances over a two-year time period. The restoration plan will be a high financial priority and be reviewed and updated by the Authority Board every six months.

Intergovernmental Agreement/Revenue Allocation Formula: The Authority has begun to address its large funding challenges by addressing the long-term funding stream provided through the Intergovernmental Agreement's (IGA) Revenue Allocation Formula (RAF). On July 15, 2014, the PVFPD and Fort Collins City Council approved a Restated Intergovernmental Agreement, between the two entities, establishing the Poudre Fire Authority. As a part of the IGA, the RAF was restated to utilize the City's sales, use, and property tax revenue forecasts to develop Authority funding, and the City's intent is to phase-in its total contribution to equal the RAF calculation over a five-year period beginning in 2015.

Strategic Plan: Authority staff has developed a Strategic Plan (approved in February 2018) that will guide the Authority over the coming three to five years, involve internal and external stakeholders, and include goals and objectives to align the Authority's actions.

Accreditation: The Authority appeared before the Commission on Fire Accreditation International (CFAI) on August 27, 2015 and was awarded accredited status. During this meeting, the Authority presented its intended approach to the peer review team's recommendations. The Authority is integrating the processes and systems that have been established to ensure continuous quality improvement and placing continued focus on planning and analysis as a value to drive improved outcomes. A long-term savings plan was formulated for improved alerting of response crews, which will continue to improve overall response times. Finally, the organization continues to work towards improved accuracy of data entry through a quality assurance program and through the Risk Assessment/Standards of Cover Process.

Emergency Medical Services (EMS) Agreement: The Northern Larimer County Emergency Response Area EMS agreement with UCHHealth / Poudre Valley Hospital Emergency Medical Services was presented to the Authority Board on May 5, 2015 and approved. This agreement provides exclusive ambulance services within the Authority's jurisdiction, which will ensure continued, high quality ambulance services both within the Authority boundaries and in neighboring communities through a contractual agreement.

Timnath Intergovernmental Agreement: The IGA between the Authority, PVFPD and the Town of Timnath was approved by the Town of Timnath, Timnath Development Authority, PVFPD and the Authority in June 2015. The IGA provides tax increment funding from Timnath, through PVFPD, for the Authority's budget.

Other Information:

The Authority acknowledges the dedicated efforts of all officials and City and Authority staff involved in managing and accounting for the Authority's financial operations. The process of financial planning, management, and accounting requires a team effort by the Authority Board of Directors, PVFPD Board of Directors, City Council, and City and Authority staff to be successful. The preparation of this 2019 Comprehensive Annual Financial Report was made possible by the dedicated service of the City's Finance Department as well as Authority Budget staff, who worked many extra hours to ensure the completion of this document while fulfilling other responsibilities over the past few months. The Authority would also like to recognize and thank BKD LLP, the firm that serves as the Authority's external auditor.

Respectfully submitted,



Tom DeMint
Fire Chief

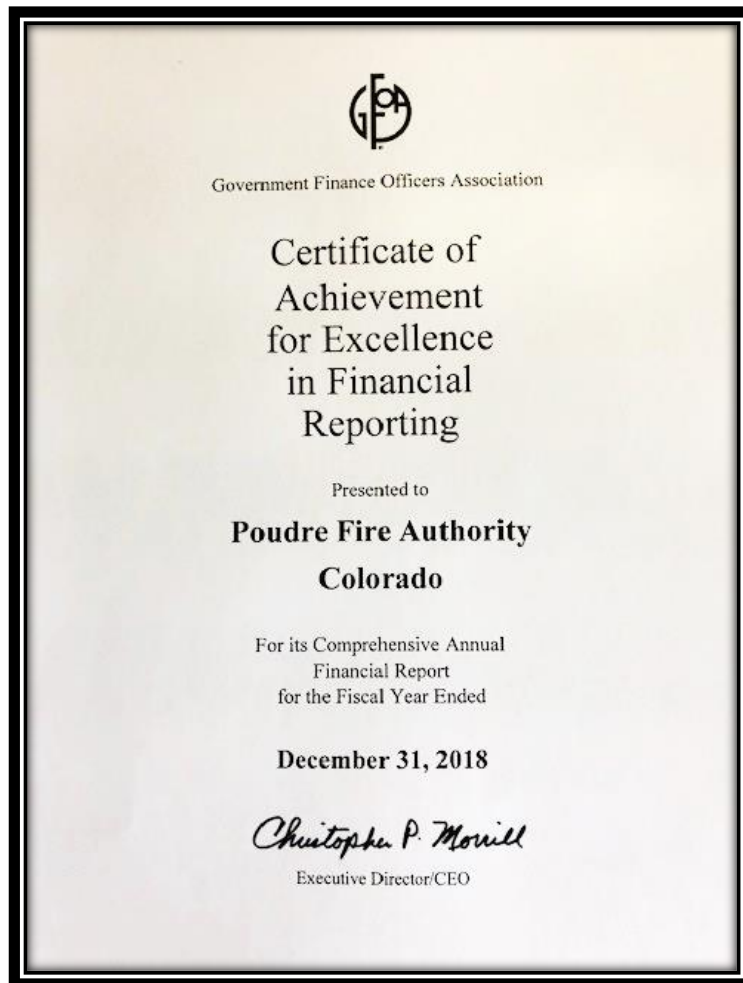


Ann Turnquist
Administrative Services Director



Kirsten Howard
Finance and Budget Supervisor

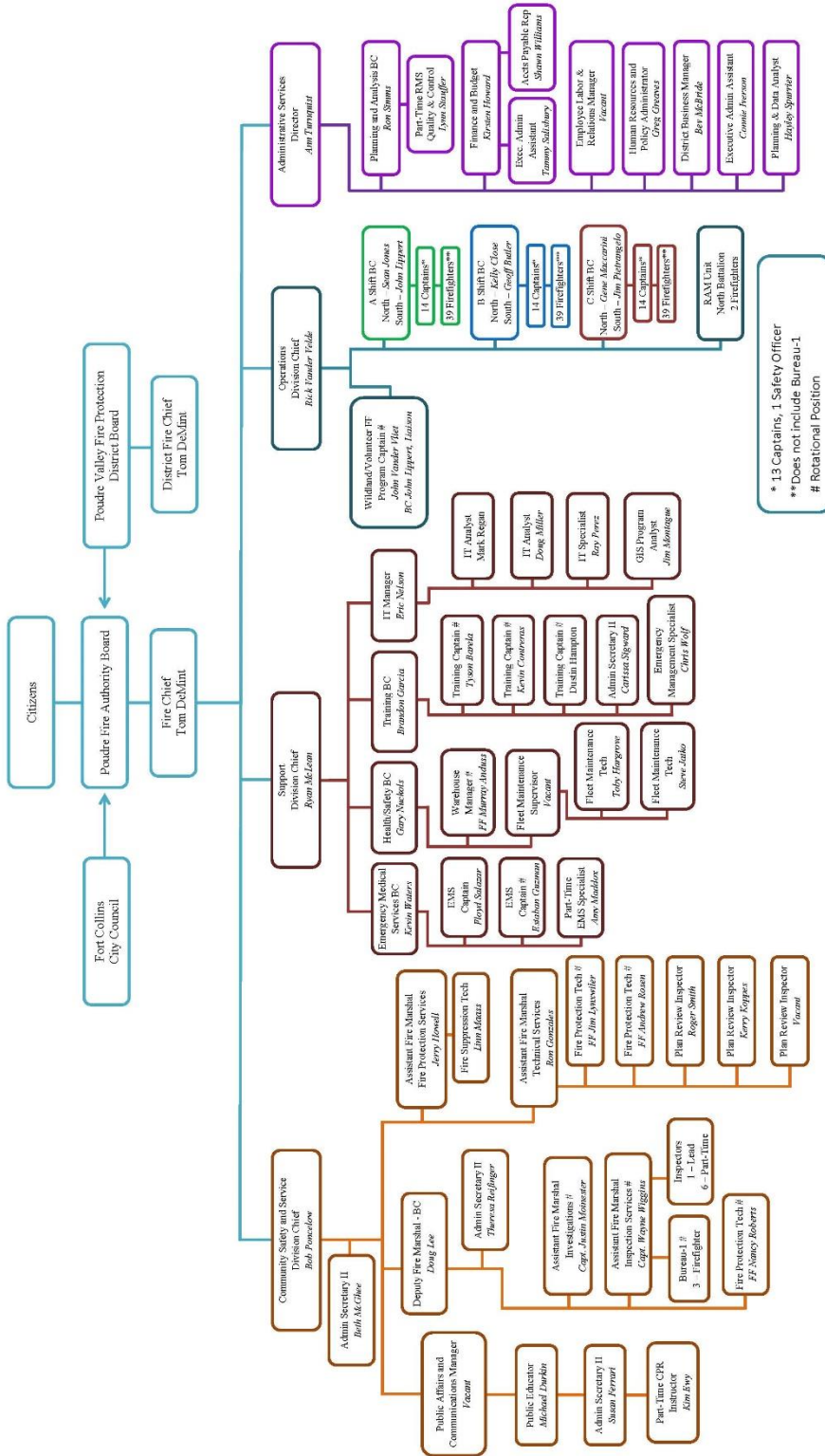
Certificate of Achievement for Excellence in Financial Reporting



The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Poudre Fire Authority for its comprehensive annual financial report for the fiscal year ended December 31, 2018. This was the fifth consecutive year the Authority has achieved this prestigious award. 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 that 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.

Poudre Fire Authority Organizational Chart



December 2019

* 13 Captains, 1 Safety Officer
 ** Does not include Bureau-1
 # Rotational Position

Elected Officials and Poudre Fire Authority Senior Leadership
As of December 31, 2019

Poudre Valley Fire Protection District Board of Directors

James Gentry, Chair
Dave Pusey, Secretary/Treasurer
Michael DiTullio, Board member
Landon Hoover, Board member
Tess Heffernan, Board member

Fort Collins City Council

Wade Troxell, Mayor
Susan Gutowsky, Councilmember, District 1
Julie Pignataro, Councilmember, District 2
Ken Summers, Councilmember, District 3
Kristin Stephens, Mayor Pro Tem, Councilmember, District 4
Ross Cunniff, Councilmember, District 5
Emily Gorgol, Councilmember, District 6

Poudre Fire Authority Board of Directors

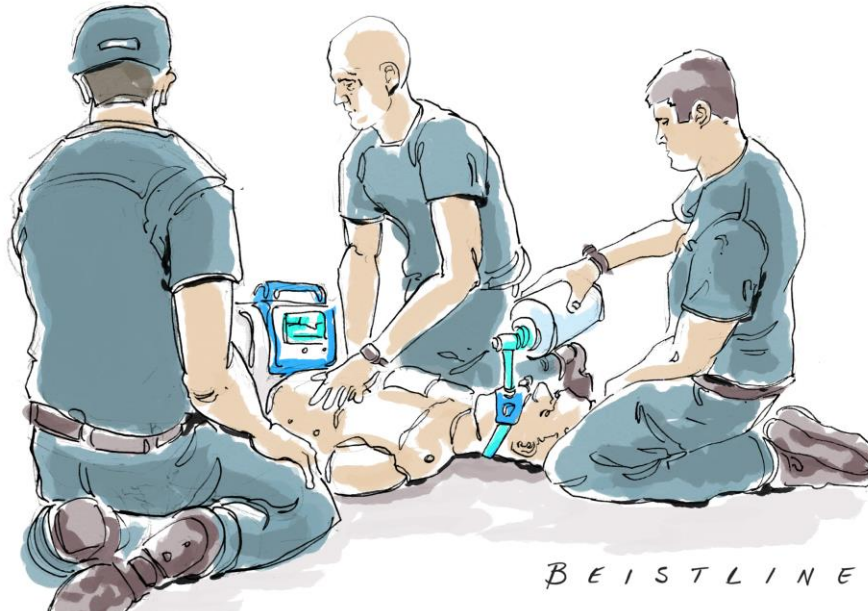
Kristin Stephens, Chair
Mike DiTullio, Vice Chair
Ken Summers, Board member
Dave Pusey, Chair
Darin Atteberry, City Manager, Board member

Poudre Fire Authority Senior Leadership

Tom DeMint, Fire Chief
Ann Turnquist, Administrative Services Director
Jerry Howell, Community Risk Reduction and Fire Prevention Division Chief
Rick Vander Velde, Operations Division Chief
Ryan McLean, Support Division Chief
Janet Miller, Employee and Labor Relations Manager
Kirsten Howard, Finance and Budget Supervisor
Ron Simms, Planning and Analysis Battalion Chief

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FINANCIAL SECTION



Emergency Medical Services Training

Independent Auditor's Report

Board of Directors
Poudre Fire Authority
Fort Collins, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Poudre Fire Authority (the Authority), as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the Authority'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Poudre Fire Authority as of December 31, 2019, and the respective changes in financial position and the budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Board of Directors
Poudre Fire Authority

Emphasis of Matter

As discussed in I.F to the financial statements, in 2019, the Authority adopted GASB Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 the Authority's basic financial statements. The capital projects fund schedule of revenues, expenditures, and changes in fund balances, actual and budget (non-GAAP budgetary basis), and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The capital projects fund schedule of revenues, expenditures, and changes in fund balances, actual and budget (non-GAAP budgetary basis) 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections as listed in the table of contents 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also have issued our report dated July 31, 2020, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

BKD, LLP

Denver, Colorado
July 31, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)

Poudre Fire Authority (the Authority) offers the readers of the Authority's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2019. In addition to this overview and analysis based on currently known facts, decisions and conditions, the Authority would encourage readers to consider the information presented in the Authority's basic financial statements, which begin on page 26 of this report.

Financial Highlights

The assets of the Authority exceeded its liabilities at the end of the fiscal year ended December 31, 2019 by \$50,099,531 (net position). Of the net position balance, \$19,854,993 is unrestricted and is available to meet the Authority's ongoing obligations in accordance with the Authority's fund designations and fiscal policies.

The General Fund, the Authority's primary operating fund, reported an increase of \$7,042,782 (72.94%) in fund balance.

The Capital Projects Fund reported a decrease of \$3,567,801 (-42.29%) in fund balance.

In 2019 PFA staff worked with City staff to align PFA's accounting for capital projects. As a result, a change in the accounting methodology was developed to create congruence with the City's accounting for capital projects. The PFA Board of Directors approved Resolution 19-16 authorizing PFA staff to work with City of Fort Collins Accounting staff to establish Fund 840 (general fund) reserves to transfer funds from Fund 841 (capital fund) to further align the treatment of capital projects with the methodology used at the City. This change in accounting treatment is driving the vast majority of variances mentioned above.

The 2019 budget supported the implementation of Accreditation recommendations and initiatives to achieve strategic goals, capital funding, and facility maintenance.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of the following three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements and 3) Notes to the Financial Statements. Other supplementary information is also included at the end of the report.

Government-wide Financial Statements. The government-wide statements are designed to provide readers with a broad overview of the Authority's finances using the accrual basis of accounting, the basis of accounting used by most private-sector businesses.

MANAGEMENT'S DISCUSSION AND ANALYSIS continued (unaudited)

The statement of net position presents information on all the Authority's assets, deferred outflows and liabilities. The difference between assets, deferred outflows and liabilities is reported as net position. Over time, increases and decreases in net position may provide an indication of whether the Authority's financial position is improving or deteriorating.

The statement of activities presents information reflecting how the Authority's net position has changed during the fiscal year just ended. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., earned but unused vacation leave).

The government-wide financial statements distinguish functions of the Authority that are principally supported by intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Authority include administration, operations, support, and community safety and service. The Authority does not currently have any business-type activities.

Fund Financial Statements. Traditional users of the Authority's financial statements will find the fund financial statement presentation more familiar. The focus is on major funds rather than fund types. 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. A major fund should generally meet both of the following criteria: 1) total assets, liabilities, revenues, or expenditures/expenses are at least 10% of the corresponding total (assets, liabilities, etc.) for that fund type (i.e., governmental or enterprise funds) and 2) total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority's funds, General Fund and Capital Projects Fund, are governmental funds and the Authority's Retirement Health Savings Plan is a fiduciary fund.

Governmental funds. Governmental funds are used to report those same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the fund financial statements are prepared on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and similar long-term items, which are recorded when due. Therefore, the focus of the governmental fund financial statements is on near-term inflows and outflows of spendable resources as well as on the balance of spendable resources available at the end of the fiscal year.

MANAGEMENT’S DISCUSSION AND ANALYSIS continued (unaudited)

Since the focus of the governmental funds is on near-term resources, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. To facilitate this comparison, reconciliations are provided for both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Capital Projects Fund. Both of these funds are considered to be major funds.

The Authority adopts an annual appropriated budget for all its governmental funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 28-34 of this report.

The Authority adopted GASB 84 (*Fiduciary Activities*) for the year ended December 31, 2019 which required reporting its Retirement Health Savings Plan as an other employee benefit trust fund in the fiduciary funds financial statements.

Notes to the financial statements. The notes to the financial statements are considered an integral part of the basic financial statements since they provide additional information needed to gain a full understanding of the data provided in both the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-55 of this report.

Statement of Net Position

The following table reflects the condensed Statement of Net Position.

Statement of Net Position as of December 31

	2019	2018
Current and other assets	\$ 23,150,248	\$ 19,719,812
Capital assets	29,702,799	30,262,770
Total assets	52,853,047	49,982,582
Deferred inflows of resources		
Other pension-related items	454,531	-
Total deferred inflows of resources	454,531	-
Total assets and deferred outflow of resources	53,307,578	49,982,582
Current liabilities	3,208,047	3,206,262
Long-term liabilities	-	35,274
Total liabilities	3,208,047	3,241,536
Net position:		
Net investment in capital assets	29,702,799	30,262,770
Restricted	541,740	396,321
Unrestricted	19,854,992	16,081,955
Total net position	\$ 50,099,531	\$ 46,741,046

For more detailed information, see page 26 for the Statement of Net Position.

The largest portion of the Authority's net position (59.3%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any debt used to acquire those assets which is still outstanding. The Authority uses these capital assets to provide emergency services to citizens; consequently, these assets are not available for future spending.

Although the Authority's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Although the balance remained relatively consistent to prior year, the decrease is attributed to non-depreciable capital assets being expensed.

The restricted balance in net position, \$541,740 is associated with Keep Fort Collins Great (KFCG) revenues received with amounts expended in 2019 for fire protection needs as well as donations through CityGive received in 2019. The increase in balance from prior year is attributed to KFCG revenues and donation revenues received in 2019.

The balance of unrestricted net position, \$19,854,992, may be used to meet the Authority's ongoing obligations to its citizens and employees. The increase in balance from prior year is mainly attributed to aligning PFA's capital project accounting methodology with the City's treatment and thereby transferring funds from the capital fund to the general fund reserves.

The Authority's total net position increased \$3,358,485 during the current fiscal year.

Changes in Net Position: The following table reflects a condensed summary of the activities and changes in net position. For more detailed information, see page 26 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS continued (unaudited)

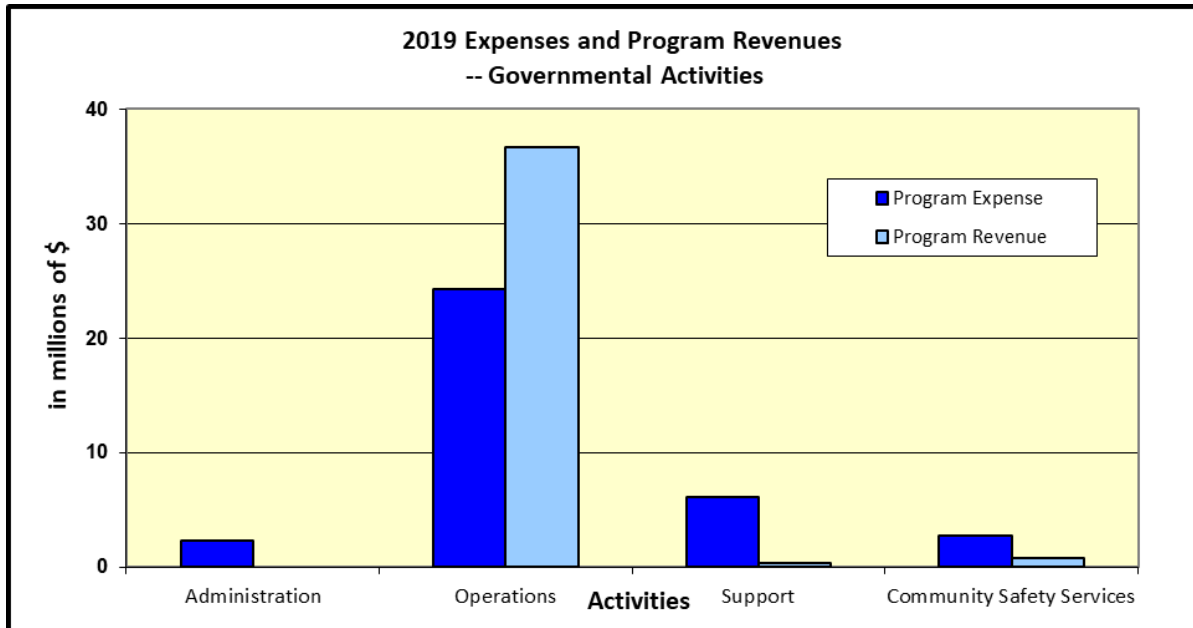
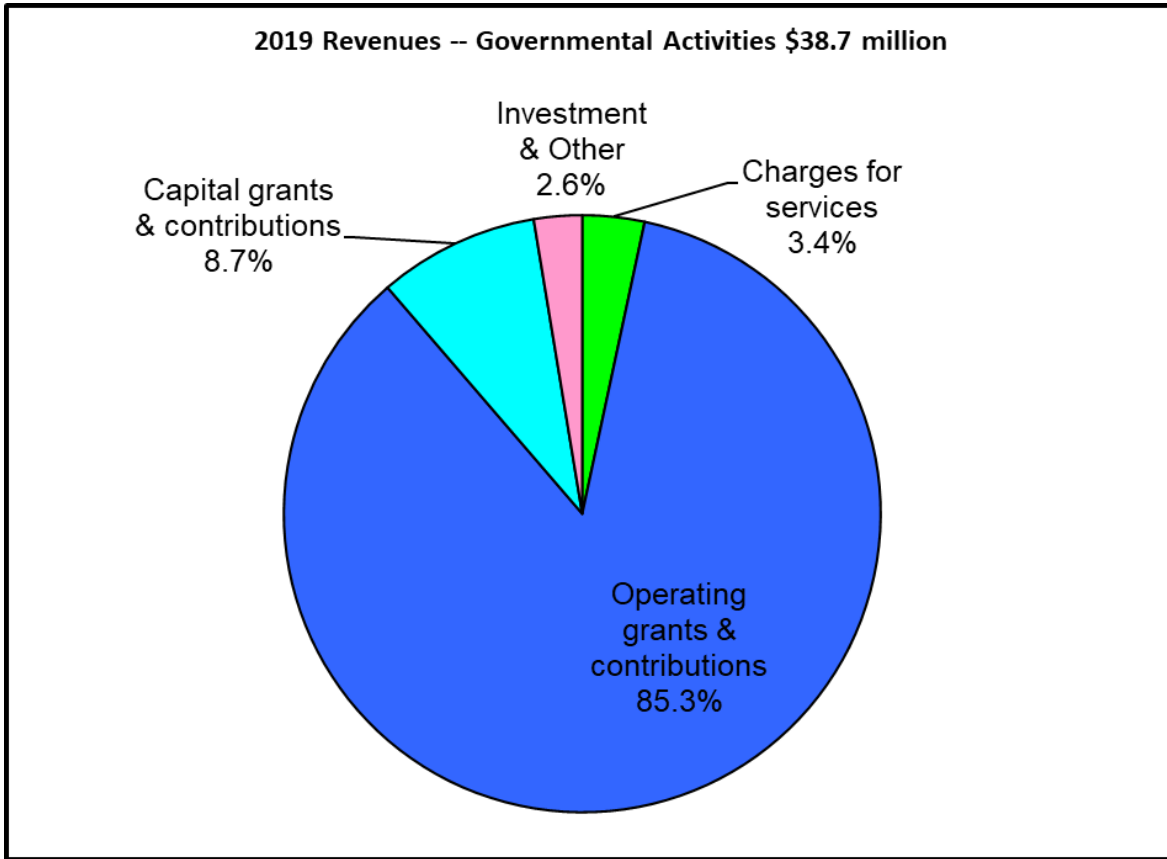
Statement of Activities & Changes in Net Position

December 31

	<u>2019</u>	<u>2018</u>
Revenues:		
Program revenues:		
Charges for services	\$ 1,299,117	\$ 1,792,763
Operating grants and contributions	33,025,465	31,581,448
Capital grants and contributions	3,371,789	3,484,143
General revenues:		
Investment earnings	628,301	283,935
Sale of equipment	4,345	13,000
Miscellaneous revenue	376,603	464,715
Transfers, net	-	-
Total Revenues	<u>38,705,620</u>	<u>37,620,004</u>
Expenses:		
Administration	2,311,004	3,224,862
Operations	24,258,310	23,317,096
Support	6,079,797	4,607,899
Community Safety Services	2,698,024	2,964,249
Total expenses	<u>35,347,135</u>	<u>34,114,106</u>
Change in net position	<u>3,358,485</u>	<u>3,505,898</u>
Net position - beginning	46,741,046	43,235,148
Net position - ending	<u>\$ 50,099,531</u>	<u>\$ 46,741,046</u>

The Authority is funded by the City of Fort Collins and the Poudre Valley Fire Protection District (PVFPD) through a combination of property and specific ownership taxes in the District and property, sales, and use taxes in the City. It also receives some compensation from wildland firefighting, hazardous materials responses provided outside of the jurisdiction, interest income, and charges for service within the Community Safety and Service Division, such as building plan and sprinkler review fees. The four Divisions of the Authority (Administration, Operations, Support, and Community Safety and Service) make up the General Fund and are funded by the aforementioned revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS continued (unaudited)



MANAGEMENT'S DISCUSSION AND ANALYSIS continued (unaudited)

Financial Analysis of the Authority's Funds

As noted previously, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$21,567,719, an increase of \$3,474,981 (19.2%) as compared to the prior year. As discussed below, the increase is attributed to increased revenues in intergovernmental, and earnings on investments combined with an increase in expenditures in the capital projects fund, and the transfer of funds from the capital fund to the general fund. Mentioned earlier, these transfers are a result of a change in accounting methodology to properly account for capital projects in congruence with the City of Fort Collins approach. Of the ending fund balance, \$9,451,928 (43.8%) represents unassigned fund balance, which is available for spending at the government's discretion, \$541,740 (2.5%) is for voter approved initiatives and a restricted donation, \$1,132,420 (5.3%) is committed for emergencies, and \$10,441,631 (48.4%) is assigned to indicate that it is not available for new spending because it has already been set aside to liquidate contracts and purchase orders of the prior period.

The general fund is the chief operating fund of the Authority. At the end of the current fiscal year, unassigned fund balance of the general fund was \$9,451,928; restricted fund balance was \$541,740; committed fund balance was \$1,132,420; assigned fund balance was \$5,572,352. The total fund balance was \$16,698,440.

The fund balance of the Authority's general fund increased \$7,042,782 from prior year. The underlying reason for the significant change in fund balance is due primarily from the transfer of capital funds into the general fund to align PFA's capital projects accounting treatment with the City's methodology.

The fund balance of the Authority's capital projects fund decreased by \$3,567,801. The underlying reason for the significant change in fund balance is due primarily from the transfer of capital funds into the general fund to align PFA's capital projects accounting treatment with the City's methodology.

Budgetary Highlights

Governmental Funds

General Fund: The increase from the total original budgeted expenditures to the final budget amounted to \$816,339 and can be summarized as follows:

Appropriations of \$816,339 were approved by the Authority Board from reserves, KFCG reserve, and unanticipated revenue for: Training center improvements, apparatus/vehicle repairs, donations, two brush apparatus, Burn Building, multi-jurisdictional command post, transfer of Office of Emergency Management funds to the City, and prior year encumbrances.

General Fund. Actual expenditures were \$1,514,139 less than total final budgeted expenditures and can be summarized as follows:

Actual expenditures were less than budgeted by 4.3% due to positive balances in the Administration budget in contingency, insurances, and legal services, in the Operations Division in personnel costs (funds to over hire if necessary, and actual expenditures were offset by seven Operations retirements in 2019), in the Community Safety and Service Division in personnel costs (one retirement), and in the Support Division, new hire equipment, fuel, funds for grant match not expended.

Capital Assets. The Authority's investment in capital assets as of December 31, 2019 (net of accumulated depreciation) were as follows:

Capital Assets Net of Accumulated Depreciation
as of December 31

	<u>2019</u>	<u>2018</u>
Land	\$ 1,593,426	1,593,426
Construction in progress	23,387	23,387
Building & improvements	16,216,429	16,742,037
Improvements other than buildings	1,314,574	1,393,292
Machinery & equipment	<u>10,554,984</u>	<u>10,510,628</u>
Total Capital Assets	<u>\$ 29,702,799</u>	<u>30,262,770</u>

Additional information on the Authority's capital assets can be found on page 47 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS continued (unaudited)

Long-Term Debt

The Authority has no long-term debt.

Economic Factors

Sales and use tax collections for the City of Fort Collins, one of the Authority joint venture partners, increased, and the PVFPD property tax collections have increased, which signals stabilization in property values. Both the City and the District have benefitted from reduced interest rates and an increase in housing starts and building activity. An increase in retail sales, especially autos, showed positive growth in specific ownership tax. These and other factors were considered when the Authority prepared its 2019 budget.

Financial Contact

The Authority's financial statements are designed to provide users (citizens, taxpayers, customers, and creditors) with a general overview of the Authority's finances and to demonstrate the Authority's accountability. Questions concerning any of the information presented in this report or requesting additional information should be addressed to the Authority Administrative Services Director, 102 Remington Street, Fort Collins, CO 80524.

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BASIC FINANCIAL STATEMENTS



Swift Water Training Exercise

**STATEMENT OF NET POSITION
DECEMBER 31, 2019**

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 2,710,444
Investments	20,211,669
Receivables:	
Interest	97,956
Accounts	130,179
Noncurrent assets:	
Capital assets (non-depreciable)	1,616,813
Capital assets (net of accumulated depreciation)	28,085,986
Total assets	<u>52,853,047</u>
DEFERRED OUTFLOWS OF RESOURCES	
Other pension-related items	454,531
Total deferred outflows of resources	<u>454,531</u>
 Total assets and deferred outflows of resources	 <u>53,307,578</u>
LIABILITIES	
Current liabilities:	
Accounts payable	362,013
Wages payable	1,206,269
Unearned revenue	2,079
Deposits held	12,169
Due within one year, compensated absences	1,625,517
Total Liabilities	<u>3,208,047</u>
NET POSITION	
Investment in capital assets	29,702,799
Restricted for Keep Fort Collins Great and Donation	541,740
Unrestricted	19,854,992
Total Net Position	<u><u>\$ 50,099,531</u></u>

The notes to the financial statements are an integral part of this statement.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Functions/ Programs				
	Total	Administration	Operations	Support	Community Safety Service
GOVERNMENTAL ACTIVITIES:					
EXPENSES:					
Personnel services	\$ 28,276,701	\$ 1,396,844	\$ 21,736,881	\$ 2,645,395	\$ 2,497,581
Contractual services	2,560,970	670,129	273,296	1,505,206	112,339
Commodities	2,261,225	132,124	497,393	1,566,854	64,854
Other	86,590	63,340	-	-	23,250
Depreciation	2,161,649	48,567	1,750,740	362,342	-
Total Expenses	35,347,135	2,311,004	24,258,310	6,079,797	2,698,024
PROGRAM REVENUES:					
Charges for services	1,299,117	-	251,575	306,452	741,090
Operating grants and contributions	33,025,465	-	33,025,465	-	-
Capital grants and contributions	3,371,789	-	3,371,789	-	-
Total Program Revenues	37,696,371	-	36,648,829	306,452	741,090
Net Program Revenue (Expense)	2,349,236	\$ (2,311,004)	\$ 12,390,519	\$ (5,773,345)	\$ (1,956,934)
GENERAL REVENUES:					
Investment earnings	628,301				
Gain on sale of capital assets	4,345				
Other miscellaneous	376,603				
Total General Revenues and Transfers	1,009,249				
Change in Net Position	3,358,485				
Net Position - January 1	46,741,046				
Net Position - December 31	\$ 50,099,531				

The notes to the financial statements are an integral part of this statement.

**GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2019**

	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental</u>
ASSETS			
Cash and cash equivalents	\$ 2,143,257	\$ 567,187	\$ 2,710,444
Investments	15,861,812	4,349,857	20,211,669
Receivables:			
Accounts	130,179	-	130,179
Interest	76,905	21,051	97,956
Total Assets	<u>18,212,153</u>	<u>4,938,095</u>	<u>23,150,248</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	293,196	68,816	362,013
Wages payable	1,206,269	-	1,206,269
Unearned revenue	2,079	-	2,079
Deposits held	12,169	-	12,169
Total Liabilities	<u>1,513,713</u>	<u>68,816</u>	<u>1,582,530</u>
Total Liabilities	<u>1,513,713</u>	<u>68,816</u>	<u>1,582,530</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	541,740	-	541,740
Committed	1,132,420	-	1,132,420
Assigned	5,572,352	4,869,279	10,441,631
Unassigned	9,451,928	-	9,451,928
Total Fund Balances	<u>16,698,440</u>	<u>4,869,279</u>	<u>21,567,719</u>
Total Liabilities and Fund Balances	<u>\$ 18,212,153</u>	<u>\$ 4,938,095</u>	<u>\$ 23,150,248</u>

The notes to the financial statements are an integral part of this statement.

**RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019**

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$ 21,567,719
Capital assets net of accumulated depreciation used in governmental activities are not current financial resources. Therefore they are not reported in the funds.	29,702,799
Compensated absences that are not due and payable in the current period and therefore are not reported in the funds.	(1,625,517)
Deferred outflows of resources, other pension-related items	<u>454,531</u>
Net position of governmental activities	<u>\$ 50,099,531</u>

The notes to the financial statements are an integral part of this statement.

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental</u>
REVENUES			
Intergovernmental	\$ 33,301,992	\$ 3,235,369	\$ 36,537,361
Fees and charges for services	741,090	-	741,090
Earnings on investments	367,920	260,381	628,301
Licenses and permits	249,213	-	249,213
Miscellaneous revenue	452,854	100,799	553,653
Total Revenues	<u>35,113,069</u>	<u>3,596,549</u>	<u>38,709,618</u>
EXPENDITURES			
Current:			
Operations	22,285,505	-	22,285,505
Administration	2,234,561	-	2,234,561
Support	5,721,195	-	5,721,195
Community safety service	2,694,419	-	2,694,419
Grant projects	1,113	-	1,113
Capital outlay	178,702	2,123,487	2,302,189
Total Expenditures	<u>33,115,495</u>	<u>2,123,487</u>	<u>35,238,982</u>
Excess of Revenues Over Expenditures	<u>1,997,574</u>	<u>1,473,062</u>	<u>3,470,636</u>
OTHER FINANCING SOURCES AND USES			
Proceeds from sale of capital assets	-	4,345	4,345
Transfers in	5,360,208	315,000	5,675,208
Transfers out	(315,000)	(5,360,208)	(5,675,208)
Total Other Financing Sources	<u>5,045,208</u>	<u>(5,040,863)</u>	<u>4,345</u>
Net Change in Fund Balances	7,042,782	(3,567,801)	3,474,981
Fund Balances--January 1	<u>9,655,658</u>	<u>8,437,080</u>	<u>18,092,738</u>
Fund Balances--December 31	<u>\$ 16,698,440</u>	<u>\$ 4,869,279</u>	<u>\$ 21,567,719</u>

The notes to the financial statements are an integral part of this statement.

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2019**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 3,474,981
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Expenditures for capital assets	1,610,018
The net effect of current year disposal of capital assets	(8,341)
Less current year depreciation	<u>(2,161,649)</u>
	(559,972)

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

Change in compensated absences	(11,055)
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Change in deferred outflow of resources, other pension-related items	<u>454,531</u>
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Change in net position of governmental activities	<u><u>\$ 3,358,485</u></u>
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The notes to the financial statements are an integral part of this statement.

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Actual</u>
REVENUES				
Intergovernmental	\$33,301,992	\$33,116,966	\$33,394,774	\$ (92,782)
Fees and charges for services	741,090	784,253	784,253	(43,163)
Earnings on investments	367,920	40,000	40,000	327,920
Licenses and permits	249,213	134,358	134,358	114,855
Miscellaneous revenue	452,854	145,500	193,494	259,360
Total Revenues	<u>35,113,069</u>	<u>34,221,077</u>	<u>34,546,879</u>	<u>566,190</u>
EXPENDITURES				
Personnel costs	28,720,179	29,640,754	29,516,316	(796,137)
Purchased professional/technical services	513,684	631,366	621,966	(108,282)
Purchased property services	874,026	631,707	740,455	133,571
Other purchased services	984,855	1,095,951	1,105,466	(120,611)
Supplies	1,757,459	1,708,895	1,901,289	(143,830)
Capital outlay	178,702	166,000	395,288	(216,586)
Other	86,590	346,404	348,854	(262,264)
Total Expenditures	<u>33,115,495</u>	<u>34,221,077</u>	<u>34,629,634</u>	<u>(1,514,139)</u>
Excess of Revenues Over Expenditures	<u>1,997,574</u>	<u>-</u>	<u>(82,755)</u>	<u>2,080,329</u>
OTHER FINANCING SOURCES AND USES				
Transfers in	5,360,208	-	5,361,522	(1,314)
Transfers out	<u>(315,000)</u>	<u>-</u>	<u>(407,782)</u>	<u>92,782</u>
Total Other Financing Sources	<u>5,045,208</u>	<u>-</u>	<u>4,953,740</u>	<u>91,468</u>
Fund Balance--January 1	<u>9,655,658</u>			
Fund Balance--December 31	<u><u>\$16,698,440</u></u>			

The notes to the financial statements are an integral part of this statement.

**STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUND
 DECEMBER 31, 2019**

	Other Employee Benefit Trust Fund
Assets	
Investments at fair value	
Bonds - mutual funds	\$ 5,039
Mutual funds	582,591
Short term investments	3,897
Total Investments	<u>591,527</u>
 NET POSITION	
Restricted for:	
Employee benefits other than pensions	591,527
Total net position	<u>\$ 591,527</u>

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019**

	Other Employee Benefit Trust Fund
ADDITIONS	
Contributions	
Employer	\$ 318,645
Total Contributions	<u>318,645</u>
Investment earnings	
Net increase in fair value of investments	<u>67,023</u>
Total Investment Earnings	67,023
Less investment costs:	
Administrative expenses	<u>4,919</u>
Net investment earnings	<u>62,104</u>
Total Additions	<u>380,749</u>
Net increase in fiduciary net position	380,749
Net position - beginning	<u>210,778</u>
Net position - ending	<u><u>\$ 591,527</u></u>

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NOTE I. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

An intergovernmental agreement between the City of Fort Collins (the City) and the Poudre Valley Fire Protection District (PVFPD) established the Poudre Fire Authority (the Authority) on December 22, 1981 and was amended and restated on July 15, 2014. The 1981 agreement conveyed all fire protection property of the City and the District to the Authority and all firefighters of the City and the District became employees of the Authority.

The 2014 amended and restated agreement updated general terms of the 1981 agreement such as the language to appoint the 5th member of the Authority Board, the impact of annexations on the Revenue Allocation Formula, appointment of a legal advisor to the Authority, and consolidation of the 1981 agreement and amendments thereto. However, updating and revising the Revenue Allocation Formula, which details the financial contribution of the PVFPD and City of Fort Collins to the operation of the Authority, was the key change to the agreement.

The more significant accounting policies reflected in the financial statements are summarized as follows:

A. Reporting Entity

The Authority was created as an independent governmental entity to provide consolidated fire and rescue service within the territorial limits of the City and the District. The Authority is administered by a governing board of five members who are appointed by the City and PVFPD. Funding is provided to the Authority from these two entities.

The Authority is considered a stand-alone government for financial reporting purposes. As such, it follows the same principles as if it were a primary government as defined by the Governmental Accounting Standards Board (GASB) Codification.

The reporting entity of the Authority consists of its own legal entity and those organizations for which it is financially accountable. Entities for which the nature and significance of their relationship with the Authority are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are included in the reporting entity. As of December 31, 2019, there are no legal entities that meet this criterion.

B. 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 of the non-fiduciary activities of the government. The effect of interfund activity has been removed from these statements. All activities of the Authority are governmental activities, which are generally supported by intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. Direct expenses are those that are clearly associated with a specific function or program. 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 program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program.

Investment earnings and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. As under accrual accounting, expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as those related to compensated absences and incurred claims and judgments, are recorded only when payment is due.

Charges for services, amounts due from other governments and interest associated with the current fiscal period are all considered to be susceptible to accrual. Other revenue items such as licenses and permits are considered to be measurable and available only when the cash is received by the Authority; as a result, they are not susceptible to accrual.

Fiduciary fund financial statements use the economic resources measurement focus and the accrual basis of accounting.

D. Financial Statement Presentation

The accounts of the Authority are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. The various funds are summarized by type within the financial statements.

The Authority reports the following major governmental funds:

The General fund is the Authority's primary operating fund. It accounts for all financial resources of the Authority, except those required to be accounted for in another fund.

The Capital Projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. Revenues and other financing sources are derived primarily from intergovernmental revenue or transfers from other funds.

The Retirement Health Savings plan is reported as a fiduciary fund.

E. Budgetary Data

Budgetary Accounting and Control

Appropriated budgets are established for all funds of the Authority.

General Fund

The budget for the general fund is adopted on a basis which is consistent with generally accepted accounting principles (GAAP).

Capital Projects Fund

The Capital Projects Fund budget is not consistent with GAAP because appropriations do not lapse at year end.

Legal Level of Control

The legal level of budgetary control is at the individual fund level, except for capital projects and federal and state grants for which the legal level of control is at the project or grant level. For budgetary purposes, operating transfers are considered expenditures.

Lapsing Appropriations

All appropriations unexpended or unencumbered lapse at the end of the year to the applicable fund, except capital project and federal and state grant appropriations, which lapse when the project or grant activity is completed. Appropriations, which are encumbered at year end, are carried over to the ensuing year at which time they are matched with their corresponding expenditures.

Budgetary Procedures

The Authority's budget is approved by the governing board prior to the commencement of the fiscal year. The Authority's management may transfer any unused budgeted amount or portion thereof from one budget category to any other budget category at the legal level of budgetary control without approval of the Board. Other budget amendments must be approved in the form of a resolution by the Board.

Nine resolutions making supplemental appropriations to the original adopted budget were enacted during 2019.

Encumbrances

Encumbrance accounting is utilized by the Authority to record purchase orders, contracts and other commitments for the expenditure of monies to assure effective budgetary control and accountability. Encumbrances outstanding at year end represent the estimated amount of expenditures likely to result if orders for goods and services are completed. In governmental funds, encumbrances outstanding at year end are reported as assigned fund balance since they do not represent expenditures or liabilities.

F. Assets, Deferred Outflows of Resources, Liabilities and Fund Balance/Net Position

Cash and Investments

The Authority has stated certain investments at fair value in accordance with the GASB Codification. Fair value is determined utilizing the third-party custodian's statements, Wall Street Journal, Bloomberg, and other recognized pricing services.

The Authority's cash and investments are held in the name of and managed by the City. Whenever possible, cash is pooled with the City's funds to enhance investment capabilities and maximize investment income. Investments are made taking into consideration cash flow needs, market conditions, and contingency plans. On behalf of the Authority, the City's investment policies prescribe eligible investments, investment diversification, and maturity and liquidity guidance, which are utilized in managing the investment portfolio.

Capital Assets

Capital assets, which are acquired or constructed, are reported at historical cost or estimated historical cost in the government-wide financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000, and an estimated useful life of greater than one year. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets other than land and impaired assets are depreciated. Depreciation is computed using the straight-line method with estimated useful lives as follows:

Buildings.....	25-50 years
Improvements other than buildings.....	15-25 years
Machinery and equipment	5-15 years

Deferred Outflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Compensated Absences

The Authority allows employees to accumulate unused vacation pay and to defer overtime pay by accumulating compensatory leave up to maximum limits. Unused sick pay is not recognized as a liability because it does not meet the criteria for accrual. The liability associated with these benefits is reported in the government-wide financial statements. Compensated absences are considered a current liability as employees typically use the full balance in the subsequent year and the Authority records usage on a first in, first out basis. Liability for compensated absences has historically been liquidated by the general fund.

Fund Balance/Net Position

In the fund financial statements, fund balance of the Authority’s governmental funds may be classified as nonspendable, restricted, committed, assigned or unassigned.

Nonspendable fund balances indicate amounts which cannot be spent either: a) due to form; for example, inventories and prepaid amounts or b) due to legal or contractual requirements to be maintained intact.

Restricted fund balances indicate amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation.

Committed fund balances indicate amounts constrained for a specific purpose by a government using its highest level of decision-making authority – a Board resolution. It would require action by the same governing body (Board of Directors) to remove or change the constraints placed on the resources. This action must occur prior to year-end; however, the amount can be determined in the subsequent period.

For the capital projects fund, any remaining positive amounts not classified in the above categories are reported as assigned. For the general fund, amounts constrained for the intent to be used for a specific purpose has been delegated to the Board of Directors, which has authority to assign amounts. Amounts reported as assigned should not result in a deficit in the unassigned fund balance.

Unassigned fund balances indicate amounts in the general fund that are not classified as non-spendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in unassigned fund balance. When both unassigned and committed or assigned resources are available for use, it is the Authority's policy to use committed or assigned resources first, then unassigned resources as needed.

In the government-wide fund financial statements, net position is restricted for amounts that are legally restricted by outside parties for specific purposes or through enabling legislation that is a legally enforceable restriction on the use of revenues. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. The government-wide statement of net position reports \$541,740 of restricted net position.

Investment in Capital Assets

Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets.

Estimates

The preparation of financial statements requires management to make estimates and assumptions which effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Adoption of New Accounting Pronouncements

Effective January 1, 2019, the Authority adopted GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. As presented in the Fiduciary Fund Statements, the Authority reported assets, liabilities and changes in net position for an Other Employee Benefit Trust Fund, associated with its Retirement Health Savings (RHS) Plan offered by the Authority. Adoption of GASB 84 resulted in the presentation of fiduciary fund statements previously not required prior to 2019.

Accounting Pronouncements not yet Adopted

The GASB has issued several Statements not yet implemented by the Authority. Authority management has not yet determined the effect the Statements will have on the financial statements. However, the Authority intends to implement all Standards by the required dates. The Standard which may impact the Authority are as follows:

GASB Statement No. 87, *Leases*. This statement, issued June 2017, will be effective for the Authority beginning with its fiscal year ending December 31, 2022 with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the Authority must report the (1) amortization expense for using the asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The Statement provides exceptions from the single approach for short-term leases, financial purchases, leases of assets that are investments and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.

NOTE II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Excess of Expenditures Over Appropriations in Individual Funds

The Authority has no excess of expenditures over appropriations at the fund level within each of the individual funds. The actual to budget comparisons for both governmental funds may reflect immaterial excess expenditures at the program or grant level within the fund.

NOTE III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The Authority's deposits and investments are held in the name of and managed by the City. As such, they are not evidenced by accounts or securities in the Authority's name that exist in physical or book entry form.

The City's deposits of cash are governed by Colorado State Statutes that specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least 102% of the aggregate uninsured deposits. All deposits in 2019 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989

Deposits

The carrying amount of the Authority's deposits held by the City as of December 31, 2019 was \$2,710,444 excluding the amounts held in a fiduciary capacity associated with the RHS other employee benefit trust fund. The bank balance was \$2,824,345.

Custodial Credit Risk – Deposits

For deposits, custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits might not be returned. Due to the federal deposit insurance and the collateral, no deposits for the Authority were exposed to custodial credit risk.

Investments

Investment policies are governed by Colorado statute and the Authority's own investment policies and procedures. Investments of the Authority may include:

- Obligations of the United States such as T-bills, notes and bonds.
- Bonds or other interest-bearing obligations of which the principal and interest are unconditionally guaranteed by the United States government, such as Government National Mortgage Association (GNMA) bonds, GNMA participation certificates and GNMA pass throughs.
- Debentures or similar obligations issued by a federal intermediate credit bank or by a bank for cooperatives.
- Notes or bonds secured by mortgages or trust deeds insured pursuant to Title II of the "National Housing Act" (the Act), obligations of national mortgage associations or similar credit institutions organized under Title III of the Act and debentures issued by the Federal Housing Administration under Section 204-A of the Act.
- Repurchase agreements of any marketable security, where the market value of such security is at all times at least equal to the monies involved and there is assignment of such security to the Authority or its agent.

A change in the interest rates on variable (floating) rate bonds likewise affects the amounts of interest received on those securities.

In addition to the above, investments of the RHS other employee benefit trust fund may include:

- Equity investments
- Domestic mutual funds
- International mutual funds
- Bond mutual funds

The Authority's investments are subject to interest rate and credit risk as described below:

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy limits at least 80 percent of the Authority's investment portfolio to maturities of less than five years and at least five percent of the Authority's operating investment portfolio to maturities of 120 days or less. Based on the current rate environment, the Authority assumes that all callable securities will be called on the first call date.

Credit Risk

The Authority's investment policy limits investments to the top three ratings issued by nationally recognized statistical rating organizations (NRSROs). As of December 31, 2019, the Authority's investments in Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Corporation (FHLMC) agency securities were rated Aaa by Moody's Investor Services and AA+/- by Standard and Poor's. The Authority also has a share of Corporate Bonds with ratings ranging from AA- to AA+ from S&P and Aa3 to Aaa from Moody's. The Authority's investment policy also allows for the Authority to invest in local government investment pools.

Concentration of Credit Risk

The Authority's investment policy places no limit on the amount the City, on behalf of the Authority, may invest in any one issuer. At the end of 2019, the Authority had 34.0% of its investments in FFCB, 22.3% in FHLMC, 16.0% in FNMA and 15.4% in FHLB.

Custodial Credit Risk for Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority's investment policy restricts the holding of securities by counterparties.

Fair Value Measurements

The City, on behalf of the Authority, categorizes its assets and liabilities measured at fair value within the hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest to Level 3 inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Information regarding the City's fair value, credit risk rating, maturity, and fair value measurement are described below.

Investment prices for the City's securities are reported by US Bank, the City's custodial bank. US Bank acquires its pricing data from Interactive Data, a third-party provider, which provides global security evaluations and fair value pricing for fixed income securities. Their evaluations represent a good faith opinion as to what a buyer in the marketplace would pay for a security in a current sale.

Interactive Data's evaluations are based on market data and evaluated pricing models that vary by asset class and incorporate trade, bid and other market information as well as evaluated pricing applications utilizing benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing to prepare evaluations. In addition, model processes such as the Option Adjusted Spread model are used to assess interest rate impacts and develop prepayment scenarios. For each asset class, teams of evaluators gather information from market sources and integrate relevant credit information, perceived market movements, and sector news into the evaluated pricing applications and models.

The City, on behalf of the Authority, invests primarily in fixed income securities and Local Government Investment Pools (LGIP). The Retirement Health Savings (RHS) other employee benefit trust fund invests primarily in domestic mutual funds. The investments are valued at fair value at least monthly.

For the City and the RHS plan, the following fair value techniques were utilized in measuring the fair value of its investments.

Mutual Funds: The investments are reported at fair value based on quoted NAV market prices through mutual fund companies and obtained from the National Association of Securities Dealers.

U.S. Government Agency and Investment Grade Corporate Securities: U.S. Government Agency securities are reported at fair value based on a multi-dimensional relational model and Option Adjusted Spread model. The model inputs include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and other reference data including Trade Reporting and Compliance Engine (TRACE) reported trades. TRACE is a program developed by the National Association of Securities Dealers (NASD) which allows for the reporting of over-the counter transactions for eligible fixed-income securities.

Marketable Certificates of Deposit: The investments are reported at fair value based on multiple market and industry inputs. A model is utilized to intake all information and assign a fair value. The model inputs include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and other reference data including TRACE reported trades.

The City, on behalf of the Authority, has no other investments meeting the fair value disclosure requirements of GASB Statement No. 72. As of December 31, 2019, the City held, on behalf of the Authority, including the RHS other employee benefit trust fund, the following investments and maturities:

<u>Investment Type</u>	<u>Credit Risk Rating</u> S&P/Moody's	Fair Value Measurement <u>Level</u>	Fair <u>Value</u>	Investment Maturities		
				Up to	121 days	More than
				<u>120 days</u>	<u>to 5 years</u>	<u>5 years</u>
<i>Investments measured by fair value levels</i>						
Instrumentality						
Federal Farm Credit Bank (FFCB)	AA+/AAA	2	\$ 6,876,138	882,100	5,994,039	\$ -
Federal Home Loan Bank (FHLB)	AA+/AAA	2	3,103,511	250,709	2,852,802	-
Federal Home Loan Mortgage Corporation (FHLMC)	AA+/AAA	2	4,514,688	-	4,514,688	-
Federal National Mortgage Association (FNMA)	AA+/AAA	2	3,225,653	522,005	2,703,648	-
Corporate bonds	AA+/AA1	2	851,246	-	851,246	-
Corporate bonds	AAA/AAA	2	851,807	-	851,807	-
Corporate bonds	AA-/AA3	2	126,362	-	126,362	-
Corporate bonds	AA-/AA3	2	77,007	-	77,007	-
Corporate bonds	AA+/AA2	2	155,800	-	155,800	-
Corporate bonds	AA+/AAA	2	191,679	-	191,679	-
Corporate bonds	AA/AA2	2	189,812	-	189,812	-
Marketable Certificates of Deposit	N/A	2	47,966	-	47,966	-
Total Investments Controlled by the City			\$ 20,211,669	\$1,654,814	\$18,556,856	\$ -
Percent of Total				8%	92%	
The Authority, as the Trustee, has \$591,527 measured at net asset value (NAV) in Mutual Funds held by ICMA-RC for employees' retirement health savings accounts						

B. Capital Assets

A summary of changes in capital asset activity for the year ended December 31, 2019 follows:

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
<u>Primary Government:</u>					
Governmental activities					
Capital assets, not being depreciated:					
Land	\$ 1,593,426	\$ -	\$ -	\$ -	\$ 1,593,426
Construction in progress	23,387	-	-	-	23,387
Total capital assets, not being depreciated	<u>1,616,813</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,616,813</u>
Capital assets, being depreciated:					
Buildings and improvements	25,884,380	-	-	-	25,884,380
Improvements other than buildings	2,193,319	36,853	-	-	2,230,172
Machinery and equipment	21,718,652	1,573,165	-	(991,411)	22,300,406
Total capital assets being depreciated	<u>49,796,351</u>	<u>1,610,018</u>	<u>-</u>	<u>(991,411)</u>	<u>50,414,958</u>
Less accumulated depreciation for:					
Buildings and improvements	(9,142,343)	(525,608)	-	-	(9,667,951)
Improvements other than buildings	(800,027)	(115,572)	-	-	(915,599)
Machinery and equipment	(11,208,023)	(1,520,470)	-	983,070	(11,745,422)
Total accumulated depreciation	<u>(21,150,393)</u>	<u>(2,161,649)</u>	<u>-</u>	<u>983,070</u>	<u>(22,328,972)</u>
Total capital assets being depreciated, net	<u>28,645,958</u>	<u>(551,631)</u>	<u>-</u>	<u>(8,341)</u>	<u>28,085,986</u>
Governmental activities capital assets, net	<u>\$ 30,262,771</u>	<u>\$ (551,631)</u>	<u>\$ -</u>	<u>\$ (8,341)</u>	<u>\$ 29,702,799</u>

Depreciation expense was charged to functions / programs of the primary government as follows:

	Governmental Activities
Operations	\$ 1,750,740
Administration	48,567
Support	362,342
	<u>\$ 2,161,649</u>

C. Fund Balances

The Authority's general fund has a restricted fund balance of \$541,740, of which \$532,740 is for Keep Fort Collins Great taxes received and not spent, with remaining \$9,000 associated with a private donation for the Community Risk Reduction Program. The general fund has \$1,132,420 reported as committed fund balance for revenue reserves which can only be accessed by the Authority's board of directors for extreme emergencies, revenue shortfalls or uncontrollable cost increases. There is \$5,572,352 reported as assigned fund balance, which is comprised of \$27,218 for workers' compensation, \$82,348 for encumbrances, with the remaining \$5,462,786 assigned for specific uses. The general fund's unassigned fund balance as of December 31, 2019 is \$9,451,928.

The Authority's capital projects fund reports \$4,869,279 of fund balance, all of which is assigned for capital projects.

NOTE IV. OTHER INFORMATION

A. Risk Management

Property, Liability, and Workers Compensation

The Authority obtains coverage through Colorado Special Districts Property and Liability Pool for its comprehensive automobile liability, general liability, and public official liability exposures, as well as damage or destruction of property, equipment breakdown, and crime. The Authority maintains property coverage with a \$5,000 deductible and inland marine coverage with a \$1,000 deductible. Coverage is all-risk, subject to exclusions. Earthquake and flood coverage are excluded. Crime coverage has a \$2,500 deductible. Equipment breakdown coverage has a \$1,000 deductible. Vehicle comprehensive and collision coverage has a \$5,000 deductible.

The liability coverage through Colorado Special Districts Property and Liability Pool includes:

- Public Entity Liability coverage with a \$2 million per occurrence limit that includes general liability, employee benefits liability, public officials' liability, employment practices liability, and auto liability
- The deductible for all lines is \$10,000 with the exception of public officials which is \$1,000; employment practices which is \$50,000; and Auto which is \$5,000
- Excess Liability - \$8 million policy

Workers' compensation losses are insured through a standard workers' compensation policy with a \$5,000 deductible per claim.

There have been no significant claims exceeding insurance coverage limits during each of the past three years.

Employee Health and Illness

The employees of the Authority receive comprehensive major medical benefits under a Preferred Provider Options health plan offered by the City of Fort Collins. Any related actuarial claims for the health plans are retained by the City of Fort Collins. Stop-loss coverage of \$225,000 per occurrence is retained as excess risk coverage. During the past three years, there have been three claims incurred by the Authority which have exceeded the stop-loss limit.

B. Related Party Transactions

Due to the nature of the relationships, the Authority has related party transactions with the entities which created it. The following transactions occurred during 2019:

City of Fort Collins – As described in Note 1 (page 36), the City of Fort Collins provides

funding for the Authority in the form of a revenue allocation formula (RAF). The RAF details how property tax and sales tax from the City will be contributed to PFA. During 2019, such funding amounted to \$29,824,491. The City also provided, per the IGA, accounting and administrative services to the Authority at no charge.

Poudre Valley Fire Protection District – During 2019, the District contributed funds amounting to \$6,805,653.

C. Employee Retirement Systems and Pension Plans

Money Purchase Plans

The Authority offers its firefighters defined contribution money purchase plans created in accordance with Internal Revenue Code Section 401(a). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Firefighters are eligible to participate from the date of employment. All eligible participants are required to participate in the plan as a condition of employment. There are four separate plans, two of which are administered by the Fire and Police Pension Association of Colorado (FPPA), with the other two plans administered by ICMA-RC.

- FPPA Statewide Hybrid Plan is a cost-sharing multiple-employer defined benefit pension plan. This plan contains a defined benefit component and a money purchase component. State statute assigns authority to establish and amend benefit provision to the FPPA. This plan is included in the FPPA's annual separately issued audited financial statements. This report is available online at www.fppaco.org by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772. The money purchase component of the Plan is an individual, self-directed retirement account that is available to a member at retirement until it is depleted. Normal retirement age is 25 years of service and age 55. All members are fully vested after five years of service. Currently, 24 firefighters are members of this plan, one participating in the Defined Benefit component and 23 participating in the Money Purchase only component, with the Authority and members required to contribute 11% and 10%, respectively. The Authority and member contributions were \$144,419 and \$131,290, respectively in 2019.
- The Old and New Hire Money Purchase Plans administered through ICMA-RC provide that the Authority is required to contribute 11%, with participants required to contribute 10% of base pay each pay period. Contributions by the Authority are not taxable to the employee until withdrawn. Participant contributions are made with pre-tax dollars, with earnings on the Authority and participant contributions not taxed until withdrawn. Participants are fully vested upon initial participation into the plan. The

Authority has the option to amend the terms of the plans, with approval of at least sixty-five percent of the total votes cast by actively employed eligible firefighters and all former employees who are entitled to a benefit from the plans. The Authority and participant contributions to the plans were \$1,417,934 and \$1,289,030, respectively during 2019.

Based on the Authority having little administrative involvement in any of the above noted Money Purchase Plans and performing no investing function, the assets are not included as part of the financial statements of the Authority.

Civilian employees are offered a separate defined contribution money purchase plan, which is incorporated with the defined contribution money purchase plan established by the City. The plan requires the Authority and participants to contribute 7.5% and 3%, respectively, of base salary each pay period. Contributions made by the Authority are not taxable to the participant until they are withdrawn. Participant contributions are made with pre-tax dollars, and the earnings on the Authority and employee contributions are not taxed until withdrawn. Employees are eligible to participate six months from the date of employment. Employees are fully vested upon initial participation in the plan. Contribution requirements are established and may be amended by the Authority. Plan provisions are established and may be amended by Council for City of Fort Collins. Neither the Authority nor the City of Fort Collins have administrative involvement in the plan. Therefore, the assets are not included as part of the financial statements of the Authority.

Statewide Death and Disability Plan

Plan Description

The Authority contributes to the FPPA Statewide Death and Disability Plan (the Plan), a multi-employer cost sharing defined benefit plan covering full-time employees of substantially all fire and police departments in Colorado. This plan is not considered an OPEB because all contributions are from employees. Separately issued financial statements and the related actuarial valuation may be obtained from the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, CO 80111.

Contributions to the Plan are used solely for the payment of death and disability benefits. The Plan was established in 1980 pursuant to Colorado Revised Statutes. All uniformed employees are eligible to be members of the Fire & Police Pension Association.

Funding Policy and Authority Contributions

Prior to 1997, the State of Colorado, whose contributions were established by Colorado statute,

primarily funded the Plan. The State made a one-time contribution in 1997 of \$39,000,000 to fund the past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated.

The annual contribution rate for members hired on or after January 1, 1997 and for members covered by Social Security is 2.6% as of January 1, 2011. Based on 2016 actuarial results, the FPPA Board of Directors agreed to increase the contribution rate to 2.8%, effective January 1, 2019 through December 31, 2020. Contributions made by the Authority for fiscal year 2019 were \$402,629. There is no pension liability recognized because there are only employee contributions to the plan.

Benefits

Benefits are established by Colorado statute.

If a member dies prior to retirement, the surviving spouse is entitled to a benefit equal to 40% of the member's monthly base salary with an additional 10% of base salary if a surviving spouse has two or more dependent children, or if there are three or more dependent children without a surviving spouse. Benefit entitlement continues until death of the spouse and death, marriage, or other termination of dependency of children.

A member who becomes disabled prior to retirement shall be eligible for disability benefits. Effective October 1, 2002, the benefit is 70% of base salary for total disability, 50% of base salary for a permanent occupational disability and 40% of base pay for a temporary occupation disability.

Benefits paid to members are evaluated and may be re-determined on October 1 of each year. Any increase in the level of benefits cannot increase by more than 3% for any one year. Totally disabled members and their beneficiaries receive an automatic cost of living adjustment each year of 3%.

Statewide Hybrid Plan

Plan Description

The Statewide Hybrid Pension Plan (SWH) is a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. This plan contains a defined benefit component and a money purchase component, which is discussed under **Money Purchase Plans**. The Authority entered into this plan in 2019 and therefore the liability will not be measured until the subsequent year. State statute assigns authority to establish and amend benefit provision to the FPPA. This plan is included in the FPPA's annual separately issued audited financial

statements. This report is available online at www.fppaco.org by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

Benefits Provided

A member is eligible for a normal retirement pension at any time after age 55 if the member has at least 25 years of service. The annual normal pension of the defined benefit component is one and a half percent of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retired members of the defined benefit component are evaluated and may be re-determined annually on October 1st. The amount of any increase is based on the FPPA Board's discretion and can range from zero to three percent. A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution from the defined benefit component. Alternatively, a member with at least five years of accredited service may leave contributions with the defined benefit component of the plan and remain eligible for a retirement pension at age 55 equal to one and a half percent of the average of the member's highest three years' base salary for each year of credited service.

Contributions

The Authority is required to contribute at a statutorily determined rate. The FPPA Board sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWH plan are set by each individual employer; however, the rate for both employer and members must be at least 8 percent of the member's base salary. Currently, 24 Authority firefighters are members of this plan. Participants are fully vested upon initial participation into the plan. Plan members and the Authority are both required to contribute 10% and 11%, respectively. The Authority and members contributed \$4,625 and \$4,205, respectively during 2019.

The Authority's initial contributions of \$4,625 are presented as a part of the deferred outflow of resources amount in the *Statement of Net Position* as of December 31, 2019. Such amount of Authority's 2019 contributions will be adjusted against pension expense for year ending December 31, 2020 based on the Authority's entrance into this plan and implementation of *GASB Statement No. 68, Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*.

Statewide Defined Benefit Plan

The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. The plan provides retirement and death benefits to firefighters hired on or after April 8, 1978. In addition to the initial transfer plan implemented at that time, an updated plan was instituted in 2011 for firefighters hired on or after October 1, 2011. The Authority entered into this plan in 2019 and therefore the liability will not be measured until the subsequent year. State statute assigns authority to establish and amend benefit provisions to the FPPA. This plan is included in the FPPA's annual separately issued audited financial statements. This report is available online at www.fppaco.org by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

Benefits Provided

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. The annual normal retirement benefit is two percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus two and a half percent for each year of service thereafter. Benefits paid to retired members are evaluated and may be re-determined every October 1st. The amount of any increase is based on the FPPA Board's discretion and can range from zero to the higher of three percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with five percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the plan and remain eligible for a retirement pension at age 55 equal to two percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus two and a half percent for each year of service thereafter.

Contributions

The Authority is required to contribute at a statutorily determined rate. The FPPA Board sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute while member contribution rates can be amended by state statute or election of the membership and Authority's Board. Currently, 89 Authority firefighters are active members of the transfer plan. In 2019, the Authority and members contributed \$449,906 and \$481,160, respectively. In 2019, the Authority and

members of the plan hired after 6/2/2019 contributed 8% and 11%, respectively. Member contributions will increase 0.5% annually through 2022 for a total combined member and Authority contribution rate of 20% in 2022. In 2019, the Authority and members hired prior to 6/2/2019 contributed 11% and 11.5%, respectively. Contribution rates for members of the plan hired prior to 6/2/2019 will increase 0.5% annually through 2022 for a total combined member and Authority contribution rate of 24% in 2022.

The Authority’s initial contributions of \$449,906 are presented as a part of the deferred outflow of resources amount in the *Statement of Net Position* as of December 31, 2019. Such amount of Authority’s 2019 contributions will be adjusted against pension expense for year ending December 31, 2020 based on the Authority’s entrance into this plan and implementation of *GASB Statement No. 68, Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*.

D. Employee Benefit Trusts other than pensions

Retirement Health Savings Plan (RHS)

In 2006 and 2007, the Authority offered to classified and unclassified management employees the employer-sponsored defined contribution health benefits saving vehicle which allowed the employees to accumulate assets to pay for medical expenses in retirement on a tax-free basis. As of December 31, 2007, the plan was frozen. There can no longer be any money withheld for this plan. The frozen Authority plan is administered by ICMA-RC.

In the 2018 Collective Bargaining Agreement, the Authority agreed to provide an RHS plan to members of the bargaining unit, Battalion Chiefs, and uniformed Division Chiefs. The Authority makes mandatory contributions to the plan on behalf of the employees based on years of service to the Authority. Following is the schedule of contributions for the year 2019.

Years of Service	Employer Contribution (Percentage of bi-weekly base salary)
0 – 9.99 years	1.5% of base salary
10-19.99 years	1.75% of base salary
20 or more years	2% of base salary
For Employees hired before April 1, 1986	3.40% of base salary

Employees may invest the contributions within the plan in accordance with plan guidelines and the plan’s available investment options. The contributions are placed directly into the

Employee's RHS plan on behalf of the Employee in accordance with the applicable plan guidelines.

The RHS plan offers triple tax advantage to employees. Employee contributions are made through pre-tax payroll deductions, are invested in ICMA-RC funds and grow tax-free, with monies being withdrawn tax-free for qualifying expenses. No federal, state or FICA tax is withheld. Employees cannot change their elections after their initial enrollment. Once participants become eligible to get reimbursed from their own RHS account, they can turn in receipts to a third-party administrator and be reimbursed with tax-free monies. If the employee passes away, the employee's spouse and dependents are automatically eligible to use the account and are reimbursed on a tax-free basis.

Based on the RHS qualifying as an Other Employee Benefit Trust Fund under GASB Statement No. 84, *Fiduciary Activities*, which under **NOTE 1. Adoption of New Accounting Pronouncements** requires the Authority, in its capacity in controlling the assets of the RHS plan to present the assets, liabilities and changes in net position as an Other Employee Benefit Trust Fund in the Fiduciary Fund Statements.

E. Legal Matters

Pending Litigation and Grants

Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. Authority management believe disallowances, if any, resulting from any such audits would be immaterial. There currently are no disallowed or questioned costs.

Tax, Spending and Debt Limitations

Article X, Section 20, of the State Constitution, has several limitations, including those for revenue, expenditures, property tax, and issuance of debt. The Amendment is complex and subject to judicial interpretation. In the opinion of management, the Authority is not subject to the provisions of the Amendment since it does not have the power to levy taxes or issue debt and is thus not a "District" as defined in the Amendment.

SUPPLEMENTARY INFORMATION



Wildland Firefighting Crew

CAPITAL PROJECTS FUND
INDIVIDUAL FUND BUDGET SCHEDULE

Capital Projects Fund - - to account for financial resources to be used for the acquisition or construction of major capital facilities. Revenues and other financing sources are primarily derived from contributions from the City and the District or transfers from the General fund.

**POUDRE FIRE AUTHORITY CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Actual</u>	<u>Prior Years Actual</u>	<u>Cumulative Actual</u>	<u>Cumulative Budget</u>	<u>Variance</u>
REVENUES					
Intergovernmental	\$ 3,235,369	\$ 27,952,799	\$ 31,188,168	\$ 24,156,994	\$ 7,031,174
Earnings on investments	260,381	1,354,229	1,614,610	732,880	881,730
Miscellaneous revenue	100,799	1,139,731	1,240,530	758,672	481,858
Total Revenues	<u>3,596,549</u>	<u>30,446,759</u>	<u>34,043,308</u>	<u>25,648,546</u>	<u>8,394,762</u>
EXPENDITURES					
Apparatus equipment replacement	1,446,629	14,604,733	16,051,362	18,174,315	2,122,953
Burn building	101,392	345,227	446,619	1,038,797	592,178
Facilities maintenance	164,070	1,135,631	1,299,701	1,622,215	322,514
SCBA replacement	50,278	1,610,387	1,660,665	2,248,290	587,625
Computer/technology replacement	12,818	437,820	450,638	1,143,317	692,679
Radio replacement	18,916	1,067,722	1,086,638	1,448,213	361,575
Hose replacement	25,061	70,721	95,782	113,127	17,345
Thermal imager replacement	2,075	96,269	98,344	170,060	71,716
Staff vehicle replacement	102,842	378,178	481,020	568,885	87,865
Station Shop 6	50,683	196,804	247,487	370,000	122,513
Training Center Improvement	140,156	132,349	272,505	259,486	(13,019)
RMS Replacement	4,307	399,082	403,389	932,342	528,953
Rescue Tools Replacement	4,260	-	4,260	12,400	8,140
Total Expenditures	<u>2,123,487</u>	<u>20,474,923</u>	<u>22,598,410</u>	<u>28,089,048</u>	<u>5,503,038</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,473,062</u>	<u>9,971,836</u>	<u>11,444,898</u>	<u>(2,440,502)</u>	<u>13,897,800</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	4,345	145,972	150,317	30,144	120,173
Transfers In:					
Transfers from PFA Operating Fund	315,000	5,722,907	6,037,907	4,273,952	1,763,955
Transfers Out:					
Transfers to PFA Operating Fund	<u>(5,360,208)</u>	<u>(107,740)</u>	<u>(5,467,948)</u>	<u>(5,469,261)</u>	<u>1,313</u>
Total Other Financing Sources (Uses)	<u>(5,040,863)</u>	<u>5,761,139</u>	<u>720,276</u>	<u>(1,165,165)</u>	<u>1,885,441</u>
Net Change in Fund Balances	\$ <u>(3,567,801)</u>	\$ <u>15,732,975</u>	\$ <u>12,165,174</u>	\$ <u>(3,605,667)</u>	\$ <u>15,783,241</u>
Fund Balances--January 1	<u>\$ 8,437,080</u>				
Fund Balances--December 31	<u>\$ 4,869,279</u>				

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Statistical Section (unaudited)

This section of the Poudre Fire Authority comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health.



Firefighters practicing Bailout Skills

Financial Trends – These schedules contain trend information to help the reader understand how the Authority’s financial performance and well-being have changed over time.

Net Position by Component.....	61
Changes in Net Position	62
Fund Balances, Governmental Funds	63
Changes in Fund Balances.....	64

Revenue Capacity – This schedule contains information to help the reader assess the Authority’s most significant local revenue source – Intergovernmental Revenue.

Revenues by Source, Governmental Funds	65
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Debt Capacity – This schedule presents information to help the reader assess the affordability of the Authority’s current levels of outstanding debt and its ability to issue additional debt in the future.

Ratio of Outstanding Debt by Type.....	66
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Demographic and Economic Information – These schedules offer demographics and economic indicators to help the reader understand the environment within which the Authority’s financial activities take place.

Demographic and Economic Statistics.....	67
Principal Employers – City of Fort Collins	68
Full-time Equivalent Authority Employees by Function/Program	69

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the Authority financial report relates to the services the Authority provides and the activities it performs.

Operating Indicators by Function/Program.....	70
Capital Asset Statistics by Function/Program.....	71

Net Position by Component (in thousands)
 Last Ten Fiscal Years
(accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 19,661	\$ 20,783	\$ 20,892	\$ 19,664	\$ 19,397	\$ 19,809	\$ 27,351	\$ 30,403	\$ 30,263	\$ 29,703
Restricted	-	816	292	394	628	757	1,210	706	396	542
Unrestricted	7,109	6,812	7,751	9,101	10,425	12,178	10,410	12,126	16,082	19,855
Total governmental activities net position	\$ 26,770	\$ 28,411	\$ 28,935	\$ 29,159	\$ 30,450	\$ 32,744	\$ 38,971	\$ 43,235	\$ 46,741	\$ 50,100

Changes in Net Position (in thousands)
 Last Ten Fiscal Years
 (accrual basis of accounting)

Exhibit B

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities										
Administration	\$ 3,270	\$ 2,409	\$ 2,456	\$ 2,639	\$ 2,358	\$ 2,572	\$ 2,444	\$ 3,620	\$ 3,225	\$ 2,311
Operations	17,740	20,124	21,293	21,921	22,022	22,760	21,609	22,444	23,317	24,258
Support	-	-	-	-	-	-	2,393	2,487	4,608	6,080
Fire Prevention/Community Safety Service	1,202	1,211	1,166	1,715	1,814	1,990	2,353	4,672	2,964	2,698
Total governmental activities expenses	22,212	23,744	24,915	26,275	26,194	27,322	28,799	33,223	34,114	35,347
Program Revenues										
Governmental activities										
Charges for services	616	882	1,062	1,197	1,665	1,667	1,844	1,632	1,793	1,299
Operating grants & contributions	20,986	23,782	23,590	24,202	23,930	27,705	31,376	30,225	31,581	33,025
Capital grants and contributions	950	535	535	897	1,447	-	1,626	5,117	3,484	3,372
Total governmental activities program revenues	22,552	25,199	25,187	26,296	27,042	29,373	34,846	36,974	36,858	37,696
Net (expenses) revenue										
Governmental activities	340	1,455	272	21	848	2,050	6,046	3,751	2,744	2,349
General revenues										
Investment earnings	129	151	113	13	151	153	64	170	284	628
Sale of equipment	-	-	-	-	-	-	37	-	13	4
Miscellaneous revenue	231	80	139	189	292	92	79	344	465	377
Transfers, net	-	-	-	-	-	-	-	-	-	-
Total governmental activities	360	231	252	202	443	245	180	514	762	1,009
Change in net position										
Total governmental activities	\$ 700	\$ 1,686	\$ 524	\$ 223	\$ 1,291	\$ 2,295	\$ 6,226	\$ 4,265	\$ 3,506	\$ 3,358

Fund Balances, Governmental Funds (in thousands)
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Exhibit C

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 345	\$ -
Restricted	-	816	292	394	627	757	1,210	705	396	542
Committed	-	-	-	-	-	-	936	971	1,027	1,132
Assigned	787	923	1,643	1,236	1,271	1,468	87	356	251	5,572
Unassigned	1,516	2,151	2,099	3,054	4,150	4,568	5,439	6,187	7,637	9,452
Total General Fund	\$2,303	\$3,890	\$4,034	\$4,684	\$6,048	\$6,793	\$7,672	\$8,219	\$9,656	\$16,698
All Other Governmental Funds										
Restricted	-	-	-	-	-	-	-	-	-	-
Assigned	6,448	5,413	5,649	6,389	6,654	7,811	5,440	6,168	8,437	4,869
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Other Governmental Funds	\$6,448	\$5,413	\$5,649	\$6,389	\$6,654	\$7,811	\$5,440	\$6,168	\$8,437	\$4,869

Changes in Fund Balances, Governmental Funds (in thousands)

Exhibit D

Last Ten Fiscal Years

(modified accrual basis of accounting)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenues										
Intergovernmental	\$ 21,936	\$ 24,020	\$ 23,856	\$ 24,938	\$ 25,377	\$ 27,476	\$ 32,839	\$ 35,113	\$ 34,916	\$ 36,537
Fees and charges for services	439	689	1,083	1,197	1,491	1,667	1,726	1,549	1,620	741
Earnings on investments	129	151	113	13	151	153	64	170	284	628
Licenses and permits	176	193	248	161	174	229	162	213	237	249
Miscellaneous revenue	91	80	133	124	292	92	198	428	550	554
Total Revenues	22,771	25,133	25,433	26,433	27,485	29,617	34,989	37,473	37,607	38,710
Expenditures										
Operations	17,193	18,421	19,913	20,110	20,548	21,355	18,816	20,535	21,548	22,286
Administration	1,952	1,954	2,143	2,346	1,984	2,132	2,109	3,083	2,628	2,235
Support	-	-	-	-	-	-	4,027	4,606	4,938	5,721
Community Safety Service	1,160	1,201	1,151	1,714	1,803	1,931	2,241	2,509	2,960	2,694
Grant projects	176	447	46	218	118	156	220	158	122	1
Capital outlay	2,107	2,324	1,571	489	1,180	1,906	8,871	3,184	1,718	2,302
Debt Services:										
Principal retirement	114	119	123	128	134	139	145	2,041	-	-
Interest	120	116	111	106	101	95	89	84	-	-
Total expenditures	22,822	24,582	25,058	25,111	25,868	27,714	36,518	36,199	33,915	35,239
Excess (deficiency) of revenues over (under) expenditures	(51)	551	375	1,322	1,617	1,903	(1,529)	1,275	3,692	3,471
Other financing sources (uses)										
Proceeds from sale of capital assets	230	-	7	65	14	-	37	-	13	4
Transfers in	119	296	870	-	-	1,227	1,227	582	870	5,675
Transfers out	(119)	(296)	(870)	-	-	(1,227)	(1,227)	(582)	(870)	(5,675)
Total other financing sources (uses)	230	-	7	65	14	-	37	-	13	4
Net change in fund balances	\$ 179	\$ 551	\$ 382	\$ 1,387	\$ 1,631	\$ 1,903	\$ (1,492)	\$ 1,275	\$ 3,705	\$ 3,475

Revenues by Source, Governmental Funds (in thousands)

Exhibit E

Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal Year	City of Fort	PVFPD	FEMA - OEM	NCRCN Radio Maintenance	Grants	City FC - Cpt Exp Fee - Station 4	Total Intergovernmental Revenues
	Collins					Lease/Purchase	
2010	17,228	4,119	14	147	180	234	21,922
2011	18,812	4,466	18	114	376	234	24,020
2012	19,101	4,335	29	124	32	234	23,856
2013	19,885	4,335	14	134	336	234	24,938
2014	20,574	4,404	15	149	1	234	25,377
2015	22,081	4,921	14	149	77	234	27,476
2016	23,882	8,438	14	229	42	234	32,839
2017	29,062	5,730	15	233	73	234	35,347
2018	27,940	6,686	15	6	269	-	34,916
2019	29,824	6,806	-	-	-	-	36,630

Note: Poudre Fire Authority, a consolidated fire department composed of the City of Fort Collins and the Poudre Valley Fire Protection District (PVFPD), receives the majority of its revenue from these two sources. In 2019, the City of Fort Collins contributed 81.42% of PFA general fund revenue from its property tax and sales and use tax revenue and KFCG sales tax initiative. The PVFPD contributed 18.58% of PFA general fund revenue from its property tax and specific ownership tax (2016 included District capital contribution and Timnath TIF funds for Station 8 staffing and construction). The Poudre Fire Authority does not have legal status to issue bonds.

Ratio of Outstanding Debt by Type

Exhibit F

Last Ten Fiscal Years

in thousands

Fiscal Year	Capital Leases	Personal Income	Percentage of Personal Income	Per Capita
2010	2,831	11,428,613	0.0248%	0.016
2011	2,713	12,201,220	0.0222%	0.015
2012	2,589	12,826,581	0.0202%	0.014
2013	2,461	13,545,018	0.0182%	0.013
2014	2,327	14,126,667	0.0165%	0.012
2015	2,188	15,116,879	0.0145%	0.011
2016	2,043	16,019,414	0.0128%	0.010
2017	-	N/A	N/A	-
2018	-	N/A	N/A	-
2019	-	N/A	N/A	-

Notes:

- Personal Income provided by the Bureau of Economic Analysis.
- In 2007 PFA procured a lease purchase under the debt authority of the PVFPD to build a replacement fire station, and this lease purchase is being repayed using the City of Fort Collins' Capital Expansion fee for Fire. For accounting purposes, this lease is a capital lease. PFA prepaid the lease purchase debt in December, 2017, saving \$450,000 in interest payments.
- The PFA is an independent government entity formed by the City of Fort Collins and the Poudre Valley Fire Protection District, and by itself does not have legal status to issue bonds. The Authority does not have a debt limit; it can incur debts, liabilities, or obligations, provided that no debt, liability or obligation shall constitute a debt, liability or obligation of either the City or the District. Aside from the lease purchase mentioned above, the Authority's policy has been to replace or acquire equipment, apparatus or real property on a cash basis.

Demographic and Economic Statistics
Last Ten Fiscal Years

Exhibit G

Calendar Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate	Denver-Aurora-Lakewood CPI-U	Fort Collins Residential Building Permits
2010	178,852	11,428,613	63,900	7.4%	212.4	266
2011	182,975	12,201,220	66,682	6.8%	220.3	431
2012	184,669	12,826,581	69,457	6.4%	224.6	508
2013	187,788	13,545,018	72,129	5.4%	230.8	670
2014	192,405	14,126,667	73,422	4.2%	237.2	802
2015	195,694	15,116,879	77,248	3.5%	240.0	558
2016	198,955	16,019,414	80,518	2.2%	248.1	589
2017	206,206	16,724,268	81,105	2.4%	248.7	649
2018	209,588	17,819,200	85,020	2.3%	254.7	414
2019	212,931	18,602,300	87,363	2.0%	267.4	434

Note: Information for personal income and unemployment rate is based on the Fort Collins/Loveland regional area.

Source: Personal income and per capita personal income provided by the Bureau of Economic Analysis. Information is updated regularly and is subject to change. Unemployment rate provided by the Colorado Department of Labor and Employment. Population is a compilation from the City of Fort Collins Planning Department population figure and estimate from Poudre Valley Fire Protection District population. CPI-U is provided by the US Bureau of Labor Statistics - Denver, Aurora, Lakewood area is the nearest region.

Principal Employers - City of Fort Collins
2019 and Ten Years Ago

Exhibit H

<u>Employer</u>	Fiscal Year 2019			Fiscal Year 2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Colorado State University	7,600	1	7.4%	6,755	1	7.8%
Poudre R-1 School District	4,400	3	4.3%	3,929	2	4.5%
UC Health: Poudre Valley Hospital	5,400	2	5.3%	2,832	3	3.3%
City of Fort Collins	2,200	4	2.1%	1,795	5	2.1%
Larimer County	2,000	5	2.0%	1,975	4	2.3%
Broadcom (Avago)	1,200	7	1.2%	656	9	0.8%
Woodward Inc	1,400	6	1.4%	994	8	1.1%
Department of Agriculture	1,000	8	1.0%			
Otter Products, LLC	900	9	0.9%			
Hewlett Packard				1,524	6	1.8%
Anheiser Busch				609	10	0.7%
Center Partners				1,081	7	1.2%
Total	26,100		26.3%	22,150		25.6%

Source 2019: City of Fort Collins CAFR

Source 2009: City of Fort Collins CAFR (2010 data is not available)

Full-time Poudre Fire Authority Employees by Function/Program
Last Ten Fiscal Years

Exhibit I

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<u>Administration</u>										
Admin Secretary I	-	-	1	1	1	1	-	-	-	-
Admin Secretary II	1	1	1	1	1	1	1	1	-	-
Accounts Payable Rep	-	-	-	-	-	-	1	1	1	1
Planning & Data Analysis	-	-	-	-	-	-	-	-	1	1
Admin Assistant	1	1	1	1	1	1	1	2	2	2
Admin Asst & Board Coord	-	-	-	1	1	1	1	1	1	1
Budget Coordinator	1	1	-	-	-	-	-	-	-	-
Senior Budget & Board Coordinator	-	-	1	1	1	1	-	-	-	-
Captain II	1	1	1	2	2	1	-	-	-	-
HR & Policy Admin	1	1	1	1	1	1	1	1	1	1
Finance & Budget Supervisor	-	-	-	-	-	-	1	1	1	1
Employee & Labor Relations Mgr.	-	-	-	-	-	-	-	-	-	1
IT Analyst	1	1	1	1	1	-	-	-	-	-
Battalion Chief (staff)	-	-	-	-	-	-	1	1	1	1
Admin Service Director	1	1	1	1	1	1	1	1	1	1
Division Chief A	-	-	-	1	1	1	1	1	-	-
Fire Chief	1	1	1	1	1	1	1	1	1	1
<u>Community Safety & Service</u>										
Admin Secretary I	-	-	-	-	-	-	2	2	-	-
Admin Secretary II	1	1	1	1	1	1	1	1	3	3
Admin Assistant	1	1	1	1	1	1	1	-	-	-
Fire Prevention Tech - NR*	-	-	-	-	-	-	-	-	2	2
Asst Fire Marshal-NR*	2	2	2	2	2	2	2	2	1	-
Public Education Coord.	-	-	-	-	-	-	1	1	2	1
40 Hour Firefighter	2	2	2	2	2	2	2	2	3	2
CSS/Bureau 1	-	-	-	-	-	-	-	-	3	3
Captain II	2	2	3	3	3	3	2	2	2	2
Public Affairs/Communications Mgr	-	-	-	-	-	-	1	1	1	1
Emer Mgt Specialist	-	-	-	1	1	1	1	1	1	-
Battalion Chief/Emer Mngr	-	-	-	1	1	1	2	2	2	1
Division Chief A	1	1	1	1	1	1	1	1	1	1
<u>Support</u>										
Admin Secretary II	1	1	1	1	1	1	1	1	1	1
Fleet Maintenance Tech	-	-	-	-	-	2	3	3	2	2
Fleet Maintenance Supervisor	-	-	-	-	-	-	-	-	1	1
IT Support Specialist	-	-	-	-	-	1	1	1	1	1
GIS Programmer Analyst	-	-	-	-	-	1	1	1	1	1
Support Position	-	-	-	-	-	-	-	-	1	-
IT Analyst	-	-	-	-	-	1	1	2	2	2
EMS Coordinator	-	-	-	-	-	1	1	1	1	-
IT Manager	-	-	-	-	-	-	-	1	1	1
Captain II	-	-	-	-	-	4	4	3	4	5
Battalion Chief I (staff)	-	-	-	-	-	2	2	3	3	3
Division Chief A	-	-	-	-	-	1	1	1	1	1
<u>Operations</u>										
Admin Secretary II	2	2	2	1	1	-	-	-	-	-
Fleet Maintenance Tech	1	1	2	2	2	-	-	-	-	-
EMS Coordinator	1	1	1	1	-	-	-	-	-	-
GIS Mapping Technician	1	1	1	1	1	-	-	-	-	-
Introductory Firefighter	2	7	12	7	10	12	15	14	2	5
Firefighter I, Tech I	-	-	-	-	-	-	15	18	-	-
Firefighter II	-	-	-	-	-	-	2	-	-	-
Firefighter /Driver Operator	85	87	87	91	89	90	73	82	112	114
Firefighter II, FIC	6	6	6	6	6	6	6	3	-	-
40 Hour Firefighter	1	1	1	1	1	-	-	-	-	1
Captain I	38	38	39	39	39	39	42	42	42	42
Captain II	5	5	3	3	3	1	1	1	1	1
Battalion Chief I (shift)	3	6	6	6	6	6	6	6	6	6
Battalion Chief I (staff)	3	3	3	2	2	-	-	-	-	-
Division Chief A	1	1	1	1	1	-	-	-	1	1
Total Fire Personnel	167	177	184	186	186	190	201	209	214	215

Note: Full-time positions are based on approved and budgeted positions. The data includes all approved full-time positions, including exempt and non-exempt. The data does not include part-time or volunteer positions or vacancies.
Source: Poudre Fire Authority Budget Document

Operating Indicators by Function/Program
Last Ten Fiscal Years

Exhibit J

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fire Operations										
Fires/Explosions	390	400	449	379	339	373	348	362	321	295
Rescue / EMS	10,207	11,401	11,799	12,426	13,397	14,120	14,772	14,535	13,824	14,460
Hazardous Condition - no fire	307	400	341	347	371	468	506	550	605	496
Service Call	752	813	904	738	732	755	847	1,148	1,396	1,941
Good Intent Call	1,617	1,263	1,201	1,298	1,529	2,052	3,087	4,152	4,416	3,395
False Alarms / False Calls	1,059	1,218	1,192	1,256	1,241	1,293	1,409	1,401	1,340	1,221
Other Requests for Service	30	51	50	31	37	39	59	49	65	131
Total Calls	14,362	15,546	15,936	16,475	17,646	19,100	21,028	22,197	21,967	21,939
Support Services										
Square footage of buildings maintained	154,729	154,729	154,729	154,729	154,729	155,869	170,178	170,178	170,178	170,178
Community Safety & Services										
Fire Investigations	108	143	152	144	142	126	132	140	127	273
Building Plan Reviews	309	303	380	355	429	402	374	379	420	262
Business Inspections	2,364	1,887	4,469	3,880	4,586	5,156	5,180	6,846	5,049	6,091
Fire System Permits/Plan Reviews	304	296	260	220	467	459	506	516	481	428
Car seat checks	354	340	382	361	366	336	320	314	100	128
Public Education Contacts (all ages)	15,952	13,776	12,313	12,380	15,494	18,605	8,410	11,456	8,451	6,469
Training Operations										
Training Hours (Career Firefighters)	31,312	33,100	46,758	42,878	48,861	45,682	51,708	51,708	32,715	33,400
Company Training Hours (Career)										

Source:

Poudre Fire Authority Annual Reports

Clarification:

Business Inspections, PFA employs three inspectors that complete both the general and fire suppression inspections of all commercial buildings within PFA's jurisdiction.

Public Education Contacts (all ages) - In 2016, a drop from 2015 to 2016 in the overall number of people educated was shown. That was due to two things: the team has committed to saying "no" to events in which the team does not have meaningful, educational interactions with attendees, and because of a change to recording "meaningful interactions," versus the estimated number of total attendees at a given event. 2017 and 2018 data reflects community member interactions with PFA staff.

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Exhibit K

Function/Program	Fiscal Years											
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Administration												
Headquarters Building		1	1	1	1	1	1	1	1	1	1	1
Phone System		1	1	1	1	1	1	1	1	1	1	1
Staff Vehicles		2	2	2	2	3	2	2	2	2	2	3
Fire Operations												
Air Truck		1	1	1	1	1	1	1	1	1	1	1
Antique Apparatus		2	2	2	2	2	2	2	3	3	3	3
Battalion Chief Response Vehicle		2	2	3	3	3	3	3	3	3	3	3
Collapse Truck (Tech Rescue Equipment)		-	-	-	-	1	1	1	1	1	1	1
Command Post		1	1	1	1	1	1	1	1	1	1	1
Customer Assistance Response Team Vehicle		-	1	1	1	1	1	1	1	1	1	1
Dispatch Consoles		2	2	2	4	4	4	4	4	4	4	4
Draft Commander		-	-	-	-	-	-	-	-	1	1	1
Engines		17	18	16	16	15	15	15	15	15	15	17
Fire Stations		13	13	13	13	13	13	13	13	13	13	13
Hazardous Materials Squad		1	1	1	1	1	1	1	1	1	1	1
Mechanic Truck		1	1	1	1	1	1	1	-	-	-	-
Roving Alternative Medical Unit		-	-	-	-	-	-	-	-	-	1	1
Rehab Bus (EMS Rehab for PFA responders)		1	1	1	1	1	1	1	1	1	1	1
Staff Vehicles		11	11	14	14	12	14	14	9	9	9	8
Tender (water)		3	3	3	3	3	4	4	4	4	4	4
Tower/Ladder Trucks		4	5	4	4	4	4	4	4	4	4	4
Training Facility Buildings		2	2	2	2	2	2	2	2	2	2	-
Warehouse Truck		1	1	1	1	1	1	1	1	1	1	7
Wildland Units		6	6	7	7	7	7	7	7	7	7	1
Zodiac Boat and trailer		-	-	-	-	1	1	1	1	1	1	1
Community Safety & Services												
Staff Vehicles		7	7	7	7	9	10	10	14	14	12	7
Plotter		-	-	-	1	1	1	1	1	1	1	1
Moto Electric Vehicle		-	-	-	-	-	-	-	-	1	1	1
Fire Safety House		1	1	1	1	1	1	1	1	1	1	1
Support												
Staff Vehicles		-	-	-	-	-	-	-	11	11	11	12
Mechanic Truck		-	-	-	-	-	-	-	1	1	1	1
Telehandler		-	-	-	-	-	-	-	-	-	1	2
John Deere Backhoe		-	-	-	-	-	-	-	-	-	1	1
Bobcat		-	-	-	-	-	-	-	-	1	1	1
Warehouse Truck		-	-	-	-	-	-	-	-	-	-	1
		80	83	85	88	90	93	93	103	107	108	106

Source: PFA Budget Office